



# CaDDANZ

Capturing the Diversity Dividend  
of Aotearoa/New Zealand

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April 2021

## TEMPORARY MIGRATION IN INVERCARGILL AND QUEENSTOWN AMIDST THE COVID-19 GLOBAL PANDEMIC

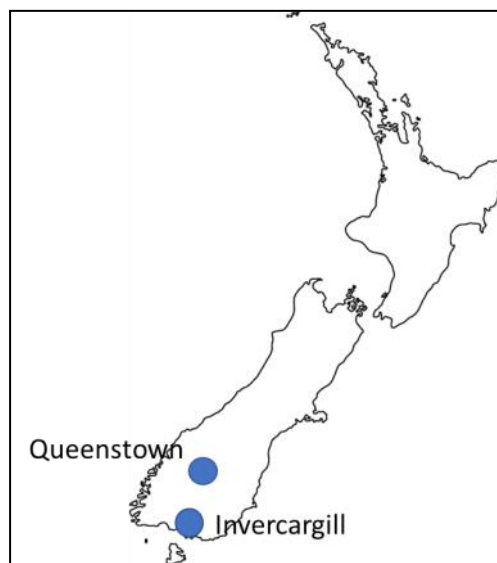
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### Introduction

The Covid-19 global pandemic has severely disrupted migration patterns in Aotearoa New Zealand, as it has in many other parts of the world. Since the 23rd of March 2020, the New Zealand border has been effectively closed to all but New Zealand citizens and residents, restricting entry of non-nationals including new migrants and leaving existing temporary visa holders stranded offshore. The border closure in 2020 contrasts significantly with the previous six years, which had seen record levels of net migration gains, fueled in particular by growth in temporary work and study programmes. By the end of February 2020 the temporary migrant population reached a peak of 305,340 or 6% of the estimated population of Aotearoa New Zealand. Since then the total temporary migrant population has declined to 245,544 by February 2021, with particularly steep declines in the number of working holiday and student visa holders. This decline represents a significant turnaround from two decades of consistent growth in the number of temporary migrants living in Aotearoa New Zealand, facilitated by a national migration regime that is permissive of the arrival of large numbers of temporary work and student visa holders but offers little security in relation to long-term rights of residence (Collins 2020).

This CaDDANZ project brief reports on findings from research that explored the links between temporary migration and regional development in the context of the Covid-19 global pandemic, focusing specifically on Invercargill and Queenstown. These two areas represent important cases for understanding the role that temporary migration plays in population composition and change and consequently social and economic inclusion, as well as how those relationships have been destabilised by the global spread of and response to Covid-19. For Invercargill, the growth in temporary migrant populations has been part of an incremental but notable success story in turning around population decline, while for Queenstown's booming tourist economy, temporary migrants had underpinned a significant part of the workforce needed to sustain economic activity.

