



COVERSHEET

Minister	Hon Andrew Little	Portfolio	Immigration
Title of briefing	Future of the Skilled Migrant Category	Date to be published	15 January 2024

List of documents that have been proactively released		
Date	Title	Author
April 2023	Future of the Skilled Migrant Category – Final Proposals	Office of the Minister of Immigration
5 April 2023	Future of the Skilled Migrant Category – Final Proposals DEV-23-MIN-0049 Minute	Cabinet Office
7 October 2022	Future of the Skilled Migrant Category: Consultation document	MBIE
10 February 2023	Future of the Skilled Migrant Category – Public consultation outcomes and next steps	MBIE
1 March 2023	Future of the Skilled Migrant Category – Final Decisions: Draft Cabinet paper	MBIE
10 March 2023	Future of the Skilled Migrant Category – Final decisions: Cabinet Paper for Ministerial Consultation	MBIE
29 March 2023	Skilled Migrant Category and the Green List: Final Cabinet papers for lodging	MBIE
19 April 2023	Decisions on future use of the LQEA	MBIE

Information redacted

YES

Any information redacted in this document is redacted in accordance with MBIE's and MFAT's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for reasons of protection of privacy of natural persons, free and frank opinions, and confidential advice to Government.



BRIEFING

Skilled Migrant Category and the Green List: Final Cabinet papers for lodging

Date:	29 March 2023	Priority:	High
Security classification:	In Confidence	Tracking number:	2223-3196

Action sought		
	Action sought	Deadline
Hon Michael Wood Minister of Immigration	Approve the lodgement of the Cabinet papers: <i>Future of the Skilled Migrant Category – Final Decisions, and Changes to the immigration Green List for the health sector</i>	30 March 2023
Hon Barbara Edmonds Associate Minister of Immigration	Copy attached for your information	N/A

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
Andrew Craig	Manager, Immigration Policy (Skills and Residence)	Privacy of natural persons	Privacy of natural persons	✓
Melanee Beatson	Principal Adviser		Privacy of natural persons	

The following departments/agencies have been consulted
Agencies have been consulted on the content of the Cabinet papers, but not this briefing.

Minister's office to complete:

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Notes

Withdrawn

Comments



BRIEFING

Skilled Migrant Category and the Green List: Final Cabinet papers for lodging

Date:	29 March 2023	Priority:	High
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Purpose

To provide you:

- further advice on extending the maximum duration of an AEWV to five years;
- a final copy of the Cabinet papers *Future of the Skilled Migrant Category – Final Decisions and Changes to the immigration Green List for the health sector*;
- information on updates to the Cabinet papers following Ministerial consultation; and
- talking points to support consideration of both papers at the Cabinet Economic Development Committee on 4 April.

Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

Extending the maximum duration of an AEWV to five years

- a. **Agree** that, should the maximum duration of an AEWV be extended to five years, all other current conditions should remain the same, including employer accreditation, Job Check, and visa durations for people on a short-term contract, employed as part of a sector agreement, or below the median wage

Agree / Disagree

- b. **Agree** that existing AEWV holders earning median wage or above will be eligible to apply for an additional AEWV, with an end date giving them up to five years in total on an AEWV after the start date of the initial AEWV, with no Job Check and without being subject to the maximum continuous stay until the end of the five-year period

Agree / Disagree

- c. **Agree** that this additional AEWV will not require a Job Check, providing the applicant is in the same role, with the same employer, in the same location

Agree / Disagree

Updating references to “stand-down” to “maximum continuous stay”

- d. **Agree** that people on an AEWV which currently requires a stand-down will only be eligible for a new AEWV for roles paid at or above the median wage to take their total duration on an AEWV to five years (to align with the new maximum continuous stay for all AEWV holders), unless they have already spent the relevant required amount of time outside of New Zealand

Agree / Disagree

- e. **Agree** that references to “stand-down” for existing AEWV holders earning below median wage are updated to “maximum continuous stay”

Agree / Disagree

Extending AEWVs under the care sector agreement to a maximum of three years

- f. **Agree** that the maximum duration for care sector agreement AEWVs is extended to three years for level 4 carers, to allow time for people to complete the required work experience and apply for residence

Agree / Disagree

- g. **Agree** that existing AEWV care workers employed as part of the care sector agreement who are on the work to residence pathway and have been issued a two-year AEWV are able to apply for an additional AEWV with no Job Check (if in the same role, with the same employer, in the same region) to take them to a total of three years

