

Changes to the employer-assisted temporary work visa system

November 2019

What Government intends to achieve:

Ensuring that temporary workers are only recruited for genuine shortages

Increase expectations on employers to employ and train more New Zealanders

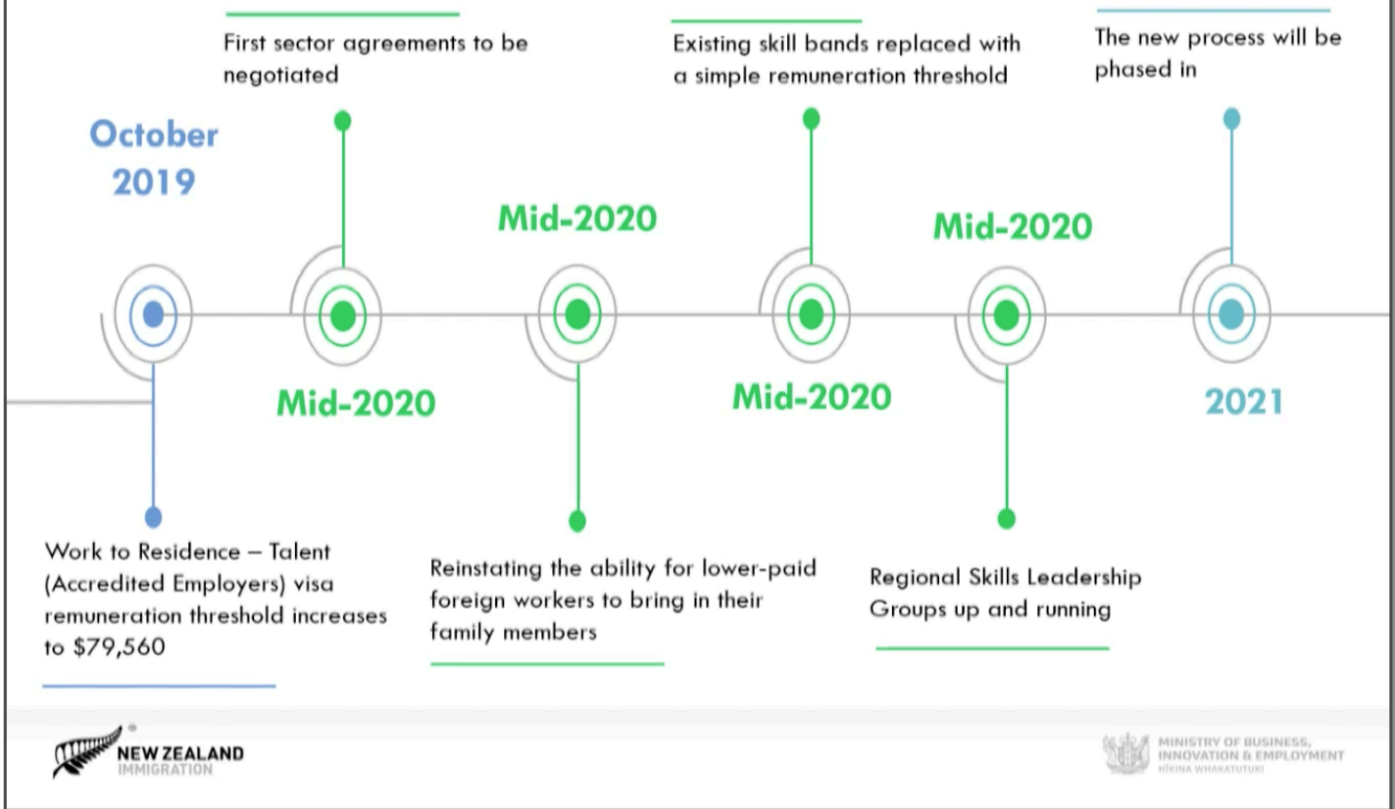
Create better connections between the immigration, education/skills and welfare systems

Employers across New Zealand can access the skills and labour they need

Reduce exploitation of temporary workers and the misuse of the immigration system

Make the system easier to navigate

Phased-In Approach of Policy Changes



Increase remuneration Work to Residence

2019

Policy from 7 October 2019

New applicants of the **Work to Residence – talent (accredited employer)** visas will now be required to earn 150% of the median income in New Zealand, which is \$79,560 per annum.

