



Briefing to the Minister for Ethnic Communities



November 2023



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Welcome

Tēnā koe e te Minita. Congratulations on your appointment and welcome to your role as Minister for Ethnic Communities.

The Ministry for Ethnic Communities is a young, agile, innovative and future-focused government department that acts as the Government's Chief Advisor on ethnic diversity and inclusion in New Zealand society. We take a strategic and disciplined approach to create an inclusive nation that draws on the benefits of ethnic diversity, acting as trusted brokers to government agencies and ethnic communities to help address challenges. The Ministry works with a broad range of stakeholders across the Government, not-for-profit, private sector and communities to achieve results.

The Ethnic Communities portfolio presents you with significant opportunities to lift the experience of ethnic communities in Aotearoa New Zealand across a range of key areas including the Economy, Health, Belonging, Emergency, and National Security. It also covers issues raised by ethnic young people, women leaders, faith leaders and senior members of ethnic communities.

You have a unique system lead role. You can advocate, influence, and improve the current social, cultural and economic systems in New Zealand to foster the opportunities present in Aotearoa New Zealand's increasingly diverse population. There is continued work to be done in closing ethnic pay gaps as well as improving workforce participation for ethnic people.

Our experience is that the growing vibrancy of Aotearoa New Zealand holds untapped growth potential. Globally, the image people can have of an internationalised and inclusive New Zealand will attract international partnerships, tourists, investors, and consumers.

Ethnic people believe they have the potential to connect and deliver New Zealand solutions to international markets through personal and direct relationships with international customers. When our systems perform better to equitably respond to the unique needs of some of our ethnic communities, it promotes inclusion. This inclusion results in increases to productivity, improved employment, and health outcomes, lowers cost of social services and enables the spread of economic growth. There are opportunities for you to lead and influence the system in a way that not only delivers meaningful outcomes for ethnic communities but also long-term, positive impacts for all people in New Zealand.

This briefing provides an overview of the Ethnic Communities portfolio, your roles and responsibilities, the Ministry's functions and duties, and key opportunities to make a positive difference. We will advise you on these opportunities and other work that is underway, through more specific follow-up briefings.

I look forward to working with you to drive impact for Aotearoa New Zealand.

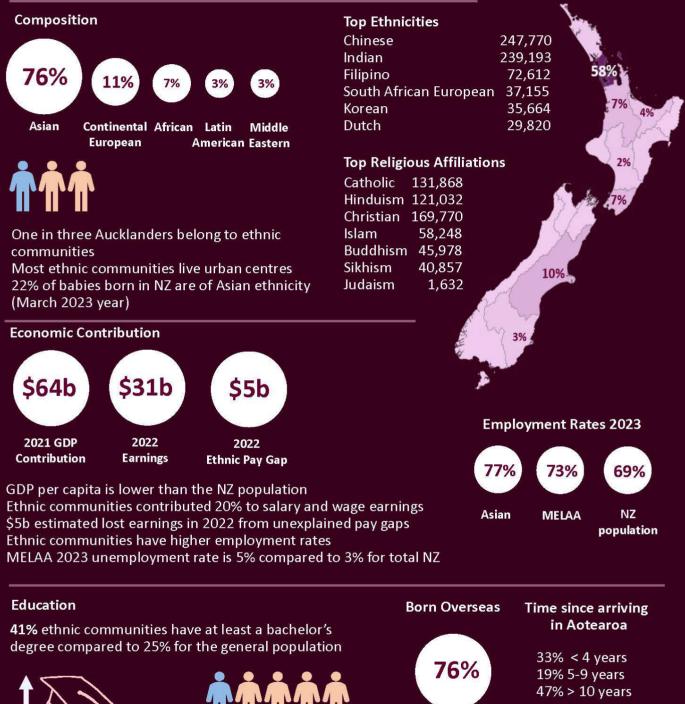
Mervin Singham

Chief Executive, Te Tari Mātāwaka – Ministry for Ethnic Communities



Ethnic Diversity in Aotearoa New Zealand

Ethnic communities represents **20%** of Aotearoa's total population compared to Māori 17% & Pacific 8% Ethnic communities are projected to be **25%** of Aotearoa by **2033**



Asian & MELAA school enrolments were 17% in 2022, up from 14% in 2018



One in five Asian & MELAA students feel excluded; don't belong; experience racist bullying

Most ethnic communities are born overseas Most young people are born NZ 35,000 former refugees living in NZ arrived between 1997- 2020



Your role as Minister for Ethnic Communities

The Minister for Ethnic Communities is the Government's lead for supporting ethnic communities and working to maximise the benefits of diversity and inclusion for all people in New Zealand.

As Minister, you are a systems leader to spearhead and influence change

You set the portfolio priorities, focus and direction for advancing the interests of ethnic communities. Equally, you can set priorities, focus and direction to amplify the positive implications of ethnic diversity, while navigating some of the challenges.

You advocate and lead change across Government to ensure the needs of ethnic communities are reflected and addressed. Many outcomes for ethnic communities are shaped through policies, services and products led by other Ministerial portfolios. Your leadership and discussions with your Ministerial colleagues are instrumental in enabling better outcomes for ethnic communities. The significant portfolios include Economic Development, Health (including Mental Health), Arts, Culture and Heritage, Media and Communications, National Security and Intelligence, Māori Crown Relations: Te Arawhiti, Pacific Peoples, Women, Disabled People, Children and Youth. The Ministry will assist you in this role by providing advice on any critical portfolio issues raised in the wider agenda of the Government.

Ethnic diversity can present many opportunities such as better economic outcomes, increased productivity and innovation, and more dynamic social and cultural connections. New Zealand's international brand as an inclusive country provides a competitive edge and is critical to our international reputation, our trade negotiations and geo-political standing.

According to Asia New Zealand Foundation's 2022 Annual Survey, entitled "New Zealanders' Perceptions of Asia and Asian Peoples", New Zealanders are increasingly aware of the importance of Asia. Four in five people in New Zealand (80%) said that developing political, economic and social ties with Asia is important. This has increased from 73% in 2020 and substantially increased from the 2019 result when 3 in 5 people in New Zealand (67%) held this view.

We do not have comparative data for our other mandated ethnic groups – African, Middle Eastern, Latin African and Continental European. But according to the Ministry of Business Innovation and Employment (MBIE) Community perceptions of migrants and immigration 2021 survey, the majority of New Zealanders (64%) hold positive views about migrants with 54% of New Zealanders believe migrants make their community a better place to live as they appreciate how migrants make our communities, and society as a whole, more culturally diverse.

