

# SUBMISSION to the PRODUCTIVITY COMMISSION

# Immigration Settings November 2021

The fastest way to change yourself is to hang out with people who are already the way you want to be.

Reid Hoffman, co-founder LinkedIn

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AANZ recommendations for New Zealand's immigration settings are identified in red italic text.



## **Executive Summary**

Venture-backed, high-growth startups<sup>1</sup>, like all businesses, are deeply reliant on experienced talent.

Startups pursue the creation of value and impact to generate outsized financial, social and economic returns. Given the need to scale value at speed, a startup's need to access experienced talent is arguably more acute than conventional businesses.

With its genesis only a decade or so ago, Aotearoa New Zealand's startup ecosystem is still nascent and forming but growing quickly.

- At all levels of a startup's lifecycle our pool of experienced talent is small and not meeting growing demand:
- In the first half of this year, 60% more deals were done than the previous year;<sup>2</sup>
- The size of rounds also grew with 10 companies raising more than \$10m and 9 companies raising between \$3m and \$10m. Much of this capital will be spent on employing people; and
- Our high-growth startups can not rely on domestically generated talent so need to be able to access, attract and retain talent from offshore.

The pools and sources of venture investment available to New Zealand startups' are growing to meet demand for startup capital but without access to the right skills and experience there is the very real risk that this investment will not be deployed effectively. Angel Association New Zealand (AANZ) is highly supportive of immigration policy settings making it easier to live and work in New Zealand especially for:

- successful, experienced founders and venture investors; and
- experienced startup employees, particularly software engineers and developers, data analysts, AI and machine-learning specialists, deep tech commercialisation experts, commercially experienced scientists and those with c-suite experience, particularly chief operating officers, chief technical and product officers. The deficit of startup experience in New Zealand means that even those with 3–5 years experience in offshore based startups will be snapped up by kiwi startups.

<sup>&</sup>lt;sup>2</sup> https://www.pwc.co.nz/pdfs/2021/startup-investment-magazine-oct-2021.pdf



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<sup>&</sup>lt;sup>1</sup> There are many definitions of a startup. Startups are essentially high growth businesses, in existence for no more than a decade or so, started by an ambitious founder or founders, grounded in technology, creating new products, services and markets and looking to generate exponential value, impact and returns. To scale fast startups almost invariably need to source external or venture capital.

## **Angel Association New Zealand**

AANZ exists to support the creation of New Zealand born, world changing businesses delivering exponential financial, social and economic returns through mutual support, connectivity and collaboration. The organisation is working to increase the quantity, quality and success of angel and early stage venture investment in New Zealand and in doing so create a greater pool of talent and capital for innovative startup companies.

AANZ was established in 2008 to bring together New Zealand angels and early-stage funds. The organisation currently has nearly 50 members representing over 900 individual angels associated with New Zealand's key angel networks and funds.

Since 2006 over \$1bn has been invested in high growth companies and New Zealand has approximately 1500 startups. Our early stage investors have a preference for software as a service opportunities but are increasingly investing in deep tech opportunities.

AANZ works closely with NZ Trade and Enterprise, NZ Growth Capital Partners and Callaghan Innovation and a number of private sector partners including Jarden, PWC, Avid Legal, Baldwins, KiwiNet, Uniservices, Amazon Web Services and BNZ.

# Aotearoa needs (more) startups

Startups have emerged as key drivers of economic growth and job creation as they catalyse innovation. Young firms account for about 20% of employment but create almost half of new jobs on average across OECD countries, and innovation by young firms significantly contributes to aggregate productivity growth, accounting for half of it in the United States.<sup>3</sup>

During the COVID-19 crisis, startups continued to play a critical role for economies. Most startups reacted fast and flexibly to the pandemic, and have been critical in helping the shift towards fully-digital work, education, and health services and have provided innovations in medical goods and services.

Every kiwi should back or build a startup.<sup>4</sup> New Zealand's startups are addressing the need for innovation in housing, climate change, social equity, productivity, well being, regional economic growth, ethnic and gender diversity. They are also the fuel for growth in sectors where New Zealand has a growing international reputation such as aerospace, agtech, fintech, gaming, life sciences and medtech and future foods.

