

Skilled Migrant and Essential Skills policy – Changes to remuneration thresholds

Wednesday, 12 December 2017

Remuneration thresholds in Skilled Migrant and Essential Skills policies will be increasing on 15 January 2018.

In August 2017, changes to the Skilled Migrant and Essential Skills policies were implemented, aimed at:

ensuring we are attracting migrants who bring the most economic benefits to New Zealand and to improve the skill composition of people gaining residence under the Skilled Migrant Category
striking the right balance between ensuring New Zealanders are at the front of the queue for jobs while preserving access to the temporary migrant skills necessary for New Zealand's continued economic growth.

The changes included introducing remuneration thresholds to both categories, with the aim of improving the assessment of skill and value to New Zealand.

[Skilled Migrant and Essential Skills policy details announced](#)

From 15 January 2018, the following changes will occur in the Skilled Migrant Category:

Threshold	Prior to 15 January	From 15 January
Threshold for skilled employment in an occupation at ANZSCO 1-3	\$23.49 per hour or above (or the equivalent annual salary)	\$24.29 per hour or above (or the equivalent annual salary)
Threshold for skilled		

employment in an occupation at ANZSCO 4-5, or which is not included in AZNSCO	\$35.24 per hour or above (or the equivalent annual salary)	\$36.44 per hour or above (or the equivalent annual salary)
Threshold to earn bonus points	\$46.98 per hour or above (or the equivalent annual salary)	\$48.58 per hour or above (or the equivalent annual salary)

From 15 January 2018, the following changes will occur in Essential Skills work visa category:

Threshold	Prior to 15 January	From 15 January
Threshold for mid-skilled employment in an occupation at ANZSCO 1-3	\$19.97 per hour or above (or the equivalent annual salary)	\$20.65 per hour or above (or the equivalent annual salary)
Threshold for higher skilled employment in any occupation (including those at ANZSCO 4-5)	\$35.24 per hour or above (or the equivalent annual salary)	\$36.44 per hour or above (or the equivalent annual salary)

Why are these changes occurring now?

The thresholds are indexed against the New Zealand median income. As previously announced, remuneration requirements are to be updated at the end of each calendar year based on New Zealand income data (which is released in September). This year the changes have been delayed until January to give employers and migrants enough time to adjust to the new thresholds.

What if I am a current Essential Skills work visa holder and my job does not meet the new threshold? What if I'm an employer and one of my staff hold a current visa but their wage does not meet the new threshold?

Visas that people already hold will not be affected. Changes to the income thresholds will not affect the duration or conditions of visas that have already been granted.

A new application made on or after 15 January will be assessed against the new threshold. This may mean the conditions or visa duration of the next visa could be different. For example a chef paid \$20 an hour would currently be considered mid-skilled, as the occupation is ANZSCO level 2 and the pay is above the existing threshold of \$19.97. However if he applied for a further visa after 15 January he would be considered low skilled, unless his pay increased to above the new threshold of \$20.65.

What if I apply or applied for a work visa under Essential Skills before 15 January 2018, but my application is not decided by then? Will Immigration New Zealand assess my skill level based on the old thresholds or the new ones?

If your application was received by INZ before 15 January 2018, the old thresholds will be used to assess your application and determine your visa application.

If I am an employer who has already advertised and prepared to support an Essential Skills work visa, but the person cannot get his application in before 15 January 2018, what happens then?

If an application is received and accepted after 15 January 2018, the new thresholds will apply, even if (for example) the employment agreement has been signed prior to 15 January 2018.

What happens if I was invited to apply for the Skilled Migrant Category under the old thresholds?

The remuneration thresholds against which you will be assessed are the thresholds in place on the date your expression of interest (EOI) was selected from the Pool, if that selection results in an invitation to apply. For example, if your EOI was selected on 10 January 2018 and you were invited to apply on 20 January 2018, the old remuneration thresholds will apply, even though you weren't invited to apply until after the new thresholds were introduced.