



## MARCH 2022: NEW ZEALAND IMMIGRATION REBALANCE AND THE IMPACTS ON NEW WORK VISA FRAMEWORK

Many will recall the new Accredited Employer Work Visa framework and associated mandatory accreditation standards that were due to come into effect on 1 November 2021. The introduction of the new framework was deferred on 16 July 2021. Immigration New Zealand confirmed on 22 March 2022 that the new framework will continue to go ahead with an updated planned launch date of 4 July 2022.

### Accredited Employer Work Visa Framework refresh

The new Accredited Employer Work Visa (AEWV) replaces six work visa streams, some of which have already closed such as the Talent (Accredited Employer) Work Visa. The Essential Skills Work Visa will close on 3 July 2022.

The new framework will introduce three checks before an employer can hire a migrant worker on an Employer supported work visa.

1. **Employer Check:** Employers need to be accredited.
2. **Job Check:** Checks will be completed to confirm the terms and conditions of the offer of employment, comply with employment laws, and the labour market test (where relevant) has been met.
3. **Migrant Worker Check:** Migrants must show they meet health, character and identity requirements and hold the skills and experience stipulated as part of the employer's job check application.

All employers will be required to be accredited with Immigration New Zealand in order to hire a migrant under the new AEWV. This includes employers who were accredited under the previous immigration system. No transition policy applies.

Employers who do not employ migrants on employer supported work visas (e.g., Open work visas like Working Holiday Visas, Partnership work visas or Post-study work visas) or who only utilise visa pathways not covered by the change, such as Specific Purpose or Event Work visas, are not required to become accredited under the new system.

As part of the New Zealand government's planned rebalance of the immigration system, several changes have been made to the new AEWV framework that differ to what has previously been announced. These changes include:

- The introduction of a new minimum pay threshold set at the median wage
- Removal of regionalised labour market testing settings and more streamlined processing for employers in the regions paying at or above median wage
- Mandatory advertising of all vacancies unless paid twice the median wage
- Removal of requirement for High-volume Accredited Employers to pay at least 10% above minimum wage or be covered by a collective agreement
- Alignment of requirements for Standard and High-volume Accredited Employers
- Re-confirmed the ability to upgrade from Standard or High-volume Accreditation during an accreditation period

### *New minimum pay threshold*

Immigration New Zealand has introduced a new minimum pay threshold set at the median wage to the AEWV framework. This means an AEWV will in most instances, only be able to be obtained for roles paid at or above New Zealand median wage.

In addition to the introduction of the minimum pay threshold, Immigration New Zealand have also announced an increase to the median wage from \$27.00 to \$27.76 an hour effective 4 July 2022. While this date is in line with when the AEWV opens for applications, employers submitting Job Checks from 20 June 2022 in advance of the AEWV opening will need to use the new median wage figure in order for the Job Check to remain valid.

Whether exemptions to the minimum pay threshold will exist for certain occupations or industries is yet to be confirmed and is currently under review by the Government. Any exemptions are expected to be limited and further announcements are to be released by mid-April.

### *Removal of regionalised labour market testing*

Immigration New Zealand and the New Zealand government had previously intended to utilise a regionalised labour market testing system for Job Checks under the new AEWV framework. For example, where a role was in a location designated as a 'region' and was being paid at or above the median wage, no labour market testing would be required. In contrast, if a role was in a location designated as a 'city,' labour market testing would apply.

This regionalised system has now been removed in favour of a more simplified Job Check process. Under the updated framework, all employers will need to provide evidence of advertising when submitting a Job Check regardless of the location of the role, unless the position is paid twice the median wage (\$55.52 an hour).

## Timeline



The timeline for implementation of the AEWV framework has also changed. The key dates are now as below:

- **23 May 2022:** New online accreditation application system opens
- **20 June 2022:** Job Check applications open for Accredited employers
- **3 July 2022:** Closure of ability to apply for Essential Skills work visas under existing immigration framework
- **4 July 2022:** New temporary work visa framework goes live, and migrants can apply for an AEWV where the employer is Accredited, and the Job Check has been completed (including from offshore)

If you have any questions on the updates provided or would like to discuss the new framework further, please do not hesitate to contact us.

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