New Zealanders' perception of the importance of Asia's sub-regions has increased across the board. Seventy-one percent of people in New Zealand said North Asia was important to New Zealand's future. Forty-five percent rated Southeast Asia to be important to New Zealand's future, up from 42% in 2020. South Asia is perceived to be important to New Zealand's future by 40% of people in New Zealand, up from 37% in 2020¹.

¹ Asia New Zealand Foundation 2022 Annual Survey, New Zealanders' Perceptions of Asia and Asian Peoples. Pg13



While there is greater awareness of Asia and its importance to New Zealand, there can also be challenges around participation in local civic life, managing diverse perspectives - including amongst ethnic people and forming mutual understanding on matters of common concern. These challenges and opportunities can have broader impacts on our society, economy, and culture in New Zealand.

Your leadership within the system can help achieve the full potential of ethnic people and unlock the benefits of ethnic diversity in Aotearoa New Zealand. The Ministry will support you to enable the fuller utilisation and enablement of skills, employment and entrepreneurial opportunities, cultural knowledge and connections, innovation, and social and cultural capital that ethnic communities bring.

As Minister, you may wish to focus on complementary actions

Key areas where you can make a difference include:

- **Promoting a strong message of inclusion to all communities**. Traditionally, this role has become important and highly visible. The Parliamentary events you can host are a visible symbol of the inclusion of diverse ethnic people in our country by the Government. For this reason, our communities appreciate being invited to Parliament and having the opportunity to celebrate the diversity of our country. You will be regularly invited to a range of events hosted by communities and diplomatic missions. The Ministry can assist you with prioritising these invitations.
- **Nominations**. You may wish to nominate candidates for public sector boards and committees in response to requests from other Ministers. You may also wish to nominate ethnic people who have made substantial contributions to their communities for a New Year or King's Birthday New Zealand Royal Honours. The Ministry can assist you in identifying suitable candidates and with the nominations paperwork for any candidates you may wish to nominate.

As Minister, you are the settlor of the Chinese Poll Tax Heritage Trust

The Chinese Poll Tax Heritage Trust (the Trust) is a statutory body. It was established in 2004 as a gesture of goodwill to the descendants of poll taxpayers in recognition of the hardship caused by the New Zealand Parliament's decisions in the 1800s. The Department of Internal Affairs – Te Tari Taiwhenua (DIA) is responsible for administering the Trust. As Minister, and acting on behalf of the Government, you are the Settlor of the Trust and can appoint its eight members. You will receive a briefing from DIA on the process to appoint new Trust members in due course.

As Minister, you are responsible for Appropriations

As Minister, you are responsible for the expenditure within appropriations relevant to the portfolio.

The Ministry is funded through the Diversity, Inclusion and Ethnic Communities Appropriation which sits within Vote Internal Affairs. The funding consists of \$14.9 million in departmental expenditure and \$4.232 million in non-departmental expenditure.

Funding for the Diversity, Inclusion and Ethnic Communities portfolio is appropriated within Vote Internal Affairs. The Minister of Internal Affairs is the Vote Minister, and you are one of the Portfolio Ministers within that Vote. You will represent the Government at select committees as part of the annual scrutiny undertaken by Parliament. You will also present the Ministry's Annual Report to the House. The Ministry will be supporting you in these procedures.



The Ministry for Ethnic Communities

The Ministry for Ethnic Communities was established in July 2021. It is the Government's Chief Advisor on ethnic communities, the ethnic diversity therein and the inclusion of ethnic communities in wider New Zealand society.

Our history

The Ministry's 27-year evolution from the Office of Ethnic Affairs to one of the youngest Ministries in the public sector is set out in <u>Appendix A</u>.

Our governance arrangement

The Ministry is a departmental agency. This means that the Ministry is an operationally autonomous government department, hosted by DIA. The Ministry is headed by our Chief Executive who is directly responsible to you as the Minister for our clearly identified, ring- fenced activities and performance.

The relationship between a **departmental agency** chief executive and its minister operates in the same way as the relationship between a **departmental** chief executive and its minister. Our Chief Executive is responsible for the day-to-day functions of the Ministry and is responsible to you as the appropriate Minister, who in turn is answerable in the House of Representatives.

Our Chief Executive is responsible for Ministry staff through deemed delegation (DIA is the employing entity). The Chief Executive of the Ministry is responsible for the decisions in relation to individual employees, such as appointment, removal, and discipline. Our Chief Executive is responsible under other legislation that relates to individual employees, such as the Health and Safety at Work Act 2015 and Privacy Act 2020.

DIA provides the Ministry with strategy, corporate policy and finance services, manages the Ministry's assets and liabilities, and administers our appropriation ('Supporting Ethnic Communities Multi-Category Appropriation') as appropriation administrator within Vote Internal Affairs. The Ministry is functionally independent, including being responsible for managing its risk and assurance, Health, Safety and Wellbeing obligations.

Our budget arrangements

Details of our appropriations in financial year 2023 are set out in <u>Appendix B</u>.

Our approach to working

The Ministry is a small and young agency with currently 69 permanent roles, with a mandate to increase the visibility of the needs and aspirations of approximately one million people from New Zealand's total population in the Government's work programme. In addition, the Ministry has 16 graduates in its Graduate Programme who are seconded to various agencies.

We have one main office in Wellington with smaller offices in both Auckland and Christchurch. In addition, we have 5 staff accommodated in DIA offices in Hamilton, Napier, New Plymouth and Dunedin. All our staff are hosted within the DIA offices or buildings it rents.



We work in an environment where other central government agencies, not-for-profit and the private sector hold many of the levers to effect change or deliver better outcomes for ethnic communities. Our role is to support them to increase their ability to meet the needs of diverse ethnic people.

We also work in the context and complexity of a growing population of ethnic communities which will make up over a quarter of New Zealand's population in 10 years' time. The paucity of disaggregated data about different communities poses a challenge in identifying the size and scale of the need and improve the targeting of resources and intervention.

When communities are "invisible" in the collection of evidence, it poses a challenge to responding to issues of transparency, accessibility, fairness, and equity, and ensuring our infrastructures are future proofed and resilient to our growing diversity. Our work is to catalyse visibility in order to systematically link population needs to effective service delivery.

