

Immigration Settings

Focus group/interview evaluation

Prepared for the Productivity Commission by
Kathy Spencer

October 2022

Contents

Summary of key points	3
Context	4
Performance Measures	6
Process management	6
Engagement	6
Focus of the inquiry	9
Quality of the work	12
Delivery of message	13
Overall quality of the inquiry	14
Impact Measures	16
Impact on policies and behaviours	16
Generating discussion and debate	17
Lifting the standards	17
A resource and a reference	17

Summary of key points

How did the Commission perform?

In general, focus group participants thought that the Commission's work on the immigration inquiry was of a very high standard. For the most part, participants supported the final report and its recommendations, especially the proposal for an Immigration Government Policy Statement.

The Commission's process, engagement, and delivery of message all received very positive comment. The majority of participants welcomed the new, shorter 100-page format of the final report, commenting that it provided adequate detail for their purposes, with nothing being lost.

Several people commented positively on the data made available through the inquiry and the analysis of that data by industry and time period. The Commission's work was seen as very helpful for understanding immigration patterns and the impact of immigration on the labour market.

There were some reservations and criticisms expressed about a number of other aspects of the Commission's work, including comment that it: lacked the depth of analysis usually seen in the Commission's work; was too narrowly focused; and that it didn't adequately acknowledge the impact of immigration policy on foreign relations.

A minority expressed the view that the immigration system was broken and in need of a major overhaul. They felt that the Commission's inquiry had been an opportunity to articulate a long-term vision for immigration policy settings, but it had not done so.

What will the impact be?

While participants were keen to see the inquiry recommendations implemented, many were sceptical that would happen. They noted that the Government had announced its rebalancing decisions three weeks before the final inquiry report was released, and the decisions seemed to cut across what the Commission had proposed.

These developments led some to question how much influence the Commission's report would ultimately have.

Participants were however confident that the inquiry would serve as a reference and a resource in future. Several people were already using the material in their ongoing work, eg. to argue for future policy changes, lobby for the inquiry recommendations to be implemented, or create resources for members.

Whether people were enthusiastic or disappointed about this particular inquiry, there was unanimous and strong support for the Commission's ongoing work.

Context

In April 2021, the Government asked the Productivity Commission to conduct an inquiry into what immigration policy settings would best facilitate New Zealand's long-term economic growth and promote the wellbeing of New Zealanders.

The Commission called for submissions on an issues paper in June 2021 and met with interested groups before releasing its preliminary findings and recommendations in November. The final inquiry report, *Immigration – Fit for the future*, was released on 31 May 2022.

This focus group report forms part of the Commission's independent evaluation of the inquiry which also includes an online participant survey and an independent expert evaluation.

For this part of the evaluation, twelve people were asked to give their views on the Commission's performance in carrying out its immigration inquiry. The focus group process included some individual interviews, and two small group sessions during September 2022. The following people took part:

Marisa Bidois	Restaurant Association of NZ
Ewan Kelsall	Federated Farmers
Rachel Simpson	BusinessNZ
Nid Satjipanon	Human Rights Commission
Mike Treen	Unite Union
Sue Gasquoine	NZNO
Jason Cushen	University of Otago
Karena Brown	E tu
Arunima Dhingra	Aims Global
Suzannah Jessep	Asia New Zealand Foundation
David Wang	Migrant Investor and Entrepreneur Association
Dennis Maga	FIRST Union

The focus group sessions and interviews were conducted with reference to the Commission's six performance measures:

- **Good process management** - the timeliness and quality of the inquiry process;
- **Effective engagement** - the quality of engagement with interested parties;

- **Right focus** - the relevance and materiality of the final inquiry report in meeting the Terms of Reference;
- **High quality work** - the quality of the analysis, use of evidence, findings and recommendations in the final report;
- **Clear delivery of messages** - how well the work was communicated and presented in the final report; and
- **Overall quality** - the overall quality of the inquiry taking into account all factors.

Participants were also asked to assess performance against the Commission's four impact measures:

- Policies and behaviours change as a result of the immigration inquiry work;
- Discussion and debate is generated on the inquiry's findings and recommendations;
- The inquiry helps set or lift the standard in New Zealand for high quality analysis and advice on immigration settings and policy; and
- The inquiry report will serve as a resource and reference in the future.

This report presents the views expressed by focus group participants and interviewees from the wide range of organisations listed above.

