

Examining aspects of new migrants' employment outcomes in New Zealand using the IDI prototype

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Outline

- **The Integrated Data Infrastructure (IDI) prototype**
 - Background and introduction to IDI
 - Strengths and limitations of the new data source
- **Aspects of migrants employment outcomes**
 - Case study on Working holidaymakers
- **Next steps**
 - Current work programme using the IDI prototype

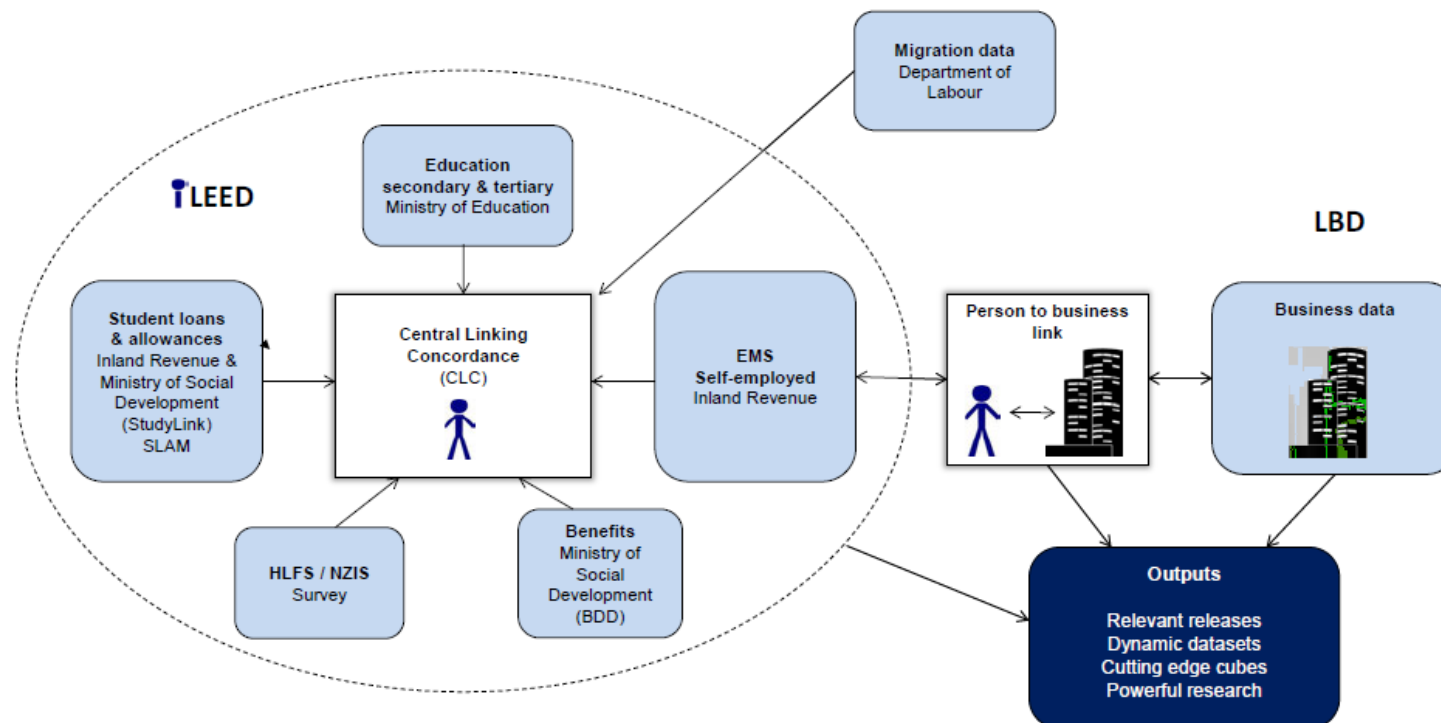


Introduction to the IDI and Prototype

- **The Integrated Data Infrastructure (IDI) ...**
 - *"An integrated data environment with longitudinal microdata about individuals, households, and firms"*
 - Due to be completed in June 2015
- **The IDI Prototype...**
 - Completed January 2012
 - Consolidates existing datasets, adds immigration data, and links to the LBD
 - Migrant levy funded development
 - Being used by SNZ to test, analyse and develop the IDI
 - Government researchers using the prototype ahead of the completed IDI



IDI Prototype data structure



Abbreviations:

iLEED: Integrated Longitudinal Employment and Education Data
LBD: Longitudinal Business Database
SLAM: Student Loans Account Manager

EMS: Employer Monthly Schedule
HLFS: Household Labour Force Survey
NZIS: New Zealand Income Survey
BDD: Benefits Dynamic Dataset

Source: Statistics NZ

Using the IDI in Migration research

We can ...

- Follow outcomes of groups of migrants (including temporary) over time.
- Capture key economic outcomes and labour market information for migrants.
- Track population movements in and out of NZ.
- Compare migrants with other New Zealanders.