Our work programme can therefore cross the full ambit of the Government's business and other agendas that communities themselves would like to see.

These factors necessitate a disciplined and strategic approach. Meeting and reacting to emerging, immediate needs inevitably shape some aspects of the Ministry's work, for example supporting our communities during emergencies (such as after the North Island weather events), geo-political events (such as Ukraine-Russia and Israel-Palestine conflicts) and local events (such as the LynnMall attack). This is balanced with prioritising strategic approaches and goals when dealing with complex issues such as public services being experienced as not responsive and accessible to all, addressing racism (such as those experienced by ethnic learners in the education system) and lack of cultural understanding (e.g., awareness of the five articles of the Sikh faith), to produce enduring positive outcomes for ethnic people in the long-term.

The Ministry has a disciplined and deliberate approach to prioritise the areas it should work on and acting as a catalyst for agencies and stakeholders who have the levers to deliver the best outcomes for ethnic communities. This includes our communities who have levers to create the solutions needed as strong civil society participants.

We are also working on connecting across population agencies and the Social Wellbeing Agency to ensure we are forming collaborative approaches to better achieve the wider agenda of the Government.

Such an approach requires us to be clear and transparent with our stakeholders and communities on the constraints within the system and what the Ministry can feasibly achieve. The strong relationships we have built in the community will enable us to take people along on the journey with us. We look forward to discussing our work with you and seek your guidance on the matters where you would like us to invest our efforts.



Our organisational structure and functions

The Ministry has three business units and the Chief Executive's Office. Our business units are **Policy and Analytics, Strategic Engagement and Partnerships and System Capability and Programmes**.

Our Policy and Analytics business unit can support you by:

Providing you with high quality ministerial support

This function exists to satisfy the public accountability interest in the Ministry's activities and support yours.

Our **Ministerial Services** function consists of 5 roles. Its focus is on:

- providing your office with a Private Secretary to support and manage secretariat business.
- providing support services to meet both the Ministry's and your legislative, and ministerial accountability requirements. This includes responses to Official Information Act requests, Privacy Act requests, Parliamentary questions, and correspondence.

Building the availability and visibility of data and insights about ethnic communities

Our **Analytics** function consists of 4 roles and has been established nearly a year ago (in October 2022).

There is paucity of data and insights at the disaggregated level about diverse ethnic communities. This means we don't have good evidence to target interventions to those affected and when best to do so.

This function exists to act as a catalyst to strengthen the evidence base across the public sector on the needs and contribution of ethnic communities in Aotearoa New Zealand by:

- developing an insights report that will form a baseline for tracking the progress towards achieving better outcomes for ethnic communities.
- building a robust evidence base that enables all policy makers to draw on evaluative insights on what works to improve outcomes for ethnic communities.
- collaborating with government agencies to improve the accessibility and consistency of data and address the lack of disaggregated ethnicity and religious data within the system. Examples of this role include:
 - working with Stats NZ on a new data standard for ethnicity that will improve the consistency of data about ethnicity collected across Government.
 - collaborating with agencies to produce new disaggregated ethnicity data products, such as MBIE Asian Labour Market Statistics Snapshot, which was produced in the June 2023 quarter for the first time.
- strengthening relationships between researchers and government advisors to promote the stronger use of ethnic research and evaluation evidence in policy development. For example, in September 2023, we co-hosted the inaugural Ethnic Research Hui with the theme of *"How to better embrace ethnic voices and evidence in public policy?"*. The Hui invited participants and perspectives from government agencies, academic researchers, evaluators, and practitioners from various sectors.



Building understanding of foreign interference and supporting community resilience to it

Aotearoa New Zealand's strength lies in our open economy and democratic society, but this can be exploited. Globally, foreign interference is increasing, and Aotearoa New Zealand is not immune.

Our **Security and Resilience** function has recently been established. It currently consists of 5 roles and, by the end of year, will have a full establishment of no more than 8 roles. This function will lead a community engagement programme with ethnic communities over the next four years.

The details of the function's work programme are still being developed. Its goal is to enable the Government to better understand how foreign interference affects our communities, whilst building awareness, community resilience and government-community relationships to mitigate the risks of foreign interference.

Influencing policy development in government agencies with primary policy responsibility

Policy is the foundation of effective government decision making. If the impact of policies on diverse ethnic communities are not actively considered, then it is unclear how policy interventions and investments address the issues and aspirations of diverse communities in Aotearoa New Zealand.

This function exists to provide policy advice on improving outcomes. It supports policy development to consider implications and ensure responses meet the needs and aspirations of ethnic communities. It is there to support communities with equitable access to government services that are effective and relevant.

Our **Policy** function consists of 9 roles. This function focuses on:

- developing policy initiatives to support you, as the Minister for Ethnic Communities, to achieve your portfolio priorities. An example includes planning for the development of a policy tool that can guide government agencies in designing and delivering more equitable outcomes for ethnic communities.
- providing second opinion advice on policies that are led by other decision makers in Government, on critical issues that affect ethnic communities. An example includes advising respective agencies on an inclusive social sector recovery approach that considers the needs of ethnic communities, following the North Island weather events.



Our Strategic Engagement and Partnerships business unit can support you by:

Providing insights into community needs and aspirations, creating opportunities for communities to come together, and brokering complex engagements.

Our largest function is the **Strategic Engagement and Partnerships** function with 19 roles. It is regionally based, reporting into two main hubs -'Central-Southern' and 'Northern' regions.

