



## Weekly Report to the Minister of Immigration and Associate Minister of Immigration For the period from 27 July to 2 August 2022

<b>Date:</b>	3 August 2022	<b>Priority:</b>	Medium
<b>Security classification:</b>	In confidence	<b>Tracking number:</b>	2223-0357

	Action sought	Deadline
Hon Michael Wood <b>Minister of Immigration</b>	Discuss at the next immigration portfolio meeting	N/A
Hon Phil Twyford <b>Associate Minister of Immigration</b>	For information	N/A

Contact for telephone discussion (if required)			
Name	Position	Telephone	
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Stephen Dunstan  
General Manager  
Enablement  
Immigration New Zealand  
**Ministry of Business, Innovation and Employment**

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## 2. POLICY UPDATES

### 2.1 Pay thresholds for bus drivers under the Accredited Employer Work Visa

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*Manager (Skills and Residence) Immigration Policy*  
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The Minister of Immigration's (the Minister) office has recently received several letters from Public Transport Authorities and bus operators requesting an exemption from the median

wage threshold for bus drivers under the Accredited Employer Work Visa (AEWV), to help address ongoing driver shortages. Officials understand that bus drivers in all regions are currently paid below the median wage threshold of \$27.76/hour. In Wellington, bus drivers are paid close to the threshold (\$27/hour), and Auckland Council has recently funded an increase to bus driver wages (to an average of \$25.62), but in other regions, pay rates are lower (most regions are paying \$22.75/hour). Waka Kotahi has confirmed that all regions are reporting shortages of drivers, and many are operating reduced services as a result. Auckland is experiencing the most severe issues, with 2,000 services a day being cancelled due to driver shortages.

Bus drivers were considered for an exemption from the median wage threshold through a sector agreement as part of the Immigration Rebalance, but officials ultimately did not recommend this, because Immigration New Zealand (INZ) data showed that there had historically been low demand for bus drivers on temporary work visas (at the end of January 2020, there were only 117 bus drivers on Essential Skills work visas in New Zealand). As the industry was not able to attract many migrant bus drivers when they were not constrained by the median wage threshold, officials considered it unlikely that an exemption would be effective at addressing driver shortages while pay and conditions remain at current levels. It also indicated the industry had traditionally used New Zealanders, and New Zealanders may return to these roles in the event of a loosening labour market. The Ministry of Transport was consulted on this approach.

Officials have since been made aware of the Budget 22 Sustainable Bus Driver Workforce initiative, under which Government intends to co-invest with Public Transport Authorities for an increase to wage rates for bus drivers later this year. Officials understand that the Minister is yet to take decisions on how the Crown funding will be allocated, but that the Ministry of Transport and Waka Kotahi expect a \$3/hour increase will be possible if there is matching co-funding from Public Transport Authorities. This would still fall short of the median wage threshold in most cases (although, depending on how the funding is allocated, Wellington and Auckland could potentially reach the threshold). Officials understand that a Bus Industry Standard sub-group has been working to agree minimum terms and conditions needed to stabilise the workforce and has agreed that an increase to \$28/hour in regions and \$30/hour in cities is needed, and that there may be a future budget bid to support further wage increases up to these levels in 2023/24.

With the industry plan underway to address shortages by improving pay and conditions, there could be a case for a transitional sector agreement for bus drivers to manage shortages while working towards the higher pay rates identified by the Bus Industry Standard sub-group. This would provide access to migrant bus drivers below the median wage, but only until the pay rates of \$28-30/hour were implemented. This could be on two-year visas with a stand-down period at the end, although the Minister has expressed interest in a temporary residence path for bus drivers. However, officials note that the upcoming increase (of up to \$3/hour) would be a significant pay increase in most regions and that it could help to stabilise the workforce even without access to migrant workers. Although it is also noted that Waka Kotahi has advised that it does not believe many New Zealanders will be attracted by the \$3 increase. This is because pay rates will still be well below alternative options for workers of this skill level in a competitive employment market; however, it is anticipated this increase will assist in retaining drivers already employed. Ongoing action to improve the likely medium-term retention of migrants in these roles (given the competitiveness of other offers in the labour market) would need to be addressed before offering them a residence path as well.