<sup>4</sup> https://www.angelassociation.co.nz/every-kiwi-should-back-or-build-a-startup/



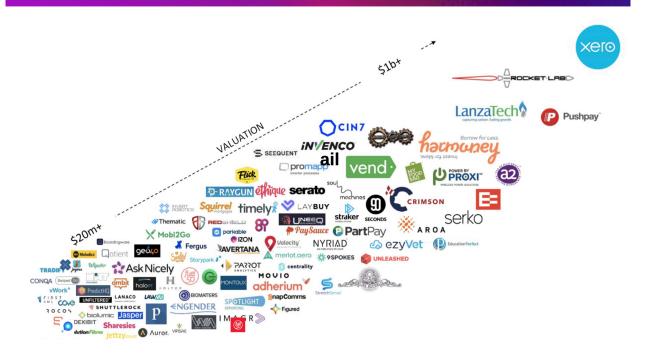
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https://www.oecd.org/coronavirus/policy-responses/startups-in-the-time-of-covid-19-facing-the-challenges-seizing-the-opportunities-87219267/

#### A national startup strategy

In the last 18 months awareness about the role startups can and should play as a core component of New Zealand's post covid economic recovery and revival have gained traction and momentum.

#### Delivering exponential value and impact across all of New Zealand



The diagram above provides a small snapshot of the approximately 1500 startups in New Zealand.<sup>5</sup> It was put together by Ice House Ventures and AANZ used it in a presentation to Ministers Woods, Nash and Clark in late August 2021 to make the case for more strategic prioritisation of startups in New Zealand's economic future.<sup>6</sup> Discussions are proceeding well towards the establishment of a Startup Council. One of the first tasks for the Council will be the delivery of a national startup strategy to grow the quantity and quality of New Zealand startups. According to global ecosystem benchmarker Startup Genome, a nation of our size should have at least 5000 startups.<sup>7</sup> AANZ is gunning for us to have 10,000 startups by 2030.

More insights about the key components of a New Zealand startup strategy can be found in:

- the AANZ's submission to government during the Covid-19 lockdown in 20208,
- in the Global Entrepreneurship Network New Zealand's Manifesto<sup>9</sup> and
- New Zealand accelerator founder, Dan Khan's Start New Zealand Up Action Plan.

https://www.canva.com/design/DAEnmRBIpZw/AORbdJaFC\_suc9qsNo9pnw/view?utm\_content=DAEnmRBIpZw&utm\_campaign =designshare&utm\_medium=link&utm\_source=publishsharelink

https://medium.com/@dankhan/start-nz-up-an-action-plan-for-a-more-entrepreneurial-economy-in-aotearoa-new-zealand-d1a 301769f11



<sup>&</sup>lt;sup>5</sup> MBIE, NZGCP, and AANZ are working with <u>Dealroom</u>, to provide ecosystem insights and data on the number and profile of our national portfolio of startups

<sup>&</sup>lt;sup>7</sup> https://startupgenome.com/article/about-startup-genome

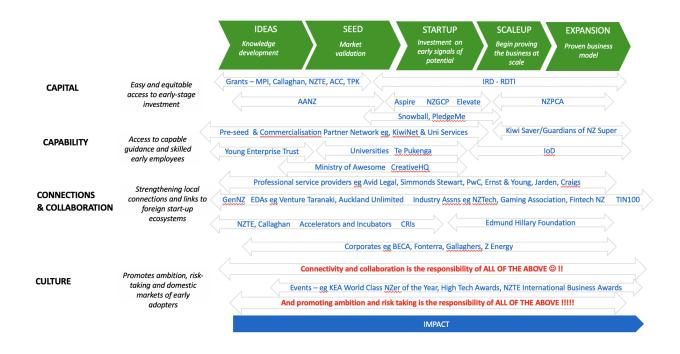
<sup>8</sup> https://www.angelassociation.co.nz/wp-content/uploads/2020/04/New-Zealand-Startup-Submission-April-2020\_1.pdf

<sup>9</sup> https://d3brk8rkzvc45n.cloudfront.net/s3fs-public/2020-08/Entrepreneurship\_Manifesto\_2020\_1.0%20Reduced.pdf