Communities have asked for a voice in government processes, for strengthening their ability to be civil society participants in playing a critical role in Aotearoa New Zealand's development, and for the need to deepen the relationship between ethnic communities and the Government, and with wider society. This function focuses on:

- **providing effective means to connect ethnic communities** with each other, with Māori, and with central and local government. Examples include:
 - hosting the first EthnicBiz Forum in May 2023 to unlock the Potential of New Zealand's Ethnic businesses, following a Ministerial Roundtable with heads of business councils and ethnic business owners to discuss the future of ethnic businesses.
 - hosting the Ethnic Advantage Conferences that bring together ethnic communities, service provides and government agencies to discuss practical tools and solutions.
- **using trusted connections to navigate** complexities and sensitivities when intersectional topics surface, often with religious and cultural characteristics. Examples include working jointly with communities to respond to the release of controversial movies including 'The Kerala Story' and 'The Kashmir Files', and supporting ethnic LGBTQIA+ communities. A recent example is engaging with impacted and interested ethnic communities in New Zealand during the Israel-Palestine conflict to catalyse opportunities for communities to come together to maintain social cohesion and complement the work of other agencies such as New Zealand Police and the Department of the Prime Minister and Cabinet (DPMC).
- brokering relationships between government agencies and ethnic communities. This enables the building and maintenance of relationships of trust. Examples of this role include supporting the Government's work and policies during the COVID-19 pandemic to contribute to vaccination targets, reduce vaccination hesitancy and distribute funds to ethnic communities to enable communication on COVID 19.
- gathering or supporting others to collate information from ethnic communities to inform Government decision-making on policy, service design and delivery. Examples include capturing the insights of ethnic service providers and faith organisations during the COVID-19 pandemic, supporting Manatū Hauora Ministry of Health engage on the development of the Health Strategy, and encouraging better participation of ethnic communities in Census 2023.

The Ministry has over 200 community organisations registered in its Community Directory. It also has enduring stakeholder relationships with large national ethnic organisations, established faith leaders and emerging as well as smaller communities in the regions. We can work with you to engage with a range of ethnic communities.



Our Systems Capability and Programmes business unit can support you by:

Leading the identification, design and implementation of tools to build the intercultural capability and capacity of the public sector.

Our **Talent and Capability function** consists of 4 roles. Its focus on supporting the public sector aims to reduce bias and discrimination, minimise ethnic pay gaps and help address the lack of diversity in public service leadership. Its main activities include:

- building the intercultural capability of the public sector. For example, we developed and published comprehensive guidance to assist government agencies in understanding translation processes, making informed decisions about language selections, and improving communications with culturally and linguistically diverse communities.
- running the Ethnic Communities Graduate Programme. There have been three intakes of the Ethnic Graduates, with 53 graduates across 15 host agencies. Many graduates who have completed the first two intakes have subsequently secured a role in the public sector.
- supporting ethnic communities being appointed to governance boards. This includes managing a database of candidates, nominating candidates, and collaborating with other nominating agencies to deliver governance capability training and improve the understanding of the appointments process. From 2021/22 to 2022/23, nominations of ethnic people increased from 142 to 239.

Empowering ethnic communities through funding support

Our **Ethnic Communities Development Fund (ECDF)** is one of our core functions. It consists of 4 roles and manages a \$4.2 million-a-year fund. The ECDF supports a wide range of projects that help ethnic communities to build their own capability, grow a sense of belonging and express their cultural identity. The fund plays a vital role in enabling communities to grow their skills, celebrate their culture and take part in society.

During the 2022/23 financial year, \$4.2 million of funding was distributed across over 408 projects. Funded initiatives include local cultural festivals, ethnic radio programmes and podcasts, programmes to help people build skills in areas such as employment, leadership, language, parenting, and supporting different cohorts such as business communities, elders, youth, women, and the LGBTQIA+ community. An example is the Women's Development Programme in Christchurch. This initiative focused on enhancing the wellbeing and personal growth of ethnic women. It offered diverse free weekly programmes and activities, to foster social connections and intergenerational and intercultural dialogue and empower women to participate actively in their communities.

We have recently redeveloped the ECDF Hub on our website which provides information for communities who wish to apply for an ECDF grant. It also highlights examples of how ECDF funding supports ethnic communities who have received funds.

The Deputy Chief Executive System Capability and Programmes (or delegate) is the final funding decision maker for the ECDF. A five-person Advisory Panel (representing ethnic communities) is appointed for a three-year term to assist with decision-making. The Advisory Panel convenes every month to make recommendations on which grant requests to fund and to what level. After final decisions are made and notified to the applicants, the Ministry will inform you of the successful applicants.



In addition to the above functions, the Ministry also has 6.5 roles focused on activities including communications, compliance, risk, reporting, human resources, health and safety, evaluation, planning and reporting, and governance. In terms of our communications function, there are 1300 subscribers to our monthly e-newsletter and over 7,000 and 8,000 followers on our Facebook and LinkedIn social media pages respectively.

Our Leadership Team

Details about the Ministry Executive Leadership team, their responsible functions and contact details are attached in <u>Appendix C.</u>



Our current work programme

The Ministry's Strategy 2022-2025 provides *a pathway to an Aotearoa New Zealand where ethnic communities feel at home*. It is our operational strategy and is based on consultation with over 600 people from ethnic communities. The Cabinet-endorsed Strategy reflects what ethnic people told us about their needs, priorities, and aspirations.

The Strategy guides the Ministry's work programme across four interconnected priorities - each with a corresponding outcome and areas for action. Successful delivery of the actions requires collective effort from a range of stakeholders, including other government agencies, community organisations, service providers, local government and the private sector.



An overview of the Ministry's current work programme in relation to each priority is attached (<u>Appendix D</u>). We will provide you more information about these in our follow up briefings. We look forward to seeking your steer on the current work programme to ensure that it reflects your priorities and aspirations, and reflects a smart, disciplined, and efficient delivery of work. In addition, the Strategy will come to an end during your term and will require a refresh. We look forward to discussing with you what a future Strategy could look like.



Strategic opportunities to achieve higher impact for New Zealand

Overview

New Zealand is a superdiverse country. It has the fourth highest proportion of overseas-born residents among the Organisation for Economic Cooperation and Development (OECD) nations. Auckland has been ranked as the fourth most ethnically diverse city in the world.

Ethnic communities made up 37% of Auckland population in 2018 and contributed to 30% of Auckland's economy in 2018 (or \$33b of \$109b total Auckland Gross Domestic Product (GDP))². New Zealand is home to people from over 160 different ethnic groups, where more than 150 languages are spoken³. Ethnic communities include new and temporary migrants, former refugees, asylum seekers, long-term settlers, and those born in New Zealand to migrant parent(s). In the next 10 years, they will make up a quarter of New Zealand's population.

Ethnic diversity can be an enabler linked to better long-term economic performance, and improved productivity and innovation⁴. Enabling diverse ethnic populations to realise their full potential requires an understanding of their needs, planning with respect to those needs and navigating them within the system.

Poor planning for ethnic diversity and lack of equity are linked to poorer outcomes for the overall population. Poor outcomes can include higher racial discrimination, higher prevalence of social and economic disadvantage (such as poverty and unemployment), poorer mental and physical health, and higher crime rates. The harmful impacts of these phenomena create considerable costs borne by all people in New Zealand. Equally, we all stand to gain when the cycle of persistent disadvantage and inequity is broken and the full potential of everyone is realised⁵.

