



## *Presbyterian Support*

20/12/2021

To: The Productivity Commission

# Submission: Immigration, Productivity and Wellbeing

## Introduction:

Presbyterian Support is a Federation of seven regional organisations who have been supporting New Zealand's vulnerable communities for over 100 years, and for over seventy years serving older people specifically through Enliven services. Today Enliven services across Presbyterian Support Central, South Canterbury, Otago and Southland deliver Aged Residential Care (ARC) facilities to 1773 residents in 29 aged care homes across the lower North and South Islands. We have a stakehold in immigration and New Zealand's productivity and wellbeing, through our Enliven Aged Care facilities.

As a provider with values based in our Presbyterian heritage, we believe the overall objectives of the New Zealand immigration system should be to ensure the best possible outcomes for all people in New Zealand whether they live here permanently or temporarily. The system should treat all potential migrants equally and once here, as Pakeha New Zealanders, in accordance with Te Tiriti o Waitangi.

In the spirit of Te Tiriti, we would like the system to be supportive to both the productivity and wellbeing of New Zealanders, refugees and migrants who choose to live and work here. The system should be agile and responsive, flexible enough that settings can be changed to match the changing needs of New Zealand's economy. For example, where unemployment is low, but a shortage of workers remains high - as is the case today in our Aged Care sector - New Zealand needs migrants to remain productive in Aged Care and maintain the wellbeing of its older New Zealanders.

## Background:

Migrants play an important role in delivering care to residents in our Enliven homes and other aged care services, particularly Registered Nurses (RNs) and Healthcare Assistants. While Presbyterian Support hopes to see an increase in a New Zealand-trained workforce, it is unlikely that there will ever be enough New Zealanders to provide the entire workforce in Aged Residential Care (ARC), particularly as the ageing population will increase and so will their demands on the system.

Almost 40% of RNs and some 20% of caregivers in the ARC workforce are migrant labour. The most common types of visas are either a Long-Term Skill Shortage List (LTSSL), Work-To-Residence or a Resident visa. However, around 10% of all RNs – and up to a quarter of our migrant RNs in aged residential care - are on a temporary visa.

New Zealand's population is ageing rapidly. By 2030 one in four people will be aged 65 or over. This unprecedented change, together with multiple factors reducing the number of potential family carers,

means that there will be a corresponding year-on-year increase in demand for long term care<sup>1</sup>. Over 35,000 residents currently live in care homes in New Zealand and approximately 25,000 caregivers and 5,000 nurses are needed in the workforce to provide care for these residents<sup>2</sup>.

Over the next 10 years ARC resident numbers are projected to grow in the range of 12,000-16,000 across New Zealand. Applying the industry standard of 95 per cent occupancy for homes, the number of new ARC beds required will be in the same range. This is the equivalent of an average of 10-14 new large (120 bed) ARC facilities being added to the supply per year over the next decade<sup>3</sup>.

## Covid reveals gaps in immigration policy that need correcting.

The new 2021 Resident Visa (announced by the Minister of Immigration on 30 September 2021) was welcomed by us as this gives around 5,000 migrants and their families in our workforce certainty of their future here in New Zealand.

While border closures have been very successful in keeping COVID-19 out of New Zealand (when compared to most other countries), a knock-on effect has been a chronic shortage of Registered Nurses across the entire health sector, nationwide. Since the border restrictions were put in place in March 2020, the Critical Purpose Visa is the *only* visa with which workers can enter New Zealand.

In recent months, Otago has lost nurse immigrants who have been unable to bring their families into New Zealand due to the current border restrictions, and their uncertainty during months of application and correspondence caused great anxiety and stress. When applications failed, our nurses had to leave, back to countries in worse states of pandemic outbreak.

As a result, temporary migration is not the preferred option for many we hire, while border closures have dashed the hopes of many to resettle more family members over time. A path to permanent residency needs to be considered for those we hire that places more value on their families. Numerous migrants we have hired come with the Visa they can easily acquire, becoming the income earner for their family, residing elsewhere. These important workers cannot fully contribute to productivity and wellbeing to New Zealand if they remain uncertain about the tenure of their stay, and whether their family members can join them.

The 30 September announcement from the Minister of Immigration on the new 2021 Resident Visa is welcomed. We believe the pathway to residency should be offered to more migrants whose work in New Zealand is currently classed as “lower skilled” but whose role in our workforce is – given our staff shortages – nevertheless essential. Many of our migrant Critical Health Workers for example, some willing to train to become qualified nurses or indeed are nurses registered overseas but with a qualification not recognised, are instead forced out, dashing their family aspirations of becoming New Zealanders while leaving gaps we had hoped we had filled in our human resources.

