

# Employment

**Goal two: Auckland Regional Settlement Strategy**

## Overview

The recruitment of skilled people as permanent residents and temporary workers is an important part of New Zealand's strategy to supplement the size and capability of our workforce. New Zealand also has a long-term commitment to both enabling people to join their families who have migrated here, and to providing a safe haven to refugees. This includes providing support to around 750 quota refugees accepted for resettlement each year.

Employment is more than just a source of economic independence for migrants and refugees. Migrants and refugees want to engage in meaningful work, as it is inextricably linked to their social integration into New Zealand society.

Employers need more workers to develop their businesses. A recent Auckland-based survey<sup>1</sup> showed that 52 percent of employers were struggling to find skilled employees, up from 3 percent at the same time last year. Some 22 percent of employers were finding it difficult to access unskilled staff compared to 11 percent last year. This labour shortage was considered by 27 percent of employers to be the biggest impediment to economic growth in the Auckland region. A recent survey showed that, at this time, New Zealand employers are not doing enough to attract and retain staff. The least targeted groups for selection and retention were the incumbent migrant workforce and potential skilled workers overseas.<sup>2</sup>

Despite the employment needs of migrants, refugees and employers, and in the context of New Zealand's employment rates being the best in nearly two decades, migrants and refugees from diverse cultural and language backgrounds are disproportionately represented among the under- and unemployed.

This chapter is presented in two parts. The first part discusses the settlement implications of different entry requirements on job-seeking **migrants**. It outlines barriers and challenges to employment for skilled and other migrant categories from diverse cultural and language backgrounds identified by migrant communities and other stakeholders<sup>3</sup> involved in supporting migrants into employment, including non-government organisations. It provides views on risks associated with the employment of migrants from diverse cultural and language backgrounds by employer representatives engaged in the *Auckland Regional Settlement Strategy* process. Support available from the Government and others for migrant employment is also identified. Opportunities for improving support for migrant employment in Auckland are proposed and areas where national policies and programmes may need adjustment in order to better

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<sup>1</sup> Economic Business Survey – Auckland Chamber of Commerce March 2005.

<sup>2</sup> Select Australasia and Clayton Ford Recruitment Employment Trend Surveys 2005.

<sup>3</sup> See the Engagement Process appended to the Summary Report containing information on the range of stakeholders that contributed to the development of the Employment chapter.

support employment outcomes for diverse cultural and language migrants are identified.

The second part discusses the barriers and challenges to employment for **quota refugees**. Support available from the Government for refugee employment is identified and opportunities for improving support for refugee employment in Auckland are proposed. These include suggestions for adjusting national policies and programmes to better support employment outcomes for working-age quota refugees.

## **PART ONE: MIGRANT EMPLOYMENT**

## Introduction

Current immigration policy identifies two streams of entry for migrants other than those arriving under the International/Humanitarian stream. These are the Skilled/Business and Family Sponsored streams. Migration statistics indicate that since 1991, on average, over 60% of migrants settling in New Zealand have come from diverse cultural and language backgrounds. The settlement implications, in particular employment outcomes, for working-age migrants entering New Zealand under these different immigration categories are as follows.

### ***Skilled/Business category***

New Zealand's immigration policies mean that migrants recruited under skilled immigration policies tend to be from highly-educated and/or higher socio-economic groups. Under the Skilled/Business category, migrants arrive either as primary applicants or as accompanying family members (partner and/or dependent children), also known as secondary applicants.

#### *Primary applicants*

In recent years, immigration policy has increasingly focused on selecting primary applicants who can gain skilled employment. People who come from comparable labour markets are less likely to need a skilled job offer to secure residence. Applicants from non-comparable labour markets require a job offer. Primary applicants from non-English speaking backgrounds must also have met required English competency levels to secure residence.

Forthcoming research<sup>4</sup> suggests that, for the most part, skilled primary migrants arriving since 2003, and their employers, have satisfactory employment outcomes and generally settle well in New Zealand. Some further research, however, indicates that there are some differences in employment outcomes for skilled primary migrants from similar language and cultural backgrounds compared to those from diverse cultural and language backgrounds. These differences are not always distinguishable in research trends and reporting.

A good example of these disparities is contained in a recent report from the Ministry of Economic Development and Treasury.<sup>5</sup> It notes that more than 32 percent of immigrants between the ages of 24 and 54 hold university qualifications, compared with approximately 12 percent of New Zealanders and that, with the exception of Pacific migrants, immigrants from all ethnic groups are well represented in professional occupations. However, despite some improvement,

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<sup>4</sup> Department of Labour, forthcoming ADD.

<sup>5</sup> *Growth Through Innovation: Sustainable Economic Growth for all New Zealanders*, Ministry of Economic Development and The Treasury, 2005 based on Census 2001 figures.

migrants who are unemployed still have a lower chance of finding employment than New Zealand-born residents. Median income also varies significantly. The major income gap is between New Zealand-born people and Asian/Pasifika migrants who have lived in New Zealand for five to ten years. In contrast, migrants born in the UK, Ireland and Australia have median incomes similar to New Zealand-born residents from the time of arrival.