Fostering an equitable environment for ethnic people to thrive is crucial for the wellbeing and prosperity of all people in New Zealand. Equitable outcomes can make New Zealand a more stimulating place to live, and can facilitate new ideas and innovative entrepreneurial behaviour, foster competition and raise productivity. These characteristics might also help New Zealand attract global talent, as well as expand opportunities and improve conditions for New Zealand in overseas markets.

² Ethnic minorities in Auckland: Direct contributions high, opportunities for more, Report to the NZ Government Auckland Policy Office 29 June 2022, Pg.10

³ The previous count that indicates 230 ethnic groups in New Zealand has been revised in our review of the data. Our findings

⁽based on a thorough analysis of the ethnic communities' data dashboard) shows that there are 160 ethnic groups in New Zealand. ⁴ OECD Report: 'All Hand In, Making Diversity Work for All (September 2020): <u>The impact of diversity: A review of the evidence | All</u> Hands In? Making Diversity Work for All | OECD iLibrary (oecd-ilibrary.org)

⁵ Productivity Commission Report (June 2023) <u>A fair chance for all: Breaking the cycle of persistent disadvantage</u> (productivity.govt.nz)

^{15 |} Strategic Opportunities to Achieve Higher Impact for New Zealand



Promoting equitable outcomes through system leadership, and empowering ethnic people to live the lives they value is integral to the work and role of the Ministry. Our role to encourage fairness and equity embraces Te Tiriti o Waitangi. It reflects the historical context and distinctiveness of Aotearoa New Zealand as a country with a long history of valuing fairness and giving everyone a fair go⁶.

We focus on key areas that will deliver the biggest difference for ethnic communities

Two years into our existence as a Ministry, we have learned a lot. Our experience to date has shown that the Ministry is drawn into the full breadth of Government work and inter and intra community interactions. While this approach suited the Ministry in its early days, we no longer consider it an effective or efficient use of the resources of a small and young Ministry.

We are pivoting to focus on key portfolio areas that could make the most difference and have the highest impact for ethnic communities. These are areas where ethnic communities have persistently sought systems change and where we see a need or untapped potential. This includes economic contribution and outcomes, health and wellbeing, belonging and cultural identity, emergency response such as extreme weather events and terrorism, and national security.

The following section provides an overview of these key areas and our recent work. More informative briefings will follow. You will notice that there are a wide range of options and opportunities for action within each area. We look forward to discussing any improvements that you may identify, as well as the areas of greatest interest to you. There may be other areas that you would prefer we focus on, and policy priorities of the Government that are likely to have significant implications for ethnic communities.

Promoting economic outcomes for ethnic communities

Ethnic communities are estimated to contribute \$64 billion to the total New Zealand economy⁷; however, the overall economic contribution per capita is lower for ethnic communities compared with the general population.

Most ethnicities within ethnic communities are more likely to be earning less than the general population; some of the differences in earnings can be partially explained by factors such as age (young workforce), recent migration, or employment industry⁸. The main industries ethnic communities work in are accommodation and food services, professional scientific and technical services, retail trade, health care and social assistance, and manufacturing. Ethnic communities are less represented in education and training, and construction.

⁶ Productivity Commission Report (June 2023) <u>'A fair chance for all: Breaking the cycle of persistent disadvantage</u> (productivity.govt.nz)

⁷ Waitakere Ethnic Board Ethnic Economic Contribution Report – Waitakere Ethnic Board

⁸ Cochrane, B & Pacheco, G. (2022) Empirical analysis of Pacific, Māori and ethnic pay gaps in New Zealand. NZ Work Research Institute, Auckland, NZ. <u>7e71e4dbee2432b576ef6fbc348f4d7109cdd073.pdf</u> (aut.ac.nz)

^{16 |} Strategic Opportunities to Achieve Higher Impact for New Zealand



New Zealanders feel migration has a generally positive impact on our economy and culture. Around three quarters agree it's a good thing for any society to be made up of people from different races, religions and cultures, and migrants make New Zealand more productive and innovative⁹.

This information is consistent with international research and findings from Australia's Productivity Commission which highlights the benefits of diversity in the labour force such as increased productivity, enhancing trade and investment flows, strengthening business networks; and enabling access to markets that support higher value exports.

The Ministry has been witnessing the current economic environment including the high inflation, high interest rates and increasing household living costs and mega trends such as climate change, rapid technological advancement and population changes including rapid growth and movements. To date, most of the Ministry's work in this area included leveraging existing work programmes across other Government agencies, such as:

- working to eliminate the ethnic pay gap
- connecting small and medium-sized businesses to each other and government
- improving employment opportunities via the Employment Strategy and Action Plans
- organising a Ministerial Roundtable with ethnic business councils and the EthnicBiz Forum.

Although ethnic businesses can add much to the New Zealand economy, their potential has not been fully unlocked. The Auckland Policy Office commissioned research¹⁰ highlighted that ethnic minority communities are less likely to be entrepreneurial than average. This is counter to the common view that migrant and ethnic communities tend to be more entrepreneurial. This could be because of New Zealand's immigration policies that favour people for existing jobs. However, it discovered some ethnicities are more entrepreneurial, including Dutch, South Slav, Cambodian, Chinese and Korean. They are most likely to be in retail, hospitality and transport sectors.

The report further suggested that the economic output of ethnic communities is less than it could be because of skills mismatches, lower incomes, and lower levels of entrepreneurship.

Understanding ethnic businesses and how they operate is necessary to supporting them to flourish. Ethnic small businesses for example have unique features; they often start out of necessity and thus are not growth oriented, they employ family and co-ethnics¹¹ and borrow from friends and family to support their business. They are also likely to share aspects of other small businesses in general: have no formal governance arrangements, lack resources, are isolated, play a key role in local communities, do not seek formal training or expert advice, and have many parts of the business handled directly by the owner.

Key challenges faced by ethnic small businesses include access to information and business support, access to finance, racism, discrimination, and mismatch in business culture. A lack of digital connectivity and a heavier reliance on overseas staff further compound these challenges. There also other challenges such as language barriers and lack of local business networks (other than ethnic ones) which leads to a lack of ability to cross-pollinate, learn from each other, and grow their business.