A national startup strategy should ideally be part of an overarching national economic strategy and in the first instance be aligned with work being done by MBIE's innovation and economic development officials. An economic strategy, as the Productivity Commission points out, would also inform an Immigration Government Policy Statement. A national startup strategy would take into account such things as:

- the Government's carbon neutral goals;
- the Te Pai Kahurangi CRI review and Te Ara Paerangi R&D Future Pathways RSI review;
- Industry Transformation Programmes and Innovative Partnerships;
- NZGCP's Aspire and Elevate Fund reviews;
- Callaghan Innovation's startup and innovation support including grants and incubators and accelerators and the R&D tax incentive;
- NZTE's Focus 1400 programme and Investment team insights; and
- Matauranga Maori.

The diagram below provides a framework for a national startup strategy. Together with interrogation of our national database or cohort of startups<sup>11</sup> this diagram informs where skilled and investor migrants would have the most impact. In the same way a dollar invested by the government in NZGCP's Aspire and Elevate funds leverages an additional \$3–5 from private sector investors, a skilled or investor migrant working in a high growth kiwi startup will catalyse the creation of many additional high value jobs.



<sup>&</sup>lt;sup>11</sup> There is, as yet, no accessible, centralised, complete database of New Zealand startups but a proxy for this cohort of uniquely profiled companies can be found in platforms such as Callaghan Innovations Scaleup and Dealroom, a platform based in the Netherlands which can geo-locate and scrape the web for this data.



#### Acute skills shortages

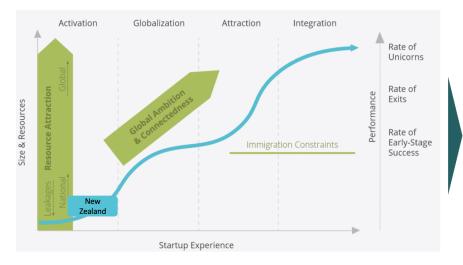
Venture backed, high growth tech companies' reliance on skilled migrants has become acutely obvious in the last eighteen months as New Zealand's borders have been effectively closed. Sourcing talent and team members is a topic of conversation at every startup and venture investment networking event.

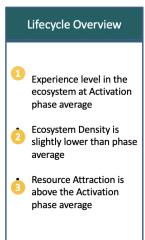
NZTech ran a digital skills survey in which 235 respondents revealed they had over 2000 job openings proving difficult to fill. Scrolling through platforms like LinkedIn and Dealroom reveals dozens and dozens of advertisements and pleas for introductions to prospective employees. And likewise scrolling through the 17,000 member FaceBook group, NZ Tech Startups Ecosystem, reveals that every third or fourth post is a request for introductions to talent and team members. As a result of this demand, anecdotal stories of 30% increases in the salaries being offered to software engineers and data analysts are common.

Appendix A contains the responses AANZ received over a two week period after sending out an email to our database asking for insights from those struggling to hire for key roles. We asked people to "just hit reply and fire back a 'yes we are struggling' if that's all you have time for or to share longer anecdotes if you want to give us more detailed evidence". The responses are set out as they landed and include two comments from those not having issues!

### Immigration policy provision for startups

As noted earlier the role of startups in a thriving, resilient economy is now widely accepted. There is a global market for talent and capital and competition for that talent and capital is fierce. Startup Genome began researching and benchmarking startup ecosystems about eight years ago and has data on over a million companies across 150 cities. New Zealand was one of Startup Genome's first clients and we persuaded them to see New Zealand as "a city" given our population size. New Zealand has not taken part in the annual survey since 2018.