### *Secondary applicants*

Secondary applicants are partners and children accompanying primary applicants to New Zealand. They comprise almost 40 percent of the Skilled/Business stream. Some (particularly partners) are working-age and often expect to be able to take up employment. Secondary applicants from non-English speaking backgrounds over the age of 16 years are tested for levels of English and must pre-purchase ESOL support where they do not meet the requirements. Recent research indicates that there has been relatively low take-up of pre-purchased ESOL, although it is not clear why this is the case.<sup>6</sup>

While all primary applicants must have their qualifications and professional certification recognised by relevant bodies prior to arrival, this is not the case for secondary applicants. This means that skilled, professional, secondary applicants can find, upon arrival, that their qualifications are not recognised and that they cannot work in their chosen fields, or cannot work at the level they expect.

### *Family Sponsored*

Migrants arriving under the Family Sponsored stream, who are adult children with dependents, are required to have a genuine job offer prior to arrival, although their partners are not. Other working-age migrants arriving under this category are not required to have a job offer. No applicants under this category are tested for qualifications, previous work experience or English language skills prior to arrival in New Zealand.

The engagement process and existing research indicate there continue to be significant challenges for family-sponsored migrants and legacy migrants<sup>7</sup> from diverse cultural and language backgrounds. These challenges are associated with language barriers, difficulties in having qualifications and experience recognised, and acceptance by employers and communities. A further complication can be migrants' unrealistic expectations about the employment environment and opportunities on arrival.

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<sup>6</sup> See '*Migrants and their take-up of English for speakers of other languages tuition*', Workforce Group-Immigration Service, Department of Labour.

<sup>7</sup> 'Legacy' migrants are people and their families recruited under skilled and other migrant categories prior to 2003 immigration policy changes, who may continue to struggle to gain meaningful employment, remaining underemployed or unemployed.

## **Barriers and challenges: what migrants said**

The difficulties identified by migrants from diverse cultural and language backgrounds in accessing employment once they arrive in New Zealand can be broadly divided into three main areas. These arose from:

- a lack of awareness that relevant qualification and professional bodies might not recognise their overseas qualifications. Some felt the non-recognition from professional bodies had less to do with competency and standards and more to do with keeping them out of the New Zealand market for their profession;
- employer perceptions of migrants from diverse cultural and language backgrounds, including an unwillingness to recognise experience and skills gained overseas. While there are now large numbers of migrants using the internet for employment search, migrants from diverse cultural and language backgrounds have found that forwarding CVs to employers does not necessarily result in invitations for interview;
- restricted networking opportunities in New Zealand.

These challenges were compounded when migrants had difficulties accessing appropriate and timely advice and support. This support is required to help them prepare for the New Zealand workplace and understand their employment rights and responsibilities in a new and unfamiliar environment.

## **What employers said about key employment risks**

The New Zealand workplace is no longer mono-or bi-cultural and many large organisations are employing increasingly multi-cultural workforces. However, engagement with employer representatives in Auckland revealed that employers, in particular those from small-to-medium enterprises (SMEs), were more reluctant to employ migrants from diverse cultural and language backgrounds. They saw the risks as being unknown outcomes for all involved. Auckland has by far the largest number of businesses in the SME category<sup>8</sup> in the country and they employ approximately 30% of the workforce in the region.

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<sup>8</sup> In New Zealand 96.8% of enterprises employ 19 or fewer FTEs and 86% employ five or fewer FTEs. The number of SMEs increased 4.9% in 2003. SMEs accounted for 42.3% of all FTEs and 38.1% of the economy's output in 2003. Between 1997 and 2002 new firms employing 0-5 FTEs created 180,370 new jobs. Small Business Advisory Group Report, MED, 2004.

### ***Key employment risks***

Employer representatives identified the following risks. Those risks were greatest (likely to have the highest proportional negative impact) on small- to medium-sized businesses. The main risk was where potential employees had little knowledge of New Zealand, its workplace culture or the employment situation.<sup>9</sup> It is estimated that 70 percent of jobs in New Zealand are never advertised, as employers rely on the 'word of mouth' recruitment strategy. This is a good strategy for SMEs as people that are referred are trusted and to some extent are known quantities. It is also considerably faster and cheaper than other recruitment alternatives<sup>10</sup>. This highlights why many employers are risk-averse to employing migrants from diverse cultural and language backgrounds, in particular those who lack New Zealand experience in a similar employment environment.

This risk-averseness is compounded by the nature of the small business environment where many businesses lack the skills and resources to:

- screen job applicants from diverse language and culture backgrounds and accurately assess their work preparedness on issues such as transferable skills, English language competence and understanding of the SME environment;
- invest in inducting new employees from diverse cultural and language backgrounds and different employment cultures and environments to adapt to the New Zealand small business workplace;
- avoid the risks and impact of taking on staff who later prove to be unsuitable<sup>11</sup>, including the time and expertise to effectively use the probation period available under employment law to dismiss an under-performing employee.

### ***Reducing key employment risks***

Employer representatives also identified factors that they considered would help to mitigate some of these risks. These included:

- receiving accurate information about the ability of individual migrants to fit into their business environment in respect of their transferable skills, spoken and written language competency and understanding of the culture and expectations of small businesses;

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<sup>9</sup> For example, some reported that, coming from a work environment where deference to superiors is seen as being respectful, it could be difficult for a migrant to understand that this behaviour would be perceived as lacking initiative or ability in New Zealand.

<sup>10</sup>Source - The Auckland Chamber of Commerce, 2006.

