



REPORT

SKILLED MIGRANT RESEARCH
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EXECUTIVE SUMMARY

This research was conducted on behalf of ESITO (Electricity Supply Industry Training Organisation) who wished to support members using skilled migrant labour by:

- identifying needs of the migrant labour force and their employers
- determining resources which would be useful for aiding skilled migrants to settle into the workforce and their communities
- reporting on qualification recognition

In-depth face to face interviews were conducted throughout New Zealand by Gary Nicol between 6 October and 6 November 2008 with a sample of thirty-one skilled migrants and seven employers.

(A) Skilled migrant interviews

Skilled migrants participating in this project had arranged to come to New Zealand under their own volition (42%), by using a recruitment and/or employment agency (39%), or with the assistance of an immigration consultant (10%).

42% of these migrants came from the Philippines, 29% from South Africa, 17% from the United Kingdom, and one each from Fiji, Holland, Romania and Zimbabwe.

Lifestyle (42%) was the single most common reason given for wanting to come to New Zealand, followed by job offer (16%), family/friends in New Zealand and desirable environmental qualities (13% each).

By far the most important groups for consultation prior to job acceptance were family members, particularly the spouse and friends. Other skilled migrants had a lesser influence, but were identified more frequently than immigration consultants who were mentioned only rarely.

Qualification recognition

Work experience appeared to be the most commonly recognised qualification followed by registration and some type of formal qualification.

Just over 60% of respondents indicated they did not have any problems having their qualifications recognised in New Zealand with the usual proviso that they completed the final parts of local training courses as directed by the EWRB.

Nearly 40% of the sample reported that qualification recognition was not straightforward. Some respondents revealed that although they had completed the required training courses, their employer had as yet not formally requested registration.

Expectation of qualification recognition

Intending migrants had usually been informed of the likelihood of recognition by their recruitment agency at their job interview, had contacted the EWRB directly, or had undertaken other research. 90% of respondents expected that their qualification would be recognised.

Workplace induction

Kinds of assistance received from the employer to help settle migrants into the job included: short term free accommodation (one or two weeks) as well as allowance for food, some assistance towards relocation expenses, a standard induction course (including Health and Safety requirements), and visits to work sites.

Several respondents were critical of the looseness of the workplace induction process and the fact that it was not tailored towards the needs of migrants and did not include information about how the different sectors of the industry pulled together. There were language issues both for those who spoke English as a second language, as well as for those who spoke other dialects of English.

65% of the total sample indicated satisfaction with assistance given in this regard although a number of suggestions were made for improvement.

Sources of advice, help or explanation about work/job-related issues

In many cases respondents reported that when they needed help or advice they asked fellow workmates and friends. It was interesting to note that there was often no mention of approaches having been made to managerial level staff.

Cultural/social induction and availability of on-going support

Just over 40% of employers were said to have provided information about living in New Zealand, but nearly a third apparently did not.

Well over half the sample mentioned they had received advice from company staff and workmates about such practical matters as opening bank accounts, shopping, shopping malls, etc.

Other advice about living in New Zealand was solicited from other migrants, fellow countrymen, friends and relatives.

Only 13% of the total sample was aware of any support provided by the New Zealand Government.

Potentially useful community groups identified included churches, community groups, company social groups, sporting group/activities and culture groups.

Almost 60% of the sample had found support from community groups to be useful. Being able to talk to people and share experiences (55%) was identified as the most useful kind of support.

Current satisfaction

Just over 80% of the total sample reported that they were at least satisfied with their current situation and 58% considered that their current job fitted in with their long term plans.

Suggestions for change

Further evidence of satisfaction was apparent in that nearly 60% of the sample indicated that nothing needed to be changed or to have been done differently. Suggestions for change generally had a constructive note to them.

Reasons migrants might leave their employment

Reasons as to why migrants might want to leave their current position included: money/wages, job satisfaction expectations not being met, discrimination, respect, recognition of qualifications, lack of professional growth, turmoil within the industry, and partner's needs not being attended to.

In some instances the experience/expertise of skilled migrants was not being recognised, and their hourly rates often remained at a level which was little more than those paid to apprentices. Discrepancies between pay rates prior to arriving in New Zealand and what was actually paid when the job commenced appeared to be subject to protracted delays in resolution. There was an interest, particularly from Filipino migrants, for employers to focus more on the needs and overall well-being of their workers (by contrast, migrants from the UK and South Africa tended to be more independent). There was also a call for New Zealand employers to change their attitude towards migrant workers.