<sup>&</sup>lt;sup>13</sup> https://startupgenome.com/article/about-startup-genome



<sup>&</sup>lt;sup>12</sup> https://nztech.org.nz/2021/07/05/new-zealand-facing-a-digital-skills-crisis/

New Zealand is at the Activation phase of a startup ecosystem's development. Drawing on the experience of ecosystems like those in London and Stockholm, where both cities made a strategic decision to lift the impact of startups by identifying a targeted set of policies and where both were able to *rise up the ranking to be in the top 10 startup ecosystems in just six or seven years, New Zealand should aspire to do the same. We have the right foundation and collective ambition to do so.* 

In a recent presentation to the Edmund Hillary Fellowship, <sup>14</sup> Startup Genome founder JF Gautier, urged New Zealand to progress our global market reach and noted that everyone has a role to play to advocate for policies and programs which support global reach. *Reforming immigration policy to support scaling and exporting companies in a more targeted way would be powerfully effective.* Introductions into offshore markets and to offshore investors is so much more impactful when it is facilitated by warm introductions from those working in those kiwi companies to build global markets.

An effective and additive immigration policy for startups should be:

- Evidence based and targeted drawing on interrogation of New Zealand's startup portfolio;
- Super efficient when a startup needs talent, it is needed fast. Every week without the right talent is time lost to scale and create impact and potentially allowing competitors to outrun your venture;
- Welcoming those arriving in New Zealand to support startups need to be welcomed and 'concierged' into the startup ecosystem in a way that supports their wellbeing and ability to 'hit the ground running';
- Flexible every startup is different with a different market focus, commercialisation pathway and therefore talent needs so an immigration policy supporting startups must be flexible and agile.

<sup>&</sup>lt;sup>14</sup> AANZ can speak effusively of the impact of Edmund Hillary Fellowship Fellows on the NZ startup ecosystem. Including Fellows such as Adrien Gheur who has led the establishment of NZ based venture capital funds and has partnered with an experienced New Zealand investor to build a first time deep tech fund. See Appendix B.



# **Responses to Productivity Commission Questions**

## Treaty of Waitangi

Te Tiriti is part of Aotearoa's heritage. To support migrants to integrate it is important they have an understanding of our history and how we continue to strive to honour Te Tiriti.

Conveying and ensuring understanding of relevant te ao Maori concepts is also important to ensure migrants settle easily and well into Aotearoa. Concepts such as whanautanga, kaitiakitanga and manaakitanga are not just important to mana whenua but are shared by Pakeha New Zealanders.

Te ao Maori concepts are increasingly at the heart of the value being created in New Zealand startups. These concepts set kiwi startups apart from those in other parts of the world.

#### Immigration, productivity and wellbeing

The Productivity Commission's focus on skills, innovation, international linkages, capital deepening and internationalisation in its proposed framework resonates. In the startup context we have been drawing on connectivity, capability, connectivity and culture to identify gaps, build value and generate outcomes.<sup>15</sup>

We agree productivity should not be pursued at the expense of wellbeing and would argue that if wellbeing is not taken into account, any gains in productivity are not sustainable. The AANZ recognises the role of wellbeing in the creation of exponential value and impact and in support of this has recently completed a pilot wellbeing programme with nearly 40 startup ecosystem participants – investors and founders. Feedback from participants was effusive and we are working with Auckland University of Technology to track long term outcomes for founders and their startups and make founder wellbeing a systemic aspect of New Zealand's startup ecosystem.

We are also firmly of the view that high growth startups support New Zealand's quest for higher productivity. 18

Earlier this year Startup Genome published a report which focused exclusively on the role that women and immigrants play in successful startup ecosystems. <sup>19</sup> With respect to migrants they note that immigrant entrepreneurs make important contributions to local and national economies and that migrants have a consistently higher entrepreneurial propensity than non-immigrants. Speaking to New Zealand's startup ecosystem in September 2017, Startup Genome co-founder, JF Gautier said he "could not overstate the importance of attracting resources (talent, capital and startups) to New Zealand" and told us "that one clear handbrake on the growth and success of your startups is immigration constraints. You must allow talent and capital to flow across your border as easily as possible".

#### **Policy Design**

We are supportive of the government setting out its objectives for immigration in a government policy statement (GPS).<sup>20</sup> As the Productivity Commission's interim report notes, this should include short and long term objectives and priorities, performance measures and how demand (both from New Zealand employers and from

<sup>&</sup>lt;sup>20</sup> See page 7 above



<sup>&</sup>lt;sup>15</sup> See page 6 above.

<sup>&</sup>lt;sup>16</sup> Run by an Edmund Hillary Fellowship Global Impact Visa recipient, <u>Justin Milano</u>.

