

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), § 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 an industry organisation.

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

New Zealand Manufacturers and Exporters Association (NZMEA), which represents our manufacturing members.

What industry or industries does that group work in?

Manufacturing.

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

Fabricators, welders, machinery operators, engineers.

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), PostStudy work visa (open or employer assisted), open work visa.

Essential Skills work visa, Long Term Skill Shortage List Work Visa, Skilled Migrant Category Resident 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)

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

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.

In general, we support these proposed changes to align the remuneration thresholds with those of the Skilled Migrant Category, and largely agree with the suggested values.

Currently, many manufacturers are seeking workers in areas of higher skill, often requiring trade workers who have at least 3 years' experience to meet immediate needs, across a range of qualification levels. This means the essential skills visa category has been useful in the past, for example, for metal fabricators, where needs are immediate and a lot of time is needed to train a New Zealander to reach a required skill level.

Since most manufacturers require a high level of experience in areas of skill shortages, incomes are often higher – this change would allow such jobs to be considered medium or high wage, regardless of the classification. We see this as a positive change and believe it makes sense given the previous changes to the Skilled Migrant Category.

As previously stated during the review of the Skilled Migrant Visa category, we believe there is a case for reviewing the remuneration rates across the regions of New Zealand. There are differences in current income levels between regions, and given the issues we are already seeing with a large proportion of new immigration going to Auckland, where incomes tend to be highest, there could be a case for setting lower requirements in other regions where there are skills shortages.

For example, a highly skilled job in Dunedin may pay a similar rate as a semi-skilled job in Auckland. This could be adjusted for by using an average regional remuneration rate rather than a national average to ensure skill shortages in the regions can continue to be met.

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.

There is considerable concern among our members that this time constraint could affect companies in areas of skill shortage, particularly in Auckland and Canterbury, where labour market conditions are tight, restricting the ability to find and train new workers from New Zealand.

This is outlined in the Hellers NZ submission.

We argue that this maximum duration should not be imposed on lower-skilled Essential Skills visas. Because of the acute shortage of highly-skilled trades' people, especially in the manufacturing sector, it is common practice for companies to take in people who have relatively low skills, but are talented and willing to learn. The on-the-job training required to bring such people up to speed could easily take two to three years, so the proposed regime would result in companies losing staff they have just trained at considerable expense – which would mean, of course, that companies would be reluctant to train them in the first place, thus further exacerbating the shortage.

There should be pathway for such workers to stay on longer than the suggested duration, where they can be proved to (a) have acquired additional skills in an area where skills shortages remain in short supply, and (b) be essential to the business operation. They should be able to apply for an Essential Skills Visa for another three years without a stand-down period, for example.

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.

We strongly argue against this proposal for the reasons laid out above. It is very unlikely that, under a one-year stand-down period, companies would be able to re-sign the people they had trained beforehand. Given the fact that the shortages in skilled trades people we are experiencing in New Zealand exist in many other developed economies, it probably wouldn't be hard for these people to find jobs elsewhere after the training and additional experience they have received during their visa period in New Zealand.

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.

As an organisation, the NZMEA does not wish to submit a response to this proposal.

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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.
As an organisation, the NZMEA does not wish to submit a response to this proposal

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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.

Not applicable – seasonal work plays a very minor to no role in the industry we represent

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)?