

MILLINGTON, Mr John, Company Spokesman, Luv-a-Duck

[12:10]

CHAIR: Welcome. I invite you to make an opening statement.

Mr Millington: Our company is located halfway between Melbourne and Adelaide, in Victoria. We supply ducks to the Australian market. We produce around 100,000 ducks per week provided to the food service industry and the retail industry. You heard talk a moment ago about the supermarkets, and we are dealing with those also. We employ 200 people in Nhill and another 40 or 50 around Australia in sales and distribution. We had a turnover of \$60 million last year and we are on target for significantly more this year, about 10 to 15 per cent more.

There are four areas that I would like to cover this morning. One is labour, skilled and unskilled. Another is exporting and the artificial trade barriers or some of the imposts that we are faced with. Another is OH&S and biosecurity and, finally, fuel and communications.

Probably the biggest issue for us is skilled labour shortages. In recent years—for the last 10 to 15 years—we have been sourcing our skilled labour workforce from overseas, mainly from South Africa. We have a great deal of respect for the department of immigration and the 457 visa process. However, there are some shortcomings in the visa process which we are struggling with. Our demand is primarily for skilled tradesmen—and we have heard talk this morning about the mines and the fact that they are sucking up a lot of the skilled tradesmen. We are one of the companies that suffer as a result of that. We have a predictive scheme in our company whereby we train apprentices and after four to five years they decide to go to the west to make their fortune. Some come back but most do not. So that is one of the problems that we have. To overcome it we have been bringing in staff from overseas, particularly from South Africa and Zimbabwe. The difficulty that we are having with the 457 visa process revolves around trade recognition and the time that it takes from when we identify a potential applicant to when we can actually get the visa approved for that person to come in. There is an issue regarding trade recognition. It seems that it is a departmental issue. They need to be responsible for the trade recognition in South Africa. It used to be done in the overseas country, in this case South Africa, and it used to be done here in Australia. It is causing a lot of headaches. I will give you an example. In the last three weeks we have had a toolmaker join our company. He is from South Africa. It has taken us nearly two years to get him in. He is a very patient person and he also knew one of the diesel mechanics that we had brought in previously. On the other hand, we had three others that we interviewed nearly a year ago—two refrigeration mechanics and a fitter and turner—and in the last month they have all baled out; they have said they cannot wait any longer. So we went to South Africa and we interviewed them, only to lose them at the last moment. That has set us back 12 months. It is a big problem. Unskilled labour shortages we have overcome ourselves. Given Nhill is an isolated area and we are a big fish in a small pond, the unemployment rate in Nhill is around two per cent. So it is not that we do not employ the locals or the locals do not want to work for us. The fact is that there are just not the numbers there to be able to do it. If we want to expand the operation, as we did two and a half years ago to do more value adding, we needed to find another 40 people. The option, if we did not find those 40 people, was to lift the operation up and take it to Melbourne, to a bigger centre where we could find staff. We overcame it with the Korean Burmese. I congratulate the government on their immigration policy concerning these refugees from along the Thai-Burmese border. They are wonderful people. They have done a fantastic job for us. I think we have about 50 of them in the company now, so nearly 25 per cent of the workforce unskilled are now from these Korean Burmese. The upshot of that is accommodation is actually going to become a problem in Nhill. We do not have enough places to put them. That is one of the issues that happens with companies that develop in rural Australia. That is one for us to overcome.

We export all of our feathers mostly to Taiwan, some go to other smaller areas as well, but in particular to Taiwan. There is a disease outbreak in pigeons in Victoria, paramyxovirus, which is not an issue for the poultry industry. It is not an issue for the duck industry. It is not a notifiable disease, but it has been picked up by the Taiwanese government and they have said no, they do not want to take any poultry products from Victoria. They will take it from Australia, but not Victoria because of this paramyxovirus and the possibility that it could become Newcastle disease. Newcastle disease is the bubonic plague of the poultry industry. Sadly, that has cut us out. At the moment, we have lost that trade of feathers to the Asian region.

There are opportunities for someone to address that at government level, be it AQIS—Australian Quarantine Inspection Service—or Austrade, to go into bat for companies like ours. We are only one small part of the poultry industry. We are having trouble with feathers. The poultry industry itself in Victoria is having trouble with all of their low value meat cuts, like wings, livers and giblets and so on. We would like to see the government go into bat for us.

Time line of visa application

Feb 2010 – Phone interview with () Luv-a-duck). Forwarded c.v. and copies of qualification to (). During the next 9 months Luv-a-duck was advised by the Regional migration service that my work experience at () would go against me. The reason given was that it was to do with the armed forces (Defence sector).

Luv-a-duck sought other opinions and information and were advised to ignore previous direction and submit an application.

18 Feb 2011 – () phoned me and advised me that Luv-a-duck would like to pursue my application again.

21 Feb 2011 – First e-mail from () with info that () will handle the visa application.

5 Apr – E-mail from () that we will probably do visa without () and also information on trade assessment and IELTS (English literacy test). The information given was that trade assessment might not be mandatory but on advice from (); I got onto it.

1 May – IELTS registration confirmation via E-mail with test date 11 June 2011.

2 May – Electronic reply from Vetassess on tradeset registration.

I started requesting reference letters from my previous employers, this was all done electronically as I lived in different province a distance away.

11 June – IELTS test successfully completed (Johannesburg). Cost ZAR 1900

Had to travel 400km for test and had to arrange stay-over.

30 June – Send documentation to Vetassess. Cost ZAR 550

10 Aug – Electronic notification that application for trade skill successfully submitted.

11 Aug – E-mail from () on payment for trade assessment.

2 Sept – Documentation resend to Vetassess. Cost ZAR 550

14 Sept – Receipt generated at Vetassess for payment of evidence assessment. Cost \$600

16 Sept – E-mail from () on approval of business nomination.

16 Sept – Medicals for all three family members. Cost ZAR 3214.00

Had to travel 345km to Pretoria and arrange stay-over.

4 Oct – Confirmation E-mail on membership and first payment of health insurance (Iman). Cost \$160

10 Oct – Received letter from Vetassess () dated 28 Sept that evidence submitted are not adequate.

14 Oct – Documentation for visa received from health insurance (Iman).

20 Oct – Reply from [redacted] on extension of application and application for nomination of Christa Fahrina as agent.

31 Oct – Electronic conformation on business long stay visa application.

17 Nov – E-mail from [redacted] requesting conformation letter from registered trade recognition.

23 Nov – Resend documentation to Vetassess. Cost ZAR 550

30 Nov – Send E-mail to [redacted] explaining my situation (See attached letters).

1 Dec – E-mail from [redacted] Vetassess acknowledging receipt of documents and stating that processing can continue.

19 Dec – E-mail from Vetasses on completion of first stage completion.

20 Dec – Documentation from Vetassess e-mailed to immigration.

3 Feb 2012 – E-mails confirming grant of visas.

Still left to do, final interview of trade assessment at cost of \$1200 in Melbourne.

Total costs ZAR 6764.00 and AUS \$ 760 without traveling and stay overs.