We can't ...

- Monitor very recent trends or policy changes.
- Examine people's ideas, perceptions and experiences.
- Understand all aspects of people's working lives.
- Access the data whenever, wherever and however we want.

Because the IDI ...

- Has a complete record of all migrants from the late 90s.
- Includes income data from the tax system by source of income, and a link to employers.
- Includes customs data on border movements.
- Includes everyone in NZ with taxable income.

Because the IDI ...

- Has a time lag of around 18 months.
- Mainly consists of administrative records, with only limited survey data linked in.
- Doesn't capture hours worked or occupation.
- Has strict access and confidentiality requirements.

Case study: Working Holidaymakers

Policy context to the work

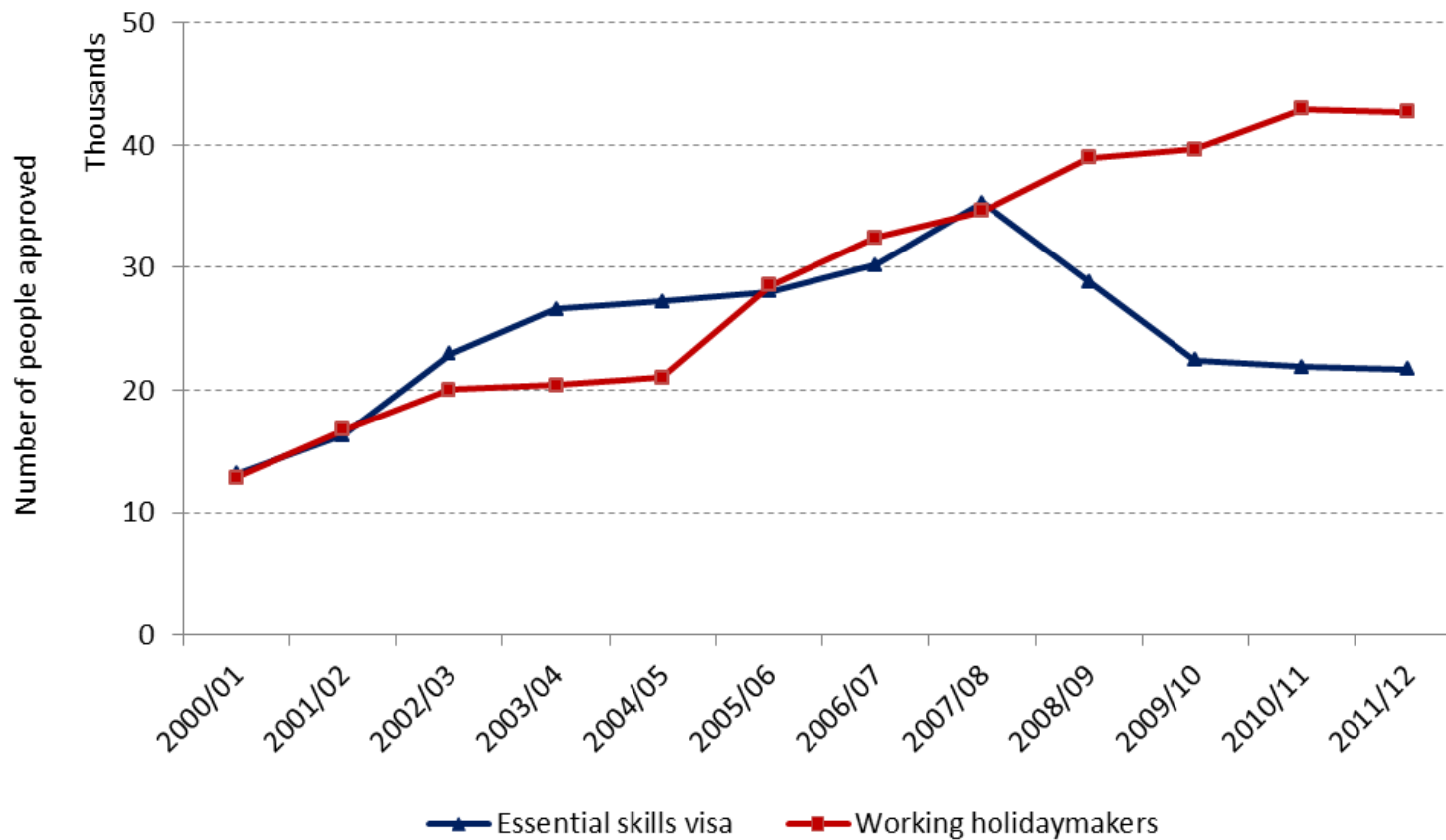
- Growing number of working holidaymakers and potential for new schemes
- Non-adjustment to labour market conditions

Used the IDI to examine...

- Who works?
- How much time is spent in NZ, and how much of that time is spent working?
- Where do they work and what do they earn?