Map of New Zealand indicating location of Invercargill and Queenstown



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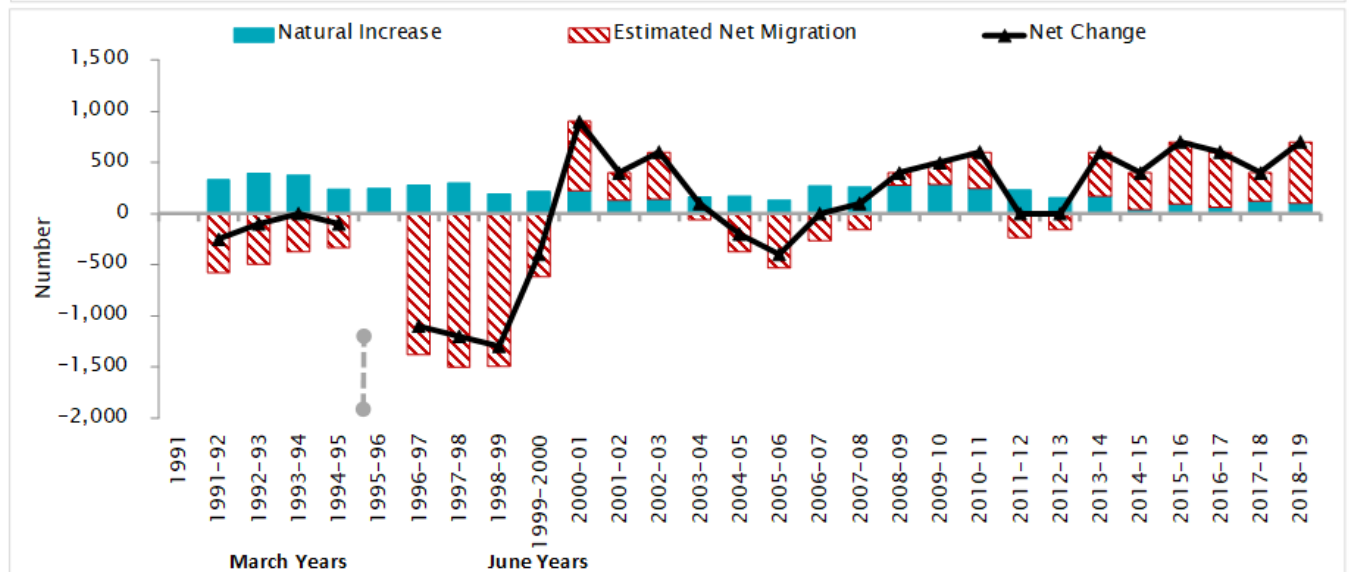
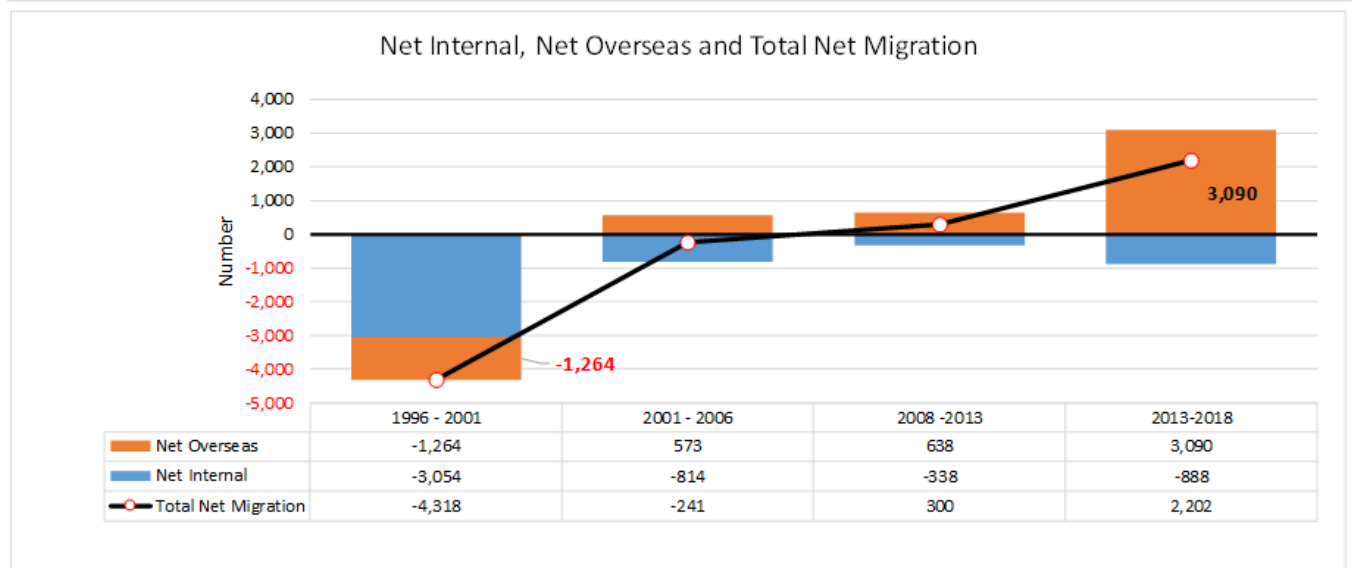
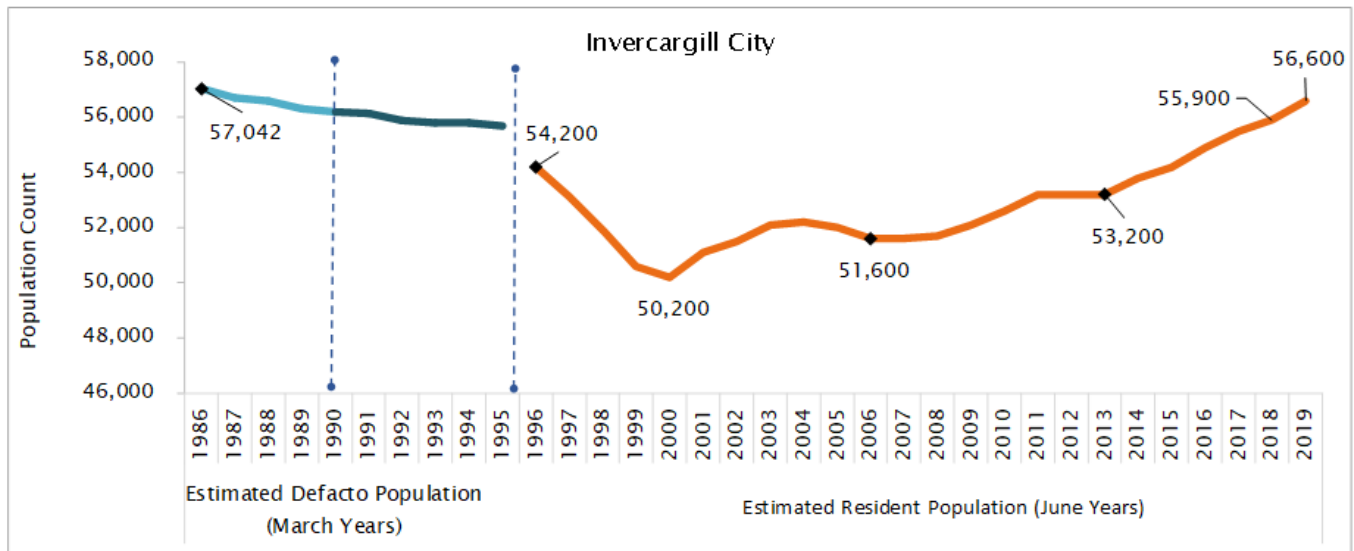
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Notes: Changes in timing and method of estimating Resident Population between 1995 and 1996 mean that only natural increase can be shown for that year  
Source: Jackson & Pawar Demographic Accounting Model (2021)/Compiled from Statistics New Zealand Data