Nearly 60% of respondents were aware of the idea that some migrants might have come to work in New Zealand in order to gain entry to Australia, but generally expressed the opinion that talk about this was largely a result of media hype. It was thought it was South Africans who were most likely to do this, but that this was not something deliberately planned in advance. There was an awareness that Australia offered very attractive entry packages including more realistic financial assistance and that it was possible for UK, South African and Filipino migrants to go directly into Australia without having to necessarily come to New Zealand first.

(B) Employer interviews

Nearly 60% of employers interviewed had been using skilled migrants for between three and five years, and almost 70% of the sample had employed up to 12 skilled migrants. Philippines and the UK and to a slightly lesser extent South Africa provided the majority of migrants employed by members of the sample.

86% of the sample indicated that general and/or skilled labour shortage was the primary reason for their use of skilled migrant labour.

Sample respondents were evenly divided between recruiting directly from overseas

and using a combination of direct overseas recruitment and sourcing workers with established residency in New Zealand.

Qualifications

Virtually all employers indicated that qualifications were recognised in a straightforward manner with work experience appearing to be the most commonly recognised qualification followed by registration and formal qualification. This reflected current recruitment practices used whereby it was expected that migrants selected would be skilled trades staff in their own country, already qualified and having relevant work experience.

Potential migrants were usually assessed by the NZQA and the EWRB and before being registered were required to complete a practical module as well as Theory and Practical exams.

Skilled migrants working for the largest overseas owned contracting companies were usually not registered, as they worked under their employer's licence. In contrast, some other employers considered that company licences trapped employees as well as providing a cheap way out for employers.

Almost 30% of the sample indicated that assistance was given in instances where prior qualifications were not recognised. An equal proportion indicated that such assistance was not available.

Workplace induction

Only 14% of the sample indicated that they provided an induction procedure that had been adapted for skilled migrants while a standard induction procedure for all employees was offered to the remainder.

Approximately 30% of the sample reported that they had support structures in place for non-English speaking skilled migrants.

All staff appeared to be given comprehensive Health and Safety compliance training at some stage of their induction. One respondent mentioned that such training was audited while another expressed the opinion that in the future they needed much more in depth attention to this aspect.

Over half the sample considered that they were either not aware of any migrant expectations with regard to induction or were of the opinion that they didn't know what to expect. Most individuals in the sample believed that migrants were satisfied with this process.

Changes to the induction process were being considered by 70% of respondents interviewed. Suggested changes included providing more settlement information, organising broader support groups for Filipinos in particular, and development of divisional information regarding an on-line induction programme.

Cultural induction and on-going support

70% of the sample indicated that cultural/social issues were not included in the induction procedures offered to employees.

Generally speaking there was a very low level of awareness as to what migrants might require in terms of information regarding living in New Zealand although it was broadly acknowledged that migrants expected a 'better life' for themselves and their families.

None of the employers interviewed appeared to be aware of any government sponsored support structures, although one person, in another context, referred to assistance being available from Settlement Support New Zealand (although the performance of this organisation did not appear to be particularly highly regarded).

Almost 60% of the sample mentioned that some forms of on-going support were available either informally (individual staff members), or formally (HR division, counsellor and chaplaincy services), or from an immigration consultants engaged to help look after residency applications.

There was limited awareness that migrants might become involved with church groups, socialise with other recent arrivals from their country of origin, meet people through schools (if they had school age children) and that established migrant networks existed in Hamilton and Auckland.

Respondents appeared to be evenly divided regarding the need for support structures. Three expressed the opinion that community groups set up by migrant populations to support both themselves and new arrivals were very important.

Migrant labour turnover

Just under 30% of the employers interviewed were of the opinion that reasonably large proportions of skilled migrant employees were thinking of leaving their jobs. They identified either pay/money issues or position/promotion opportunities as being important factors affecting decisions to leave.

While statistics have not generally been kept regarding migrant labour turnover, with one notable exception, it was generally thought that turnover rates were not particularly high. However, in the one instance where accurate figures were available, the staff turnover rate between the years 2001 and 2008 was 44.7% for employees recruited overseas, compared with 15-16% for all staff. Notably, 70% of those migrants who left the company found other employment in New Zealand (Electrix Limited).

It was considered by the sample that a turnover rate of 5% or less would be acceptable, primarily because of the expense involved. Some companies had a three year bond in place in order to protect themselves against financial loss.