Work visa comparisons



Source: Ministry of Business, Innovation and Employment

Period of analysis using IDI

Arrival cohort

J F M A M J J A S O N D



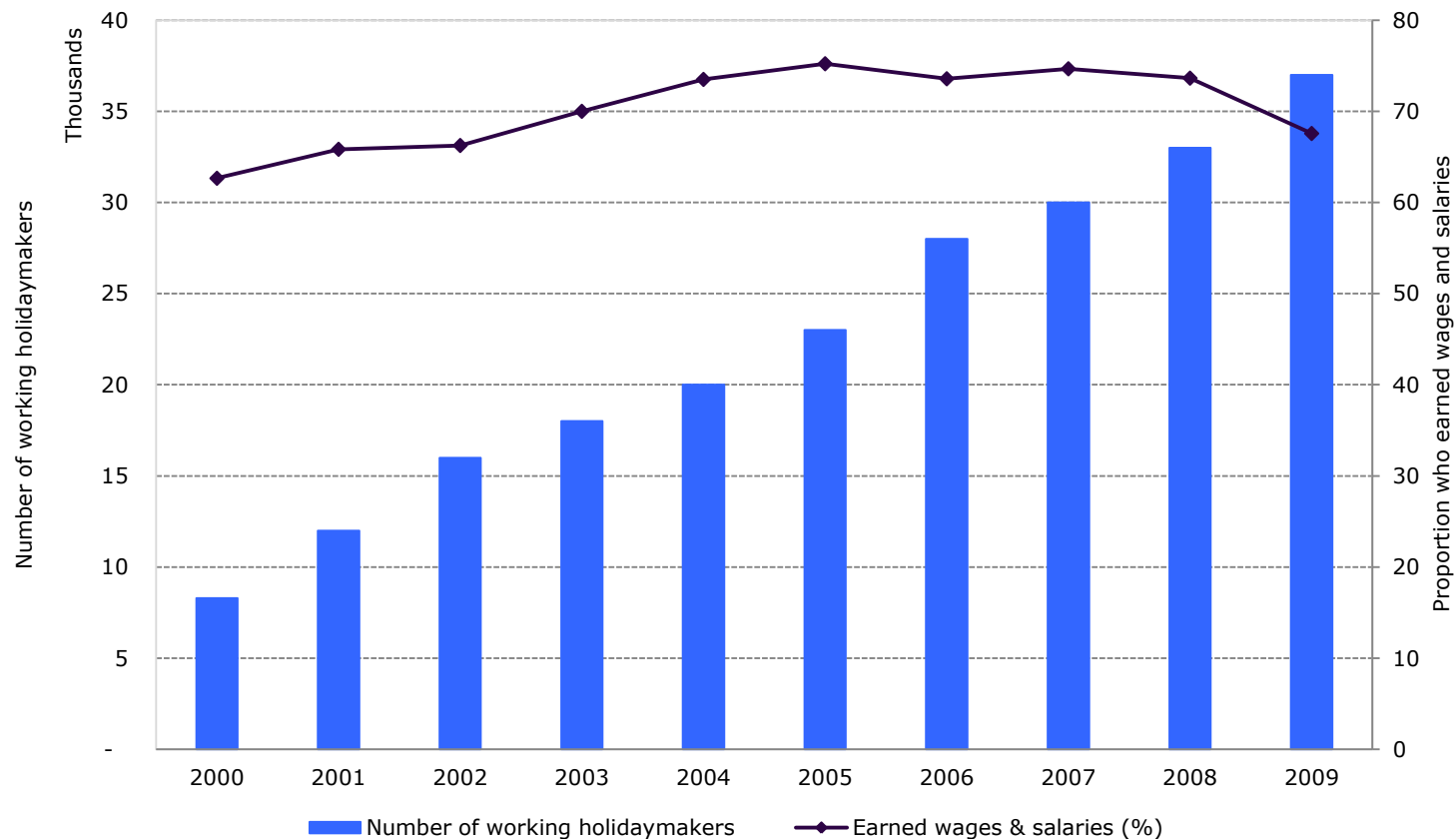
Analysis period: Time in NZ, time worked, & earnings

