

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), s 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.

On behalf of our company.

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

Chrislyn Holdings

What industry or industries does that group work in?

Agriculture - Dairy farming

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

Dairy Farmer, Dairy Farm Worker

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.

Resident visa, 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)

0 – our Assistant Farm Manager was granted permanent residence in 2016

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

Yes – prior to him being granted PR.

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.

The alignment of the Essential Skills ("ES") visa remuneration thresholds with the remuneration levels in the Skilled Migrant Category ("SMC") policy will provide a more certain pathway going forward.

The introduction of remuneration thresholds for the Essential Skills visa provides a more certain metric to identify whether a role is skilled or unskilled and recognises that while a role may traditionally be determined to be low skill, the incumbent may be highly skilled due to experience and knowledge which does not align with traditional measures of 'skill'.

We understand that the SMC remuneration thresholds have already been agreed by government and this submission therefore assumes that they are not up for discussion. (If they were up for discussion, we would have comments to make).

However, we do think that the hourly rate of remuneration in the dairy sector should be assessed against actual hours worked over the annual season i.e. to allow seasonal averaging of hours when determining the hourly rate. As we will explain below, there is some limited seasonal variation in hours worked in the dairy sector due to the fluctuation of seasonal demands. It is still common practice in the sector to pay an annual salary (although industry bodies are advocating for the introduction of hourly rates with some success) which reflects the annual hours worked. In order for the hourly rates to reflect the actual remuneration per hour, we recommend that annual averaging is permitted for the purposes of identifying the remuneration thresholds for immigration purposes (we are mindful that this is not permissible when calculating minimum wage but we do think there is a good argument to support this approach for immigration purposes).

Using our own farm as an example, we employ one Assistant Farm Manager ("AFM"). Our farm infrastructure is set up to ensure hours worked manage team wellbeing. The AFM needs to have significant skills, knowledge and experience because they run the farm when we are not here. However, they work between 30 – 40 hours/wk in Winter and up to 55 hours/wk in the peak calving/mating period. Our need for a team member with the skills, knowledge and experience to be able to manage the farm over the quieter period does not diminish; notwithstanding the slight reduction in hours worked.

We provide a salary because this best meets our AFM's personal budgeting needs as they receive a steady income. We record all hours worked and would easily be able to provide evidence of annual hours worked and therefore annual hourly rate. However, the use of a salary means that the hourly rate would be unrepresentative if we did not average over the year.

ANZSCO

Retaining the ANZSCO categories is an issue due to the poor alignment of ANZSCO with New Zealand dairy farming. The ANZSCO level one job description of Dairy Farmer does not reflect the tasks likely to be performed by the most experienced and highly skilled dairy sector workers (e.g. loan management and tax management in our multi million dollar businesses is commonly managed by consultants or a board of directors). Despite the fact that a role is only required to substantially match the ANZSCO job description, the dairy sector has seen multiple highly skilled and valuable team members declined residence on the basis that their role does not match the ANZSCO description because they do not manage tax and loan management.

The ANZSCO level five Dairy Farm Worker category is the only alternative ANZSCO category available to a dairy sector employee. There is no mid level ANZSCO level (e.g. Level 3) which recognises that there are positions within the dairy sector which sit between the highly skilled level 1 roles and the novice level 5 roles.

We recommend that Immigration work with dairy sector stakeholders (e.g. DairyNZ and Federated Farmers) to define the factors which will be considered when assessing roles against the ANZSCO descriptions to ensure Immigration Officers are able to accurately assess the appropriate skill level and ANZSCO alignment of a role.

We also recommend the introduction of a mid-level (level 3 ANZSCO) role which matches the mid-skill roles in the dairy sector. The level 3 ANZSCO role for dairy farming would likely include a requirement for 2-3 years of experience on a NZ dairy farm and a qualification at Primary ITO level 2 or 3 but should be articulated in consultation with key stakeholders (Dairy NZ and Federated Farmers).

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.

I am concerned about the attractiveness of NZ as a destination for migrant workers as a result of this policy setting. I acknowledge what it is trying to achieve, but I am aware the other countries (e.g. Canada, Australia) are trying to attract migrant dairy workers. I wonder whether these policy settings will make NZ less attractive. We need to acknowledge that we do need these migrant workers to keep farms running in areas like Southland which have low unemployment and stable/declining populations. We do need to make sure NZ is positioned attractively to ensure we can fill the gaps in our labour force with migrants.

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.

There is no value in the mandatory stand down of 12 months following the maximum three year duration work visa for lower skilled ES migrants. If the labour market test is still met, what value is there for anyone in requiring the migrant to leave NZ for 12 months (taking their skills with them) and enabling a new migrant (without NZ skills and experience and not integrated into NZ) to be introduced in their place? The employer would then need to start from scratch to train and integrate a new migrant.

It seems the sole rationale for this rule is to ensure migrants do not become well settled in NZ and develop an unrealistic expectation of ongoing residence in NZ. We believe the policy settings requiring a one year visa (and requiring the labour market test to be satisfied annually and a new essential skills application to be made) and preventing the migrant from bringing their family (unless they can obtain their own visa) send this message loud and clear. The 12 month stand down period adds no additional value.