Officials recommend waiting to see to what extent the shortages persist after the wage increases later this year and reconsidering whether a sector agreement is appropriate at that stage. However, it is noted that Wellington has been paying drivers at the higher rate of \$27/hour since December 2021 and is still reporting shortages. Any move to extend sector

agreements to bus drivers would also need to take into account the risk of increasing expectations and lobbying for exceptions for other sectors.

### 3. OPERATIONAL UPDATES

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## 3.2 Accredited Employer Work Visa

*Stephen Vaughan*  
*Chief Operating Officer*

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The AEWV is a new temporary work visa designed to ensure New Zealanders are first in line for jobs and reduce the risk of migrant exploitation. Where genuine skill or labour shortages exist, accredited employers can hire skilled migrant workers.

### **Employer accreditation**

As at 1 August 2022, 8,215 accreditation applications have been received, and of these, 7,434 applications have been approved. Out of the 7,434 completed applications, 6,033 (81 per cent) have been completed in 10 working days.

The Employer Accreditation (EA) gateway continues to remain in flow with a vast majority of applications being assessed within 10 working days. Full end-to-end automation currently accounts for around 40 per cent of all EA decisions. No EA applications have been declined since implementation of this new policy. The median processing time for EA applications is five working days.

There are no significant technology issues identified within the Accredited Employer gateway. Applications that are unable to be pulled for assessment do routinely get identified, however these issues are generally able to be resolved quickly.

### Job check

The front-end job check form went live at 10am on 20 June 2022. To allow system testing of the back-end functionality, the applications were held until 27 June 2022 when processing was able to begin.

At 10pm on 1 August 2022		
	Total Job Checks	Total roles included
<b>Applications received</b>	3,469	23,054
<b>Applications approved</b>	966	7,108
<b>Applications declined</b>	1	10

Pressure to clear the high volume of applications currently on hand under the job check gateway (approximately 1,400) has prompted a number of measures being implemented over the past week to streamline the assessment process in order to improve overall productivity. For a significant number of job check applications, a new general instruction now allows immigration officers to accept the employer declarations at face value where they have indicated that they meet the relevant immigration instructions on the application form.

Currently, the median processing time for job check applications is 13 working days. It is expected this number will decrease over the coming weeks.

In addition, the number of staff assigned to processing applications under the job check gateway has been increased by 30 per cent over the past two weeks as new immigration officer recruits commence processing in Otautahi. Due to the build-up of applications at the job check gateway, prioritisation is being given to the allocation and assessment of all job checks associated with occupations from within the healthcare and education sectors.

There are no significant technology issues identified within the job check gateway. Applications that are unable to be pulled for assessment do routinely get identified, however these issues are generally able to be resolved quickly. There are also some job check applications that are not progressing to the decision stage within the system. These applications can be identified quickly to be processed for a decision.

### Work visa

There has been a gradual increase in the number of work visa applications received under the migrant gateway, however INZ anticipates that incoming volumes will start to accelerate by mid-August as the productivity measures for the job check gateway are realised. As at 1 August 2022, 342 migrant visa applications have been received, of which 70 per cent have completed lodgements and have been allocated for assessment. Five applications have been approved and none declined.

While the front-end of the migrant gateway is on the new enhanced Immigration Online system, the back-end functionality will not be available on this platform until 28 August 2022. INZ is therefore operating a hybrid processing model with migrants submitting applications through the enhanced Immigration Online system, but visa processing is being completed in INZ's existing Application Management System. This processing model is currently working as intended.

**Communication and engagement**

A refresh of the communication and engagement approach has been undertaken. As part of this work, an engagement plan has been developed to ensure INZ is broadening its reach and utilising channels that key stakeholder groups already have, such as their industry or sector newsletters.

Key messages and a fact sheet have been developed as part of this approach to educate stakeholders on some of the key requirements as part of the job check and highlight common errors that are being made in these applications.

The key messages and fact sheet have been shared with the Minister's office.

