



SUBMISSION

Submission: Immigration (Fiscal Sustainability and System Integrity) Amendment Bill

To: Education and Workforce Committee

Date: 28 July 2025

Contact: Dom Kalasih
Chief Executive
la Ara Aotearoa Transporting New Zealand
dom@transporting.nz
027 441 4309

Billy Clemens
Head of Policy and Advocacy
la Ara Aotearoa Transporting New Zealand
billy@transporting.nz
04 471 8283

About Ia Ara Aotearoa Transporting New Zealand

Ia Ara Aotearoa Transporting New Zealand is a national membership association representing the road freight transport industry.

Our 1,200 member companies operate and support urban, rural and inter-regional commercial freight transport services throughout the country.

As the peak body and authoritative voice of the road freight sector, Transporting New Zealand helps trucking firms operate successful, safe and sustainable businesses. Our strategic priorities are:

- Providing one industry voice for advocacy
- Promoting the road freight transport industry
- Attracting talent and promoting workforce development
- Supporting our members and customers
- Sustainability, safety and responsible emissions reduction

New Zealand's road freight industry employs over 31,000 people and has a gross annual turnover in the order of \$9.73 billion ([Stats NZ, Deloitte analysis](#)). Road freight transport accounts for 93% of the total tonnage of freight moved in New Zealand ([MoT National Freight Demands Study 2018](#)).

Transporting New Zealand submission to the Education and Workforce Committee on the Immigration (Fiscal Sustainability and System Integrity) Amendment Bill

1. Transporting New Zealand appreciates the opportunity to make a submission to the Education and Workforce Committee (the Committee) on the Immigration (Fiscal Sustainability and System Integrity) Amendment Bill (the Bill).
2. Transporting New Zealand is broadly supportive of the Bill, particularly the provisions aimed at protecting migrants and refugees from exploitation, protecting New Zealand's security, and ensuring migrants convicted of specified offences are liable for deportation.

General comments

3. New Zealand's road freight industry requires a reliable supply of skilled and diverse employees to maintain the level of road freight movement needed for the nation's economic growth.
4. A road freight industry that is reliable, cost-competitive, and flexible is essential for New Zealanders. Therefore, the amendments in this Bill that relate to fiscal sustainability are of particular importance to Transporting New Zealand and to the wider road freight industry.
5. Increasingly, critical skills are held by migrant drivers who are an important supplement to the local workforce. The recent [2025 National Road Freight Survey](#) found that more than a quarter of respondents had employed an overseas driver in the last two years.
6. Transporting New Zealand has had the opportunity to review the submission of BusinessNZ, whose key points and recommendations we support.

Key points and recommendations

7. The shortage of skilled drivers is an ongoing challenge to Transporting New Zealand members and the wider industry. The National Road Freight Survey revealed that 22 per cent of respondents had difficulty hiring suitable drivers in the last two years.
8. Transporting New Zealand is concerned that expanding the range of people or entities that can be charged the immigration levy, as proposed in Part 2 of this Bill, will impose an unfair financial burden on businesses who already contribute funds via the existing fees regime. As BusinessNZ noted in their submission, employers already disproportionately subsidise the immigration system as evidenced by the fees accounts' significant 2023 surplus.
9. Unnecessary additional costs on road freighting are passed down to end-consumers, having a detrimental effect on general economic activity and the welfare of the New Zealand public.
10. New Zealand is currently experiencing a cost-of-living crisis wherein many businesses in the freight sector continue to report unsustainable operating margins. Almost two-thirds (62%) of

businesses that participated in the National Road Freight Survey ranked high business costs and economic pressures as one of their top concerns. Of these respondents just 27 per cent said their business currently has sustainable operating margins.

PART 1 – AMENDMENTS RELATING TO SYSTEM INTEGRITY

11. Transporting New Zealand broadly agrees with the comments and recommendations made by BusinessNZ in their submission on this Bill.
12. Transporting New Zealand does not have a firm view on the proposal outlined in Subpart 2 to grant the Minister discretionary powers but acknowledges concerns from Business NZ about the risks of immigration decisions being inconsistent or subject to political pressure.

PART 2: AMENDMENTS RELATING TO FISCAL SUSTAINABILITY

13. Transporting New Zealand opposes extending the immigration levy payer base beyond the applicant as set out in the proposed amendment to section 399.
14. Our opposition to the levy extension is based upon the following reasons, as also cited by BusinessNZ:
 - i. Employers already face significant costs to hire overseas talent through mandatory accreditation and application fees under the Accredited Employer Work Visa (AEWV) scheme.
 - ii. Employers already subsidise immigration disproportionately, as shown by large surpluses in the immigration fee account and underutilised accreditation.
 - iii. The argument that immigration increases pressure on public services is fundamentally flawed as migrants generally contribute more in taxes than they consume in taxpayer-funded services.
15. Extending the immigration levy would therefore unfairly shift public costs onto employers without sufficient justification. For many operators in the road freight industry such additional costs would likely dissuade employers from hiring migrant workers even when the skills required are not available in the local workforce.
16. Transporting New Zealand recommends that the amended section 399 is removed from the Bill.

ENDS