

# Ski Areas Association New Zealand

## Suite of proposed changes to the Essential Skills visa

### Submission Document

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## Purpose

The purpose of this document is to provide contextual information to the submission on the proposed Essential Skills work visa policy changes for the snow sports industry.

This document includes tourism and snow sports sector-related information supplied to SAANZ by snow sports areas and associated businesses in a 2015 & 2016 annual snow sports industry survey as detailed in the Skills Active Aotearoa workforce scan 2017.

## Section 1: 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)  
Executive Member, Chairman  
Ski Areas Association New Zealand  
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.

National Organisation on behalf of the snow sports industry

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

Ski Areas Association New Zealand

What industry or industries does that group work in?

Snow Sports, Adventure Tourism

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

Snow Sports Instructors, Hospitality workers, Groomer Operators (ANZSCO: Mobile Plant Operators NEC), Patrollers (ANZSCO: Outdoor adventure guides NEC), Retail workers

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 visas  
Approval in Principle

**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?

Individual snow sports areas support visa applications for migrant workers on essential skills visas.

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## Section 2: Background information

### Introduction to the industry:

Ski Areas Association New Zealand (SAANZ) is a national organisation that represents the interest of snow sports areas across New Zealand. SAANZ is made up of 12 members and 19 associate members from organisations and national bodies involved in the tourism & snow sports industry.

The Snow sports industry in New Zealand offers visitors a wide range of alpine sports and activities. New Zealand alpine area facilities are mostly commercially focused and includes major operators, smaller commercial and club fields, wholesale, retail & rental businesses. As technology continues to evolve in this industry, seasons are extending and access to recreation on resorts across New Zealand is broadening. The industry is growing its summer operations each year to include mountain biking, luge, walking tracks, star gazing & cultural tours, with the long term goal of many areas to extend to year round operations in the tourism industry.

Since the early 2000's, New Zealand has had more than 1 million skier visits per annum. Total ski area visits in 2016 were 1.385 million bringing in an estimated revenue of over \$100,000,000.

### Workforce:

There are approximately 3500 people employed in the ski area industry nationwide, of whom approximately 65% are New Zealanders. The seasonal nature of employment in the industry means many of the people employed into specific snow sports roles either work in non snow sports roles or travel to the northern hemisphere for the months of December – April. In 2016, operators estimated an average staff return rate of 40% from one season to the next.

The seasonal nature of work and high staffing number demands means many snow sports operators rely on skilled migrants to fill some of these roles in the industry. Roles that are the hardest to fill and often require areas to apply for visas in the snow sports industry include:

|                             |                                        |
|-----------------------------|----------------------------------------|
| Snow Sports Instructor      | Snowsport Instructor (452314)          |
| Administration Assistant    | Receptionist General (542111)          |
| Barista                     | Bar Attendant and Barista (431112)     |
| Cooks                       | Fast Food Cook (851111)                |
| Dispatcher                  | Radio Despatcher (599914)              |
| Bus Drivers                 | Passenger Coach Driver (731213)        |
| Food & Beverage Seniors     | Retail Supervisor (621511)             |
| Guest Services Assistant    | Retail Supervisor (621511)             |
| Lift Operator               | Outdoor Adventure Guide NEC (452299)   |
| Patroller                   | Outdoor Adventure Guide NEC (452299)   |
| Race, Events & Terrain Park | Outdoor Adventure Guide NEC (452299)   |
| Rentals Assistant           | Retail Supervisor (621511)             |
| Retail Assistant            | Retail Supervisor (621511)             |
| Groomer Operator            | Mobile Plant Operator NEC (721999)     |
| Snowmaker                   | Stationery Plant Operator NEC (712999) |

### Section 3: Impact of proposed Essential Skills Changes

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.

| Proposed Essential Skills skill levels and associated visa conditions |                                         |     |                        |               |                     |
|-----------------------------------------------------------------------|-----------------------------------------|-----|------------------------|---------------|---------------------|
| Skill level                                                           | Remuneration thresholds                 |     | ANZSCO                 | Visa length   | Children & partners |
| Higher-skilled                                                        | \$35.24+ per hour                       | And | 1/2/3/4/5 <sup>1</sup> | Up to 5 years | Yes                 |
| Mid-skilled                                                           | \$23.49 - \$35.24 per hour              | And | 1/2/3                  | Up to 3 years | Yes                 |
| Lower-skilled                                                         | \$15.75 <sup>2</sup> - \$23.49 per hour | And | 1/2/3                  | Up to 1 year  | No                  |
|                                                                       | \$15.75 - \$35.24 per hour              | And | 4 & 5                  |               |                     |

Snow Sports areas nationwide employ ski, snowboard & cross country instructors on Essential Skills work visas through the immediate skilled shortage list as Snow Sports instructors. The visa requirements for bringing snow sports instructors in on these visas is a minimum of NZSIA level 1 or equivalent and 2 years post qualification experience. As an industry, salary bands for an instructor coming in with the above requirements would not currently sit within the proposed remuneration thresholds and would then be considered low skilled.