**Figure 1:** Invercargill: Estimated Resident Population Trends and Components of Change. Source: New Zealand Atlas of Population Change.



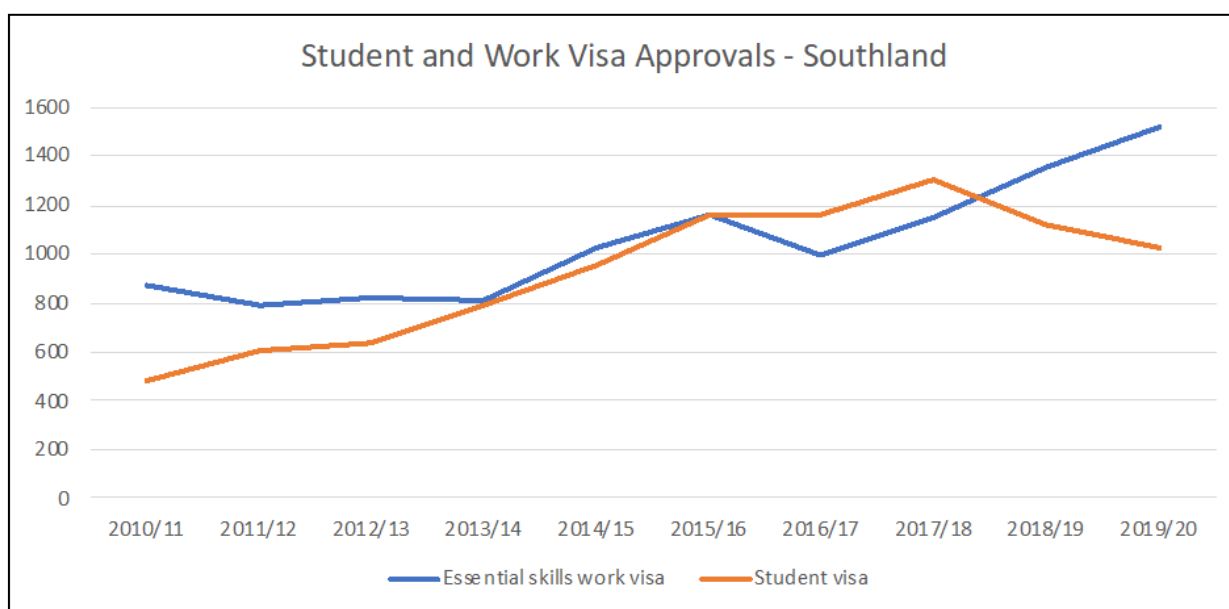
## Methodology

This project initially set out to examine the relationship between temporary migration and regional development with a specific focus on Invercargill and Queenstown. It aimed to explore how local authorities and organisations respond to and plan for contexts where temporary migration has become an important part of population growth and composition. The methodology included use of data on population growth and composition produced within the Atlas of Population Change and migration data from MBIE’s Migration Data Explorer. These statistical sources were complemented by interviews undertaken with representatives of local authorities and organisations including local councils, economic development agencies, education providers, immigration agencies and community organisations.

An initial series of interviews were carried out in Invercargill in February 2020, which were due to be followed up in Queenstown in March 2020. The onset of Covid-19 restrictions halted the research and at the time the research was restarted in August 2020 it was apparent that the research focus needed to change. Accordingly, the project aims were altered to focus on the experience of local authorities and organisations in terms of planning for and responding to temporary migration, prior to, during and following Covid-19. A second set of interviews were carried out in Invercargill in October 2020, followed by interviews in Queenstown, also in October 2020. In total 15 individuals were interviewed (eight in Invercargill and seven in Queenstown). The interviews were transcribed prior to analysis through a open coding exercise focused on identifying themes relevant to the research aim.