J F M A M J J A S O N D J F M A M J J A S O N D



12 months window as WHM

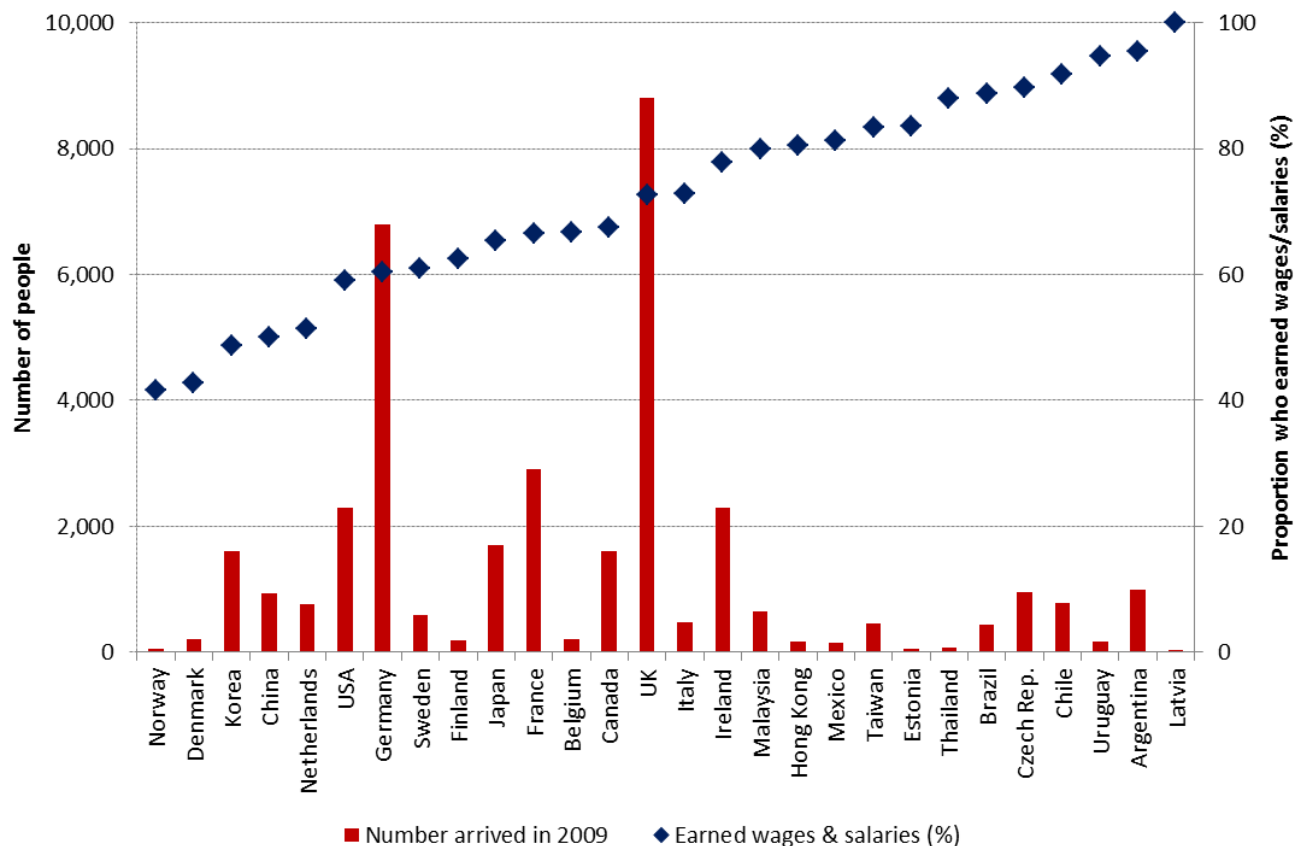
WHS: All schemes 2000-2009



Source: Integrated Data Infrastructure (IDI) prototype managed by Statistics NZ



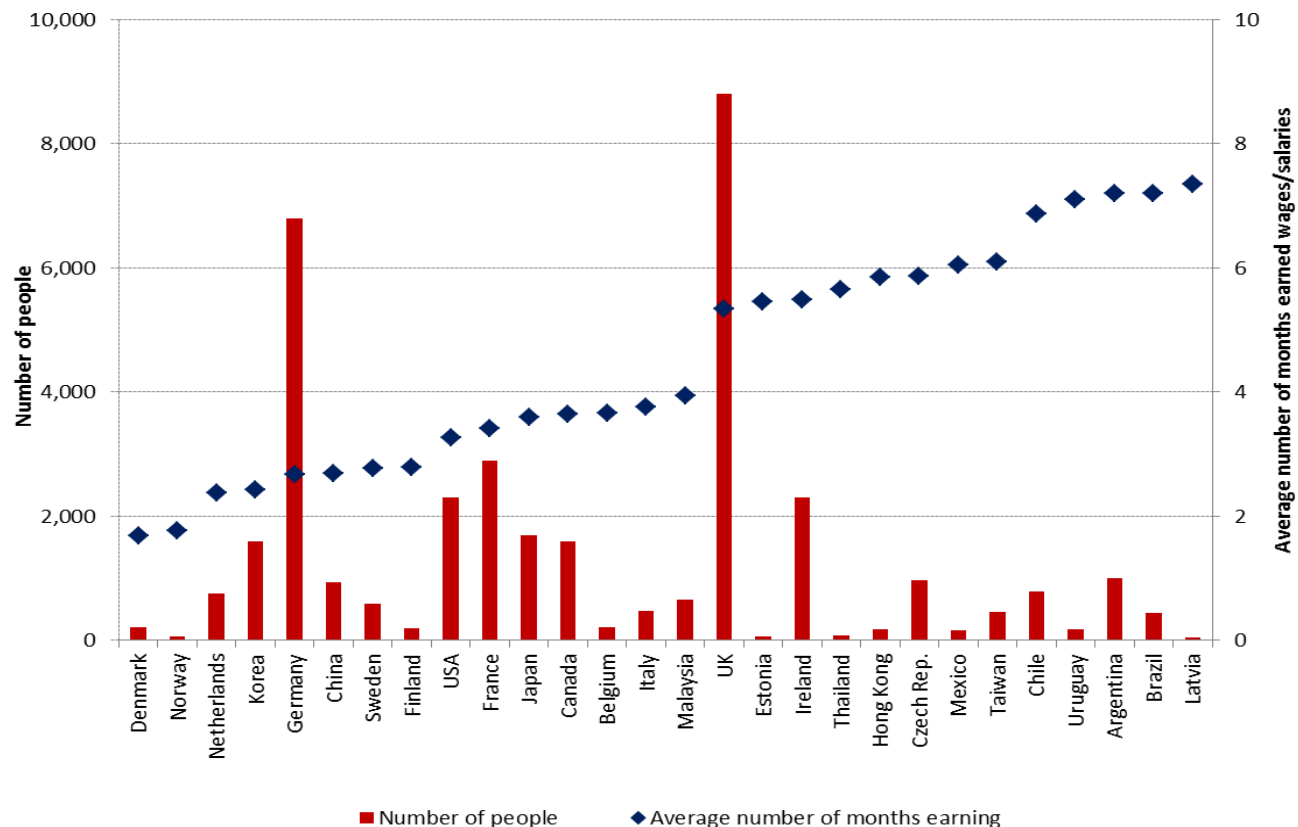
Proportion who work, by scheme (2009)



