

18<sup>th</sup> May 2017

### Submission on proposed changes to the essential skills visa policy

If changes are made that make it more difficult to obtain an essential skills visa without first addressing the drivers behind labour shortages it has the potential to cripple our industry.

We currently use the essential skills visa to employ overseas raft guides.

The seasonal nature of our industry where around 70% of our turnover happens between November and April makes it very difficult to retain qualified staff year round.

## **Barriers to employing New Zealander's**

#### **Training**

Currently tourism is not being promoted in schools as a viable career option. In fact the exact opposite message is being sent, with Tourism and hospitality having been removed as an NCEA subject. Most New Zealand guides coming into the industry are coming through the Polytech system where trainees do a 1 or 2 year adventure tourism diploma that will cover quite a few different disciplines such as rafting, mountaineering, kayaking etc. before deciding to specialise in one.

The type of people these courses attract are often choosing it as they see it as an easy option when they are forced to either study or find employment, they lack motivation to turn their life around. Currently the courses are not generating sufficient suitable trainees to meet the industries' needs. Even after trainees come off a course they do not have sufficient experience to obtain full time paid work. In our case 95% of our income is derived from Grade 4 – 5 Rivers and it takes anywhere from 6 to 18 months to obtain the skills to be able to pass the New Zealand Raft Guide Award needed to guide customers. Despite this it seems that immigration view it as a low skilled occupation.

A mix of an apprenticeship scheme where trainees train partly on the job and attend a short rafting specific course would be a more effective and probably cheaper option.

#### Seasonality

We currently employ around 3 full time guide staff over winter and around 12 over summer. Most staff work overseas during our quiet period. We have New Zealand guides that come back every summer but we need to boost this with experienced overseas guides.



#### **Rotorua Adventures Ltd**

Incorporating
River Rats & Raftabout

P.O. Box 7028 Te Ngae Rotorua 3042

Phone: +64 7 345 6543





Many staff will only stay in the industry for 5 to 10 years because of the seasonal nature of the work. Eventually they tire of the need to travel, particularly if they want to settle down and start a family. As it takes around 2-3 years to obtain sufficient experience to be a senior guide this does not leave a very big window for retaining experienced staff.

# Continuity

Our industry is weather dependant.

As an example, currently we have been unable to operate our main river for around 8 weeks due to high water levels.

We have had to supplement guides income with maintenance work around the base despite having our turnover cut by over 50%.

These events are difficult to predict and completely out of our control.

The sort of staff our industry attracts are not usually solely motivated by money and when they cannot work they are happy to go kayaking etc. but the requirement of a skills visa to guarantee minimum hours does not allow for these factors.

Current essential skills visa requirements require minimum hours and it looks like new requirements will also insist on minimum hourly rates to fit into particular brackets.

Most of our industry pays employees per trip, not per hour, so in order to fit the box we have to break this down to an average hourly rate.

The hourly rates in this industry are normally pretty good. A senior guide with a passenger endorsement would generally fit in the higher skilled wage bracket indicated, but the number of trips are not consistent from week to week. It would make more sense to average minimum earning across a season rather a minimum weekly or hourly requirement.

We are required to advertise nationally before applying for a visa despite never once in 18 years having anyone answer an ad. Experienced guides are sought after; if they want work all they have to do is ring around companies. They would never look in the job ads for a position.

New Zealand has one of the most stringent qualification processes in the world for raft guides and overseas guides need to pass this qualification process before working commercially.

We can use staff on working holiday visas but as they can only obtain this for one year it would mean assessing new guides every season rather than employing someone on a skills visa that has previously worked for us, has the qualification and understands our systems and expectations.



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Making it harder to get a visa without first addressing the issues around people coming into the industry will not create any more work for New Zealanders, because there are no suitably qualified people available. MBIE needs to first work with the industry to create a more suitable qualification pathway.

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