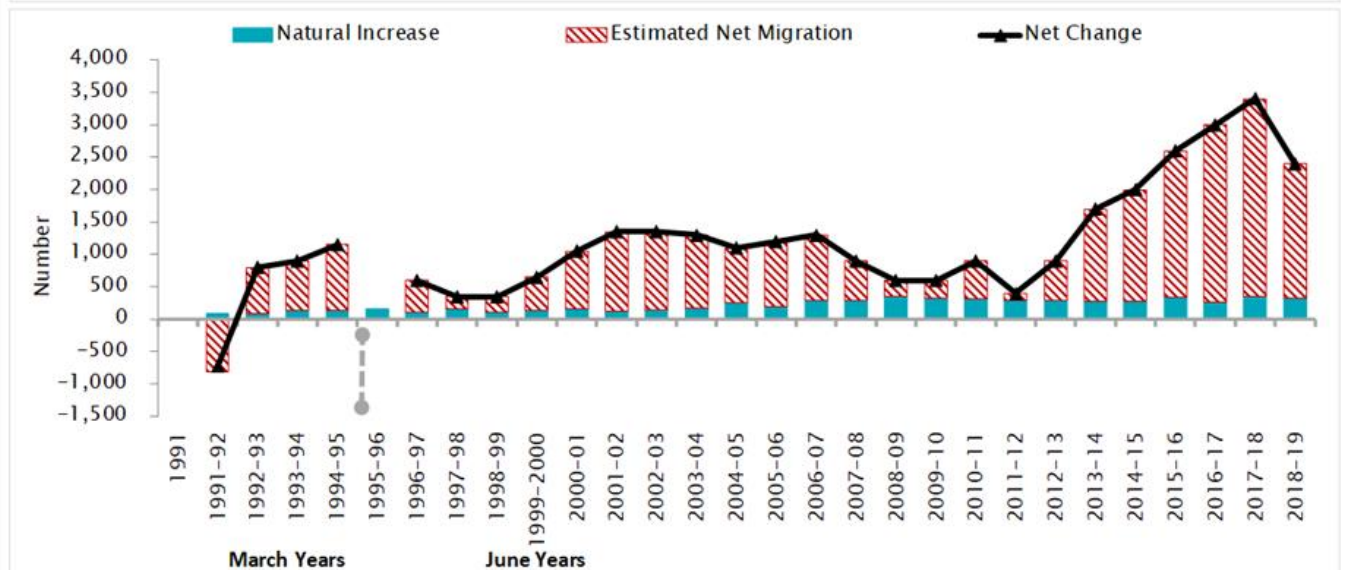
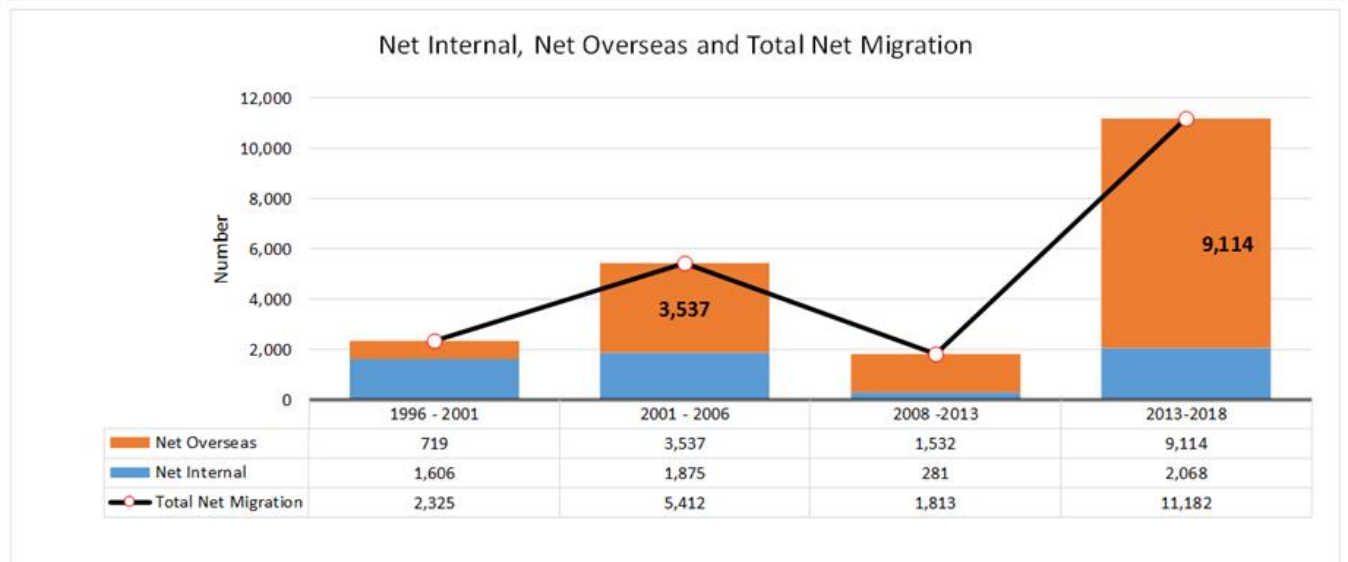
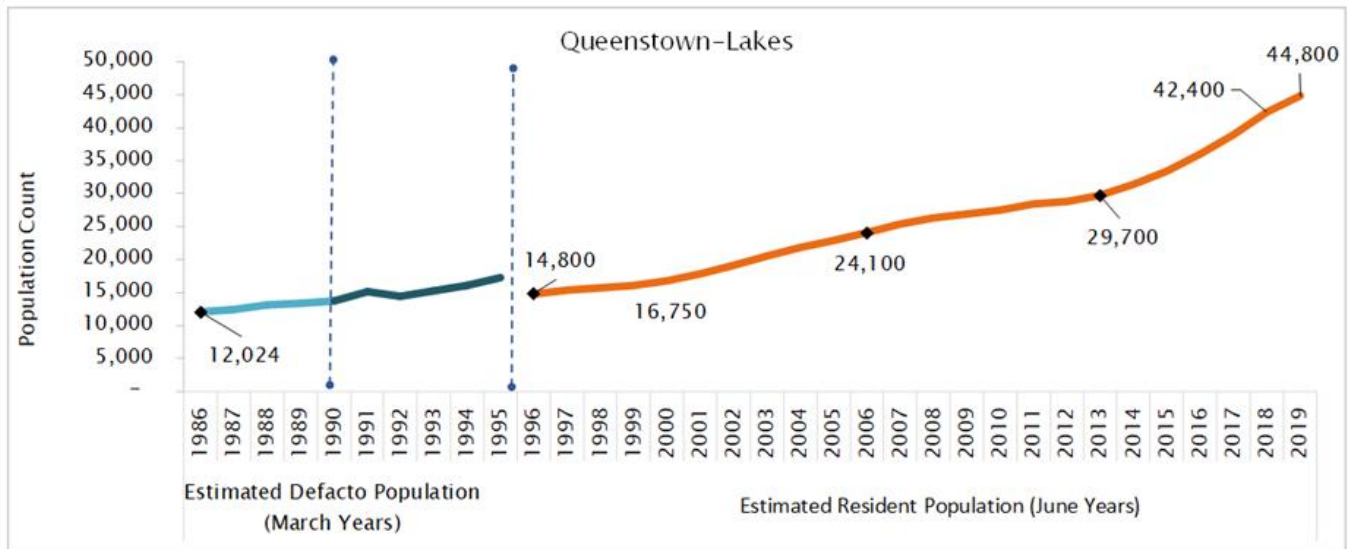
## Invercargill