Source: Integrated Data Infrastructure (IDI) prototype managed by Statistics NZ



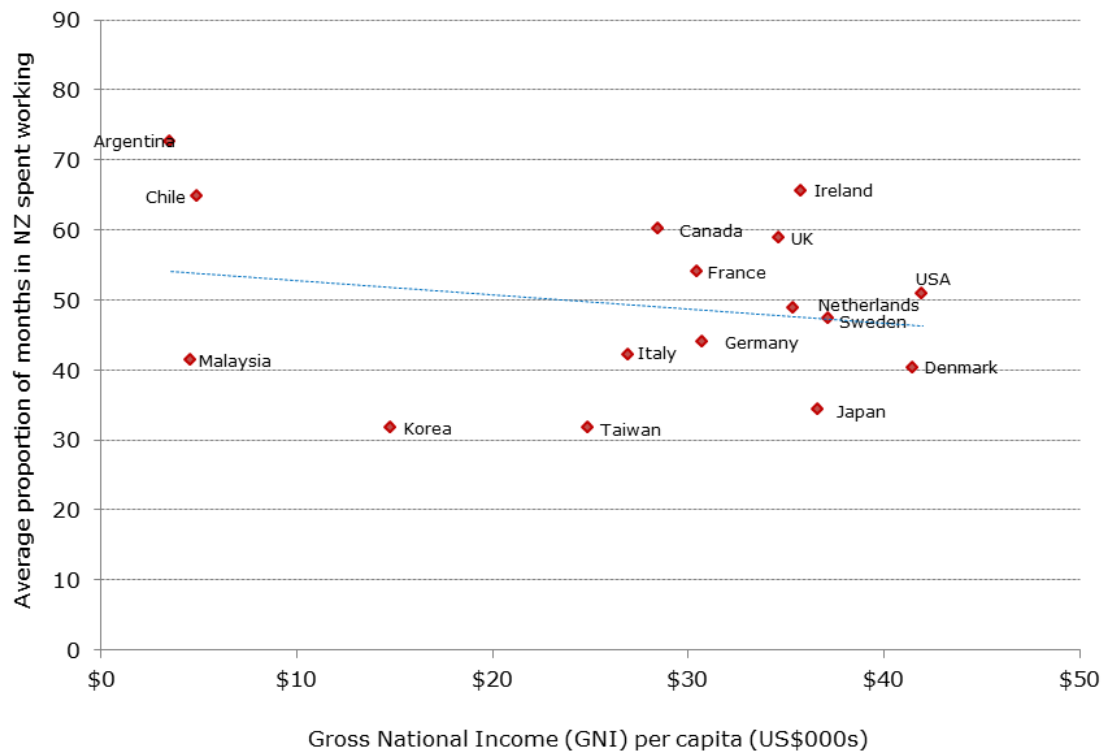
Average number of months earning wages/salaries (2009)