<sup>11</sup> 'Small and Medium Businesses in New Zealand' Report of the Small Business Advisory Group , MED, August 04.

- a work programme that assessed, matched and prepared prospective migrants from diverse cultural and language backgrounds for job offers in Auckland. Employer representatives indicated the quality and success of such a programme would depend on the provider being able to understand what small businesses were looking for, prepare these migrants 'to get a foot in the door' and engage with the employers and broker employment opportunities to fill jobs with migrants involved in the work programme.

The Auckland Chamber of Commerce's Work Experience Programme for highly-qualified and skilled migrants is an example of a scheme that offers preparation for work in New Zealand, matches candidates with employers' needs, and provides a pre-employment trial. It is a partnership with MSD (Work and Income) that aims to place migrants who have been unemployed for more than two years. The programme still requires employers to invest time and energy into meeting the needs of migrant participants. They are prepared to do this as each party's risk level is reduced because migrants are carefully matched with employers by the Chamber of Commerce (perceived to understand the SME environment) and they are able to remain on the unemployment benefit whilst undertaking work experience.

Employer representatives reiterated concerns raised by the Small Business Advisory Group Report to the Minister of Small Business about probation periods and the uncertainties surrounding interpretation. This had meant '...SMEs often avoid taking on staff for fear of the potential risk if the employee proves not to be suitable.'<sup>12</sup> As earlier indicated, a work programme that assesses, matches and prepares migrants for work at the time of recruitment is seen as helping to mitigate these risks.

It is useful to note that organisations with more resources can often absorb short-term costs associated with the employment of migrants from diverse cultural and language backgrounds.<sup>13</sup>

## **Government support for migrant employment**

Two government departments have lead roles in assisting migrants to find employment in New Zealand. These are the Department of Labour through Immigration New Zealand, and the Ministry of Social Development, particularly through Work and Income.

The Department of Labour is responsible for providing comprehensive information to migrants, both off-shore and once they arrive in New Zealand, on the overall employment context. Where migrants have not been successful in finding employment within the first two years in

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<sup>12</sup> 'Small and Medium Businesses in New Zealand' Report of the Small Business Advisory Group, August 04, pg.19.

<sup>13</sup> See 'People Power – Successful Diversity at Work' Department of Labour, 2004 for case study examples.

New Zealand, and if they are primary beneficiaries, they become eligible for generic Work and Income benefits, employment preparation programmes and case management support for job placement.

This level of coordinated support is not consistently provided to working-age migrants who have been in New Zealand for less than two years, irrespective of their entry categories. Neither they, nor their dependents, are eligible for unemployment benefits, associated employment preparation programmes or support for job placement provided by Work and Income during this time. This also applies to spouses and working-age family members who have been in New Zealand for two years and who are not primary beneficiaries. This lack of coordinated support was perceived by a range of stakeholders<sup>14</sup> to represent the main gap in employment assistance for job-seeking migrants that fall within these groups.

### ***Migrants' pre- and on-arrival support***

The Department of Labour is responsible for the provision of pre-arrival information to migrants. From an employment perspective, information is provided on living and working in New Zealand before they consider moving here, including where they can get information they need once they arrive. On-arrival programmes aimed at supporting migrants into employment in their first two years in New Zealand are available, although they are not part of a coordinated programme of support such as that provided to eligible Work and Income beneficiaries.

For example, the Auckland Chamber of Commerce, in partnership with the Department of Labour and the Ministry of Social Development, provides the New Kiwis Website and the Kiwi Career Success Course to support migrants into employment<sup>15</sup>:

The New Kiwis Website was created to advertise the skills of highly qualified migrants living in New Zealand by posting their CVs online, and allowing employers throughout the country to search for skills. Approximately 400 employers from across New Zealand have recruited through the website<sup>16</sup>. The Kiwi Success Course is a two and a half day course provided, free of charge, to newly-arrived migrants on job searching techniques in New Zealand and the culture of New Zealand workplaces<sup>17</sup>.

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<sup>14</sup> See the Engagement Process appended to the Summary Report containing information on the range of stakeholders that contributed to the development of the Employment chapter.

<sup>15</sup> There are other NGO employment support initiatives who may support small numbers of migrants into employment. These are, in the main, funded by government agencies but do not have the capacity to address and coordinate the wider and greater employment needs of the number of job seeking migrants from diverse cultural and language backgrounds in the Auckland region.

<sup>16</sup>Source - Auckland Chamber of Commerce.

<sup>17</sup> Over 300 newly arrived migrants have attended this course in the last year with approximately 85 percent gaining employment within three months. Source- Auckland Chamber of Commerce.

Many voluntary agencies, funded by government and other organisations, offer migrants the opportunity to work as volunteers and, in so doing, enhance their familiarity with the local environment and assist them on their pathway into employment.

Whilst these are important initiatives that have been able to support some migrants into employment, they do not address some of the more complex issues to mitigate employer risk-averseness to employing migrants from diverse cultural and language backgrounds as discussed earlier. SME employers have identified their need for careful assessment matching of migrants' transferable skills and experience by an organisation that understands the SME employment environment.

### ***Migrants post two years in New Zealand***

The Government has recognised the specific employment needs of migrants eligible for Work and Income employment services, who are by definition primary beneficiaries. In 2003, the Government provided \$21.2 million over four years to fund services in Auckland through the Auckland Metropolitan Migrant and Refugee Strategy.<sup>18</sup> While an improvement in economic conditions will have also been a factor, there has been a reduction in the migrant unemployment register in Auckland by over 60 percent<sup>19</sup> since the strategy was introduced. Despite this, there is an over-representation of migrants from diverse language and cultural backgrounds on the unemployment register.