Through most of the 20th century, Invercargill experienced consistent and substantial population growth, increasing from 15,866 in 1916 through to a peak of 58,581 in 1981. The city served as a key location in the Southland region’s expanding agricultural economy that had led to the city having the highest income per capita in Aotearoa New Zealand in the mid-1960s (Alimi et al. 2015). Since the 1980s, however, the city’s population declined, falling to 50,200 in 2000 (a loss of 14.3% from its peak in 1981) before returning to growth in the subsequent two decades, reaching 55,900 at the 2018 census (see Figure 1). The return to even modest population growth in Invercargill has relied on substantial changes in net migration, from a loss of 4,318 between 1996 and 2001 to a gain of 2,202 people between 2013 and 2018, alongside ongoing but declining positive natural increase (a consequence of the city’s ageing population structure). International migrants have been an important part of this population growth, with the overseas born population growing from 3,951 in 2006 to 6,591 in 2018 and accounting for all net migration between 2013 and 2018. In relation to migrants on temporary work and study visas: annual approvals for essential skills work visas for employment in the Southland region have grown from 873 in 2010/11 to 1,518 in 2019/2020; amongst international students 486 student visas were issued for Southland in 2010/2011 year, growing to 1,302 in 2017/18 before declining to 1,026 in 2019/2020, partly due to the effects of Covid-19 (see Figure 2).