<sup>&</sup>lt;sup>17</sup> 🖪 Abroad <> New Zealand: Breakthrough Wellbeing Programme Impact Report

<sup>&</sup>lt;sup>18</sup> High-growth firms and productivity: <u>evidence from the United Kingdom – Small Business Economics</u>

<sup>&</sup>lt;sup>19</sup> https://startupgenome.com/reports/founder-dna-women-and-immigrants

migrants) will be managed. A GPS should also be anchored in an overarching economic strategy. A critical component of this economic strategy would be a national startup strategy. A three yearly tempo, with annual reports on execution, would ensure any GPS remained relevant.

#### Migrants and Settlement

A high functioning startup ecosystem is a well connected ecosystem, internationally and especially domestically. Mutual support, introductions to talent and experience, sharing lessons learned from failure and success are all important for high growth startups. This sharing of intel and introductions is facilitated by a high cadence of well facilitated startup events. Plugging migrants into these events and relevant people and support makes a huge difference to migrant wellbeing and their productivity and connection to their new home.

AANZ actively supported the establishment of the Migrant Investor and Entrepreneurs Association (MIEA) working in partnership with Immigration New Zealand and continues to be an enthusiastic advocate for the organisation. The impact and effectiveness of this entity needs ongoing support to ensure it delivers on its promise.

The Edmund Hillary Fellowship (EHF) is also an exemplar of what can be achieved with well managed events as a way of introducing migrants to an ecosystem of support and partnerships. AANZ works closely with EHF not just to ensure the right people come together at events but that EHF Fellows are also introduced to opportunities and people where their skills and interests can be amplified.

With more resourcing both MIEA and EHF can be powerful connectors facilitating easier, warmer introductions to New Zealand.

#### **Obligations on Employers**

We appreciate the need to ensure the New Zealand labour force is prioritised but an effective and efficient way of ensuring it is needs to be identified, especially in a startup context where speed is so important. If a startup can provide evidence of reasonable efforts being made to advertise a role and that within two weeks no suitable applicants have applied, that startup should be able to advertise to offshore applicants and have a skills shortage visa processed within eight weeks.

## **Skills Shortages**

Defining high and low skilled jobs based on salary levels does not work for startups. New Zealand startups are crying out for people with C-suite experience and the skill set will be specific to the context of each particular startup. Startups are also desperate for senior and junior employees who can fill roles for software engineers, data analysts, digital marketers. Deep tech companies are desperately missing researchers and developers familiar with commercialising niche and specialised IP-rich products who have not been able to (re)enter New Zealand since the advent of COVID-19.<sup>21</sup> As far as identifying skills shortages we have recommended platforms such as LinkedIn and Dealroom and the Facebook Group, NZ Tech Startups Ecosystem. Interrogating a national database of kiwi startups will also quickly identify skills shortages.

<sup>&</sup>lt;sup>21</sup> See Appendix A for a snapshot of the skills being sought



#### **Investors and Entrepreneurs**

AANZ's survey of our members and the ecosystem in 2018 found that one third or our angel investors were born outside New Zealand.<sup>22</sup>

The investor and entrepreneurship visas have not been as effective as they might be. Our understanding is that Immigration NZ must strictly interpret the criteria for these visas to ensure the integrity and objectivity of the system. There is very little, if any, latitude for subjective assessment to ensure mutual value is created, for facilitating and concierging applicants into suitable roles or recommending connections and introductions for entrepreneur visa applicants or investor visa applicants.

At the moment investor visa categories direct investment into mostly unproductive asset classes such as real estate and government bonds. We would like to see it be far easier for the right investor migrants to satisfy investment thresholds by investing into pre-seed, seed, venture capital and private equity asset classes.

These investors ideally bring 'smart money'. They are investors who have the right risk, experience and personality profiles. Of any one hundred investor migrants coming into New Zealand under the current Investor 1 and 2 categories, ten might be venture investors and of these, eight would be Investor 2 and two Investor 1 category migrants. And for this reason we do not support mandating investment here but would like to see it made much easier. This includes broadening the types of assets and access to those assets that qualify for Investor 1 and 2 investment. What we mean by this is working with angel networks and venture capital firms to put the right regulatory frameworks in place to make it possible for migrant investors to invest in venture capital funds and startups and working with other wealth management providers, such as banks, to raise awareness about where and how migrants can invest in startups.