Immigration can be a divisive topic to investigate and for people to discuss within a focus group setting. It is worth noting that participant views on the inquiry did not split neatly into different camps according to whether participants came to this exercise predisposed to either encourage or discourage immigration. Instead, many comments about the Commission's performance on this inquiry were consistent across participants, regardless of the organisation represented.

Performance Measures

Process management

All participants thought that the Commission's process had worked well.

When providing input to the inquiry, focus group members had been given the opportunity to comment at multiple stages. The Commission had provided them with both the information they needed, and enough time to participate effectively:

"We enjoyed the discussion. Calling for a second round of submissions was a good way to ensure no-one was left behind."

One participant commented that trying to do an inquiry at this time, during the pandemic, was always going to be ambitious. Another thought that the Commission had done well to get the inquiry completed in a year through a tough period.

In terms of possible improvements, it was suggested stakeholders could have been involved in the scoping/socialisation phase of the inquiry. That would have helped to get the most out of the inquiry, for example, by ensuring it was broad enough.

Comment was made about disruption to the inquiry process due to the high level of staff turnover within the Commission at the time. Some thought this had impacted the continuity of relationships with Commission staff, caused delays in progressing the inquiry, and raised concerns about the loss of institutional knowledge.

Another person who commented on this thought that, unfortunately, events in the Commission had taken attention away from the inquiry. Also, the impression created by people leaving the Commission had done some damage to the organisation's credibility.

Some people commented on other policy processes running in parallel that made the inquiry process more difficult. These issues are covered under *Focus of the inquiry* below (see p11).

Engagement

One group member commented that this Government is not known for the quality of its engagement on policy proposals, but that the Commission's work was an exception:

"This was the most solid piece of consultation I have seen in a long time."

"Certainly, the submissions reflected a wide range of organisations."

People who had been involved in face-to-face and Zoom meetings said the meetings had worked well and that staff at the Commission were both highly competent and good to deal with.

Another person said that his engagement with the Commission over the report had been excellent. Where he had disagreed or didn't understand something, the Commission did a good job of explaining and taking his input on board.

The Commission's engagement process was contrasted with the reference groups that are often used to gain stakeholders views, by MBIE for example. One participant commented that the Commission's approach brought out the views of a wide range of members of different organisations rather just the views of a few individuals on a reference group.

One person said he had only found out about the inquiry because someone in the office happened to see it mentioned in the Commission's newsletter. He hadn't seen any other communications about it and thought it should have been better publicised.

Breadth of the engagement

While most people agreed that the engagement was very good, some participants felt that the consultation process could have reached further and captured more voices:

"I felt the engagement was very good – I just wondered whether everyone had a chance to be involved."

For example, one person mentioned that some of the smaller unions could have made useful contributions but didn't appear to have been included.

Another mentioned that, ideally, the engagement would have involved a wider range of overseas business interests including fund managers, investors in NZ-based SMEs and listed companies, and the philanthropic sector. Potentially, these parties could have been brought together in one group to engage.

One participant thought it very important for migrants themselves to be engaged in the process, but he hadn't seen evidence of that, nor any surveys of migrant groups.

He suggested that the use of different languages (eg. Chinese) could have helped to get better engagement of migrants to inform policy-making.

Understanding the situation of migrants

Although they were glad of the opportunity, some group members commented on the difficulties of engaging on a Commission inquiry.

For one person, their job meant that they saw the consequences of our immigration settings on a daily basis, dealing with practical matters like staff not being able to get their families into the country.

Switching from this level of interaction with immigration to engaging on the inquiry at a completely different, strategic level was a challenge that took a lot of energy.

While their engagement with the Commission was appreciated and useful, one person noted that the Commission staff were male and “not at all ethnically diverse”.

They were doubtful as to whether the Commission fully appreciated the nature of the migrant population and their very different cultural backgrounds. The inquiry was happening at a very challenging time for migrants:

“Immigration can be a soul-destroying experience, especially dealing with family separation.”

There was a sense from some participants that the Commission didn’t always recognise the more human or personal impacts of immigration policies.

Engaging the membership of representative bodies

One focus group member stressed the importance of the Commission reaching out to representative bodies and, through them, involving as many people as possible in providing input. However, they noted there were a lot of barriers to doing that.

For that representative body, creating feedback opportunities for its members was quite time-consuming. Because the issues paper was quite formidable for their members, they had translated a large Commission document into plain English:

“Anything that can be done to simplify the material makes it easier for our busy members.”

When asked about this, another person from a representative body said she had not needed to prepare her own material for use with members. Instead, she had sent out the issues paper with certain questions highlighted. She had then held a series of conversations with members and gained individual perspectives of migrant workers.