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<sup>18</sup> The Auckland Metropolitan Migrant and Refugee Strategy focuses on 18 – 64 year olds with a date of immigration less than five years that are primary beneficiaries receiving a work tested benefit (Unemployment and Unemployment Hardship) excluding people who are New Zealand European, Maori, those of Pacific origin (exception of Fijian Indian) and those from the USA, UK, Canada, Australia. It does not focus on non-primary beneficiary migrants who are job-seeking in New Zealand, such as partners or spouses of primary beneficiaries and youth under 18 years. More details of this initiative are included in Appendix 6.

<sup>19</sup> Over the period July 2003 – February 2006.

## **The way forward: *Auckland Regional Settlement Strategy***

### ***Employment Goals***

One of the six goals of the *New Zealand Settlement Strategy* is to assist migrants in *obtaining employment appropriate to their qualifications*. The *Auckland Regional Settlement Strategy's* employment-related objective for migrants is consistent with this and seeks *to facilitate migrants to participate in employment and contribute economically to the Auckland region by:*

- *enabling them to gain employment that is appropriate to their qualifications and skills; and*
- *having employers regard migrants as a genuine asset to their businesses.*

## **Opportunities to prepare migrants for employment in New Zealand**

There are opportunities for the Department of Labour and the Ministry of Social Development to work with other relevant agencies and migrants, employers and employer groups in their regions to help migrants prepare for and find employment in New Zealand. Local government in Auckland also has a role in highlighting to employers the potential benefits migrants can bring to the local business community. It is recommended that the longer-term work programmes for the *New Zealand Settlement Strategy* and the *Auckland Regional Settlement Strategy* address the barriers and challenges to migrant employment by:

### ***Improving information and support***

#### *Off-shore information provision*

- improving current pre-arrival information for migrants (particularly those from diverse cultural and language backgrounds) who are not primary applicants, but will be job-seeking in New Zealand, to address their employment expectations and inform them of qualification recognition and professional bodies' entry requirements;

#### *Information and support during the first two years*

- identifying service gaps across agencies responsible for providing employment support to migrants during the initial settlement phase;

- enhancing opportunities for the early employment of migrants by drawing on feedback from employers, migrants and existing models, such as the Chamber of Commerce employment preparation programme;
- considering initiatives to support motivated employers to provide work experience opportunities and/or pre-employment familiarisation through:
  - support from third-party mentors who understand the business and could work directly with migrants in the work environment to reduce demands on the employer; and
  - pilot initiatives e.g. an adaptation of the Government apprenticeship and 'labour force' schemes, where migrants are initially employed by the Government and are then employed (by way of a limited period contract) by private sector organisations, so as to enable a quasi-trial period.

However, it is important that anything within this context protects the needs of workers and offers a genuine trial of work experience.

### ***Increasing migrant employment opportunities***

- promoting the business benefits of employing migrants from diverse cultural and language backgrounds to private and public sector employers, in partnership with employer representative groups (some examples of the messages and processes that could be used to help to motivate employers are outlined in Appendices 3 & 4).
- employing migrants from diverse cultural and language backgrounds in central and local government in Auckland and providing work placement opportunities in these organisations so they can develop their English language, gain new skills and acquire knowledge about the New Zealand employment culture.<sup>20</sup> Other examples can be found in the *Influencing Policy and Service Development* chapter.

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<sup>20</sup> For example, a pilot programme which focuses on skilled migrants is being developed in Wellington between Work and Income, TEC and Victoria University. Another example is the Wellington City Council/Work and Income programme offering a year-long employment opportunity to eligible migrants.

## **PART TWO: REFUGEE EMPLOYMENT**

## Introduction

As for many migrants from diverse cultural and language backgrounds<sup>21</sup> the engagement process also highlighted poor employment outcomes for refugees settling in New Zealand. These findings are supported by *The Refugee Voices* report<sup>22</sup> which showed that approximately 80 percent of the refugees they studied were on benefits five years after arrival, despite many of them wanting to work. The recent MED and Treasury report<sup>23</sup> also notes that refugees seeking work had encountered significant discrimination from employers, which increased with the skill level of the job offered. Work and Income statistics show that, on average, refugees in Auckland remain on a benefit for three years before they move into full-time work.

This section focuses on quota refugees who arrive in New Zealand under the International/Humanitarian stream. Because of their pre-migration experiences, (outlined in the summary report) they are highly likely to require more intensive support to prepare them for employment in New Zealand. This can include language, literacy and education/training needs to firstly obtain employment and then to move from entry level jobs to more meaningful and sustainable employment. The family of quota refugees sponsored to New Zealand<sup>24</sup> is a further group that is likely to need intensive support.

Those most at-risk of being under- or unemployed are refugee women and youth. Refugee women were found to be more marginalised in employment as a consequence, partly, of perception and the reality that in developing countries many women have little education.<sup>25</sup> A recent study,<sup>26</sup> found that many young people from refugee backgrounds left school early and without qualifications. Young people from refugee backgrounds are at higher risk of unemployment if they arrived in New Zealand from age 10 onwards, with little or no previous education.