**Figure 2:** Work Visa and Student Visa Approvals for Southland Region 2010/2011-2019/2020. Source: MBIE Migration Data Explorer





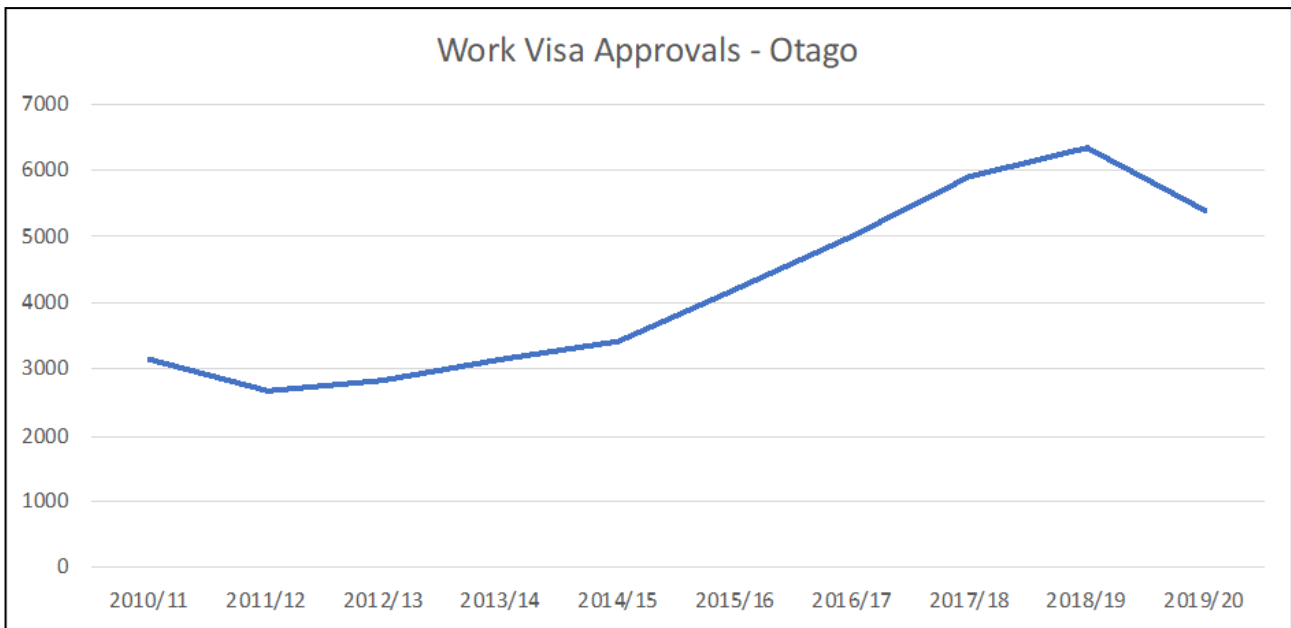
Notes: Changes in timing and method of estimating Resident Population between 1995 and 1996 mean that only natural increase can be shown for that year  
Source: Jackson & Pawar Demographic Accounting Model (2021)/Compiled from Statistics New Zealand Data

**Figure 3:** Queenstown: Estimated Resident Population Trends and Components of Change. Source: New Zealand Atlas of Population Change.



## Queenstown

In contrast to Invercargill, Queenstown District’s population has only grown substantially in the last four decades, and especially since the mid-1990s. The establishment of tourism infrastructure and growing popularity as a domestic and international travel destination have led to rapid population growth, amongst the resident population as well as short-term visitors. The population of Queenstown District has grown from 14,800 in 1996 to 42,400 at the 2018 Census (see Figure 3), although during the tourist high seasons the peak day visitor population was estimated to reach 79,300 in 2018 (QLDC 2019). Net migration has been the key driver of this population growth, exceeding natural increase in most years, between 2013 and 2018 total net migration reached 11,182. International migrants have been a particularly important part of this population growth, with the overseas born population growing from 5,493 in 2006 (23.9% of the population) to 15,621 in 2018 (39.9% of the population), and accounting for 81.5% of net migration between 2013 and 2018. A substantial proportion of this overseas born population are likely to hold temporary work visas, especially working holiday visas. Because working holiday visa holders are not tied to regions or employers, however, there is no data available on their areas of residence (a point discussed below). Nonetheless, for the entire Otago region, annual essential skills work visa approvals have increased from 3,135 in 2010/2011 to 6,438 in 2018/19 before declining in 2019/2020 to 5,403, likely due to the impacts of the Covid-19 pandemic (see Figure 4). There are relatively few international students in Queenstown as there are no substantial higher education providers.



**Figure 4:** Work Visa Approvals for Otago Region 2010/2011-2019/2020. Source: MBIE Migration Data Explorer





## Temporary Migration and Covid-19

The government response to the Covid-19 global pandemic has had heightened effects for temporary migrants and the places they live. The introduction of border controls, the suspension of immigration processing and the creation and enforcement of the 4-level covid alert level system and restrictions have highlighted the precarity temporary migrants face. Many temporary migrants, especially those on working holiday, student and partner visas, are in insecure work associated with tourism and hospitality, sectors that have been disproportionately affected by the lockdown. For those on employer and occupation specified visas (such as the essential skills and work to residence visas), loss of job or underemployment can alter their legal status even as changing employment is difficult because it requires approval from Immigration New Zealand. The government's response has been to universally extend expiring visas for six months, firstly in March, then July and December 2020, maintaining the legality of work visa holders but not addressing the uncertainty created by the articulation of Covid-19 conditions into the existing migration regime. There were also temporary migrants caught offshore at the time of border closures who have found themselves stranded away from work and home, and in some cases separated from families, as they are unable to return to Aotearoa New Zealand without special exemptions.