Satisfaction with regard to employing skilled migrants

Just over 70% of the sample expressed satisfaction with this situation.

Suggestions for change

Just over half the respondents interviewed felt that no change was needed relating to handling skilled migrant labour while 43% indicated that some changes were needed. These included putting more effort into settling migrants into the community as well as better preliminary interviewing regarding willingness to work with others and intentions to permanently settle in New Zealand.

Issues raised by other staff members/unions

Just over 70% of the sample reported that such concerns had been raised. These included the potential for accidents resulting from UK migrants wiring according to UK standards without recognising that wire colours have different meanings in New Zealand, staff who are not keen on 'brown faces', unions being concerned that migrants are taking jobs away from locals, and wage rates being manipulated in such as way as to use migrants as 'slave labour'.

Other comments/suggestions

It was broadly acknowledged that the skilled migrant programme was important, with the employment of migrants being regarded as highly beneficial to the businesses represented.

(C) Recommendations

From the outset it was considered important to recognise that migrant workers had quite different needs from locals. Recommendations focused on some of the stages which a typical skilled migrant appeared to progress through as well as issues which have been raised by respondents.

Recruitment interview

Clarification regarding the following issues was recommended:

- Add-on costs
- Reliable cost of living information
- Tailored information packages including New Zealand history, climate and culture as well as practical matters such a road rules, hours of work, public holidays etc
- Registration requirements and procedures
- Day to day job requirements
- Sign on wage levels and promotional prospects
- Role which New Zealand companies play with regard to workers lives outside the workplace

- Availability of assistance for eventually bringing wives/families to this country
- Importation of personal effects including furniture, tools, etc.

Workplace induction

In order to accommodate the needs of migrants, it was recommended that they take part in a specially tailored process rather than be expected to fit into one which is given to locally based workers. Elements to be considered included:

- Provision of appropriate interpreters who can clarify points
- Education about the use and maintenance of basic public and private facilities, as well as etiquette and socially acceptable behaviour in New Zealand
- Opportunities for ongoing formal English language instruction to be made available
- Period of assisted housing to be significantly extended
- Emphasise to other staff the importance of using standard English and avoidance of slang, especially in the early stages
- Clearly outline mechanisms available for handling performance review and complaints
- Allocation of a mentor/buddy for each new worker to assist with advice/help regarding work/job related issues. Also provide clear guidelines concerning issues which should be taken directly to management.

Qualification recognition/registration

- Improved communication required regarding any delays in making formal application for registration after EWRB requirements have been completed
- Provide more active support and advocacy for migrants where qualification recognition is not straight forward
- ESITO to approach member companies operating under company licences and encourage the registration of migrant workers – possibly through the provision of either paid or partially subsidised study leave
- Other ESITO initiatives might include an approach to the NZQA concerning a review of assessment fees and suggesting to the EWRB that they standardise qualification recognition in particular situations

Wage rates

- Provide transparency between pay structures for local and migrant workers
- Migrant worker pay rates should be comprehensively reviewed in order to attract and retain highly skilled staff

Migrant staff turnover

- There is a need for employers to maintain accurate statistics as well as

records of exit interviews

Discrimination

- Before migrants arrive, existing staff need to understand the reasons for their recruitment
- It needs to be acknowledged that such workers are not second class citizens and need to be treated with respect and tolerance

Ongoing support

Employers should be aware that migrant needs for support outside the workplace may be ongoing and that non-English speaking workers and their families may be particularly vulnerable.

- Needs of wives/partners should be recognised – especially assistance with job placement commensurate with their skill levels
- Develop awareness of and sensitivity to cultural differences
- Develop associations with migrant self help networks
- Identify key contacts and informants which might be resourced through church, community and culture groups
- Employers should be listening more carefully to the expressed needs of skilled migrant employees
- Some skilled migrants may require a comprehensive social and cultural induction procedures
- ESITO might consider sponsoring an employer forum which focuses on issues relating to the employment of skilled migrants and is facilitated by an specialist in this area

Further research

We have recommended that this project is repeated in two years time. This should allow sufficient time for monitoring change and for making full use of the now established benchmarks, as well as taking advantage of the increased awareness of issues associated with employing skilled migrants in the New Zealand electricity supply industry.

Our approach would be to re-interview a selection of current participants together with extending the total sample to include employers and employees who were not previously interviewed.