Alignment is critical in early stage venture investment. Startup investment is not for the faint hearted. Venture investment horizons are typically long, nonlinear and illiquid and as such we cannot overstate the importance of building and ensuring trusted and strong, mutually respectful relationships between investors and between the investors and founders. This would see *Immigration NZ working closely with AANZ, NZPCA, NZGCP and NZTE's Investment team.* 

The value of the current Investor 1 and 2 visas could definitely be enhanced by working and consulting more closely with the innovation ecosystem and especially with those who have visibility and connections to New Zealand's startup portfolio. An example of a recent NZ migrant who has leveraged the ecosystem to great effect is Rob Vickery who set up Hillfarrance Ventures.<sup>23</sup>

The fact that some investments and startups fail, we suspect, is less of an issue for investor visa applicants as we understand the fact qualifying investments might fail does not invalidate the visa. Neither should this be the case for entrepreneurship visas. We would suggest that as long as the visa was validly awarded under robust criteria, even if the qualifying idea or venture fails, the entrepreneur will still have created value. There are always lessons in failure and examples of "failing well" in a startup context supports ecosystem growth and value creation.

The criteria for investment visas should align with and support government priorities for the role of startups, identified capability and capital gaps,<sup>24</sup> identified sectors where New Zealand has comparative advantage, such as Industry Transformation Programmes and Innovative Partnerships. Ideally, criteria for these visas would also align with a clearly defined government economic strategy.

<sup>&</sup>lt;sup>24</sup> AANZ and NZ Growth Capital Partners can provide more detail about capital and capability gaps



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<sup>&</sup>lt;sup>22</sup> https://www.angelassociation.co.nz/wp-content/uploads/2017/11/Where-it-began\_The-Next-10-years-whats-gone-before.pdf

<sup>&</sup>lt;sup>23</sup> See Appendix B

AANZ would warmly welcome the opportunity to work with Ministers and officials to ensure the right policy settings are put in place to maximise the benefits of investor and entrepreneur migrants.

#### **Students**

International students, particularly those obtaining qualifications in cutting edge technology and entrepreneurship, should be able to obtain post-study working visas and have the right to work in New Zealand and gain residence. And in fact all tertiary students should be eligible to work in New Zealand post their study. If a points system was in place, more points might be given to those students whose area of study aligns with New Zealand's economic strategy and those who become startup founders or lead university or Crown Research Institute spin out companies. Startup Genome's Women and Migrants report recommends letting foreign students stay as they often become founders who build strong helpful local networks.<sup>25</sup>

#### Working holidays

Working holiday schemes could prioritise those seeking internship roles with kiwi startups. Expanding the model used in Wellington's Summer of Tech programme to include a quota of students from offshore universities would enhance international connectivity for startups and New Zealand scale ups.

### Partners, parents and families of migrants

In principle, supporting partners, parents and families of migrants to also migrate makes sense and is a humane approach. A migrant's ability to settle quickly and be a high functioning employee and citizen is enhanced with their family and partners alongside them.

### Other ways for New Zealand to source skills and talent

We are very supportive of the Edmund Hillary Fellowship and the Global Impact Visa.

There is very real scope to resource EHF more effectively to provide more impactful and immediate mutual value to New Zealand and the EHF Fellows.

<sup>&</sup>lt;sup>25</sup> Ref footnote 17 above.