Agree / Disagree

- h. **Note** that these changes will be able to be implemented in November 2023

Noted

Health sector Green List occupations

- i. **Agree** not to change registration requirements for health sector occupations already on the Green List [2223-2978 refers]

Agree / Disagree

Final Cabinet papers for lodging

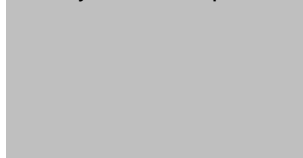
- j. **Agree** to the lodgement of the final Cabinet papers *Future of the Skilled Migrant Category – Final Decisions and Changes to the immigration Green List for the health sector*, as attached at Annexes One and Two

Agree / Disagree

- k. **Note** the talking points, as attached at Annex Three

Noted

Privacy of natural persons



Andrew Craig
Manager, Immigration Policy (Skill and Residence)
Labour, Science and Enterprise, MBIE

29 / 03 / 2023

Hon Michael Wood
Minister of Immigration

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Extending the maximum duration of an AEWV to five years

We recommend extending the maximum duration of new AEWVs to five years, but keeping other conditions the same

1. Following our previous advice [Briefing 2223-2602], you agreed to seek Cabinet approval to extend the maximum duration of new AEWVs from three years to five years, subject to agreement on a five-year maximum continuous stay. We noted that we were working through implementation options, including how it will apply to existing AEWV holders.
2. We recommend that, apart from increasing the maximum duration to five years, all other current AEWV requirements will still apply to new AEWVs. The requirement to work for an accredited employer and for that employer to have a valid Job Check remains the same, and there are no proposed changes for those on sector agreements or paid below the median wage.
3. As previously agreed [Briefing 2223-1771], all AEWV holders on a recognised pathway to residence (at least three skill proxy points) will be eligible for a further three-year AEWV at the end of the five years, to enable them to complete the required skilled work experience to meet the simplified points system threshold.

We recommend transitional provisions for existing AEWV holders

4. We have been working closely with INZ on options for the treatment of existing AEWV holders. As there is no way to extend these visas without a formal application (which, under the principles of cost recovery, requires payment of a fee), we have looked at options to make this process as fair and efficient as possible, while still achieving the aims of the maximum continuous stay and ensuring consistency across different cohorts.
5. We recommend that anyone who already holds an AEWV and earns median wage or above will be eligible to apply for an additional AEWV, with an end date giving them up to five years on an AEWV after the start date of the original AEWV (e.g. to allow exclusion of time on an interim visa). No Job Check would be required if the applicant is still in the same role, with the same employer and in the same location, and applicants could apply at any time during their current visa (from the date of implementation) as date the subsequent visa is granted would not affect the total duration. The maximum continuous stay policy would apply to this group at the end of this time.
6. This would ensure a clear maximum visa duration for all AEWV holders, and that the maximum continuous stay is clear and consistent across cohorts. As the total time on an AEWV is independent of when someone applies for the new visa, it enables people to reduce the overall cost of the second application as they will likely be able to apply when their medical and police certificates are still valid (these can add significant cost to a visa application, especially if documents need to be translated), and before the employer's accreditation expires. From a processing perspective, it caters well for people on a shorter initial AEWV (only one additional application for the balance of five years), and may help to spread the processing load for INZ.
7. This approach could be considered unfair to existing AEWV holders, who may have already been on an AEWV for up to a year by the time this is announced and who came to New Zealand without the expectation of a maximum continuous stay. However, they would have already needed to apply for an additional visa to stay longer than three years, and removing Job Check requirements and allowing an earlier application (when supporting documents are still valid) mitigates some of the costs.
8. We also considered whether it would be fairer and more efficient to allow existing holders to apply for an additional three-year visa at the end of their current one. However, this would have made implementation of the maximum continuous stay more complicated, with different

cohorts subject to different durations (a maximum of six years on two AEWVs, against five years on one).

These changes can be implemented in November

9. Due to other policy priorities awaiting implementation on the same IT platform (tourism sector median wage changes; employer accreditation extension; health and non-health Green List changes; and the transport sector agreement), work on these changes cannot begin before June, with finalisation in November.
10. There is a risk that the announcement of the new five-year AEWV may encourage some applicants to wait until November for the five-year visa to be available, to avoid the additional cost of an extra visa if they apply for an initial three-year visa. However, this will be mitigated to a certain extent by the validity of Job Checks and the willingness of employers to wait to fill labour market gaps.

