

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 Patoa Farms Ltd

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

Patoa Farms Ltd

9(2)(a)

What industry or industries does that group work in?

New Zealand Pork Industry

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

Stockperson, Team Leaders (Unit managers)

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.

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)

8

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

Yes

Our farm is split into two segments, our Grower Unit and our Sow breeding and farrowing operation. I attach our Organisational Chart for reference. The staff highlighted yellow are on a work VISA with a permanent fulltime contract. The staff highlighted red are on a work VISA and/or a fixed term contract, they will need to be replaced by the beginning of July.

Organisational Chart withheld 9(2)(a)

We underwent genuine labour market testing for all those highlighted in both yellow and red and there is very little interest from New Zealanders to work in the pork industry as a stockperson. As you can see, we currently have 3 vacancies for stockpeople within our organisation. In our latest advertisement, we received three applications for employment, two of whom were New Zealanders that decided not to pursue the position and one Filipino applicant.

We are constantly in pursuit of more stock people.

We advertise extensively through

- multiple online sites such as Trade Me, myjobspac.co.nz and associated sites
- locally through word of mouth
- using WINZ on an ongoing basis
- using ACC return to work avenues to explore opportunities for long term unemployed candidates,
- visiting Lincoln University and advertising through their personalised Career Hub as well as being a guest lecturer
- we invite agriculture classes to visit the farm to attract young interested student to pig farming.
- Newspapers (although due to lack of success have moved away from this)

We actively try to involve ourselves in agricultural universities in order to attract young graduates to our industry. The universities themselves spend very little time promoting the pork industry to students. This has a significant impact on young people's exposure to the pork industry and subsequently their interest in it.

We are happy to work with the government in attracting school/university leavers into our industry and would welcome initiatives and support in this area. We have often taken on people who have never held a fulltime job to give them an opportunity. However, in order to do this, we must have enough experienced staff who can train, monitor and mentor these young people.

Wages range between \$19 and \$26 per hour for stockpeople. Staff are paid time and a half in the weekends they are rostered to work, which is generally 1 in 3. Wages are based on experience, attitude, reliability & performance. Migrants labour does not reduce labour costs, because of the cost to renew VISA's it is more expensive to hire a migrant worker for our business.

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.

For the pork industry the needs are unique. The industry is small but very reliant on stockpeople who understand their role and can work in a team environment.

The fact that stockpeople are considered lower skilled via the ANSCO system of classification, no matter what their training or salary is, has the most significant impact of all.

It is the claim of the ANSCO system that a stockperson is unskilled labour (classification code 4-5) and yet it would take a minimum of 3 months for anyone, even coming from a background in pig farming to be a full contributing member of our Farrowing Unit. This is due to the unique farming system on each pig farm in New Zealand.

For entry level employees (who are only ever NZ residents/citizens) we allow 6 months to a year before assuming basic stock competency should be achieved.

In order to be able to enter New Zealand it is expected that a stockperson applying for a position in the essential skill category still has to have 2+ years experience and a degree/training equivalent to Primary ITO level 4. Yet they are classified as unskilled Pig Farm workers.

Gaining Primary ITO qualifications in New Zealand (which we offer through our business) has no ability to influence the ANSCO rating by which these applicants are assessed.

We also are a unique industry as the labour intensity on farm is high. This means that despite needing experienced, skilled stockpeople they cannot all be classed as a Farm Manager or Assistant Farm Manager. We have 48 staff currently, none of whom carry either of those titles as you can see by our organisational chart. They would never fully meet the criteria for these positions as our organisation is too large to have all of the purchasing and HR responsibilities within one role.

Our Team Leaders would manage the same number of sows as a Farm Manager on a smaller farm and yet they have no ability to gain residency.

I propose a classification that allows high performing stockpeople paid an appropriate amount (\$23.49 per hour or more is understandable) to achieve residency. The number of people this represents in New Zealand is small, but they are critical to our farms. They would fit a mid skilled category, be eligible to have their families in New Zealand under their VISA and not face a three year cap. I do understand the need for partners to achieve a work VISA in their own right, but these mid skilled stockpeople need to be able to have their families with them without facing the costs associated with student VISA's for children.

Additionally; the New Zealand Government's Animal Welfare (pigs) Code of Welfare (2010) developed for the Minister of Agriculture by NAWAC expressly demands in Minimum Standard 1 – Stockmanship that “pigs must be cared for by a sufficient number of personnel who collectively possess the ability, knowledge and competence necessary to maintain the health and welfare of the animals in accordance with this code”.