Given the diverse audience for an inquiry like this, she felt that it needed to be her job to pick out matters that were relevant for her members.

Once input was collected from members, presenting it in a useful format for the Commission was a further challenge commented on by one participant.

Focus of the inquiry

There was a lot of support for the Commission's final report and the findings and recommendations it put forward:

"This was an essential investigation and it was covered well."

One participant noted there had been quite a shift between the preliminary and final reports, but that:

"The final report landed in the right place."

The inquiry report, according to one group member, had provided medium and long-term solutions that contrasted with the Government's 'band-aid' or short-term responses to immigration issues.

Another focus group member thought that the inquiry had reinforced an overdue need for our immigration settings to be simplified. This didn't come so much from the inquiry itself, but from individuals describing the application process, visa criteria and so on:

"It seems to be atrociously complex."

"If the inquiry achieves simplification that will be excellent."

The immigration system is broken

While many participants were complimentary about the final report and its recommendations, a minority had been quite disappointed.

Two people commented that our immigration system was broken and that a major immigration overhaul was needed to set out the part that immigration should play in the bigger picture, and to develop a strategy and plan to achieve it. The inquiry had been an opportunity to deliver that, but it hadn't done so:

"The permanent immigration system remains broken. We have to avoid repeating the mass temporary migration of the past. What system should we have going forward?"

"Neither recent changes to immigration policy nor the inquiry had articulated a long-term vision for immigration policy settings."

Breadth of the inquiry

Some thought that the inquiry's focus had been too narrow.

One aspect in which the report was thought to be too narrow was in the range of migrant categories focussed on by the Commission.

The inquiry was supposed to be about working-age immigration settings, defined broadly to include “temporary work visas, residence visas, student visas, investor and entrepreneur visas, and immigration that is the result of other working-age immigration (eg, partners, parents and dependent children)”.

However, one participant commented that, in practice, it had a narrower scope that focused on work visas. The inquiry report would have been more useful had it delivered on the wider scope indicated in the Terms of Reference.

There was a second aspect in which the inquiry was seen as too narrow by one interviewee:

“I felt that the review itself took an almost exclusively economic reading.”

This person felt that the inquiry treated migrants as a pool of ‘short-term optional economic units’, used to plug gaps and make money for NZ businesses and the education sector. The many submissions with an international focus had reflected a much broader view of the importance and role of immigration, but they didn’t think this had come through into the final report.

“We [my organisation] felt that the Terms of Reference recognised a much wider range of factors that are critical for the two-way movement of people.”

Impact on foreign relations

Following on from those comments, one person felt that the impact of NZ’s immigration settings on our international relations was not adequately recognised in the Commission’s report.

In their view, NZ was seen by other countries as being anti-immigrant – an attitude that can have a very negative impact on international relations, undermining the good work done by MFAT and other agencies.

Whether MBIE or the Commission fully understood that was questioned:

“NZ is in a competitive environment and the wider regional environment is becoming more difficult. We can’t afford to have MBIE being the tail wagging the NZ dog.”

To address these concerns, it was suggested that the proposed Government Policy Statement should reflect the important impact of immigration on our foreign relations.

Pre-determined and ideologically-driven?

There were some comments to the effect that the inquiry had a pre-determined outcome, delivering what the government wanted rather than being a truly independent piece of work.

Some focus group participants said that they expected a greater degree of independence from the Productivity Commission (compared with a core government department like MBIE for example) and they didn't see that on this occasion:

"The credibility of the Commission, in terms of its independence, will need to be re-built."

One participant had felt from the beginning that the inquiry was ideologically-driven. This person made the same observation about the review of vocational education, saying:

"It felt like hitting your head against a brick wall."

Meshing with other policy processes

Several comments were made about the fact that multiple processes were running at the same time which tended to muddy the waters of the inquiry.

The closed border, student visas being on pause, decisions on temporary work visas, and the concurrent reforms happening in the vocational education sector, all contributed to a confusing and complex set of moving parts.

A number of people questioned the timing of the government's rebalancing announcement that came out on 11 May, only three weeks before the Commission's final report was released:

"The timing was off."

Participants also noted a disconnect between the inquiry and the Government's rebalancing announcements which seemed to contrast with, rather than support the Commission's report.

The timing and the content of the rebalancing led some to question how relevant the Commission's report would be, whether it would end up in a bottom drawer, and whether the time they had put into the inquiry had been worthwhile.