## Barriers and challenges: what refugees said

Refugees have no pre-arrival opportunity to prepare for life in New Zealand. Some of the challenges that refugees saw as limiting their access to employment include having:

- low levels of English language and literacy skills on arrival in New Zealand;

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<sup>21</sup> Including secondary skilled migrants and family sponsored migrants.

<sup>22</sup> *Refugee Voices: A Journey Towards Resettlement*, Department of Labour, June 2004.

<sup>23</sup> *Growth Through Innovation: Sustainable Economic Growth for all New Zealanders*, Ministry of Economic Development and The Treasury, 2005.

<sup>24</sup> This refers to family members arriving under the Family Sponsorship stream available to family members of New Zealand permanent residents and citizens.

<sup>25</sup> J R McKenzie Trust 2004.

<sup>26</sup> J R McKenzie Trust, 2004.

- limited access to relevant education and skill development opportunities prior to arriving in New Zealand;
- insufficient and ineffective access to English language tuition once in New Zealand, particularly for use in a workplace, (this presents significant challenges to gaining employment);
- low opportunity to benefit from mainstream work assistance programmes because these are all conducted in English;
- limited or no pre-arrival information on New Zealand's work culture, career and work options, and very little knowledge of trades;<sup>27</sup>
- cultural issues, including attitudes to gender, age and time management<sup>28</sup> that can affect their employability;
- past traumatic experiences, which can result in lowered self-confidence, poor health and lowered motivation or hope for the future;
- unrealistic family and community expectations about the time it will take an individual to prepare and gain skilled or highly-paid work;
- people who are employed to support refugees into work who have insufficient understanding of the issues affecting refugee employment; and
- difficulties 'getting a foot in the door' as a result of inaccurate and/or negative perceptions about refugees held by some employers.

When refugees do find employment, it is largely in low-skilled, poorly-paid work. This creates two main barriers to sustainable refugee employment:

- moving from a benefit into work, especially when the income earned and the costs associated with working are less than what they have been receiving as beneficiaries; and
- moving from entry level to higher paid jobs when difficulties are experienced in accessing relevant and timely support, such as ESOL provision, ongoing education and training, and work placement opportunities.

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<sup>27</sup> JR McKenzie Trust, 2004.

<sup>28</sup> JR McKenzie Trust, 2004.

## **Government support for quota refugee employment**

The Ministry of Social Development (Work and Income) is the agency with primary responsibility for assisting refugees into employment. The work of other agencies also impacts significantly upon sustainable employment outcomes for refugees. For example, the Tertiary Education Commission as the funder of ESOL services has a key role in supporting refugees to develop English language skills, a critical prerequisite to gaining meaningful employment. The Ministry of Education and Career Services rapuara also play an important role in supporting schools to prepare refugee youth for the workplace.

### ***Employment assistance***

Specific provision has been made to address the needs of refugees preparing for employment from the time they arrive in New Zealand.

In 2003, the Government provided \$21.2 million over four years to fund employment services in Auckland through the Auckland Regional Migrant and Refugee Strategy. Details of what this Strategy aims to do and who will benefit are outlined in Appendix 2. Eligible working-age quota refugees are able to access Work and Income benefits and work search support when seeking employment, and may also receive employment support once they get a job.<sup>29</sup> (If they have children, they may also be eligible for Family Support.)

While the improvement in economic conditions has no doubt been a contributing factor, the number of refugees registered unemployed with Work and Income has reduced by 41 percent since the Strategy was implemented. In spite of this, refugees are still over-represented in Work and Income's long-term unemployment statistics. To address this disparity much of the focus of the Auckland Migrant and Refugee Strategy for 2006 will be refugee employment.

It should be noted that Work and Income unemployment figures only account for *registered job seekers* (i.e. those who are actively seeking work and receiving a work-tested benefit). They do not include other people from refugee communities, such as the spouses of primary beneficiaries, those on a sickness benefit and refugee school leavers aged 15–18 years who may want to enter the workforce or prepare for paid employment.

### ***English language support***

As noted in the Summary Report, many quota refugees are illiterate or have minimal English language abilities.

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<sup>29</sup> In-work support assists people to stay in employment by helping them resolve issues. This could include helping them arrange childcare, manage finances, liaise with their employer, organise transport to work or address any other barriers a person may face.

The Tertiary Education Commission is the primary funder of ESOL provision. Its role, the role of ESOL providers and opportunities for improving access to ESOL courses are outlined in the chapter on *Settlement and English Language for Adults*.

Work and Income also has a role in supporting the improvement of English language skills. It:

- has dedicated funding to purchase ESOL courses to enhance employment outcomes for refugee job-seekers. It does not, however, have ESOL specialists. It would be beneficial if the Tertiary Education Commission and Work and Income were to work together to best assess potential ESOL providers' ability to meet refugees' specific employment-related language needs.
- provides information about benefits and other Work and Income services in 11 different languages, including Farsi, Arabic, Somali and Khmer through its multi-lingual phone service. Another 20 languages are available through the government's telephone-interpreting service, Language Line. Intensive face-to-face language support is often necessary for developing employment plans for refugees. This requires skilled interpreters working with Work and Income staff and individual refugees to successfully develop individually-tailored plans and assessments. This is currently a service gap.
- assesses, where possible, refugee clients' language acquisition as they prepare for and progress in the workplace. This requires specialist support and currently there are insufficient ESOL assessors for the Auckland region to provide this service.