## Appendix A – AANZ talent shortage survey

- 1. [xx] is trying to fill multiple rolls.
- 2. Yes having issues hiring for key roles. Talent pool is limited. Engineering across all disciplines. Senior leaders marketing, customer services, operations with global experience. Finance functions too.
- 3. Taking longer to fill roles but still getting there eventually. IT roles I understand the most challenging
- 4. yes, we are struggling to fill five roles
- 5. At [xx], we are seeking to expand significantly, and need to fill 3–4 key roles for a start. While we are only in the early stages of recruitment, all of the signals from the market are that it will be very difficult to obtain good people.
- 6. New Zealand needs to be far more laser-specific in targeting the people we need for critical roles in the New Zealand economy. We are struggling. It is about quality, NOT about numbers.
- 7. Yes struggling to fill one senior software development role
- 8. We are struggling to fill 5 roles
- 9. We have a company that is struggling to find a suitable software lead with an interest or background in biology.
- 10. We started with high expectations and looked for the exact person we would need, but over time have had to lower those expectations significantly, and have had to prepare for relevant board/supporters to be much more involved in the process to fill the gap.
- 11. Yes, we are struggling to fill key roles AND we are also having our staff actively poached with organisations offering \$20K to \$30K more in salaries (we pay above industry average).
- 12. Extremely difficult for medium size enterprises.
- 13. Yes we are struggling with the dual impact of not being able to bring talent into the country (two large companies I am in involved in) and we are competing for tech talent against global employers, who are now comfortable with remote workers in NZ working for Silicon Valley companies (on Silicon Valley rates)
- 14. The government sector, who is now hiring contractor talent either directly or through lead contractors to avoid their self-imposed wage freeze preventing key tech projects from proceeding this is a major, major issue in Wellington in cyber, BI and tech project roles (this is affecting smaller, tech-centric companies I am working with). This NZ government contractor issue is a biggie, and worth polling on it and makes complete fiction of the government's wage freeze claims.
- 15. Finding talent has always been a challenge in biotech in NZ, even before the pandemic. Attracting and then retaining it from overseas was always hard, but that's not really an option now, as you know, making things even harder.
- 16. Just filled a post that probably would have gone to someone attached from overseas to a local, inexperienced person. Will have to train them up a lot. Maybe that's a good thing but the business takes a hit in the process.
- 17. Yes. Recruiting is unnecessarily harder than it's ever been. That being said, it's harder than it should be, with an incredibly shallow available talent pool, and candidates that have salary expectations through the roof, driven by a government-created supply / demand dynamic.
- 18. Hiring talent in 2021 has really been difficult for us as a startup across three talent pools: Salesforce Consultants, React/Node.js Developers and Data Engineers.
- 19. We found it extremely difficult to retain or attract talent with a much slimmer salary budget than what some of the big corporations can offer. We found ourselves often in many counter offer situations where we eventually ended up losing the candidates.



- 20. We are not struggling to find talent. We are investing a lot of time and resources into finding, retaining and training the best people. We are expecting to add 12 new technical FTE to our team next year. We are not concerned about our ability to fill these roles.
- 21. We are finding exceptional people to come and work with us, and many are leaving larger "corporate" institutes to find work that is more meaningful for the same or better salary. We are even confident enough in the current local talent pool, that we have decided to launch another company in 2022
- 22. We're definitely having problems sourcing talent. We're looking for Design & Project Engineers along with everybody else fishing in the same small pool.
- 23. Many of our team are people coming into the country for 1–2 years while travelling, so having the borders closed is having a big impact
- 24. Struggling to file roles such as IT professional, auditors so key professional contributor roles on behalf of two clients I work with. We are also finding people starting and then leaving roles within a month possibly Auckland lockdown, but also just the demand is such that if they don't like the place on day one, they leave!
- 25. Yes we are struggling! Esp for tech roles (e.e. we have one now for a UX/UI product designer) and the salaries are increasing rapidly making the current NZ talent unaffordable.
- 26. We have had a terrible time trying to fill roles lately, on top of existing team members (x3) being poached by other companies at massive salary increases.
- 27. Very few applicants for the jobs we put out, even fewer who are actually suitable. Few desperates applying from overseas even though there's zero chance of them getting in
- 28. Have heavily leveraged our personal networks and social media, with one hire being an extended family member and another contacting us from MIQ and getting the job offer after an interview the day he was released
- 29. Yup. It's tough
- 30. Yes
- 31. Yes we are struggling to find roles 4x roles in Software Development, 1 x role in Marketing and 1 x role in Sales
- 32. Yes, we are trying to hire a Production Engineer, taking an electric vehicle product to market. Unfortunately there are very few production engineers in NZ, let alone any who have experience with EVs. We just had an application from an applicant in the USA who worked for Toyota EVs and hybrids for over a decade. Would be a great candidate but he can't get in the country!
- 33. The lag of hiring, and the lag of facilities, means we are not planning on doing any permanent hiring until sometime in late 2022 or worst case at this rate 2023.
- 34. Two software Engineers/developers Internship in Auckland
- 35. Looking for a Data Engineer, Scientist. A junior Engineer Intern. Product Designer. A senior Software Engineer. Technical Writer Intern. Within Christchurch
- 36. Looking for an Automation Engineer and a Front End Developer. Within Auckland
- 37. Trying to hire 6 new team members, 2 full stack developers, data analyst, AI experience and community building, and CEO
- 38. Looking for a Product Designer in Auckland
- 39. Looking for an Operations Manager in Auckland
- 40. Looking for 40–80 team members in the next year for a fintech company
- 41. Looking for 40–60 team members in the next year for legal tech company
- 42. Looking for 120 in the next year for EV utility bike company