The impact of Covid-19 restrictions on temporary migrants also affects the places migrants live. Interviewees in both Invercargill and Queenstown raised concerns about both immediate and long-term effects, although to varying degrees. In Invercargill, while there were concerns about loss of employment and underemployment as noted above, it was also noted that many migrants in the city work in agricultural and construction related sectors that have been less affected by these restrictions or Covid-19-related economic downturns. Participants discussed increases in demand for food parcels and other kinds of welfare support amongst temporary migrants. Between July and November, 191 individuals in the Southland region, predominantly work visa holders as well as some international students, received emergency support through the Government-funded Red Cross 'Visitor Care' temporary welfare scheme (New Zealand Red Cross, 2020).

In Queenstown the effects were much more severe. By early March, the border closure and national lockdown effectively halted tourism, suspending a large part of the economy. Thousands of people on temporary visas effectively lost their employment immediately and while some received income via the government's wage subsidy, the already existing affordability issues in Queenstown created significant emergency welfare needs. These effects were particularly acute amongst working holiday visa holders, only some of whom were able to return, while migrants on employer specified visas faced a similar situation as in Invercargill, potential loss of legal status and an inability to easily change employer or occupation even if work was available. In this context, basic welfare needs became the most significant issue as many migrants had no source of income while others reported that the departure of some temporary migrants left others without accommodation because shared rental arrangements ended. The response from local organisations, including community and local government, was extensive and rapid, providing immediate relief through the establishment of the Kia Kaha community support hub. Through that programme more than 5,700 migrants were provided with support, and subsequently through the Red Cross Visitor Care programme, 2,472 temporary migrants were provided emergency food and housing relief (in the Otago region, although it is likely a substantial proportion were in Queenstown and surrounding areas, New Zealand Red Cross 2020).

## Findings

Beyond the immediate and severe effects of Covid-19 responses on both temporary migrants and the places they live, this research also drew attention to broader and more longer-term issues. Interviewees discussed extensively the challenges of planning for population change where temporary migration was a significant component, challenges that have been amplified by the onset of the Covid-19 global pandemic. Three such challenges are identified here as key findings: the mismatch between the national migration regime and regional dilemmas; data and the visibility of temporary migration; and the path dependency of regional development underpinned by temporary migration.



### National Migration Regime and Regional Dilemmas

Interviewees in both Invercargill and Queenstown identified frustration with the way that the national framing of migration policy was limited in its ability to address the needs of regional communities and economies. For many, centralised migration policy did not take into account the specific challenges faced in regions and lacked flexibility to respond to changing conditions. In Invercargill those challenges relate to an ageing population that would be close to decline without migration, and in Queenstown (prior to the onset of Covid-19) labour shortages in a context where there are actually very few citizens and residents available for work. From the perspective of interviewees, Immigration New Zealand bureaucrats and policy makers were overly focused on the national framing of employment and inequalities that while important were unevenly felt in different parts of Aotearoa New Zealand. This national framing manifests in observed difficulties in getting work visas altered such that migrants can work in areas of employment demand as well as longer term concerns about the presence of people who have become important parts of communities well beyond their labour market contribution. Indeed, for interviewees in both places a considerable future concern was about whether people who had lived in their communities for many years were going to be able to remain there and what that meant more broadly in terms of social inclusion and the diversity of populations that has been a hallmark of recent population change. While sympathetic to the broader concerns about national unemployment, there was a shared view that national-level approaches and especially rhetoric tends to obscure substantial differences in regional experience of unemployment, population and economic development.

### Data and the Visibility of Temporary Migration

There are also technical challenges relating to temporary migration that were identified through the Covid-19 pandemic response but related more generally to the national framing of migration policy. For local government, population levels and growth are critical to their statutory role in planning. While historically, population change can be observed through five yearly census figures and population projections, interviews from local government made the point that the pace of population change associated with temporary migration made planning particularly challenging, even before Covid-19. Interviewees talked about census data being “too late” to account for changes, and lamented the ability to simply know how many people on temporary visas lived in their area – “This is the problem: we don’t know. We don’t know how significant [temporary migration] was to us because of the types of visas people had, people could come and go.” Certainly, central government has increased data availability around migration and temporary migration specifically, in particular through MBIE’s Migration Data Explorer tool (e.g. figures 2 and 4 above), but there are limits on the kind of information available at regional and territorial scales that is necessary for planning purposes. Even then, the very temporariness of temporary migration make it hard to plan for. In the context of Covid-19 these data limitations became acutely apparent, particularly in Queenstown as it faced large scale welfare emergency without knowing how many people lived in the area and what kind of legal status they were in. One interviewee noted that prior to the Covid-19 crisis, “we never really needed to understand it; it was just something that happened; that’s what Queenstown’s like.” In light of the information needs to address the Covid-19 related welfare emergency, local government generated a database of people currently on temporary visas in Queenstown (in early-mid 2020), providing opportunities to continue to monitor local effects of Covid-19 and the circumstances of individuals. While useful in the immediate context, this has quickly become out of date as visas expire or change and migrants move from one location to another, or leave Aotearoa New Zealand altogether.