### ***Transitioning to work and sustainable employment***

There are few work preparation programmes specifically designed and available to the wider group of job-seeking refugees in Auckland<sup>30</sup>. This is particularly the case for refugees who are not themselves primary beneficiaries and eligible for employment support, although they and their families may be receiving a benefit. In the refugee community this mainly affects women as spouses, and youth not yet eligible to receive the unemployment benefit.

Family members sponsored into New Zealand by quota refugees are likely to have similar employment needs to their quota refugee family sponsors. Whilst eligible for employment support and the

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<sup>30</sup> An accessible work programme for refugees needs to be available in first language, particularly as the 2001 census indicated 85% of refugees do not have English language, and appropriate to their immediate needs.

unemployment benefit (hardship) once they have rejoined family in New Zealand, they must wait for two years before being eligible for a student allowance.

### ***Women***

Recent New Zealand research<sup>31</sup> found that women from cultures where women are traditionally disadvantaged in terms of access to education are also disadvantaged in learning English and gaining employment in New Zealand. Most are unable to work, travel or participate in any activities without childcare support. Women without partners are concerned about losing their benefit if they gain employment and often lack self-esteem. Currently there are no substantive government-funded schemes available to address these disparities for this group of refugees.

### ***Youth***

Youth aged 15-18 years are generally not represented in Work and Income unemployment statistics. This means that there is little information available about the employment status of refugee youth of this age. As already noted, many young people from refugee backgrounds leave school early without qualifications and are at high risk of unemployment, particularly if their educational opportunities have been limited.

Parents with limited education and experience of New Zealand can have unrealistic expectations of what their children can achieve given the levels of schooling they have had. They also find it more difficult to access meaningful advice about the career opportunities available in the workplace for their children. A current, refugee-driven community initiative in Auckland provides a positive model of enabling refugee parents to be involved in addressing concerns about the well-being and employment of their youth. The initiative engaged a range of agencies and resulted in Work and Income funding a trade training programme targeted at refugee youth.

The main agencies responsible for supporting the transition of refugee youth from school to work are the Ministry of Education, the Career Services rapuara and the Ministry of Social Development. Education and career preparation programmes available in schools are discussed in the *Compulsory Education* chapter.

The Youth Transition Service was funded for three years from Budget 2004 and is a partnership between the Ministry of Social Development and 14 local authorities in New Zealand. The programme targets 15 to 17 year-olds who have left school without moving on to further education, training or employment. It provides assistance, such as

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<sup>31</sup> Journey to Work: Jobs for Refugees, JR McKenzie Trust, 2004.

intensive case management support, to help these young people progress towards economic independence. It does not, at present, formally specifically focus on refugees. There are currently two Youth Transition Services' initiatives in the Auckland region<sup>32</sup>.

Work and Income also supports youth employment through its Cadetship Scheme which is aimed at modelling leadership in youth transition. Details of this programme, which supports cadets as they work towards gaining industry qualifications through the Public Service Training Organisation's Modern Apprenticeships Scheme, are outlined in Appendix 5. The young people selected have, amongst other things, shown leadership at school or within their community groups. In Auckland there are 44 cadetships. One of them involves a young person from a refugee background.

### ***A collaborative approach***

Addressing the employment needs of wider refugee groups requires government agencies to work together, on an ongoing basis, with employers and refugee communities. As the agency with lead responsibility for supporting refugees into employment, the Ministry of Social Development in Auckland endeavours to engage with refugee communities and other agencies involved in supporting refugees through a range of mediums. Some examples of this collaborative work in the Auckland region are outlined in Appendix 6.

An example of collaboration between an employer and agencies which has resulted in employment for refugees arose following the publication of research findings on refugee resettlement in New Zealand.<sup>33</sup> DataCol NZ, a private sector company, contacted RMS Refugee Resettlement to discuss a possible partnership for recruiting meter readers from the refugee community. RMS agreed to be the contact point for the refugee communities and to collect CVs to forward to DataCol when vacancies arose. Auckland Work and Income are also involved and several more refugees have been recruited for the company. DataCol is reported to have been very pleased with the new employees, some of whom have already progressed in the company.

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<sup>32</sup> These are in Waitakere City (Phase 1, 2004-05) and Manukau City (Phase 2, 2005-06) areas.

<sup>33</sup> *Refugee Voices: A Journey Towards Resettlement*, Department of Labour, 2004.

## **The way forward: *Auckland Regional Settlement Strategy***

### ***Employment Goal***

The *Auckland Regional Settlement Strategy's* employment-related objective for refugees is to:

- *take into account the increased needs refugees have in order to gain meaningful and sustainable work and ensure agencies and employers are responsive to these needs.*

## **Opportunities to prepare refugees for employment in New Zealand**

There are opportunities for central government, with local government support in the Auckland region, to continue to work with other agencies, and with refugees, employers and community groups in their regions, to support refugees into sustainable employment in New Zealand.

It is recommended that the longer-term work programmes for the *New Zealand Settlement Strategy* and the *Auckland Regional Settlement Strategy* address the barriers and challenges to refugee employment by:

### ***Taking a wider, settlement-related view of refugee employment***

A settlement perspective on employment requires all agencies involved, in particular the Department of Labour and Ministry of Social Development, to focus on the wider refugee, job-seeking community, not just primary beneficiaries to:

- determine how best to gather accurate information about wider refugee unemployment;
- ensure appropriate and accessible employment programmes are available to meet the needs of all refugees seeking employment.