It appeared that MBIE was continuing to progress policy as a closed shop while the Commission was calling for more transparency and seeking a wide range of views.

The comment was that it would've been better if the Government had waited and taken account of the Commission's report in formulating the rebalancing decisions.

An alternative suggestion on timing was:

"It might have been better to have the Commission's report in 2023, separate from the interim changes made by the Government."

Quality of the work

In general, comments about the quality of the Commission's work were very positive:

"It's a fantastic report."

In terms of the individual recommendations, there was a lot of support for the proposal for a Government Policy Statement. A number of people felt that the Statement would make policy transparent when immigration has been such a closed-door business, and provide a concrete basis for challenging what is happening on the ground:

"The Government Policy Statement recommendation is really important to get immigration policy out in the open."

The recommendations as a whole were supported by most participants, with positive comment being made about recommendations specifically addressing:

- the ability of migrant workers to change employer
- the need for more support for migrant workers as they start work in the NZ environment
- proposals for more data and labour market modelling.

Quality of the data and analysis

Several people commented positively on the data made available through the inquiry. One participant talked about how difficult it was to analyse immigration patterns before the Commission put out information and analysis as part of the inquiry:

"... where we were in 2019, trying to understand the numbers was almost impossible. We used to be reliant on flow numbers and had to read multiple reports to analyse what was happening in the labour market."

"The Commission's report makes an enormous difference to our understanding."

"The way they analysed immigration by industry was really important for improving understanding."

"They managed to analyse different periods of time, including during the pandemic."

However, there were contrary views about quality, with one person saying:

"The Commission is known for in-depth, quantitative research but this wasn't evident here."

"The Commission has an excellent reputation so this felt like a lighter and more targeted approach, with a process that was quite different to what we've seen previously."

One person said that they couldn't always see where some of the findings and recommendations came from. At times there seemed to be a missing link, for example, when their submission said one thing and the Commission concluded the opposite, with no apparent explanation.

A comment from another focus group member was that the structure of employment seemed to be missing from the analysis. In particular, he would have liked to see some analysis and findings on Labour Hire firms, the different terms they offer to migrant versus local workers, and the impact that has.

Responding to a dynamic environment

While people were generally very positive, one person thought that the inquiry didn't say enough about how immigration should respond to a changing environment, including when other countries change their settings, eg. to attract students:

"It's a robust piece of work but it lacks the agility to keep up with a changing environment."

There were also references to the interaction between immigration policy and the vocational education system which was undergoing major change:

"You can't address productivity without engaging closely with education and training processes."

The Commission had pointed out the importance of these links but its report didn't fully reflect or account for what was happening in vocational education sector, making it less useful.

Delivery of message

Participants were generally positive about the material produced by the Commission in the course of this inquiry.

Most participants had found the *Overview* and *Immigration by the Numbers* very useful.

With respect to the final report, people commented that it was of very good quality: well set-out, made good use of boxes, graphs, charts and data, and was easy to read and navigate:

"I enjoyed reading the final report. It was fantastic to have the numbers separate and to see all the views of interested parties."

Another comment was that the Commission is doing a much better job of presenting complex information than many other agencies. The look of the report, how detail was

presented, and the audience-focus were all considered impressive, especially given the diversity of those interested in immigration.

Lack of media coverage

Several people had been disappointed by the lack of media coverage:

“There is a serious lack of awareness about the report.”

And some thought the Commission could have given it a stronger media push:

“Take a few bites out of the report and get them in the media.”

Since the report answered a lot of questions that had been in the media in recent years, one person had expected more political excitement and greater ownership of the inquiry report by the Government, as well as more media coverage.

Some queried whether the Commission should take a more active lobbying role. They felt that the Commission’s inquiries needed a sponsor to keep them alive and push for their implementation.

The 100-page final report

For the most part, focus group participants had liked the shorter, 100-page format of the final report.

One person said that the final report had definitely benefited from being shorter, with nothing being lost.

People appreciated the Overview, and the findings and recommendations sections, which enabled them to easily pick out the parts of the final report that were particularly relevant for them and their members.

However, not everyone favoured the Commission’s move to a shorter report format. One comment was that the people who are interested in the Commission’s inquiries appreciate the in-depth analysis and the level of detail that is usually produced:

“The Commission’s reports probably don’t have a broad reach; therefore, they don’t need to be short.”

Overall quality of the inquiry

Many participants thought the quality of the Commission’s work was very high overall, including the preliminary and final reports, the other supporting material, the process and the engagement:

“A very robust piece of work.”