Given this is the first minimum standard in the code it shows how important NAWAC considers stockmanship skills for the provision and maintenance of adequate welfare standards. Unless the domestic labour market changes, which we have no reason to expect, we believe the Government's changes to the Essential Skills Visa will, through no fault of our own, compromise and potentially prevent us from complying with this minimum standard to the level we believe it demands. As indicated above, this is not for want nor our preparedness to train local staff as our commitment to on-farm training indicates, it is simply an unfortunate reality.

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.

As part of the renewal of any work VISA for existing staff, or the advertisement of a vacant stockperson position; we undergo labour market testing to ensure any New Zealander wanting to pursue a position in the industry has many opportunities. In the 3 years I have been recruiting there has never been more suitable kiwi applicants than we are willing to hire. We often have multiple vacancies at any one time. The cost to turning over these staff every three years is very significant financially when we consider the need to:

Train new staff in our unique operation

Improve on the farm's culture, health and safety measures and overall production efficiency

Develop competencies including on farm training for all of our employees who are interested in pursuing growth in their career

The 3 year cap seems an unnecessary and unhelpful burden to place on businesses who are quite dependent on some level of foreign staff.

As a side note: these people will have to live in rural locations and will have no effect on urban house prices.

In North Canterbury where our business is based, the availability of suitable labour is almost non-existent (The official unemployment rate for the Hurunui is currently 1.6%. It is my understanding that there are only somewhere between 16-20 people on a job seeker benefit in the Hurunui who are considered 'work ready' source: Enterprise North Canterbury statistics) This requirement for labour has barely altered in the time we have operated here (since 1998) and has placed an absolute limitation on our ability to grow and develop the business further. For a number of years, it has become the most important limiting factor to expansion.

If there was a mid skilled classification for stockpeople in the pork industry then the lower

skilled stockperson could face the choice of upskilling and meeting the requirements of the mid skilled category or returning home after a three year period. I propose that it would only be a fair enforcement if another option was provided for those valuable and skilled stockpeople we currently have in employment. Our business would face significant limitations on production ability were the proposal to go ahead unchanged.

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 note this response is based on the current suggested changes. The response would be different if a mid skilled category was put in place.

Our staff work in teams ranging between 3 and 6 people. By sending these employees home after three years without reference to the need of the business, the teams are broken apart and new relationships must be formed. Staff retention is already a challenge in rural environments and this will have a crippling impact on our business along with other smaller farming operations in rural areas.

It is unsettling to lose team members and interrupts progress when it comes to economic growth, adoption of better H&S policies and improved culture. In speaking with our staff currently on work VISA's, the consensus is that if they were sent home, they would not return due to the impact that would have on their families trying to adjust to contrasting home environments and employment pressures. They would also face the need to sell up all their belongings only to have to repurchase them after a stand down period. The pork industry does not have enough interest in the sector from local unemployment, so these staff know they would easily be eligible to regain entry into New Zealand but the upset to them personally is not worth it.

If migrant staff had to leave simply because they had been here for three years, our existing locally employed staff will face increased uncertainty and carry a significant burden to have to continually train new staff. Our kiwi staff have voiced significant concern around these policy changes, they feel they will bear the brunt of the impact in 2-3 years time. We have already seen a reduction of interest from overseas in our current positions advertised and they are aware of this.

I do not support the 3 year cap. Our staff are under no illusion that they do not have automatic eligibility for residency. In fact it is a sad reality that no matter how skilled a stockperson they become, residency is high unlikely under the current structure. The numbers of migrant staff the industry requires is so low (I would estimate around 100 people nationwide) and these stockpeople in many cases deserve a pathway to residency.

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.

I believe the government is wise in requiring those on partnership VISA's to have to gain a work VISA in their own right. However, they should still be able to have the right to stay in New Zealand fulltime even if not working.

As an employer, we are required to consider the health and wellbeing of our employees and there is no denying that a family unit that is able to be together results in a healthier, more stable employee.

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.

I do support this proposal. It becomes cost prohibitive for families wanting to come to New Zealand even for a short time due to international school fees and the cost of gaining individual VISA's.

I believe the children and partners of migrant workers in rural communities boost the rural economy. The incomes earned, remain in New Zealand as opposed to being sent overseas to support the family back home. To remove the ability for a person to have their family with them is counter-productive to the need to grow small rural communities from an economical and social whilst also making provincial New Zealand more attractive.

Migrants rent houses owned by New Zealanders, they purchase produce from farmers markets, local shops and they send their children to local schools and play groups boosting school roles and making these communities more attractive to anyone looking to relocate. This has been the case in Culverden, Hawarden and Waikari. The relationship between our migrant and local staff is beneficial not only within the workplace but within the local community. Our migrant staff are not from one particular country as one may assume but from a range of nationalities including South African, Zimbabwean, Pilipino, Columbian and Fijian.

This broadens the perspective of local people and enables them to interact with many different cultures in a way that is beneficial not only in the workplace but in the lives of their children and families.