### ***Improving employment assistance and sustainability***

- Government agencies with responsibility for supporting refugee employment, in particular the Department of Labour and Ministry of Social Development, working together with other agencies, employers and communities to improve employment opportunities and support refugees to move from entry level to higher-skilled jobs as their language and skill level increases through:
  - a 'learning approach' that enables those providing refugee employment support, and employers, to understand the

issues involved in preparing and helping refugees into sustainable employment;

- refugee-specific, work-preparation programmes that meet the language and skill enhancement requirements, for refugee job-seekers.
- identification of refugees as a priority group in relevant employment programmes. For example, the Youth Transitions project intended for 'at-risk' young people, could be targeted to refugee youth with disrupted and minimal education, with little time to address these in the New Zealand education system.

### ***English Language Support***

- Work and Income and the Tertiary Education Commission working in close collaboration to tailor ESOL assessment and provision to ensure refugees progress to more advanced courses as their competence with English improves. Consideration should also be given to:
  - whether the Tertiary Education Commission could arrange access to ESOL specialists to advise on the content and quality of the ESOL programmes purchased by Work and Income
  - whether the Tertiary Education Commission should provide more specialist ESOL assessors in Auckland to help Work and Income assess and review the level of English competence of their refugee clients, so they can be supported into jobs commensurate with their skills and progress to sustainable employment; and, if so, whether resourcing should come from internal reprioritisation or from new sources;
  - how Work and Income (in conjunction with the Tertiary Education Commission as funder of work-related ESOL programmes) could encourage employers sourcing workers from Work and Income to support refugees to continue to improve their English whilst in employment.

## **Appendix 2**

### ***Work and Income Auckland Regional Migrant and Refugee Strategy***

The Government is making a significant investment in improving employment services for refugees and migrants in Auckland.

This initiative will enable Work and Income to implement its Auckland Metropolitan Migrant and Refugee Strategy. Key components include:

- supporting community-based migrant and refugee centres and service providers;
- establishment of specialist migrant job search programmes e.g. Migrant Job Link;
- establishment of specific migrant and refugee client development programmes such as English for Employment;
- expansion of work experience programmes for migrant professionals;
- introduction, in 2003, of an Auckland-based, multi-lingual call centre allowing non-English speakers to carry out transactions by phone;
- the establishment of an Auckland-based, multi-lingual call centre that will allow non-English speakers to carry out transactions by phone;
- restriction of case loads for specialist case managers and the introduction of migrant and refugee-specific work brokers.

#### ***Who will benefit?***

Migrants and refugees are disproportionately represented in long-term benefit figures. At the time that the initiative was introduced in 2003, 86percent of migrants and refugees in Auckland had been receiving a benefit for longer than six months.

#### ***What is the cost of this investment?***

The Government is investing \$21.2 million over four years, with initial funding of \$5.8 million in 2003/04.

Source: <http://www.msd.govt.nz/media-information/budget-2003-fact-sheets>.

## Appendix 3

### *Motivators for employers*

During the *Auckland Regional Settlement Strategy* engagement process<sup>34</sup>, a range of stakeholders were involved in identifying what might motivate employers to employ migrants and refugees from diverse language and cultural backgrounds. It also looked at ways of getting the message across to small-to-medium businesses<sup>35</sup>. Stakeholders included representatives from the Human Rights Commission, Office of Ethnic Affairs, Chambers of Commerce, the Employers' and Manufacturers' Association, Massey University, Auckland University, Small Business Advisory Group, the Ministry of Social Development, the EEO Trust and migrant communities. Below are the findings of that workshop.

<b>Incentives for positive outcomes</b>	<b>Incentives to avoid negative consequences</b>
<ul style="list-style-type: none"> <li>• Don't make it a moral issue, make it a pragmatic one.</li> <li>• Current low unemployment means that SMEs will have to look to migrants if they want their businesses to survive.</li> <li>• A neutral body in Auckland that assists and supports work readiness in NZ and links into employer networks and is credible to SME owners.</li> <li>• A reliable and credible language programme which focuses on getting migrants into the workforce with appropriate language skills.</li> <li>• Assistance to minimise risk—subsidised wages, case workers for migrant and SME.</li> <li>• Trial employment periods which are less onerous than the current legislation.</li> <li>• Use influencers – visible and recognisable role models.</li> <li>• Use employer champions – known business people to support programme.</li> <li>• Demonstrate clear economic advantages – increasing profitability and financial incentives at beginning of employment.</li> </ul>	<ul style="list-style-type: none"> <li>• Educate SMEs via their business organisations to understand that if they don't employ migrants their businesses will not survive.</li> <li>• Point out that without work migrants will move to other opportunities (abroad &amp; their own businesses) decreasing the New Zealand skill base which other employers can draw upon.</li> <li>• Highlight that if SMEs don't have international access their business is unlikely to survive in today's global environment.</li> <li>• Highlight that migrants are part of the consumer community and if SMEs don't employ them, they can miss out on potential customers from migrant communities.</li> <li>• Educate employers about anti-discriminatory legislation, including the Human Rights Act.</li> </ul>

<sup>34</sup> See the Auckland Regional Settlement Strategy Engagement Process, appended to the Summary Report.