# Appendix B - case studies of migrant contributions

#### Adrien Gheur - from AANZ letter of support to Immigration NZ

Adrien brings a unique set of skills and connections to New Zealand venture backed startups which he has been generously sharing with these companies as they scale into offshore markets. His experience and expertise will expedite the creation of jobs, export and tax revenue; all of which New Zealand so desperately needs.

Adrien's willingness to share capital and capability with New Zealand startups is reflected in his attendance at the NZ Angel Summit last year and his participation in a number of initiatives to build awareness and connections with South East Asia, a part of the world where New Zealand lacks the strong/deep connections Adrien has in that part of the world.

Adrien has been involved in the New Zealand ecosystem for the last three years, making his first investment in an AR/VR startup (8i) for his Southeast Asian fund. Attracted by the level of talent/innovation in the country, Adrien applied for and was awarded an Edmund Hillary Fellowship in April 2018. He has since made over 10 trips engaging with dozens of startups to advise them on fundraising, business development and assistance with entering the Southeast Asian markets. He has worked with various government agencies including NZVIF, NZTE, MBIE and NZ Super advising on the venture capital policy for the Elevate fund. He also helped bring new technology solutions to the country introducing biometric solutions to the Department of Internal Affairs for their digital identity project.

Last year Adrien decided to hand over his Asian fund responsibilities and relocate his family permanently to New Zealand and focus full-time on building a locally domiciled venture fund here. He has responded to the New Zealand Government's Elevate fund-of-funds initiative, and is partnering with a large local institutional cornerstone investor to apply to the program. His fund also hopes to contribute to both national and regional economic development by being based in the Bay of Plenty.

Adrien has a skill set that, in aggregate, is unique and in very short supply in New Zealand. He brings together venture capital investing, access to deep capital pools and industrial networks in Southeast Asia and Europe and investment expertise in a number of deep technology fields such as artificial intelligence, machine learning, biometrics/facial recognition, internet-of-things and micro-mobility.

https://www.nuance.vc/team/

#### Rob Vickery - from AANZ letter of support to Immigration NZ

<u>Rob</u> brings a unique set of skills and connections to New Zealand venture backed startups which he has been generously sharing with these companies as they scale into offshore markets. His experience and expertise will expedite the creation of jobs, export and tax revenue; all of which New Zealand so desperately needs.

Rob's willingness to share capital and capability with New Zealand startups was reflected in his attendance at the NZ Angel Summit last year and the lengths he went to to have two of his investee companies present at this event.

Rob's sincerity of connection and commitment to New Zealand is reflected in the fact he went on to raise a venture fund, Hillfarrance Ventures, with capital sourced from the US to invest specifically in New Zealand companies. Hillfarrance Ventures has also established a scout fund, the first of its kind in New Zealand, whereby 10 New Zealanders will invest seed cheques in 10 ventures each, to support up to 100 companies, helping to build the Hillfarrance deal pipeline but also supporting early scaling Kiwi startups.

While there are half a dozen venture funds in New Zealand, Rob's approach and background is unique both in terms of his focus on supporting diverse founders and his expertise with ventures grounded in artificial intelligence and big data.

https://hillfarrance.com