- $^{\mbox{\scriptsize 11}}$ Co-ethnic means someone of the same ethnicity.
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⁹ Report by MBIE in 2021 on '<u>Community perceptions of migrants and immigration</u>' (mbie.govt.nz)

¹⁰ Ethnic minorities in Auckland: Direct contributions high, opportunities for more, Report to the NZ Government Auckland Policy Office 29 June 2022, Pg.2



Access to mainstream business associations' support could help mitigate some of these barriers but there is evidence that ethnic businesses do not find mainstream business associations relevant or welcoming¹². These further limits access to vital information and to wider business networks that would be helpful to their success.

Given the extent of untapped potential, and investment that could be made for future economic prosperity, we are currently looking at areas where we can do better to foster ethnic peoples' business potential, leverage off international connections and increase capabilities and opportunities. To this end, the Ministry has engaged with private sector stakeholders such as the Employers and Manufacturers Association, Auckland Business.

Chamber, Tātaki Auckland Unlimited, Bank of New Zealand and KPMG New Zealand to shape up the potential direction of its economic work programme that will enable ethnic small businesses, entrepreneurs, and large organisations to tap into both domestic and international business and trade opportunities.

Enabling better health and wellbeing outcomes

Our Health snapshot is limited because we do not have disaggregated health data available on ethnic communities. What we know from the Ministry of Health is that the Asian population have substantially lower levels of enrolment with primary health organisations (90.1%) compared with European/other ethnic populations (99.0%) and Pacific peoples (93.8%); while enrolments are higher than Māori (82.9%) as reported in the Health and Independence Report 2022¹³. This information is also consistent with the Health NZ Survey 2020/21¹⁴, with fewer Asian adults reported engaging with their General Practitioners (GPs) in the previous 12 months (66.5%) when compared to the overall population (73.9%). One in five Asian youth are forgoing healthcare, and do not access healthcare even when it is needed as reported by the Youth2000 Series.

Mental distress and discrimination among ethnic community youth are of concerning levels, as reported by Education Review Office (ERO) long term insights briefing¹⁵. ERO drew on two national surveys: What About Me and the Youth2000 series. From the What About Me survey, nearly one in five students report they frequently feel they do not belong and have experienced racist bullying in the last month. Thirty-nine percent of MELAA (Middle Eastern, Latin American, African) students have seriously contemplated suicide (compared to 26% of all students) and MELAA youth have the lowest wellbeing scores, at 40%, much lower than the New Zealand average (58%) and Asian students (63%). Furthermore, the Youth2000 Series reports that nearly 34% of East Asian students scored 'not good' mental and emotional health.

The Pae Ora (Healthy Futures) Act 2022 does not provide for a standalone ethnic health strategy, unlike other population groups. Many ethnic communities have reiterated that they are unable to locate themselves within the current health reforms, which introduced fundamental structural changes to the way the health system is organised, and services are delivered.

¹² Ministry for Ethnic Communities Internal Report: Supporting Ethnic Small Business Resilience through COVID-19, February 2021, Pg.3

¹³ The 2022 Health and Independence Report, Ministry of Health, Published in July 2023: <u>Health and Independence Report 2022</u> <u>Ministry of Health NZ</u>

¹⁴ New Zealand Health Survey 2020/21, Ministry of Health: <u>Annual Update of Key Results 2020/21: New Zealand Health Survey</u> <u>Ministry of Health NZ</u>

¹⁵ Long-Term Insights Briefing - Summary of Submissions June 2022 (2).pdf

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To ensure focus on critical and persistent health needs, the Ministry has partnered with Manatū Hauora Ministry of Health, Te Whatu Ora (Health New Zealand) and Te Aka Whai Ora (Māori Health Authority) to progress six priorities. These six priorities include:

- **Priority one**: ensure ethnic communities are included in the New Zealand Health Strategy, the Government Policy Statement and New Zealand Health Plan.
- **Priority two:** understand the geographic spread of ethnic communities across New Zealand.
- **Priority three**: disaggregate health data to enable better insights into different ethnic communities.
- **Priority four:** enable the consistent provision of interpretation services across the country.
- **Priority five**: undertake a stocktake of Asian and other ethnic service providers to identify and plug service gaps.
- **Priority six**: continue support for the survivors of the March 15 terror attack in Christchurch.

A public sector Governance Group of senior officials oversees this work. Additionally, in August 2023, the House of Representatives recommended that health agencies develop an action plan to address Asian communities' access to mental health services. This was in response to a petition that sought more funding and resources for social and health services targeted to Asian communities. The then Minister of Health accepted this recommendation and informed the House that the 'group made up of senior leaders across Manatū Hauora Ministry of Health, Ministry for Ethnic Communities, Te Whatu Ora and Te Aka Whai Ora [would] continue to progress action on the issues raised by the petitioner'. As a result, this work has been added as Priority seven to the work of the Governance Group¹⁶.

Navigating disruptive events: ensuring better preparedness, response and recovery

Approximately 0.6 million people from ethnic communities (64%) were based in affected areas by the North Island weather events (the Auckland floods and cyclone Gabrielle) in early 2023, of which we estimate 84,000 had limited English.

According to the Stats NZ 2021 General Social Survey, only 26% of Asian households have an emergency plan and only 44.3% of Asian households have enough water for three days. Furthermore, 89.9% of Asian households do not have enough food for three days.

Major disruptive events, including the North Island severe weather events, a major terrorist attack in Christchurch, and the COVID-19 pandemic have highlighted that not every part of the system is prepared to effectively respond to the needs of all populations, including ethnic communities. The risks of having ethnic communities left behind in preparedness activities can create more cost to communities and governments.

In the aftermath of disruptive events, we learned that ethnic communities have the most need for:

• an interconnected and culturally appropriate service delivery system where the needs of ethnic communities are known and factored into the response.

¹⁶ The Petition of Eva Chen: Allocate sufficient funding and resources to support Asian migrant communities.

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- a readily accessible network of providers who can connect communities to the right service, or actually provide the service required that can be leveraged so that communities can do it for themselves.
- accessible sources of information and translation services that can be used in a timely and appropriate manner, and that ethnic communities are aware of.