Effective date: 7 October 2019

Policy before 7 October 2019

Work to Residence – Talent (Accredited Employer) visa policy requires applicants to earn at least \$55,000 per annum to be eligible for the visa.

Family of Workers

Mid-2020

Policy Coming In

Government will be reinstating the ability for workers being paid under the median wage to bring in their family members on visitor/student visas

Policy Going Out

Currently, lower-skilled workers cannot support their family's visas at all.

ANZSCO Re-Purpose

Mid-2020

Policy Coming In

Existing skill bands replaced with a simple remuneration threshold. This will be pegged to the New Zealand median salary.

Policy Going Out

Currently, the framework uses a combination of ANZSCO and remuneration. ANZSCO will no longer be used for visa assessment purposes.

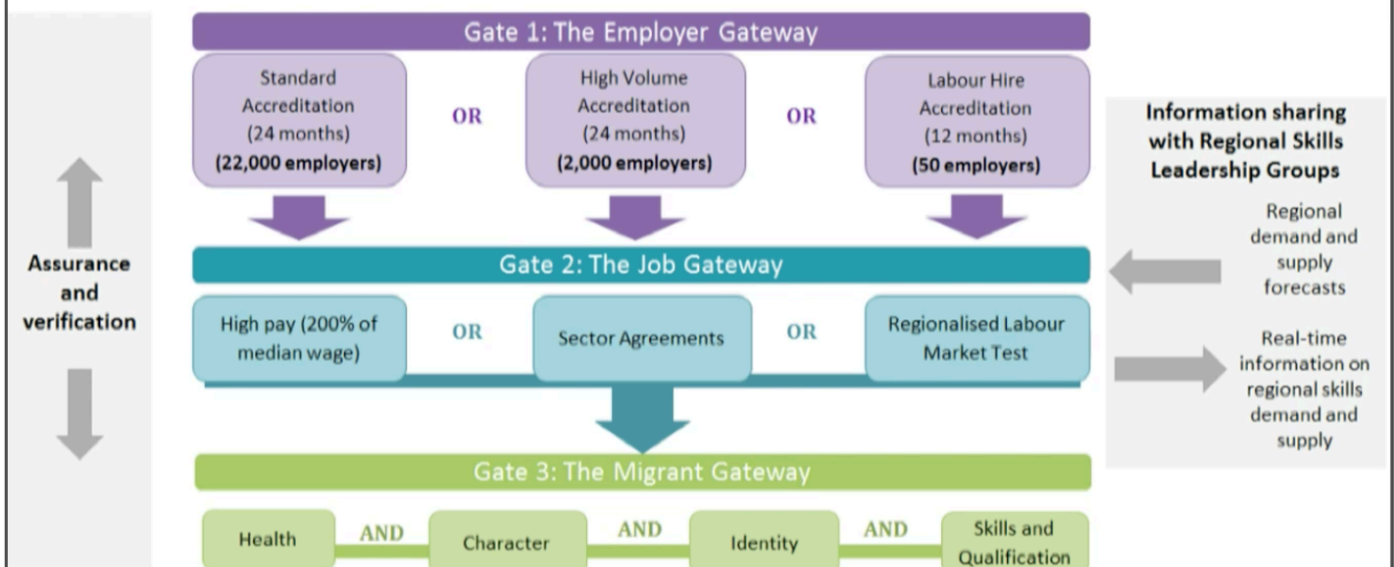
Operationalizing ANZSCO Refresh

- 'Refresh' of the ANZSCO was completed in October 2019
- Immigration New Zealand will not use the new list until mid-2020
- Some occupations would have benefitted from the new version of ANZSCO because the skill level of the job has been upgraded from 4-5 to 1-3
- Some occupations will be treated as exceptions to allow people in these roles to get the benefit of the new skill level, provided they are paid at least the New Zealand median income

Why?

