

Hello and welcome to the Moxie Podcast. This is episode number 10. This is the companion web show to the Moxie Sessions. The Moxie Sessions is an internet economy discussion group that is held once a month in Auckland, New Zealand, and its purpose is to bring together a group of interesting technophiles from across the economy to talk about how New Zealand can take advantage of the internet to improve its economic performance. My name is Glenn Williams and I'm on the Skype switchboard. I'm operating things here in London, connecting our guests together for this podcast. And today, we are talking about New Zealand immigration – certainly a hot topic of and on in the media. But specifically, we're going to be talking about how good is New Zealand's immigration system and do we have the settings right to take advantage of all the good folk that we want to bring down under who weren't actually born in New Zealand. Now, talking at the last moxie session were Carl Andrews who is a relationship manager for Immigration New Zealand. Welcome to the show, Carl.

Thanks very much.

And Doctor Sean Simpson who is the Chief Technology Officer and Co-Founder of LanzaTech. Welcome to the show, Sean.

Yes. Hi.

And unfortunately, not joining us today here to pull out at the last minute was at trivia gaming who is from Gameloft. He helps it up Gameloft's operation in New Zealand and he was going to be talking about being an immigrant to New Zealand, but Sean might be able to cover off some of that for us anyway, seeing as he is also an immigrant to New Zealand. How long ago did you come to New Zealand, Sean?

I arrived here– I guess it would have been 12 years ago now.

From where?

Well, actually as I migrated here from Japan. I was working in Japan at the time for a government research institute and came to New Zealand after that contract. But originally, I'm from the UK.

Oh, right, yeah.

I've become a Kiwi, I would say.

Yeah.

A successful transition.

A successful transition, indeed. Well, talking about these successful transitions, someone who is really at the cold face on the front line of immigration in New Zealand is yourself there Carl, being a relationship manager for immigration in New Zealand. What does that job involve and tell us about what you talked about at the last Moxie Session.

All right. Basically, my role is working with employers. It's around helping men to understand immigration policy, processes, options, and also a bit of facilitation as well where people need to bring in somebody urgently. If an employer needs somebody urgently to work for them, then part of my role will be to assist them, to facilitate that person through the process.

Right.

Basically, what we were talking about is in terms of the settings from an immigration perspective, I guess we feel we've got them pretty much right. Having said that, we're always happy to look at tweaks where clearly there's a tweak needed or justified. And at the moment, we're looking to move ahead by going electronic. So, we'll have electronic visa processing coming up over the next 12 months, 18 months, which of course again, will speed things up from the migrants point of view when they're wanting to travel to New Zealand. They will apply for different types of visas.

When you say tweaks, are these as you just mentioned, technology tweaks, or are we talking about governmental tweaks? Because isn't the policy of immigration and the type of migrants that are coming to New Zealand, isn't that set at government level?

Yes, it is. We're always looking at tweaks from a government perspective and where can we make things easier or adjust policies accordingly to the needs of the migrants in terms of perhaps what they need, but also what does immigration need. But the electronic visa processing is more about speed, so it's not so much a tweak in that sense, it's more about speed of process.

And reducing some those bottlenecks that you hear about from some immigration systems around the world?

Exactly. We've got pretty comprehensive range of policies as well to cater the migrants. We've got school migrant category, which I would imagine someone would have come through. We've got business and investor policies which are designed to contribute to economic growth by tracking capital.

So, we've got a range of policy options that really, at the end of the day, cover most circumstances for most people that New Zealand's looking to attract.

Okay. Sean, what did you talk about at the Moxie Session?

From my perspective, I talked a little about Lanzatech, the company I founded, and the fact that we rely heavily on bringing in talent from offshore, and some of the challenges associated with that. But moreover, I try to focus on New Zealand's immigration strategy. They made the case that in New Zealand we have a good immigration system – I would argue – a reasonable immigration system. However, that system is there to serve companies who are looking to bring in employees to their business. It's not in itself strategic. One of my interests is in encouraging entrepreneurialism in New Zealand, instead of growing entrepreneur-led businesses in New Zealand. I made the observation that studies conducted overseas that came in United States was shown that migrants are much more likely to start successful businesses. They're more likely to be entrepreneurial. And therefore, we should have an immigration policy that encourage the attraction or attention of skilled migrants into New Zealand to start their own businesses. If you look at the States, for example, you see that 40% of Fortune 500 companies were started by migrants or the children of migrants. Those companies sort of employ around 4 million people and have a combined revenues in the trillions of dollars. This really does argue to the fact that migrants are a group of people who naturally are more likely to start something off on the ground and be successful at it.