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## 3.8 Accredited Employer Work Visa Communication and Engagements

*Greg Forsythe*  
*General Manager (Acting)*  
*Customer, Engagement and Education*

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### **Accredited Employer Work Visa stakeholder engagements**

INZ continues to inform and educate stakeholders about the Accredited Employer Work Visa (AEWV) as part of the extended AEWV engagement plan. Many engagements are planned for the remainder of the year, including webinars to the wider immigration professionals sector in late August 2022 and again in September 2022, engagement with Te Waka to run a webinar for Waikato-based employers, and a presentation at the Ministry for Pacific Peoples' next national meeting.

In addition to the upcoming engagement, INZ has undertaken a number of engagement activities related to AEWV in 2022 so far, including (with attendance numbers):

- several large-scale AEWV webinars during April and May 2022 for immigration professionals, employers, sector bodies, and migrant community stakeholders, with between 750 and 1,100 attendees per webinar.
- approximately 35 targeted educational webinars to sector bodies (including their members; employers) with between 10 and 250 attendees per webinar.
- approximately 75 one-to-many meetings and webinars with migrant community leaders and representatives, with between 10 and 40 attendees per event.
- weekly engagements with the Immigration Reference Group, which is comprised of lawyers and licensed advisers who represent the sector.

INZ has also been directly engaging with a number of government agencies who employ migrants, in addition to regular engagements with key employers, immigration advisory firms, and migrant community leaders. Employers who employ many migrants are being engaged directly for bespoke engagement sessions.

### **Immigration Contact Centre**

To support the AEWV work, the Immigration Contact Centre (ICC) has implemented/tested three options for employers to become informed about employer accreditation, the job check, and the accredited employer work visa. These are:

- A priority employer line, which was launched 20 June 2022, which on average receives 350 to 400 calls a week

- A new “request a call” function which has received 271 requests since its implementation on 30 May 2022
- An outbound calling pilot targeting 250 employers who had not been accredited in the past but had been linked to hiring migrants on other visa types in the last 5 years, concluded on Friday 8 July 2022. Top-level findings were as follows:
  - 92 per cent of those phoned were receptive of the call they received
  - 84 per cent of those phoned were aware of the AEWV
  - 84 per cent of those phoned were aware of the three-step process
  - 86 per cent of those phoned intend to hire in the next 12 months

A formal review of all three initiatives is in progress and due for completion in August.

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## 4. MEDIA UPDATE AND UPCOMING EVENTS AND MEETINGS

### 4.1 INZ Communications and Engagement

*Yvette McKinley*

*Manager*

*Engagement and Communications INZ*

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Communications were implemented in the lead up to the border fully reopening at 11:59pm on Sunday 31 July 2022. This included stakeholder communications, website updates, and social media posts.

An AEWV fact sheet has been developed which includes application statistics and updated key messages about the common errors INZ is seeing in job check applications and our education approach to support employers as they adapt to the new AEWV policy. This has been shared internally with senior leaders, relationship managers, and the ICC to be used in response to queries from customers and stakeholders. It has also been shared externally with key stakeholders, including members of the Immigration Reference Group and the RCNZ/AEWV Focus Group which includes representatives from the LIA, business, industry, and migrant communities. Work is underway to further distribute this messaging, including through established stakeholder channels and newsletters where possible. This fact sheet will be updated and redistributed regularly.

INZ was planning to issue a media release following the closure of the 2021 Resident Visa category, to highlight the total number of applications received and provide an update on the number of people granted residence to date. It will also be used as an opportunity to reinforce any key messages about processing. The timing of this will be discussed with the Minister's office.

INZ is also planning to issue a media release following border exceptions closing, to celebrate the number of border exceptions that were received and decided while border restrictions were in place. The timing of this release will be discussed with the Minister's office.

#### **Media**

There has been significant media attention on the number of applications received under each stage of the AEWV policy, particularly in relation to the health sector and nurses.

Media queries were also received in preparation for the border fully reopening, requesting the number of students expected and seeking assurance that INZ was prepared for the increase in visa applications for processing.

Regular requests for updates on the number of people who have applied for a visa and travelled to New Zealand since the border fully reopened are expected over the coming months.

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