Overview of the changes

2021



Employer Check

2021



- ✓ **More certainty** for good employers
- ✓ **Strengthened standards** and more weight on improving compliance
- ✓ **Reduced risk of exploitation**
- ✓ **More proportional resource** to target compliance activities to highest risks

Employer Accreditation

2021

Standard Accreditation	
Type of employer	Employers who employ between one and five employer-assisted foreign workers in a 12 month period
Accreditation standards/requirements	Employers would be required to be a genuinely operating business, have no recent history of regulatory non-compliance, and take steps to minimise exploitation
Duration	Initial accreditation lasts for 12 months and 2 years for subsequent renewals

Standard Accreditation: +/- \$600 for 12 months.

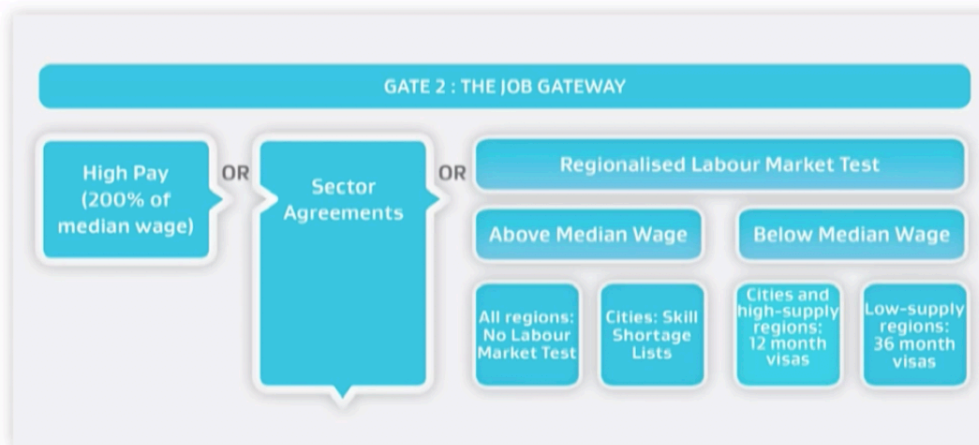
Employer Accreditation

2021

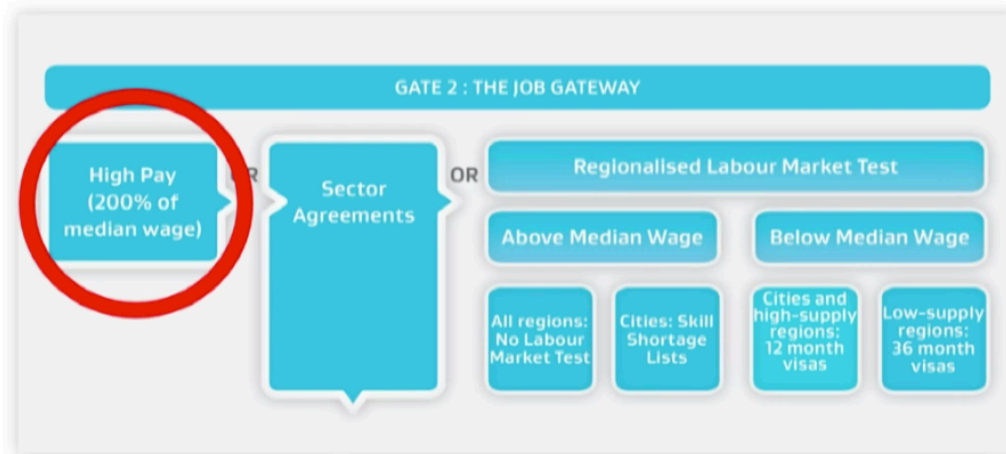
High-volume Accreditation	
Type of employer	Employers who employ more than five employer-assisted foreign workers in a 12 month period
Accreditation standards/requirements	Same as standard accreditation AND: Must demonstrate a commitment to training and upskilling New Zealanders and must demonstrate a commitment to improving pay and conditions over time.
Duration	Initial accreditation lasts for 12 months and 2 years for subsequent renewals

Job Check

2021



- ✓ Recognition that **regional labour markets can differ**, and have unique characteristics.
- ✓ **Better matching** of New Zealand workers to jobs
- ✓ **Empower regional voice** into the response from education, welfare and immigration systems
- ✓ **Reduced complexity and increased transparency**
- ✓ **Better integration and transition** between temporary work and skilled residence policy



- ✓ **Easier pathways** for higher-paid migrants
- ✓ **Higher skilled migrants** benefit the economy and supplement existing skills



- ✓ **More certainty and tailored settings** scaled to the sector's circumstances
- ✓ **Better coordination** at a sector level to meet shortages and raise quality of jobs
- ✓ **Greater alignment** with education/skills and welfare systems

Sector Agreements

2021

- Negotiated with sectors that have a high reliance on temporary foreign workers
- Improves access to foreign workers in exchange for making commitments to longer-term labour market improvements
- The following sectors have been identified for initial negotiations – including **aged residential care, meat processing**, dairy, forestry, road freight transport, tourism and hospitality. The construction and horticulture and viticulture sectors are also potential candidates.