Why do you think that is? What quality or personality do all these migrants have in common?

Well, I would argue that even the process of deciding to migrate to another country is a selection process itself. I'm a biologist, so I'm sort of heavily influenced by it. [chuckles] I sort of think in terms of selection. Therefore, you're selecting from a group of people who have already chosen to take a significant risk in their lives to move away from friends, family, culture to a brand new place in order to provide for themselves and their family a better life. You're not doing this purely for a life experience, you want a better life. It's those qualities that resonate with people who want to start new businesses, who are willing to take the risk to move out of the comfortable job, let's say, and start a new business and perhaps be successful at it because this is a single-mindedness in that psyche that pushes so on to make that kind of elite. So I say it is a selection process, if you like, for people who are inherently – people who take high risks who do so for the better of themselves and their family and who want to be successful.

Are the other systems that are available for people to see – our businesses is in New Zealand, are they favorable compared to where most people come from?

I think for New Zealand that the immigration policies to bring in people to support a business are probably okay. They could be faster, they could be tweaked hearing that. What I would argue is in this one is we have to be strategic in terms of who we target to bring into the country. This has to be not only a service to bring in the right people for established business, but also a strategy to bring in people who are most likely to setup their own business to start companies here. And my argument therefore was, what we should do in New Zealand is actually give passports to foreign students who come here and successfully complete a higher degree in certain desirable subjects. For example, engineering or other sciences. Thereby, encourage young people who've already shown themselves to want to do something that's a little unusual, study overseas and encourage them to stay here, encourage them to join our population, and encourage that group of people to help us grow our economy.

Would you agree with that Carl?

Well, we've got opportunities for those kind of people who are willing. We have business categories. For example –

We have to have a certain amount of money. Is that right, Carl?

No, no, no. Well, the long term business visa enables you to establish a business in New Zealand if you want to. Part of that is if you can put together your business plan and it looks like it's a potentially sustainable opportunity, then we provide a two-year work visa so that person work in a stable business. Then at the end of the two years, we have another look at it, see how the business is going. Is it sustainable? Is it likely to succeed? Is it looking to employ New Zealand permanent residents? If so, then onto the entrepreneur category, they can apply for residence. I mean just in the business area combined, there's about 1.5 billion in actual and potential investment funds in New Zealand since 2009 from overseas investors. That's about inducing new business ideas and improving international linkages because clearly, people coming from overseas, they've got networks and linkages that we can capitalize on.

I guess what I argue is–
No. I was just going to say that I guess from– I mean, there's always the ability to be able to fine-tune these policies to cater for opportunities that we might be missing. But as it stands, we do, like I said, those opportunities available without just automatically giving international students a New Zealand passport. We got to balance that with risks as well. I understand, I accept what you say that there's certainly opportunity there. These people have come to New Zealand. They had studied here. They have completed a PhD, but not necessarily all of them will make a contribution to New Zealand so yes, I believe it.
No, I agree. Not necessarily all of the people that we bring in under any migrant policy make a positive contribution to New Zealand. What I want to argue though is that even under your entrepreneurial categories, you require people to initially decide that they're going to be entrepreneurs. What I'm saying is, rather than saying that, really encourage people who we have trained. We claim that we have some of the best education in the world. I would back that claim. But if that is the case, and if we are educating people from all around the world, why wouldn't we encourage those very people who pass our higher degrees, the highest level of education that we offer? Why don't we encourage those very people to stay here and to help our country become successful rather than use that training go somewhere else and make someone else's country be successful? It may not be that they stay here immediately, but they may use the opportunity they have by having a New Zealand passport, having the ability to come back here and live here.
They will do exactly that. I just think that from a strategic perspective, that is a way for us to have a positive impact particularly on the entrepreneurial start-up landscape of New Zealand. Because right now, that is the landscape that I would argue is struggling somewhat. I would also say that you quote the amount of money coming in through the investor migrant category. The challenge I see with that is that there is no obligation there for these investors to invest directly into start-ups or in risky ventures in New Zealand. The vast majority of that funding I would argue, I imagine, goes into bonds. And so whilst there is numerically a large amount of money, it is not funding the growth of new New Zealand businesses. I would argue. I'll stress I don't have the facts and figures to support that in front of me, but my experience is that money does not flow into the hands of start-up companies and groups in New Zealand.
There's a lot that does go into start-up companies, but in terms of the figures I can't tell you that either. I don't have those in front of me myself. [crosstalk]
I sit on the board of The ICEHOUSE, Carl, and I can tell you that getting funding in New Zealand for start-up companies outside of the angel investor level is very challenging. So of this 1.5 billion dollars you talk of, I don't see a great deal of it supporting start-up businesses. I don't. And so, I would again stress that in that regard, I would see it as an imperative that if we wanted to use those funds to really encourage the growth of business in New Zealand, then a portion of those funds, not all of them, a portion would have to be permitted always to the start-up of new businesses in New Zealand rather than simply investing in rather safe bonds.
Well, I think you mentioned some good points there, and there are certainly points that should probably be put forward as suggestions and ideas of how we can improve and how we can with the proceedings. It's always great to get feedback in terms of what we can do to make things a lot better than what they are. It's an opportunity to do that, really.
I'm interested in exploring further this link between education, and then staying or not staying in New Zealand. Isn't it true that that's not uniquely a New Zealand problem? I could say even here in the UK with David Cameron's recent visit to China, some of the feedback from the Chinese when the priests were asking people about what they thought of the UK and they said, Well, it's a lovely place to go on holiday or get an education, but not necessarily to stick around and do business. Is New Zealand chucked into that bucket as well where we've got a world class education system, but the pull back to where these people are coming from – whether it be China or somewhere else in Europe or something like that – is too strong for them to stay in New Zealand?
No, I wouldn't think so. The majority of international grads or students that are in New Zealand studying, and I don't have exact figures, but I would pick probably around 80% would probably stay on in New Zealand in some form, whether they're under school/migrant category. The ultimate aim of a lot of the international students is to become residents of New Zealand. And so, the policies that we've got with the moment support that. And as part of our role, we also go and talk to international students in their last years whilst they're studying to help them to understand how relatively straightforward it is for

