



Submission by

**The Employers and Manufacturers  
Association (EMA)**

to the

**New Zealand Productivity Commission**

on the

**Immigration, productivity and wellbeing  
Issues Paper  
(For the preliminary report)**

27 August 2021

## **About the EMA**

The EMA has a membership of more than 7,500 businesses from Taupo north to Kaitaia that employ around 350,000 New Zealanders.

The EMA provides its members with employment relations advice from industry specialists, a training centre with more than 600 courses, and a wide variety of conferences and events to help businesses grow.

The EMA also advocates on behalf of its members to bring change in areas that can make a difference in the day-to-day operations, such as RMA reform, infrastructure development, employment law, skills and education and export growth.

## **Contact**

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## Introduction

The EMA supports the need to have a plan for New Zealand's immigration policy, skills needs, and workforce development in order to lift productivity and meet the needs of the New Zealand population: including businesses and employers.

## Comments

- Immigration plays an important role in the labour market of New Zealand, and the reset must be viewed in the context of the labour market and the skills system.
- Restricting the number of migrants is commonly viewed as the way to compel the private sector in increasing investment in training and upskilling, as well as technology and automation. The role of incentivising and assisting businesses in these goals must not be overlooked. This could be done in a number of ways including subsidies, tax write offs, and more.
- Training of people managers and team leaders on how to get the best out of their teams will increase productivity, as well as identifying skills matches and mismatches. Employers need to be supported in this, and policies developed to do so.
- Migrant welfare and the abolishment of modern slavery is a crucial topic, receiving increasing attention. Immigration policy should be alongside the resourcing of the Labour Inspectorate to properly identify, investigate, and enforce rules around safe workplaces, rather than suspect all employers of engaging in exploitation.

## Recommendations

The EMA recommends:

- Flexibility be at the centre of immigration policy. Inflexible and hard-to-change policy based on outdated data or perspectives should not remain as new information and needs are identified.
- That immigration policy is based on data and evidence. The need for migrant workers should be based the needs in the labour market and the market's ability to deliver. Decisions on policy should be based on this data.
- That the need in the labour market for 'low' and medium skilled workers is considered, as well as the costs of these roles not being filled when workers on shore are not filling these gaps.
- The immigration reset occurs alongside workforce development planning. The current reform of vocational education will pull levers to build longer-term skills in areas of need, but ongoing current needs must be met as they are identified in order not to stymie economic growth.
- That our immigration policy is viewed in the light of the global war for talent. Our policies and settings should be easy to understand, the system easy to navigate, and has a comparative (if not competitive) offer from that of our competitors for talent such as Australia and Canada.
- That the immigration reset should grant residency to overstayers.
- That language and policy around migrant workers causing problems in New Zealand in areas such as housing and disincentivising innovation (noted of page 12 as not factual) should not be iterated. This contributes to wider discrimination of migrants.

- Immigration policy should include checks that migrants are not overskilled for their roles in New Zealand.
- That the business community is involved in the setting of priorities.