

Submitter information

Please provide your name and phone number, and preferred email address for contact if it is different from the one used to send this form:

s 9(2)(g)(i)

9(2)(a)

In what capacity are you providing feedback?

e.g. on behalf of: your company, the company you work for, an industry organisation, a union, a licensed immigration adviser etc.

Human Resource Manger, Bidfood Ltd Queenstown Branch

If you are representing a company or group, what is the name of that group?

Human Resource Manger, Bidfood Ltd Queenstown Branch.

Bidfood Ltd in NZ has 27 branches or businesses plus a support office. Bidfood's philosophy of working with a decentralised management structure allows regional general managers a high level of independence, responsibility and responsiveness to make operational decisions that best suit regional demands. This submission provides information about Bidfood Queenstown branch.

Bidfood Ltd (previously Bidvest NZ Ltd) is an Accredited Employer, Client Number s 9(2)(a)

What industry or industries does that group work in?

Food service – NZ's leading wholesale distributor of food and related products. The Queenstown branch supplies all tourism operators (including those operating in remote areas such as Real Journeys, Guided Walks, cruise ships, all of the ski fields), hotels, restaurants & cafes, catering companies, institutions including aged care, government, education providers and various other smaller industries.

In your company or industry, what are the most common occupations for migrant workers?

The greatest percentage are entry level roles as Store person / Driver – usually a mix of both driving and working in the warehouse but sometimes more specialised roles especially Class Two Drivers or Store people who only working in the warehouse and especially in the freezer. The bulk of these are employed on night shift or early shift (4am start). We also have a small number working as Customer Service Team Members, again usually on evening or night shift as all of these roles are the hardest to attract NZ workers to.

The best of these Store person / Drivers have been promoted to supervisory and junior management roles and they are still on ANZSCO Essential Skills work visas. Because ANZSCO is such a restrictive system, and there is such a gap between entry level (level 4 & 5) and senior

management roles (level 1 & 2), there are very few ANZSCO Job Descriptions that accurately reflect our Job Descriptions, especially for lower to mid level managers.

For Supervisory roles we could use ANZSCO Transport and Despatch Clerks 2912 but this does not include the leadership aspects of the role that they perform which is far more important than the clerical aspects of the role. Alternatively, we are forced to keep using Store person 741111 as our supervisors progress into more senior roles within Bidfood. It is not until they have three years of relevant experience that we can apply either Transport Company Manager 149413, or Supply & Distribution Manager 133611. The latter is more appropriate if the role has purchasing responsibilities but the distribution tasks still comprise approximately 75% of the tasks detailed in this job description. Both the Transport Company Manager and Supply & Distribution Manager Job Descriptions are about a 75% match to the tasks and responsibilities of our Night Managers and Despatch Managers. Bidfood would welcome the opportunity to contribute to any review of ANZSCO Job Descriptions.

What visa categories are commonly used by those workers?

I.e. resident visa, Essential Skills work visa, Work-to-Residence work visa (under the Talent or Long Term Skill Shortage List categories), Post-Study work visa (open or employer assisted), open work visa.

All of the above but Work-to-Residence is under Accredited Employer Skilled Employment. 80% are Essential Skills work visa.

Only answer the following questions if you directly employ migrant workers:

How many migrant workers do you currently employ? (Refer to the visa categories in the question above)

71 in the Queenstown branch. Current total staff number in Queenstown is 107 and we anticipate a continued increase in staff numbers of at least 10% each year.

Have you supported an Essential Skills visa application for any of these workers?

Yes for 80% of this group

Using wage or salary information to help determine skill level and access to Essential Skills migrants

Proposal 1: Introduction of remuneration thresholds to determine skill levels and associated visa conditions for Essential Skills visas

Consider the proposal of aligning the remuneration thresholds for the Essential Skills visa with the remuneration thresholds for the Skilled Migrant Category.

What impacts or implications do you foresee from defining lower-, mid- and higher-skilled Essential Skills migrants in this way?

Give details of the occupations or sectors and wage or salary levels you are thinking of.

Our main area of concern is the impact on the current and prospective supervisors, junior and mid level managers (currently 19) who fall below the \$49,000 remuneration threshold. They mainly work as night shift supervisors and managers, or day shift despatch managers. We have 2 warehouses in Queenstown and operate virtually 24/7 for 364 days per year. As shift work is very demanding our night shift work four shifts per week of at least 10 hours then have three nights off. Accordingly we require a higher number of supervisors and managers than most equivalent businesses. This comes at a cost but is justified by improvements in health & safety and retention.

We also advantage shift work with allowances and we are concerned that immigration does not include this in total remuneration. Our Night shift Allowance of \$20 per shift and Early Start Allowance of \$10 per shift is detailed in the individual employment agreement, can be verified through payroll records and we believe should be included in remuneration calculations. For example an experienced night manager is paid \$22 per hour and works at least 40 hours per week. Annual remuneration, without the allowance included, is \$45,760. With the allowance included it is \$49,920.

Less experienced night managers, despatch managers and supervisors are paid less than this but will increase their pay rate over time. We currently review each employee's remuneration after 2 months of employment and thereafter at least every six months, often sooner if they increase in responsibilities or as market rates change. Pay increases this current year for the Queenstown branch are at 6%. Other Bidfood branches where the labour supply and cost of living are more stable, pay increases are about 3%.