them to become skilled migrants and to live in and stay and contribute to New Zealand.
What's the main reason that they give to say? Is it lifestyle?
Yeah. Lifestyle is the biggest reason. The fact that it's like anything, I guess. Once you're here and see what New Zealand is like, and a lot of these people are coming from countries where they pursue the greater opportunity in New Zealand as well. And I guess some of the things that you're saying sure where they can see potential opportunity is another factor, but the longer term aim is always for them to remain here. That seems to be what we're seeing.
Again, my view is simply one of saying. If we've got smart people that we've educated in New Zealand who've come from offshore, then we should be encouraging those people to stay. In fact—
Exactly.
—we should go a step further than that and say, 'Look, here's a passport for New Zealand. You've passed a higher degree here. At any time in your life, come back to New Zealand and help us be successful.' That, to me, is a policy that would help New Zealand grow. This is a nation founded on migration. And the moment the immigration is a way of servicing established industry, but it could be a way of strategically encouraging the growth of brand new businesses in a much more proactive way. I would argue this could be one strategy to allow that proactive growth of entrepreneurial start-up businesses in New Zealand.
Yeah. Innovation and creativity is what we're looking for and you did run short. If this opportunities or strategies that we can look at to help facilitate that, then we would certainly be wanting to look at them. And I think, good opportunity for you to make representations on that basis. Because it's all about peoples thoughts, isn't it?
I agree and this is not— what I'm espousing is not necessarily a new idea. This is an idea that's been discussed in the States. Bloomberg of New York is advocating giving green cards to all students who pass high degrees in the state of New York. And I know in California, this is a big topic of discussion also. So, I think there's precedent for this happening elsewhere. All is precedent for this being considered elsewhere. I look at New Zealand and think that we have a particular challenge here, in that we have a great distance to market and we have a complete reliance on agricultural industry. By encouraging migrants to start up businesses here, then we have a greater opportunity to almost grow other parts of our economy to offset any risk that is associated with being too reliant on one area.
Carl, tell us a little bit more about the changing system and moving towards more of an electronic system. Exactly how is that going to be improving things?
It'll take away a lot of the need for hard copy paper. If somebody, for example, wants to make an application for a work visa, they can do it all online. And at the moment, we have hard copies so there's papers moving all around the world in order to submit applications. It's all hard copy. If we can go electronic, then it will simplify the process for the individual and we expect that that will certainly speed up the process significantly. Basically, just saying it's an electronic— it's an electronic visa that would be issued to the person, but you would also be applying for that visa online. And behind the scenes would be a process obviously going on in the background where certain checks and balances were made. If the application was positive and likely to succeed, then the application would be approved and it would all be online. The person could potentially print off their own— at least, they're conserving their visas being authorized and issued, and bring that with a passport and be granted the relevant visa on arrival in New Zealand.
At the moment, I've got an idea. If I was a 25-year-old, let's say I was a 25-year-old Chinese person. I hadn't campaigned to New Zealand to study, but I've got the entrepreneurial spirit. I only have NZ\$500 in the bank, but I've got a great idea for a company. Can I arrive in New Zealand and try this idea out?
Not under the current policies. You couldn't just arrive in New Zealand and try it out. We would want to see what it was that you were proposing to try out to see whether or not it was viable.
But if I had a NZ\$100,000 in the bank, could I still try that idea out?
No, no. It doesn't alter the fact of the amount of money until you get to the investor category—
Right.
— and there's Sean was talking about that investment side of it. If you want to try an idea out, you have to be careful because you don't want to have everybody saying, Look, I'd like to go to New Zealand to try an idea out. You have to have a process into place where you can look at that idea and make a decision as to whether or not it looks like a viable option. You can certainly give the person the opportunity to try it, but they have to establish a business plan — what is it that they're wanting to do? How do they see it's going to work? What's the financial commitment? Where do they see it in two years time? Is it likely to