The pathway to residence for Critical Health Worker Visa holders, once working for us as a nurse in Aged Residential Care, is to apply for the Long-Term Skill Shortage Work Visa. Where RNs have done

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<sup>1</sup> Spoonley, P. (2020). The New Zealand. Auckland, New Zealand: Massey University Press.

<sup>2</sup> McDougall, J. (2020). Aged Residential Care, Industry profile 2019-20. Wellington: New Zealand Aged Care Association.

<sup>3</sup> We acknowledge and support the submission of our peak body, New Zealand Aged Care Association

this, the Long-Term Skills Shortage Visa has historically specified where, for whom they work, and for how long.

We learned that Immigration New Zealand has allowed for a Long-Term Skills Shortage visa specification to be changed, so that RNs can move into DHB-based roles (DHBs offer a much larger salary). Despite correspondence to all DHBs from us, NZ Aged Care Association, NZ Christian Council of Social Services, the Lead DHB Chief Executive – Health of Older People and Southern DHB chief executive, asking them to refrain from this practice and allow RNs to serve out the period of their initial visas at the place and location of work stated on their visas, we nevertheless learn of DHBs actively recruiting our migrant nurses away from our facilities<sup>4</sup>.

We do not support Immigration New Zealand's allowance to change visa specification, as it hurts the Aged Care sector, and possibly other specialist health sectors in the same way. We recommend that the allowance be removed.

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## We address the Productivity Commission's questions in the terms of reference.

### **To what extent does access to migrant labour reduce training and upskilling activity by employers?**

For us in ARC, the opposite is true: access to migrant labour increases and structures the training and upskilling activity for all staff, organised by us as employers.

Internationally Qualified Nurses (IQN) qualify for this as "Critical Health Workers", provided they are invited to come to New Zealand by the Nursing Council of New Zealand and are enrolled in a Competence Assessment Programme (CAP). Once they have achieved NZ registration through the Nursing Council of New Zealand, they can work under this visa. We fully support the Critical Health Workers pathway, but we have experienced a bottleneck effect from the pressure this puts on the Nursing Council of New Zealand.

As CAP providers we would like to enjoy capability to invite IQNs directly into our own streamlined recruitment process for internationally qualified nurses. CAP providers like us can ease the bottleneck that prolongs the time between initiation of recruitment to enrolment and work start date, often over six months.

### **Do effects on training and development differ by industry?**

The costs of providing training and development are largely not included in our MoH ARC funding contracts. Funding for our ARC is attributed to the daily occupancy of our care-beds in our facilities. Two of our regions hold government contracts to provide CAP training, but incur the costs to enrol their own staff.

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<sup>4</sup> [Aged care losing nurses to DHB roles | Otago Daily Times Online News \(odt.co.nz\)](https://www.stuff.co.nz/national/health/127103209/dhbs-snapping-up-aged-care-staff-health-bosses-say) also: <https://www.stuff.co.nz/national/health/127103209/dhbs-snapping-up-aged-care-staff-health-bosses-say>

We urge government to place higher value on training and development, to invest in staff training and development appropriately within funding models for service contracting and procurement of all its service providers.

**Are there areas of the economy in which New Zealand should be training people that are currently disproportionately supplied by migrant workers? How could policy best respond?**

As part of a larger ARC sector, we support all efforts to train and prepare New Zealanders for recruitment into the ARC workforce. However, it is highly likely that migrant labour will always make up a sizeable portion of the workforce to provide enough and the best possible care to older New Zealanders as the population grows. So, we support the recommendations of the NZACA's Nursing Leadership Group in its paper submitted to Government June 2020<sup>5</sup>. The paper considers how a sustainable ARC nursing workforce can be built, to reduce turnover and fill an increased number of RN positions with NZ trained nurses.

**What objectives should be included in an immigration Government Policy Statement and Why?**

As noted earlier, the overall objectives of the New Zealand immigration system should be to ensure the best possible outcomes for all people in New Zealand whether they live here permanently or are here temporarily. Immigration policy should treat all Migrants equally

In this spirit, we look to the system to be supportive of both the productivity and wellbeing of New Zealanders, including refugees and migrants that choose to live and work here.