<sup>35</sup> See Appendix 4.

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>• Pooled, third party labour for contract workers which has proven to be successful in other sectors</li><li>• Back recruitment agencies who assist migrants.</li></ul> |  |
|---|--|

## Appendix 4

### *Getting the message across*

A well-planned and focused information campaign could be used to educate SMEs on the potential benefits of recruiting people from migrant backgrounds, along with the consequences of not doing so<sup>36</sup>.

#### *Test ideas with the wider SME community*

Ideas and solutions could be tested via focus groups of SMEs – not just on those who are already employing migrants and/or are members of employment-related bodies. Rather the focus should be on engaging with SMEs who have some degree of capacity to determine what will work and what won't work.

#### *A corporate sponsor*

A corporate sponsor such as a bank or power company could assist to promote the key messages – one that has a history of success with employing migrants and can help demonstrate that positive, multicultural experience in a larger corporate can be copied in an SME.

The campaign plan should include engaging with corporates to demonstrate how they champion cultural change, through their own media programmes (i.e. ANZ TVC).

#### *Positive role models*

Positive role models from the business community (employers, employer representative groups etc)<sup>37</sup> and champions from the migrant community could be used. Supportive recruitment agencies could also act as champions.

#### *Media streams*

All media sources should be considered, with preference given to those that are known to best reach SMEs. These might include:

- mass media – newspapers, magazines, radio;
- business organisations – Chamber of Commerce, EMA, industry organisations, New Zealand Institute of Management, trade associations such as New Zealand China Association, professional bodies etc;
- recruitment agencies;
- public speaking by role models.

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<sup>36</sup> See the Auckland Regional Settlement Strategy Engagement Process, appended to the Summary Report.

<sup>37</sup> Examples of such champions include 'People Power –Successful Diversity at Work' EEO Trust, 2004 and A Question of Balance' EEO Trust Work and life Awards, 2005.

## **Appendix 5**

### ***Work and Income Cadetship Scheme***

#### *Programme overview*

The cadetship programme was modelled on the cadetships available to young people with a career path in the Public Service until the programme was disestablished following the state sector reforms of the 1980s. It is aimed at youth aged 16 to 21 years.

Work and Income selects youth for the programme who:

- are eligible for the Modern Apprenticeships Scheme;
- have the potential to achieve a level 4 qualification under the NZQA framework;
- have shown leadership skills within their school or community groups;
- are suitable for case manager roles (in particular people with strong communication skills, who are motivated to pursue a career in customer service).

Young people offered cadetships become permanent, full-time Work and Income employees and are employed in case manager roles. They are required to study and obtain a Certificate in Customer Service in the Public Sector over a two-year period. They receive additional support from their direct manager, team coaches, and regional training functions. It is likely they will take on a lower caseload than existing staff to accommodate study requirements.

The Public Sector Training Organisation provides additional support (and limited funding) through the Modern Apprenticeships Scheme.

#### *Links with Other Programmes*

The Modern Apprenticeships Scheme requires participants to obtain an industry-related NZQA qualification. This links with the National Certificate in Customer Service. Work and Income Regional Commissioners have also been developing cadetship and internship programmes with local government and industry to assist youth at risk. The focus is on a smooth transition from school to work.

## **Appendix 6**

### ***Work and Income's involvement in collaborative initiatives***

Work and Income is engaging in collaborative work with other agencies including:

- working with RMS to enhance the delivery of services to refugee clients. The aim is to allow RMS volunteers and social workers and Work and Income staff to better understand each other's roles and responsibilities and further enhance access to services for refugee clients. A working party of Work and Income Migrant Case managers and RMS staff has been established to develop stronger links between the two organisations and work more closely together to achieve this.
- in Waitakere City, a range of agencies, including Work and Income, are developing an initiative to engage more closely with refugee communities to improve longer-term employment prospects and opportunities in a pragmatic way. This will include the establishment of a refugee drivers' licensing programme and employment and education programmes.

## Appendix 7

### *Job preparation programmes*

Mainstream Work and Income employment programmes available to migrant and refugee job seekers include:

- the Job Plus Wage Subsidy, the Job Plus Training Subsidy, Outcome-based training, Job Connection and Industry Partnerships;
- an Enterprise Allowance – for those considering self employment;
- Migrant Job Link – a three-week, modular job search programme adapted for migrant clients;
- the Auckland Chamber of Commerce's work experience programme - available to highly-qualified or skilled migrant and refugee clients only;
- English for Employment contracted ESOL courses;
- work experience programmes such as Activity in the Community;
- Task Force Green – a six month, subsidised, paid work experience programme;
- an Enterprising Communities grant supporting a community sewing enterprise project for eight Somali Women in the Auckland region;
- Migrant Employment Assistance programmes supporting:
  - 20 job clubs;
  - an on-line NZ Job Search information section in the Chamber of Commerce New Kiwis website;
  - a one-on-one case management and employment advisory service for approximately 200 unemployed skilled migrants resulting in at least half gaining meaningful employment;
  - a referral/information service for 120 migrant families leading to positive settlement and employment outcomes. This has placed 30 migrants into gainful employment.
- a Migrant Employment Assistance programme which has helped at least 20 refugee job-seekers achieve improved settlement and employment outcomes.