For example, when there was a delayed announcement of the declaration of the state of emergency in Auckland, it made it hard for the community leaders and faith-based leaders to communicate emergency messages with their communities promptly. Some ethnic and faith-based communities were not connected to mainstream media, opting instead for their own respective ethnic media. These communities tended to rely on their leaders/faith-based places who may also communicate through their respective social media channels and may not know they were missing vital messages. Some communities did not access authoritative government information and were therefore exposed and susceptible to misinformation.

Emergency centres and temporary accommodation such as motels were also not culturally equipped and were not able to respond to the cultural/faith-based needs such as:

- gender-specific needs of certain communities e.g., women-only spaces for Muslim women.
- social distancing, while engaging with the service providers.
- type of food due to religious practices e.g., Halal, Kosher, Vegetarian.
- prayer space.

At the time of the North Island weather events, the Ministry worked alongside a range of agencies (National Emergency Management Agency (NEMA), local councils and Ministry of Social Development (MSD)) to support a comprehensive and fit-for-purpose response in times of emergencies for ethnic communities. This included:

- translated information about accessing interpreting services when calling government agencies were developed.
- targeted eLearning training on accessing and using interpreting services to lift the intercultural capability of customer-facing government staff were produced.
- a Disaster and Emergency Support Hub being set up¹⁷.

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¹⁷ Provides general information about mental health and wellbeing, financial, and language support, as well as information about ethnic service providers and preparing for disasters and emergencies.

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We have also started work on producing animated videos on emergency preparedness¹⁸. The Ministry has released translation guidance to help build the language capability of the public service¹⁹. Work is underway on exploring options to create a single portal where all translated information from across the public service (including non-emergency related information) can be accessed. This portal will be particularly useful in times of disruptive events, enabling communities to go to a single source for all emergency related information across the public service in their language. We are also exploring how translation processes can be sped up for key messages that need to be spread urgently. We are doing this in collaboration with DIA.

The Ministry has identified the need for infrastructure to increase the capability of the public service and the resilience of communities to navigate disruptive events.

NEMA is responsible for coordinating the national infrastructure for emergency management. NEMA has a Memorandum of Understanding with the Ministry for Pacific Peoples and is looking to do the same with the Ministry to better support ethnic communities through such adverse events.

Maximising the benefits of diversity: belonging and cultural identity

Ethnic communities provide economic and social connections throughout the world, which can connect us to markets, skills and other opportunities. There is no doubt that economic participation is a key channel through which individuals achieve wellbeing. Higher incomes expand opportunities and choice and provide the basis for participation in society. Having a job also contributes directly to well-being through the sense of self-esteem and sociability that it provides. The social cohesion and connectedness that arise from participation in turn impact favourably on economic performance²⁰.

Social cohesion may in turn contribute to higher economic output, and economic growth may in turn contribute to social cohesion by changing individuals' subjective feelings about the degree of well-being they derive from belonging to their society.

Cultural identity is also an important contributor to people's sense of belonging. Identifying with a particular culture helps people feel they belong and gives them a sense of security. An established cultural identity has also been linked with positive outcomes in areas such as health and education. It provides access to social networks, which provide support and shared values and aspirations. Social networks can help to break down barriers and build a sense of trust between people – a phenomenon sometimes referred to as "social capital"²¹.

A society of people that enjoys high levels of participation, interconnection and cohesion is defined as possessing a high level of "social capability". Social capability can be thought of as the ability of a society to co-operate towards the attainment of socially beneficial outcomes.

¹⁸ Collaboration with MSD and NEMA on delivering eight animated videos on emergency preparedness, such as earthquakes and floods. These videos will be translated into 20 languages to ensure they are accessible.

¹⁹ 'Unlocking Language Barriers- Te Whakamahea Tauārai Reo' guide for agencies to support them in better communicating and reaching culturally and linguistically diverse communities.

 $^{^{\}rm 20}$ Towards an Inclusive Economy, The Treasury Working Paper 1/15, July 2001, Pg 13

²¹ The Social Report 2016 – Te pūrongo oranga tangata. Pg 175. Retrieved from <u>https://www.socialreport.msd.govt.nz/</u>

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However, strong cultural identity expressed in the wrong way can contribute to barriers between groups. Members of smaller cultural groups can feel excluded from society if others obstruct, or are intolerant of, their cultural practices. For example, experienced discrimination by ethnic communities is reported to be widespread among all ages of ethnic communities with children and young people reporting exclusion from activities due to their ethnic identity. Connection to family, faith, support for cultural identity and languages are areas of strong wellbeing for children and young people.

Ethnic diversity has the potential to enrich our nation's culture. This potential is most likely to be realised if we take a deliberate approach to celebrating the diversity of ethnicity, thought and ability; ensuring equity and inclusion, and planning for ethnic populations to lead a full life. Poorly managed ethnic diversity leads to social harms such as discrimination, racism (including religious racism such as antisemitism and islamophobia), erosion of a sense of belonging and reduced participation in civic life. Such harms can lead to the development of community divisions that disconnect people from each other. These elements can reduce the development of social capital and can have negative impacts on the robust and cohesive development of our society.

The Ethnic Communities Development Fund provides a small avenue to grow cultural identity, preserve culture and a sense of belonging in New Zealand. The Ministry also organises a range of opportunities to foster dialogue between different groups such as inter- faith leaders, business forums, ethnic research hui, and Ethnic Advantage Conferences.

Achieving a cohesive society requires government agencies to work together across the different characteristics of ethnic communities (such as age and gender) to enable them to express their cultural identity, be cherished by their community and feel they belong in New Zealand.

Current cross-agency work in this area includes:

- participating in addressing the divisive and inequitable impacts of racism through developing the National Action Plan Against Racism led by the Ministry of Justice.
- celebrating culture and heritage by working with Manatū Taonga Ministry for Culture and Heritage on increasing diversity in the arts sector and promoting opportunities for:
 - joint research, monitoring and evaluation to improve insights
 - working to increase ethnic diversity in the media
 - increasing ethnic diversity on public service boards within the cultural sector
 - supporting ethnic artists to understand their rights under the Artist Resale Royalty Scheme established in August 2022.
- exploring with the Office for Māori Crown Relations Te Arawhiti, what role ethnic communities can play in honouring tangata whenua by facilitating positive relationships through key events such as Waitangi Day and Matariki.

A key example of this work includes our work with ethnic communities in New Zealand who are impacted by Israel-Palestine conflict, complementing the work underway in DPMC and New Zealand Police. We are working to ensure communities can tap into available funds through ECDF and develop practical social cohesion activities that can bring groups together.