employ New Zealand permanent residents? And then if we're satisfied that these looks like a pretty good idea, then we would give them a two-year work visa to set up and establish a business. You have to have a— we can't just let everybody come in that's got a good idea. Potentially, we have a whole world arriving with a good idea.

So immigration policy, they knew today because there are risks; it still needs to be sensible.

Exactly. You got to balance the risk with the opportunities.

But I would argue that offering this minimal risk in offering to offshore students; they study in New Zealand, and are successful and completing a higher degree here. There's a minimal risk in offering them a New Zealand passport. The numbers are relatively small and we're talking about very smart people.

Yeah. I don't disagree with you. I think there's a difference between saying around the world, let's say everybody had an opportunity to come to New Zealand try out an idea. I think you're quite right. The risks means, what? The group that you're talking about, PhD students for example, international students who are already in New Zealand, you've minimized the risk immediately because the numbers are small. And the opportunity for creativity and innovation in those people is probably high. They will have exceptionally good knowledge. Potential for creating new businesses is probably quite significant. And if they are encouraged and fostered and nurtured to in fact, go down that path, then it probably is good investment. That's something that can certainly be considered. There will always be some kind of rules and things around it just to balance the risk, but as you say, I think it's something that could be looked in.

And of course, the policy generally is set at a government level and it is political. Is the political discussion around immigration – is it sensible or is it improved over the years or is it gotten worse?

From my perspective, I've worked with immigration and been here a number of years myself. I think it's continually improving, and it's continually improving because we are always looking to fine-tune the settings. We're looking at new policy options—

But the discourse between political parties about it, there's particularly around election time, is it sensible?

From when I look at it, I don't find it particularly sensible. I find it wonders. It's often very defensive. We often worry about migrants coming in, so many are concerned about migrants coming in, and there's very little acknowledgement of the tremendous benefit that New Zealand enjoys from the population of migrants that come here. We're a nation of migrants, and there's very little recognition of that. I think that what we have to recognize is that for this country to grow effectively, we have to be increasingly encouraging of smart people to come and live here to help us grow our economy. And so, immigration policy is an extremely important tool in our fight to grow New Zealand's economy to improve our lives or to maintain our lifestyle to that which we've become accustomed.

And of course—

I would agree with you, Sean.

Well, it's also a very important political football, isn't it? It's a very important tool particularly where you sit on the spectrum and your perspective on it. It's a tool to gain a few more votes or lose a few votes.

It's a very easy way to polarize people, but I think that's— there are so many things that a politician can use in a relatively cheap way to polarize people, but I think that's reflected of someone's need for popularity rather than their desire to grow in New Zealand. I think we just got to get beyond that and recognize that – or state and be very clear – that we are a nation that is reliant on migrants. We are reliant on migrants to help us grow our economy in ways that we are currently not growing. And therefore, we need to have imaginative, effective, smart immigration policies.

Any final remarks from you, Carl?

Well, I think everything that Sean says in terms of his summary is probably true and I wouldn't deny that at all. That's exactly what we want. We do want smart, creative, innovative thinking people to help grow the economy. And where we can fine-tune policies or just settings to help achieve that, then I'm pretty confident that immigration would be certainly looking to do that.

And that has been episode number 10 of the Moxie podcast. You can find all the episodes and subscribe to the Moxie podcast up here to themoxiesessions.co.nz. And all that's left is to thank my guests, Carl Andrews, who is the relationship manager for Immigration New Zealand. Thanks very much, Carl.

Thank you.

And Dr. Sean Simpson who is from Lanzatech. Thanks very much, Sean.

Thank you.

My name is Glenn Williams, and I'll join you on the next Moxie podcast. Until then, take care.

[music]