Source: Integrated Data Infrastructure (IDI) prototype managed by Statistics NZ

Working holidaymakers in 2004

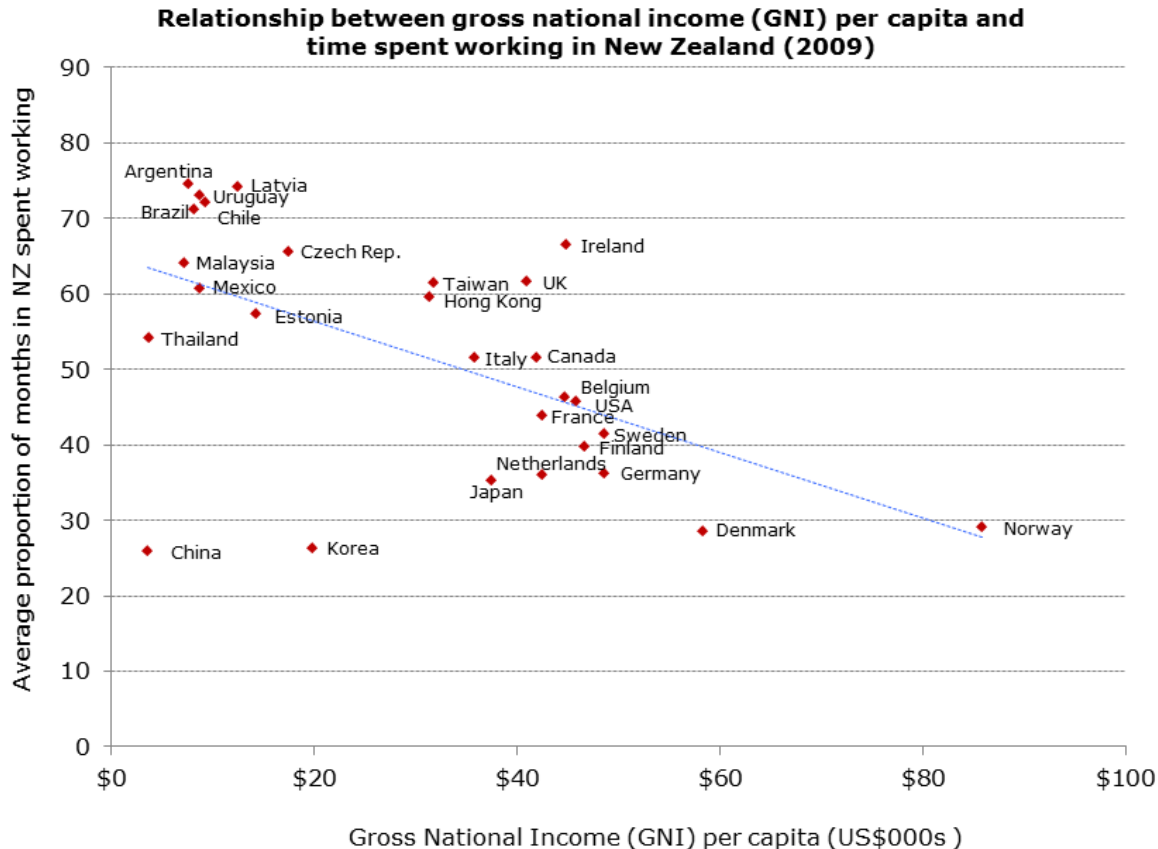
Relationship between gross national income (GNI) per capita and time spent working in New Zealand (2004)



Source: Integrated Data Infrastructure (IDI) prototype managed by Statistics NZ, and the World Bank