**How could the Treaty of Waitangi interest in immigration policy be best reflected in new policies and institutions?**

We support ongoing and meaningful involvement of iwi in the development of immigration policy. It is widely acknowledged that immigration has had a detrimental impact on iwi, whānau and hapu. As the tangata Tiriti, we believe any revision to the Immigration Act should include a clause requiring consultation with iwi leadership on all migration strategies and policies. In addition, we support the inclusion of Te Ao Māori perspectives into any future redesign of immigration policy, with a particular emphasis on manaakitanga and rangatiratanga.

**Should efforts by migrants to learn Te Reo be recognised in the residence or permanent residence approval process? If so, how would this best be done?**

We support Te Reo requirements but also levels of Tiriti understanding to be recognised in the processes of migration. Each level effecting positively the approval process. We urge government to consult and partner with mana whenua - Reo educators and Tiriti experts - in developing the best process for establishing and recognising these efforts made by migrants, and how to incorporate them in the residence approval process.

**Should the annual number of residence visas on offer be reduced?**

We don't believe that the number of residence visas on offer should be reduced.

We welcome the recent government initiatives that will simplify the pathway to residence for around 165,000 migrants already working in Aotearoa. This measure will go some way to retain skilled workers

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<sup>5</sup> NZACA/Nursing Leadership Group (2020) *Building a sustainable nursing workforce for aged residential care services*. Wellington, New Zealand

who were otherwise at risk of leaving New Zealand. While this is a positive move, overseas workers with jobs in New Zealand continue to wait to enter Aotearoa.

We recommend a corresponding accelerated and simplified pathway to attract migrant workers for targeted sectors with human resource shortages in New Zealand, such as our ARC sector. We would also urge Government to step in and support whole sectors to work together to fill skills shortages in areas crucial to the wellbeing of all New Zealanders.

**Do particular groups of migrants need additional or targeted support to settle? If they do, what types of support would work best?**

There are significant qualitative differences between the challenges faced by migrants from countries where English is the first language compared to those where it is not. The differences in lived experience engaging with Immigration officials between these groups varies greatly and preventing these distinctions should be clearly articulated in policy.

We argue the need for an urgent and considered review of the ability for migrants to have their internationally achieved qualifications accepted in Aotearoa. Many migrants have qualifications from their home countries that are not recognised here in New Zealand, while the system built to assess these qualifications is blunt, discriminatory against non-English speaking migrants and costly.

Without these processes being corrected, the lifestyle expectancies of migrants must shift considerably and pay parity among migrants can't be achieved. As New Zealand employers we do a disservice to our migrants without properly acknowledging and valuing the skills and experience they already have and bring. We recommend collective work between NZQA, TEC and related regulatory bodies to enable migrants to have their level of qualification acknowledged and valued in New Zealand.

As a provider of social services we see great potential for providing more cultural and English Language support and mentoring to migrants and refugees, as these are limited to urban centres and our partners providing these supports are not funded adequately to provide them everywhere across New Zealand. Where they are provided, they enable migrants to better apply their skills to their work and day-to-day life (for example, customer service, English for Employees, Professional Speaking, kiwi culture, English for work, broadening cultural awareness, etc.) We feel that English language proficiency is vital to the empowerment of migrant communities and their ability to engage with New Zealand society.

If a migrant worker cannot communicate effectively they are much less likely to know and understand their rights, have the language skills or confidence to report exploitation, and raise concerns with their employers (or others) about their employment conditions.

There is also an uneasy overlap between language challenges, worker exploitation and exploitation by a family member. Many migrants work as part of family businesses (or with distant relatives). This is a particularly vulnerable demographic and deserves specific attention. There is a fear of losing a visa were they to leave employment or the family group. It should also be noted that under a spouse/partnership visa, women can be dependent on an abusive partner/family. A focus on the

challenges and opportunities of self-employment for migrants could be helpful, as this is often a route many take. However, access to face-to-face information, training and support is limited.

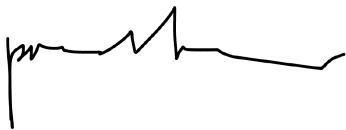
Migrants with non-resident status would benefit greatly from funded English Language Support, both in terms of training for workplace culture and preparation courses for recognised English-language proficiency tests.

## Conclusion

In the interests of ensuring immigration policy reflects the principles of te Tiriti o Waitangi, we support inclusion and full collaboration with tangata whenua on development of all immigration policy going forward. But we appreciate this opportunity provided by the Productivity Commission to also ensure inclusion and collaboration with the many NGOs, like us, who actually provide services to former refugees and migrants, as well as relying on them and hiring them into our workforce.

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Sincerely,

A handwritten signature in black ink, appearing to read 'Prudence Stone', with a stylized, cursive style.

Dr Prudence Stone

National Executive Officer