We recommend using “maximum continuous stay” for AEWV holders earning below median wage as well

11. You have agreed to use of the term “maximum continuous stay (on an AEWV)”, as “stand-down” can imply a penalty of punishment (e.g. an employer/student/sports stand-down) [Briefing 2221-1771]. We recommend that this term is also updated for the existing stand-down in place for workers on AEWVs earning below the median wage as part of a sector agreement.
12. This would ensure consistency for all AEWV holders, by removing the implication of penalty or punishment for this group as well. It would also serve to clarify that all former AEWV holders would have the same eligibility to apply for a new AEWV after the required period of time offshore (i.e. a person who spent 12 months offshore after two years on a sector agreement would then be eligible to apply for a new AEWV, with the maximum duration dependent on wages rather than any time previously spent in New Zealand).

We also recommend other minor changes for AEWV holders under a sector agreement or below the median wage

13. Existing AEWV holders paid below median wage are currently subject to a stand-down of between 4 and 12 months, depending on the sector, but may apply for a maximum duration AEWV paid at or above median wage without being subject to the stand down. They are only eligible for another AEWV for a role paid below median wage if they have completed the required stand down.
14. We recommend that, unless the applicant has already spent the required time offshore, the time on the spent on an AEWV below median wage counts towards the five-year maximum continuous stay (so the AEWV at or above median wage would have a maximum end date of five years after the start of the initial sector agreement AEWV). This ensures consistency, without giving people starting on a role below median wage an unfair advantage.
15. AEWV holders under the care workforce sector agreement currently have a maximum visa duration of two years, despite those paid at the level 4 rate being on a two-year pathway to residence. We recommend that the maximum visa duration for these level 4 visa holders should be extended to three years to allow time for people to complete the required work experience and apply for residence. This is consistent with the approach being taken to the two-year work to residence pathway for roles covered by the transport sector agreement. In addition, we recommend that care workers who are on the work to residence pathway and have been issued a two-year AEWV should be able to apply for an additional AEWV with no Job Check (if in the same role, with the same employer, in the same region) to take them to a total of three years and bring them into line with the settings for new applicants. This would

be consistent with the proposed treatment for existing AEWV holders moving from three-year AEWVs to five-year AEWVs.

Changes to the Cabinet papers

16. The following changes have been made to the Cabinet paper *Future of the Skilled Migrant Category – Final Decisions*:

Change made	Reference
Residence pathways graphic	Table 2, page 17
Text setting out ongoing work on options for reducing the number of clearly ineligible applications lodged under the new SMC	Paragraph 95, recommendation 24
Updates to the List of Registration and Associated Points	Appendix Five
How work experience will be counted for applicants claiming points under the Registration skill proxy	Appendix One
New text on forecasted composition and expected volumes of people eligible for residence under the proposed and current settings	Paragraphs 27 and 28, 36, 61-64
Updated text on extending the length of the AEWV	Paragraphs 85 and 86, recommendations 19, 21 and 22
Updated text on estimated processing times for SMC applications under the new settings	Paragraph 93

17. The following changes have been made to the Cabinet paper *Changes to the immigration Green List for the health sector*:

Change made	Reference
As requested by your office, we have removed references to the next Green List review taking place in 2026 from this paper. We note that Cabinet previously agreed that the Green List would be reviewed one year after its inception, then every three years [CAB-22-MIN-0145].	Paragraphs 9 and 50, Appendix Two
Corrected Appendix Two, which incorrectly stated that Drug and Alcohol Counsellors were excluded from the proposed list.	Appendix Two
New section informing Cabinet that you intend to expand the scope of the transport sector agreement.	Paragraphs 1 and 64-66
Updated communications section to reflect	Paragraph 74

that the communications approach is under consideration.	
Additional detail about the data reporting MBIE will set up, as requested by the Minister of Finance's office. We have consulted the Ministry of Health about further detail on monitoring workforce needs. At this stage, more detail is not available as health agencies have not yet commenced work on the Health Workforce Strategy.	Paragraph 51
Inclusion of information about social worker registration	Paragraph 33

Annexes

Annex One: Future of the Skilled Migrant Category – Final Decisions

Annex Two: Changes to the immigration Green List for the health sector

Annex Three: Talking points

Free and frank opinions

Free and frank opinions

Annex Three: Talking points

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