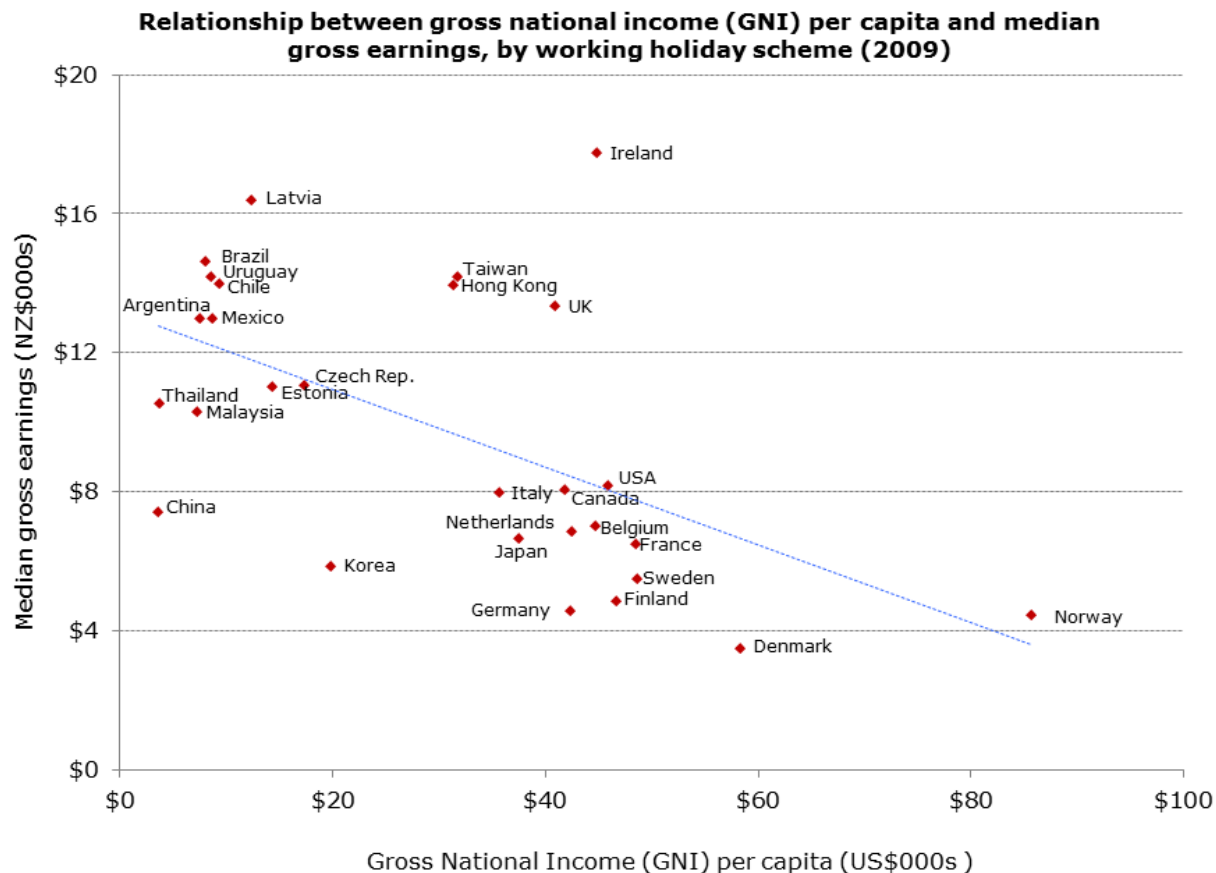
Working.....holidaymakers



Source: Integrated Data Infrastructure (IDI) prototype managed by Statistics NZ, and the World Bank



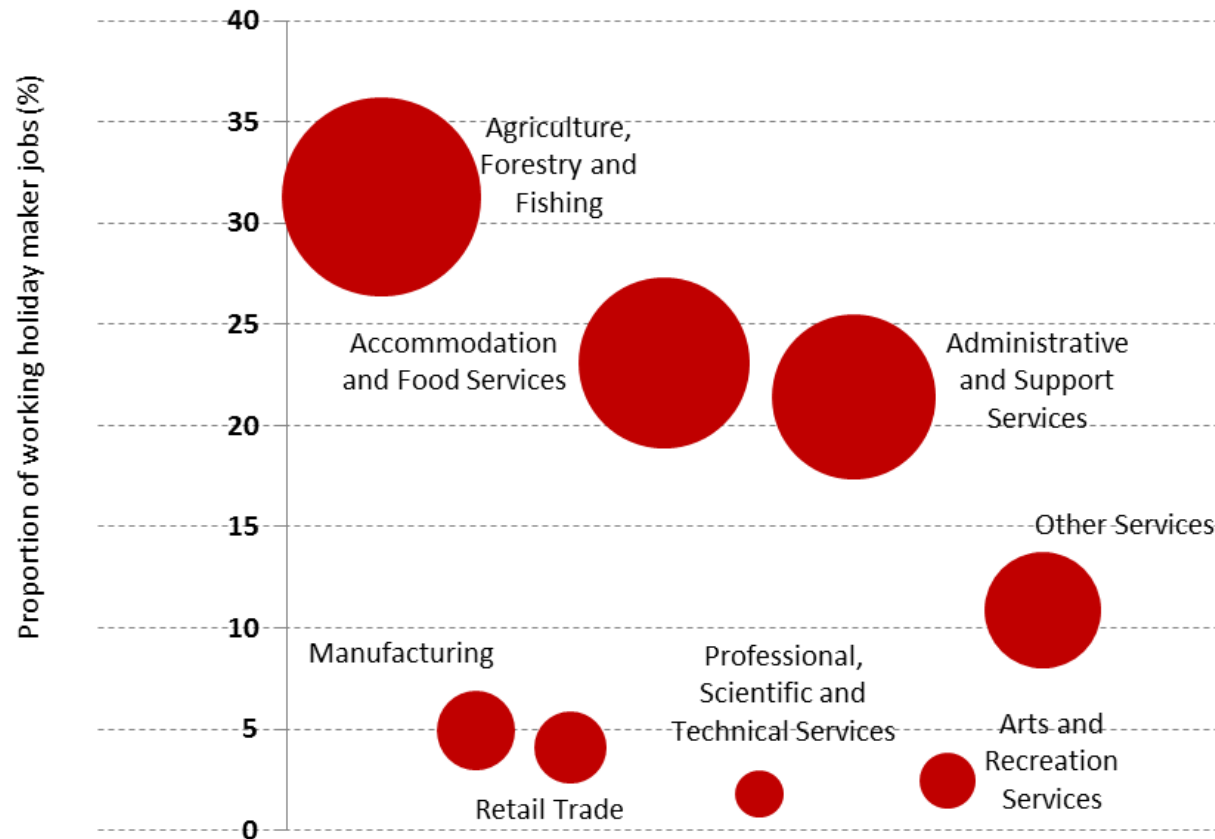
Working holidaymaker earnings



Source: Integrated Data Infrastructure (IDI) prototype managed by Statistics NZ, and the World Bank