Having a focus on national security

The New Zealand Security Intelligence Services report 'New Zealand's Security Threat Environment 2023' provided visibility into foreign interference activity in New Zealand. Foreign interference is a growing international phenomenon carried out by several authoritarian states. Unchecked, foreign interference presents a direct challenge to western liberal principles and traditions, as well as the safety and security of some ethnic communities. Foreign interference can increase existing tensions and divisions within communities as well as undermine social cohesion within wider society.

As part of Budget 2023, \$9 million over four years was provided to support engagement with ethnic communities to assess the impact of foreign interference activities in New Zealand.

The Ministry was appointed the lead agency of this work programme to ensure the engagement is culturally grounded and appropriate. The project aims to enable the Government to better understand how foreign interference affects ethnic communities, while building awareness, community resilience and government-community relationships to mitigate against the risk of foreign interference.

The Ministry is in the final stages of establishing the Security and Resilience Team and is looking forward to discussing the work programme with you.



Your key decisions in the first 100 days

The areas that require decisions from you in your first 100 days are outlined below:

Key Decision	Month
Nominate ethnic people for King's Birthday Honours 2024. The Ministry will provide you with potential candidates, including the details of their achievements, to consider nominating.	November 2023
Budget 2024 decisions.	December 2023
Consider and discuss hosting Parliamentary events including Chinese New Year and Eid ul-Fitr next year.	December 2023
Consider conducting meetings with relevant Ministerial colleagues to discuss opportunities to leverage better outcomes in key areas.	December 2023
Consider conducting stakeholder meetings with ethnic communities' representatives, economic development stakeholders and leaders of large national community organisations.	December 2023

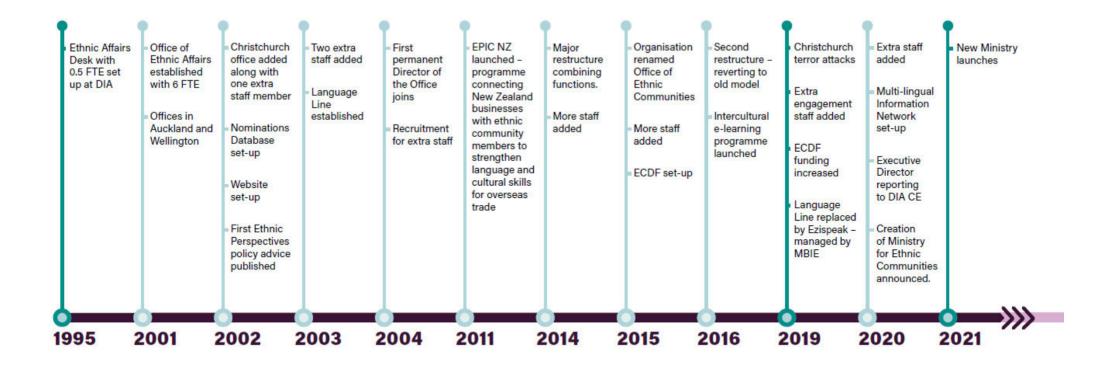
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Appendix A – History of the Ministry for Ethnic Communities History of the

Ministry for Ethnic Communities







Appendix B – Appropriations

The Ministry is funded through the Diversity, Inclusion and Ethnic Communities Appropriation which sits within Vote Internal Affairs. The Multi-Category Appropriation is currently \$19.132 million a year, made up of the following:

Appropriation	Available Funds	Duration	
Departmental Output Expenses			
Advisory and Information Services to assist Ethnic Communities	\$10.104 million	2023/24 Baseline funding	
Policy and Related Services – Diversity, Inclusion and Ethnic Communities	\$4.796 million	2023/24 Baseline funding	
Non-Departmental Other Expenses			
Ethnic Communities Grants	\$4.232 million	2023/24 Baseline funding	

The Departmental Output Expenses above include new funding allocated in Budget 2023 as follows:

- \$0.145 million ongoing funding for Building a Pipeline of Ethnic Talent in the Labour Market (Graduate Programme)
- \$2.25 million time-limited funding (4 years) for the Foreign Interference Work Programme.

DIA is the host department for the Ministry. It provides corporate services such as property, information technology and some financial services to the Ministry through a Departmental Agency Agreement.

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Appendix C – Executive Leadership Team



Mervin Singham Chief Executive Redacted - Privacy

Policy & Analytics



Pratima Namasivayam Deputy Chief Executive Redacted - Privacy

Strategic Engagement & Partnerships



Berlinda Chin Acting Deputy Chief Executive and Chief Advisor to the Chief Executive Redacted - Privacy

Teams

- Ministerial Services
- Policy

- Analytics, Monitoring and Evaluation
- Security & Resilience

Teams

- Northern Strategic Engagement and Partnerships
- Central/Southern Strategic Engagement and Partnerships

Systems, Capability & Programmes



Teams

- Talent & Capability
 - Intercultural Capability
 - Nominations
- Graduate Programme
 Strategy, Funding and
- Reporting
- Governance
- Reporting
- Ethnic Communities Development Fund

Fleur Murray Deputy Chief Executive Redacted - Privacy

- People and Support Services
 - Human Resources
 - Health, Safety & Wellbeing
 - Communications
 - Property & Security



Appendix D – High level overview of the Ministry work programme

1.

Promoting the value of diversity and improving inclusion of ethnic communities

- increase ethnic representation on public sector boards and committees
- progress development of the National Action Plan Against Racism and the Social Cohesion Strategic Framework by partnering with other agencies

2.

Ensuring equitable provision of, and access to Government Services for ethnic communities

- progress health engagement and awareness initiatives
- community-focused responses to the North Island weather events and Cyclone Gabrielle
- Unlocking Language Barriers Our Translation Guidance for Public Sector Agencies
- increase inclusiveness and participation for the 2023 Census

3.

Improving economic outcomes, including addressing barriers to employment

- enhance relationships with ethnic businesses to unlock their potential.
- employment, education and training initiatives:
 - Employment Action Plan
 - Ministerial Roundtable with ethnic business councils and EthnicBiz Forum
 - Ethnic Communities Graduate Programme
 - Intercultural Capability eLearning Modules

4.

Connecting and empowering ethnic community groups

- empower ethnic communities via funding support.
- connected and inspire ethnic communities by hosting:
 - Ethnic Advantage Conferences
 - Parliamentary events
 - Interfaith meetings