We have struggled to attract a full time NZ'er to our permanent full time AFM role. We employ NZ'ers in our part time relief milking roles and have no problem attracting them to the part time/casual positions (there is a pool of high school teenagers, semi-retired people, mums looking for part time casual work). However, there is no pool of available NZ workers in our extremely rural/sparsely populated area available to work full time and/or with the skills required to succeed in the role. Anytime we have a change of AFM, we experience a check in productivity as we spend time training and integrating them to the team. If we trained and integrated a migrant into the team over a three year period and then had to replace them with another new migrant for no other reason than the 3 year cap, we would find this very frustrating on a personal level. We also think this would have severe implications for the productivity of the dairy farming sector. We question the value of this policy setting??

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.

See my answer to proposal 2a.

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.

See my answer to proposal 2a

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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.

Consider the list of seasonal occupations being considered.

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

Dairy farming is not a seasonal occupation. Although some elements of the role (for example milking and calving) are seasonal, and work patterns are affected by the seasons of the year, it does not have a seasonal requirement for labour as might be found in horticulture or the meat processing industry. While there are some fluctuations throughout the seasons in the workload on farm, there is no significant seasonal variation in the need for a skilled, stable on farm team with the skills and experience to manage the workload during the traditionally quieter times of the season (during which annual leave is prioritised). The increase in technology on farm means that the wide historical variations in workload (which would have been similar to a bell curve, with low workload in winter, peaking to a high workload during spring and summer, and falling again in Autumn) are no longer typical in the dairy sector. There is now a more consistent workload throughout the season. For this reason, the dairy sector should not be considered a seasonal labour market.

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)?

Comments on other issues:

Transition Arrangements – South Island work to residence visas.

We commend the introduction of a South Island work to residence visa which recognises the contribution of the migrant workers who have been working in the South Island for over four years and are integrated into our communities and workforce. The retention of these skilled, valuable people is crucial to the productivity of the dairy sector. These people have developed skills which contribute to the productivity of our teams in the dairy sector. They also sustain the rural communities in which they live, contributing to schools, churches and volunteer associations (e.g. Freemasons) which had been suffering due to the declining rural population.

Having a skilled and experienced pool of workers is essential to the dairy sector which has experienced significant growth over the past twenty years, during which time the size of the industry has doubled. The locations in which the dairy sector has grown most significantly are those where the human population has been stable or there has been a decrease in population. Migrant workers have enabled the dairy sector to fill the genuine gaps in their teams due to the lack of available Kiwis. In Southland, for example, we have a very low rate of unemployment and whilst we are working on our own solutions to encourage Kiwis to enter the agricultural sector (e.g. Youth Futures) there is still a need for migrant workers to fill the gaps. We need migrants and Kiwis – it is not an either or situation.

It is also important for the dairy sector to retain the skilled migrants we have trained over the past few years and who add significant value to our farms and communities. This is a win for Kiwis wanting to work in the dairy sector – the stable, skilled teams that migrants have enabled us to create mean that we have teams with the skills and capacity to train and develop new entrants to the sector and maintain the productivity gains that we have made over the past few years. Without these skilled, stable teams we can not put the time and energy into training and developing new entrants including our new Kiwis.

Pathway to Residence

The contribution policy which provides a pathway to residence for long term Essential Skills migrant workers in the South Island is a necessary but not sufficient step. We would like to advocate for a second “pathway” to be introduced to capture those who may not be eligible this time around (for example because they have been in NZ or in the South Island for less than 5 years on an Essential Skills Visa) but who will fall into the transitional provisions (annual visas from the date of their next visa renewal, subject to a 3 year cap and labour market test). These migrants will have been in New Zealand for a period of 4+ years by the time they reach the three year cap and 12 month stand down period. As the pathway to residence visa recognises, by this time their contribution to NZ will have been significant and their families will be well settled in NZ. There is a strong social justice argument for providing a pathway to residence in line with the current pathway for those in this category. It will also enable NZ to retain these highly skilled and well integrated people, who contribute to our economy and the vibrancy of our communities and fill the gaps in our workforce which exist due to growth of the dairy sector and declining/stable rural populations.

Regional/Sector Immigration Settings

I would like to strongly advocate for further targeting of immigration settings by regions and/or sectors, including where there is persistent localised labour shortage. This is crucial where there is such wide variation in population growth across the regions, particularly as most policies seem set to address the population growth in Auckland, with the unintended consequence that regions with the opposite problem (trying to attract new people to meet the

demands of the workforce and sustain their rural communities and schools etc.) are disadvantaged. There could be a good opportunity to review the process for occupations being added to and remaining on the Essential Skills in Demand Lists e.g. to recognise regional shortages of particularly occupations, for example herd managers in Southland.

Accredited Employer programme

The existing Accredited Employer (Labour Hire) programme should be expanded. It is important to ensure that the administrative requirements of this scheme make it sustainable for smaller businesses and employers to become accredited.

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