Reinforcing the temporary nature of the Essential Skills visa and managing the settlement expectations of temporary migrants

Proposal 2a: Introduction of a maximum duration for lower-skilled Essential Skills migrants

Consider the option of a three years for a maximum duration for lower-skilled Essential Skills visas.

What impacts or implications do you foresee from the proposed maximum duration for lower-skilled Essential Skills visa holders?

Give details of the occupations and industries you are thinking of.

Again our main area of concern is the impact on the current and prospective supervisors, junior and mid level managers (currently 19) who mainly work as night shift supervisors and managers, or day shift despatch managers.

It takes time and considerable training and investment in mentoring and coaching to develop effective leaders and we believe that three years is insufficient time for a person who starts at entry level as a store person / driver to be promoted to a mid level manager role earning over \$49,000.

Typically they spend a year at entry level, then a year as a supervisor, a further year as a junior manager and finally at four years, are promoted to a mid level manager. During this time we provide various training including extra licences (Class Two and Forklift Operator), internal and external leadership training including Certificates in Distribution or First Line Management Level four. We believe four years should be the maximum duration for lower-skilled Essential Skills visa holders. Currently we have six staff who have all been employed by Bidfood under

Essential Skills work visas for over three years. There may be others who have been employed by another employer on an Essential Skills work visa before they were employed by Bidfood, therefore in total they could be over three years, but I am unable to supply this information as we do not have the time or resources to research this before submission deadline.

As a business we try hard to attract and retain NZ citizens and especially high school and university students. We have approached the local high school for students on the Gateway programme several times but have not had any interest so far as there are so many local businesses also vying for the same students and it is probably more exciting to work in adventure tourism than in a warehouse. However, we usually have one or two ex high school students who we have recruited independently of Gateway. We are more successful in attracting and retaining high school and university students and employing them throughout their vacations. We also employ Graduate Management Trainees and fast track them through various areas of the business. We don't usually have difficulty attracting suitable New Zealanders for sales and procurement roles but the cost of living in Queenstown as well as the 24/7 nature of our business has negatively impacted on our ability to attract New Zealanders for all other roles. The 6% (so far this year) wage increases, excellent staff benefits including free, healthy food at work and the ability to purchase food for home at cost are assisting with retention but has a negative impact on profitability especially as the costs of running a business in Queenstown continue to grow (rent, fuel costs, repairs and maintenance, electricity). Our customers are also experiencing these same rising costs therefore seek to reduce expenditure with their suppliers making it difficult to pass on any of our increased costs to customers.

Proposal 2b: Introduction of stand down period for lower-skilled Essential Skills migrants

Consider the option for a year-long stand down period following the maximum duration for lower-skilled Essential Skills visas.

What impacts or implications do you foresee from these proposed changes?

Give details of the occupations and industries you are thinking of.

Please refer to above. At three years we would lose a significant number of our junior management team and this would have a disastrous impact on our business and ultimately our customer service. It is this core group that provides the day to day 'On the Job' training and coaching to the high turnover, entry level store person / driver roles especially on night shift.

Proposal 3: Require the partners of lower-skilled Essential Skills visa holders to meet the requirements for a visa in their own right

Consider the proposal to require the partners of lower-skilled Essential Skills visa holders to meet the requirements for a visa in their own right.

What impacts or implications do you foresee from these proposed changes?

Give details of the occupations and industries you are thinking of.

Again our main area of concern is the impact on the current and prospective supervisors, junior and mid level managers.

Some of this group are more mature and have partners (currently 11 of out this group of 19), and 8 have children and their partners are unable to work full time. It is very hard to obtain an

Essential Skills work visa for part-time work therefore it is highly likely that some of our supervisors and junior managers, as well as our long term drivers, will not be able to remain in NZ if this proposed change comes into effect. Again this will have a very negative impact on our business.

Proposal 4: Require the children of lower-skilled Essential Skills visa holders to meet the requirements for a visa in their own right

Consider the proposal to require the children of lower-skilled Essential Skills visa holders to meet the requirements for a visa in their own right.

What impacts or implications do you foresee from these proposed changes?

Give details of the occupations and industries you are thinking of.

Please refer to above. It is even more likely that our supervisor and junior managers with children and our longer term drivers, will leave NZ as they will not be able to afford international student fees for their children.

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Reinforce that Essential Skills visas should only be granted for the period for which the employment is offered

Proposal 5: Make it explicit how the 'period of employment' condition applies to seasonal work

Consider the option to reinforce that Essential Skills visas for seasonal work are only for the length of the season and that the offer of employment must match the length of the season.

What impacts or implications do you foresee from these options?

Give details of the occupations or sectors you think are likely to be affected.

We do not employ seasonal workers. Our business experiences very little shoulder season and we use this time for training and increasing the number of staff on leave. While we are not affected by this proposed change I understand that some agricultural and horticultural industries may be impacted and of course, ski fields but they already operate on a seasonal visa basis.

Consider the list of seasonal occupations being considered.

Are there any seasonal occupations that should be added or removed from this list? Why?

Consider the list of seasonal occupations being considered.

If you employ seasonal staff, or represent a sector with seasonal staff:

- What are the occupations of the seasonal staff within the sector that you are commenting on?
- For each of the occupations that you have identified, what is the typical period that you require seasonal staff to cover (e.g the peak of the season)?