“We disagreed with some points here and there but overall, it was very good.”

However, some people had been looking for the Commission to propose a major overhaul of the immigration settings:

“With the borders closed, this was a critical moment to take a good hard look at an immigration system that is broken.”

“While the recommendations were really useful and important, they lacked a compelling, driving single argument for a major overhaul.”

They thought that the Commission had done a reasonable job, but it was hampered by a narrow interpretation of the Terms of Reference, internal staff issues, parallel policy processes, and Covid.

One participant suggested the Commission could usefully do a second immigration inquiry. This would look at the labour market impacts of recent immigration policy changes, and the opening of the border, over the coming two years. It could also analyse what happens to migrant workers six months and two years post-immigration.

A number of people, including those who had been somewhat disappointed with this inquiry, voiced strong support for the ongoing work of the Commission:

“Keep on consulting us and other stakeholders. We fully support the Commission’s work.”

Impact Measures

Impact on policies and behaviours

All participants wanted the Commission's final report to have an impact on policies and behaviours, however, no-one felt fully confident that would happen:

"I haven't seen any changes based on the Commission's report so far, but hopefully that will happen."

"Hopefully the recommendations will be implemented but the rebalance doesn't show it."

"Immigration NZ isn't referencing the inquiry."

In terms of specific recommendations, one person commented that while the rebalance had made some changes to allow migrant workers some ability to change employers, there were still a lot of barriers to doing that.

People were looking for more acknowledgement of, and response to the inquiry from both the Government and MBIE. Decisions on sector workforce agreements and the Green List had cast doubt over how much influence the inquiry would have.

Translating advice into actual practices on the ground

One person thought that the government would pick and choose what it wanted from the report, which would reduce the inquiry's effect and usefulness. Next, MBIE would pick and choose what was actually implemented, further weakening the impact of the Commission's good work.

"Stakeholders say something loud and clear, and the Commission reflects that, but it loses its way at each stage after that."

One person planned to keep raising the Commission's recommendations with Ministers until they saw the recommendations taken on board.

Impact over the longer term

On a more positive note, it was acknowledged that work on immigration is ongoing and that there will of course be further policy changes and working groups to address particular issues in the future. Participants and their organisations planned to make good use of the Commission's inquiry, especially the data, in those ongoing processes.

Generating discussion and debate

In general, people were disappointed by the amount of discussion and debate generated by the inquiry.

“I haven’t seen much debate after the initial launch.”

“It’s a contentious area anyway, so I’m not sure the inquiry added much to that.”

“It was always going to be limited due to the narrowness of the report.”

Participants thought that the Commission’s final report needed and deserved wide distribution. Immigration tended to be seen more negatively than positively and the Commission’s report could help to change that.

The finding in the Commission’s report that immigration did not, on average, drive wages down was seen as particularly helpful to address a widespread misperception.

However, some were worried the report would “get lost on the shelves and gather dust”, with the focus switching to the immigration rebalance of 11 May.

Lifting the standards

There was general agreement that the Commission’s inquiry had lifted the standard of analysis and advice on immigration policy:

“Yes, most definitely the inquiry lifts the standard.”

“The report is of a higher standard than seen before.”

While one participant said that her organisation had always had good access to MBIE data, another was very appreciative of the data made available through the inquiry:

“It’s good to see data being available to everyone.”

Another perspective was that it was hard to know whether or not the inquiry lifted the standard. The prior analysis had been carried out by MBIE behind closed doors, so it wasn’t possible to compare it with what the Commission had produced.

A resource and a reference

All agreed that the Commission’s inquiry documents would be a reference and a resource in future:

“We will certainly use the report to help in understanding the labour market and when we make submissions on future immigration changes.”

Ongoing work that would likely benefit from the report and its findings included Regional Skills Leadership Groups, Workforce Development Councils and the development of Industry Transformation Plans.

A number of those outside government had already used the inquiry material in related work:

“We have already used the report to help put together a Select Committee submission and we will continue to use it.”

“Yes, they will be used as a resource and a reference. I intend to refer to the Commission’s report when arguing for policy changes.”

“Absolutely the research is becoming a source of direction for policy.”

The supplementary report, *Immigration by the Numbers*, was mentioned several times as a useful resource.

One participant had used the inquiry report to create resources, and progress projects for their members.

Another participant said they had already taken actions as a result of the report which had led directly to specific projects coming to fruition.

However, participants didn’t want the report to be just a reference: they wanted to see it actually used by MBIE and ministers to create policy.