### Temporary Migration and Path Dependency

The Covid-19 pandemic and response have revealed both the centrality of temporary migration in recent population change in Invercargill and Queenstown as well as the difficulty of altering this situation. Following the initial pandemic lockdown, concern in Invercargill and the Southland region, for example, shifted to the challenge of addressing ongoing labour market gaps without access to new migrant arrivals. In some cases, employment and business activity had increased following the national lockdown and interviewees reported that employers were struggling to fill positions, particularly those that were associated with key seasonal activities such as agricultural contractors, freezing workers and orchard pickers (although it should be noted that the government permitted 2000 seasonal workers to be granted entry in December 2020 after this research was completed) as well as in relation to a construction boom associated with a central city rebuild. Interviewees in Invercargill also highlighted the tension between trying to support local employment in a context of low population growth and youth outmigration while seeking workers through temporary migration programmes. These are not new issues but Covid-19 restrictions have suspended international recruitment and hindered the ability of migrants to take up employment opportunities that are available. Migration remains a cornerstone of economic development because of the particular population composition in the city and region – as one interviewee put it, “we just can’t populate fast enough, we just can’t, we’re too old.”



Queenstown's population growth has been completely underpinned by the national growth of temporary migration, to such an extent that at the 2018 census two-thirds of usual residents in the Queenstown urban area were overseas born. Moreover, the economic impact in Queenstown is severe by any measure, with the district expected to experience a 24.8% drop in GDP between 2020 and 2022 alongside a 28.2% reduction in employment (Infometrics 2021). Interviewees spoke about diversification of the economy as a long-standing aspiration that has now become much more pressing but there remains significant challenges in moving the economic base away from tourism that relies on borders being open for both the arrival of tourists as well as migrants to work in key areas. More pressing at the time of interviews were immediate and somewhat intractable concerns: interviewees spoke about both migrants who were out of work and stranded in Queenstown as well as employers who were unable to open businesses because of a lack of workers, either citizens/residents or migrants who were unable to take up new employment because of restrictions on their visas. There was concern that the long-run effects of Covid-19 was to undermine community cohesion – "It's also people's lives. If you've been here for four years and you're on a partnership or a sponsorship visa, it's four years of your life that you've committed to a district. Do we want to lose that?" Others noted that more than half of all temporary work visas in Queenstown were expiring in 2021, which without further government intervention would lead to both personal and community social and economic challenges. Like Invercargill, then, Covid-19 has generally served to exacerbate challenges around population and workforce in Queenstown and focused attention around the place of temporary migrants in future trajectories.

## Conclusion

This project brief has provided an outline of the experiences of Invercargill and Queenstown in relation to temporary migration and the challenges posed by the Covid-19 global pandemic. In both places, economic development and population growth have occurred in part because of aligned shifts in the national migration regime towards the facilitation of high volume temporary migration flows. In addition to the issues around regional dilemmas, data availability and path dependency noted above, three other issues are worth noting in conclusion:

1. Local government and regions more generally are rule takers in relation to the regulation of migration flows, particularly in Aotearoa New Zealand where there is only a single level of immigration governance. Local government and organisations cannot shape regulation to their own ends or even gain clear lines of sight on the futures of migration and how it will impact their cities, towns and regions.
2. Nonetheless, regional organisations and actors are becoming increasingly involved in managing the outcomes of temporary migration. This was already the case in Invercargill and Queenstown prior to Covid-19 but the pandemic has demanded an emergency response, especially apparent in Queenstown, that has drawn local authorities and organisations into a much sharper focus on temporary migration as a key component of population in the present and future.
3. The research demonstrates some of the real problems associated with a national migration regime focused on promoting high levels of temporary migration without adequate opportunities for long-term settlement and inclusion. It is already well known that this arrangement creates substantial problems for migrants themselves – in terms of general precarity as well as diminished employment and accommodation conditions and, in the worst cases, forms of exploitation and modern slavery. What this brief demonstrates is that the shift to temporary migration poses substantial challenges for regional areas, especially those that are seeking to include migrants in their communities as well as support and plan for stable population growth.

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