Additionally, in the Snow Sports industry, roles such as Groomer Operators & Patrollers are considered low skilled as the ANZSCO codes that relates closest to their specific role are level 4. Both Groomer operators and Patrollers require experience and/or qualifications that are similar to snow sports instructors. However, remuneration of these roles is not enough to meet the proposed threshold to enable these roles to become high-skilled.

<sup>1</sup> ANZSCO 4 and 5 Essential Skills applicants will be required to provide additional information about relevant work experience and qualifications.

<sup>2</sup> Indexed to the minimum wage.

The above table does not allow for roles that are currently considered level 4 or 5 to become mid skilled with the appropriate remuneration threshold, and therefore subject to further changes in proposal 2.

Other roles within the snow sports industry that would be affected by this proposed change are detailed below.

| Status Quo                  |                                        | Skill Level | Annual Income |             |      | Essential Skills Work Visa |                  |                     |                   |
|-----------------------------|----------------------------------------|-------------|---------------|-------------|------|----------------------------|------------------|---------------------|-------------------|
| Occupation                  | ANZSCO Title                           |             | < 48.5K       | >48.5K <73K | >73K | Family Included            | Maximum duration | # times can reapply | Residence Pathway |
| Ski Instructor              | Snowsport Instructor (452314)          | 3           | ✓             |             |      | Yes                        | 1 year           | No limit            | Yes               |
| Administration Assistant    | Receptionist General (542111)          | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |
| Barista                     | Bar Attendant and Barista (431112)     | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |
| Cooks                       | Fast Food Cook (851111)                | 4           | ✓             |             |      | Yes                        | 3 years          | No limit            | Yes               |
| Dispatcher                  | Radio Despatcher (599914)              | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |
| Bus Drivers                 | Passenger Coach Driver (731213)        | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |
| Food & Beverage Seniors     | Retail Supervisor (621511)             | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |
| Guest Services Assistant    | Retail Supervisor (621511)             | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |
| Lift Operator               | Outdoor Adventure Guide NEC (452299)   | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |
| Patroller                   | Outdoor Adventure Guide NEC (452299)   | 4           |               | ✓           |      | Yes                        | 1 year           | No limit            | No                |
| Race, Events & Terrain Park | Outdoor Adventure Guide NEC (452299)   | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |
| Rentals Assistant           | Retail Supervisor (621511)             | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |
| Retail Assistant            | Retail Supervisor (621511)             | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |
| Groomer Operator            | Mobile Plant Operator NEC (721999)     | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |
| Snowmaker                   | Stationery Plant Operator NEC (712999) | 4           | ✓             |             |      | Yes                        | 1 year           | No limit            | No                |

| Proposed Changes            |                                        | Skill Level | Annual Income |             |      | Essential Skills Work Visa |                  |                     |                   |
|-----------------------------|----------------------------------------|-------------|---------------|-------------|------|----------------------------|------------------|---------------------|-------------------|
| Occupation                  | ANZSCO Title                           |             | < 48.5K       | >48.5K <73K | >73K | Family Included            | Maximum duration | # times can reapply | Residence Pathway |
| Ski Instructor              | Snowsport Instructor (452314)          | 3           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Administration Assistant    | Receptionist General (542111)          | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Barista                     | Bar Attendant and Barista (431112)     | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Cooks                       | Fast Food Cook (851111)                | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Dispatcher                  | Radio Despatcher (599914)              | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Bus Drivers                 | Passenger Coach Driver (731213)        | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Food & Beverage Seniors     | Retail Supervisor (621511)             | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Guest Services Assistant    | Retail Supervisor (621511)             | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Lift Operator               | Outdoor Adventure Guide NEC (452299)   | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Patroller                   | Outdoor Adventure Guide NEC (452299)   | 4           |               | ✓           |      | No                         | 1 year           | 3 years             | No                |
| Race, Events & Terrain Park | Outdoor Adventure Guide NEC (452299)   | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Rentals Assistant           | Retail Supervisor (621511)             | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Retail Assistant            | Retail Supervisor (621511)             | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Groomer Operator            | Mobile Plant Operator NEC (721999)     | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |
| Snowmaker                   | Stationery Plant Operator NEC (712999) | 4           | ✓             |             |      | No                         | 1 year           | 3 years             | No                |

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.

This proposed change to the essential skilled work visa for lower skilled roles is designed to mitigate the issue surrounding long term temporary migrants who are meeting genuine regional labour market needs but have no pathway to residence due to the job skill level &/or remuneration.

It is unclear, however, on the proposed suite of changes if the 3 years on the essential skills visa before the 12 month stand down period is accumulative for an individual or if it is 3 years concurrent (i.e, if it applies to an individual who is seasonal and gets essential skills work visas each winter for 4-5 month periods only, or if it is only for people on essential skills visas that are for 3 years simultaneously).

If this proposed change is actioned, and there is a maximum duration for lower skilled essential visas to be 3 years that is accumulative over seasonal visas (i.e winter season only), it would have a major impact on the amount of instructors willing to come to New Zealand to teach during our winter seasons. The snow sports industry relies on instructors from overseas to fill the shortage in qualified and experienced New Zealand instructors. By creating a maximum duration that a snow sports seasonal worker could apply for an essential skills visa, it will be increasingly difficult to attract international instructors and other snow sports professionals to New Zealand to fill the genuine labour market needs.