Job Check

2021



Regionalised Labour Market Test

2021

- **Cities:** Auckland, Christchurch, Wellington, Hamilton and Dunedin
- **Higher Labour Supply Regions :** Currently: Northland, Manawatu-Whanganui, Bay of Plenty, Gisborne / Hawke's Bay, Taranaki, Tasman / Nelson / Marlborough / West Coast, and regional Wellington
- **Lower Labour Supply Regions:** Currently: Waikato, Canterbury, Otago, Southland



Regional Skills Leadership Groups

2021



- ✓ **A shared view** of regional skill development needs and barriers to employment
- ✓ **A more coordinated approach** by employers, workers, educators, schools and agencies
- ✓ **More responsive** central government systems

Local Employers | Unions | Iwi | Community Groups

Immigration settings by region and wages

2021

<p>*note that, in all cases, at least the market rate must be paid</p> <p>*note that the threshold will be indexed to the New Zealand median income which is updated annually in November</p>	<p>Cities</p> <p>Auckland, Christchurch, Wellington, Hamilton and Dunedin</p>	<p>Higher Labour Supply Regions</p> <p>Currently: Northland, Manawatu-Wanganui, Bay of Plenty, Gisborne / Hawke's Bay, Taranaki, Tasman / Nelson / Marlborough / West Coast, and regional Wellington</p>	<p>Lower Labour Supply Regions</p> <p>Currently: Waikato, Canterbury, Otago, Southland</p>
<p>Above median income (currently \$25 per hour)*</p>	<p>Skill shortage list, or streamlined Labour Market Test (advertising only)</p> <p>Up to 3 year visa, renewable</p>	<p>No Labour Market Test</p> <p>Up to 3 year visa, renewable</p>	<p>No Labour Market Test</p> <p>Up to 3 year visa, renewable</p>
<p>Below median income (currently \$25 per hour)*</p>	<p>Strengthened Labour Market Test</p> <p>Up to 12 month visa, with ability to reapply providing for a maximum stay of 36 months, followed by 12 month stand down</p>	<p>Strengthened Labour Market Test</p> <p>Up to 12 month visa, with ability to reapply providing for a maximum stay of 36 months, followed by 12 month stand down</p>	<p>Strengthened Labour Market Test</p> <p>Up to 3-year visa followed by 12 month stand down</p>

Stand-down remains

Job check: +/- \$550 (likely to last for 6 months)

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2021

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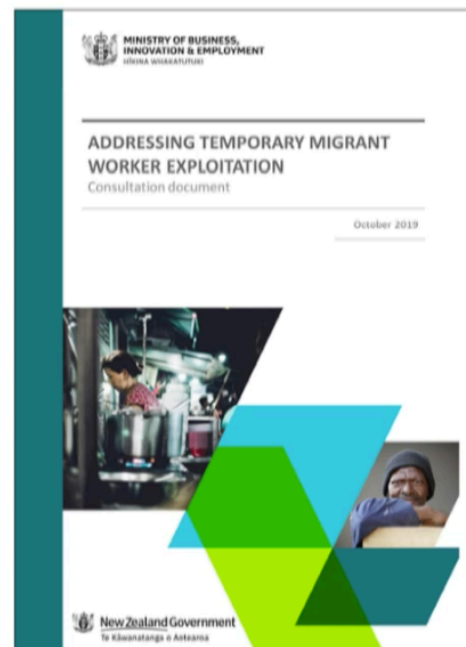


- ✓ **More certainty** – migrants can only apply for a visa once the employer check and the job check have been passed

Other areas of interest



www.mbie.govt.nz/fairpayagreements



www.mbie.govt.nz/exploitationreview