Industry of WHM jobs, 2009



Source: Integrated Data Infrastructure (IDI) prototype managed by Statistics NZ



Region of WHM jobs, 2009

Region of WHM jobs	Accommodation and Food Services	Administrative and Support Services	Agriculture, Forestry and Fishing	All Other Services
Northland	3.7	2.1	3.5	2.5
Auckland	24.3	30.0	2.0	30.0
Waikato	5.2	0.7	3.0	5.5
Bay of Plenty	5.4	21.5	15.8	4.6
Gisborne	0.5	0.6	3.4	0.6
Hawke's Bay	2.4	6.8	20.5	4.5
Taranaki	0.4	..c	0.4	..c
Manawatu-Wanganui	1.6	0.4	0.9	2.6
Wellington	10.7	8.5	0.8	8.7
West Coast	3.5	..c	0.2	..c
Canterbury	14.3	7.6	5.3	11.3
Otago	17.1	12.3	8.9	14.0
Southland	2.0	0.0	1.8	1.1
Tasman	0.9	1.8	7.9	3.5
Nelson	1.9	2.5	0.5	0.7
Marlborough	3.0	4.0	25.3	6.1
Total	100.0	100.0	100.0	100.0

Source: Figures have been extracted from the Integrated Data Infrastructure (IDI) prototype managed by Statistics NZ

Notes:

..c Cell suppressed for confidentiality reasons



WHS and future migration

- Of the 20,600 WHM approved in 2004, 11% percent have gained residence
- From the larger schemes, UK (16%) and Ireland (10%) have highest transition rates. Argentina (19%), Chile (13%), and Malaysia (23%) stand out amongst the smaller schemes.
- 59% transitioned as skilled migrants.
- Currently $\approx 7\%$ of skilled principal migrants approved through the NZRP were formerly working holidaymakers. For the UK, the figure is around 30%.



Next steps using the IDI

Key questions

- Establishing on-going reporting of migrant employment outcomes
 - ❖ What are migrants' sources of income?
 - ❖ How much do migrants earn from wages and salaries?
 - ❖ Where do migrants work and in what industries?
- Labour market impact of immigration
 - ❖ Which industries are most reliant on migrants?
 - ❖ How has this changed in recent years?
 - ❖ Do migrant workers...
 - force out other workers?
 - affect the wages of other workers?
 - take jobs from other jobseekers?



Further information and latest releases

- Visit our research page:
www.immigration.govt.nz/research
- Visit Statistics New Zealand at
www.stats.govt.nz/idi
- Contact us:
research@dol.govt.nz



Disclaimer

This work was undertaken while the authors were on secondment to Statistics New Zealand. This work is part of the Integrated Data Infrastructure (IDI) prototype that was created using Migrant Levy funding secured by the Department of Labour.

The opinions, findings, recommendations and conclusions expressed are those of the author(s). Statistics NZ or the Department of Labour take no responsibility for any omissions or errors in the information contained here.

The results in this report are not official statistics, they have been created for research purposes from the Integrated Data Infrastructure (IDI) prototype managed by Statistics NZ. On-going work within Statistics NZ to develop the IDI means it will not be possible to exactly reproduce the data presented here.

Access to the data used in this study was provided by Statistics NZ in accordance with security and confidentiality provisions of the Statistics Act 1975. Only people authorised by the Statistics Act 1975 are allowed to see data about a particular person, business or organisation. The results in this report have been confidentialised to protect individual people and businesses from identification.

Careful consideration has been given to the privacy, security and confidentiality issues associated with using administrative data in the Integrated Data Infrastructure prototype. Further detail can be found in the [Privacy impact assessment for the Integrated Data Infrastructure](#) available from www.stats.govt.nz.

The results are based in part on tax data supplied by Inland Revenue to Statistics NZ under the Tax Administration Act 1994. This tax data must be used only for statistical purposes, and no individual information may be published or disclosed in any other form, or provided to Inland Revenue for administrative or regulatory purposes.

Any person who has had access to the unit-record data has certified that they have been shown, have read, and have understood section 81 of the Tax Administration Act 1994, which relates to privacy and confidentiality. Any discussion of data limitations or weaknesses is in the context of using the Integrated Data Infrastructure prototype for statistical purposes, and is not related to the data's ability to support Inland Revenue's core operational requirements.