Organisations within the snow sports industry also hire many workers in the hospitality industry including café workers, cooks, chefs, baristas, duty managers as well as roles such as lift operators, events crew & retail assistants. These roles are mostly considered low skilled (both in current ANZSCO codes and under the proposal 1 remuneration threshold) and would therefore be subject to a 3 year maximum period under this proposal.

With a number of snow sports operations broadening into summer operations, many of the above roles are becoming year round as opposed to only seasonal. According to the 2013 Tourism Sector Report, seasonality has a major impact on companies ability to attract and retain staff. It is also evident that there is a shortage in workers for roles in the snow sports and adventure tourism industries as highlighted by the Queenstown Lakes Occupation exemption list and other labour market tests performed annually by snow sports areas. Whilst these areas continue to develop and open up opportunities for workers to gain year round employment in the tourism industry, the proposal to have a maximum of 3 years on a lower skilled essential skills visa will directly impact on organisations moving into year round operation as it will prove increasingly difficult to attract workers with the above skills to choose to invest time into working in New Zealand.

The maximum duration is proposed to reinforce the temporary nature of the essential skills visa and ensure that settlement expectations are clear for lower-skilled Essential Skills migrants. It is

proposed that it would encourage lower-skilled Essential Skills migrants to upskill or pursue professional development in order to qualify for a higher skill level and thus a further Essential Skills visa that is not subject to the maximum duration. This change may also encourage employers to look to other ways to fill lower-skilled vacancies, for example training local workers, developing their existing employees, or investing in ways to improve productivity and become less reliant on labour-intensive business models.

Snow sports operations across New Zealand are committed to training and upskilling both New Zealanders and migrant workers in many of the above roles. Major areas work alongside accredited Industry Training Organisations such as Skills Active Aotearoa, Service IQ and Polytechnics such as Otago and Tai Poutini to create development pathways in hospitality, retail, management, patrol, grooming, snowmaking, lift operations, and snow sports instruction.

Additional opportunities organisations within this industry provides to New Zealanders & migrant workers includes:

- Providing internships and apprenticeships to New Zealanders.
- Providing career talks at tourism schools, attending the annual career expo for NZ School of Tourism, holding graduate recruitment seminars for Otago University/Otago polytechnic students, offering families to Queenstown Resort College & local schools.
- Offering qualifications through NZQA, developing an “internal university” for employees.
- Establishing partnerships with other seasonal employers to create year round opportunities for NZ workers.
- Holding staff recognition events.
- Career progression opportunities through inter-company transfers.

Despite the training and upskilling opportunities that are presented to roles in the snow sports, hospitality and retail areas, some of these roles would still be unlikely to meet the remuneration threshold that is required to make an ANZSCO level 4 or 5 role ‘high-skilled’. Therefore, these roles will be affected by the 3 year limit. This may in turn become a disincentive to investment in staff training.



*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.

The training and investment that is currently given to staff in this industry makes these workers more attractive to overseas snow sports or adventure tourism operators. A year-long stand down period following a maximum duration for lower-skilled essential skills visas could result in the loss of those workers skills to overseas companies within the industry.

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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.

Snow sports areas across New Zealand have different lengths of seasons. Season lengths are determined by individual organisations and vary depending on each individual business. Additional to this, some of the essential skills visa that are applied for are for workers who are required to be available for set up and pack down of a season.

Reinforcing season lengths will affect some areas if they fall outside of set dates. Dates would need to be determined by industry representatives to ensure that there are not organisations that would be adversely affected by this.

Within the industry, there are also operators that operate year round with snow sports specific activities. This includes operators of indoor slopes and operators that recruit staff to travel to represent their companies in offshore work in the northern hemisphere winters. It is most likely that the roles that are required for these types of operations are in a skills shortage such as snow sports instructors. Reinforcing season lengths would affect these companies' ability to perform their operations in this capacity.

As mentioned previously, some areas are broadening their scope and entering into summer activities. This also reiterates the need to have flexibility on season dates, and the issues that would be caused by grouping organisations into seasonal lengths.

Consider the list of seasonal occupations being considered.

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

Adventure Tourism: This is becoming a year round operation in many areas.

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)?

Seasonal roles:

Snow Sports instructors: depending on specific snow sports area: Generally May – November inclusive (some variations for individual organisations may occur due to training requirements, season dates, extension into overseas work). Additionally, some areas operate year round with a requirement for these workers (indoor slopes such as Snow Planet, Auckland).

Groomer operators: depending on specific snow sports area: Generally May – November inclusive (some variations for individual organisations may occur due to training requirements, season dates).

Patrollers: depending on specific snow sports area: Generally May – November inclusive (some variations for individual organisations may occur due to training requirements, season dates).

All of the above roles may be considered year round for some snow sports operators (e.g Snow Planet, Auckland).

Some individual organisations should be recognised as expanding into summer activities and becoming year round adventure tourism operators.