

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:

§ 9(2)(g)(i) Manager Human Resources
Queenstown Lakes District Council

9(2)(a)

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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 the organisation.

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

Queenstown Lakes District Council

What industry or industries does that group work in?

Local Government

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

Administration-based roles: Customer Services, Corporate Support, Planning Support, Building Support, Health & Fitness Crew, Health & Fitness Crew Aquatics, Sport & Recreation Co-ordinator, Recreation Programmes, Performance & Events

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 and Essential skills work visas. To a lesser extent Working Holiday Visas, and Work-to-Residence visas.

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)

25

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

Yes

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.

General comments & impact to the Queenstown Lakes District business community

The introduction of remuneration thresholds to the Essential Skills visa, in isolation, would likely be manageable for most businesses. However when considered in conjunction with the temporary visa setting of 3 years, and restrictions to partnership visas, the proposed remuneration thresholds apply greater restrictions to a labour market that is already under significant pressure in arguably New Zealand's key tourism district.

While the Queenstown Lakes District is home to many highly skilled workers and roles, it is a simple fact that the number of New Zealand citizens or residents available to work in this district is limited, and also out-weighted by the number of immigrants on temporary work visas available for work. This particularly relates to our tourism, accommodation and hospitality sectors, which are of national significance. In these sectors, roles classed by Immigration New Zealand (INZ) as "lower-skilled" are the lifeblood of our economy.

The proposed restrictions to the Essential Skills visa category therefore hold significant potential to limit the labour pool available to local businesses, and increase operational costs likely to flow from increased staff turnover.

Importantly, it is noted the Cabinet paper for the Review of Temporary work visa settings, sets out two phases of the current review. Phase two will be critical to the success of this review, and as an Accredited Employer we support it going ahead in all aspects. In particular, we support the proposal to "explore options for further targeting of immigration settings by regions or sectors, including where there are persistent localised labour shortages". It is our view that this particularly applies to the Queenstown Lakes District, and it will be essential for INZ to focus attention in this area.

Impact for Queenstown Lakes District Council as an employer

The area in which Queenstown Lakes District Council (QLDC) is most affected by proposal 1 is in Sport & Recreation services. The key role affected is Health & Fitness Crew, Aquatics

(Lifeguards). This role qualifies as an ANZSCO skill level 3 position, but does not meet the proposed minimum remuneration threshold. QLDC remuneration policy is based off the national Strategic Pay remuneration database, with more detailed confidential information outlined below.

Currently, applicants in this role are typically granted a 2-3 year work visa under the current Essential Skill conditions, but if the new remuneration thresholds were to be applied, this would be reduced to 12 month visas, for a maximum of 3 years. We would typically expect progression from Aquatics Crew to Supervisor for high performers within a 3 year period, however this entirely depends on the availability of the more senior position, and may be restricted or limited on the basis of low turnover at our Supervisor level. For context, we currently hold four Health & Fitness Supervisor positions for a crew of approximately 15 staff.

9(2)(b)(ii)

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.

In conjunction with the remuneration thresholds outlined in proposal 1, proposal 2a holds potential to increase staff turnover, and create new pressure to businesses in relation to recruitment and training costs for new staff. In short, cost increases and productivity losses.

As mentioned in our response to proposal 1, the roles most affected by this proposed change are those that currently qualify at skill level 3 but do not meet the minimum remuneration threshold of \$48,859 per annum. In the Queenstown Lakes District, those businesses most impacted are in the hospitality, accommodation & tourism sectors, many of whom operate small businesses. There is a genuine by employers to develop, train and retain quality staff, many of whom hold Essential Skills work visas due to the lack of New Zealanders available for work in this area. For many of these businesses, whether it be due to their size, organisational structure, and/or simply the time required to develop & train staff to a suitable level, there is real potential that 3 years is simply not long enough to move staff out of lower-skilled roles.

At QLDC, a key example remains our Health & Fitness Crew, Aquatics roles (Lifeguards), where

investment in training & development is required, and reliable staff essential for this critical safety-based role. In some instances a period of longer than 3 years may be required to achieve progression to a mid-skilled position, usually due to the availability of those more senior/skilled positions.

We generally support the theory behind the proposal, which appears to be aimed at increasing the incentive for employers to invest in training, development & upskilling for lower-skilled migrants. However, we recommend that a longer maximum period of 4-5 years be considered to support businesses where adequate training & progression may not be achievable for an individual within the currently proposed 3 year period.

Additionally, with ANZSCO occupation codes up for their 5 yearly review in 2018, we agree with INZ that it will be critical strong submissions be made to review the skill levels set for a number of occupation codes across the board. From QLDC's perspective the areas of sport & recreation co-ordination, health & fitness supervision and technical administration-based roles require particular attention.

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 above response to proposal 2a

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.

Across the board in terms of industries in the Queenstown Lakes District, employers are committed to the retention of staff for the long term wherever possible. This relies on a reciprocal long-term commitment to the district by employees, which brings to a large extent a family demographic, whether that includes children or otherwise. As mentioned previously, the significant majority of roles requiring Essential Skills visas in our district operate at skill level 4 & 5 by ANZSCO standards. Additionally, particularly where families are concerned, partners may not be in a position to fulfil the 30 hour per week commitment required in order to achieve an Essential Skills visa in their own right.

The option of supporting partnership visas provides an additional level of security for couples and families to live and relocate to our district. We hold significant concerns that removing this option for lower-skilled positions holds potential to impact the willingness or ability of

potential employees to live in our district. There is a real risk to our local economy that this will change the dynamic of the labour pool available, encouraging shorter-term migrants, for example those on 12 month working holiday visas, rather than previously reliable long-term prospects.

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 above response to proposal 3.

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.

No further comment

Consider the list of seasonal occupations being considered.

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

No further comment

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)?

No further comment

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