



## **COVERSHEET**

Minister	Hon Erica Stanford	Portfolio	Immigration
Title of Cabinet paper	AEWV Review – Phase Two: Proposals for consultation	Date to be published	7 October 2024

Date	Title	Author
August 2024	AEWV Review – Phase Two: Proposals for consultation	Office of the Minister of Immigration
21 August 2024	Accredited Employer Work Visa Phase Two: Proposals for Consultation ECO-24-MIN-0164 Minute	Cabinet Office

#### Information redacted

YES / NO (please select)

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# **Cabinet Economic Policy Committee**

## **Minute of Decision**

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## Accredited Employer Work Visa Phase Two: Proposals for Consultation

Portfolio Immigration

On 21 August 2024, the Cabinet Economic Policy Committee (ECO):

### **Background**

- noted that record high levels of net migration alongside increasing reports of migrant exploitation led to the first suite of changes to the Accredited Employer Work Visa (AEWV) announced in April 2024 [CAB-24-MIN-0096];
- 2 **noted** that the second phase of the AEWV review must align with the Government's wider immigration priorities and allow migrants to continue to play a crucial role in the delivery of the Government's commitments across a range of portfolios;

### **Interim Changes**

- **noted** that, in the interim, the Minister of Immigration (the Minister) has progressed a number of discrete changes to advance Government priorities;
- s Confidential advice to Government
- s Confidential advice to Government
- agreed to increase the maximum duration of work and visitor visas for partners of New Zealand citizens and residence class visa holders from two to three years, for couples who have been living together for at least 12 months;
- 7 **agreed** to introduce some interim exemptions to the skills requirement for the AEWV for:
  - 7.1 migrants recruited under the 2024/25 cap for the meat and seafood processing sectors:
  - 7.2 migrants looking to extend their existing AEWV for the same role under the tourism and hospitality wage exemption, if their current visa expires on or before 31 March 2025;

- 7.3 migrants looking to extend their existing AEWV for the same role under the Care Workforce sector agreement, where that role pays \$26.16 per hour and their current visa was issued between 4 July 2022 and 23 November 2023;
- 8 **noted** that the Minister is also progressing the following changes:
  - 8.1 an interim and time-limited pathway through the Specific Purpose or Event Work Visa for experienced seasonal workers;
  - 8.2 removal of the ability for licensed immigration advisors to engage with the Ministry of Social Development on the employer's behalf as part of the Job Check's current labour market test process;
- **noted** that officials estimate that implementation timeframes for the above interim changes are between one and four months of final decisions being taken;
- authorised the Minister to make further policy decisions as required to give effect to the above decisions;

#### Phase two review

- noted that the Minister has set the follow overarching objectives for the second phase of the AEWV review to be focused on:
  - 11.1 <u>Objective 1:</u> increase the proportion of higher-skilled workers while managing overall net migration;
  - 11.2 Objective 2: reduce risk in the system;
  - 11.3 <u>Objective 3:</u> lower compliance costs for good employers and improve system efficiencies while maintaining appropriate checks and balances;
  - 11.4 <u>Objective 4:</u> support regional and economic growth by ensuring that New Zealand has access to the skills it needs:
  - 11.5 <u>Objective 5:</u> encourage employers to genuinely look to hire New Zealanders first, while still providing access migrant labour where needed;
- noted that in light of the above objectives, the proposals in the paper under ECO-24-SUB-0164 are intended to ensure the immigration system is as streamlined, simple to understand, and low-compliance as possible for employers and migrants, while providing regulatory certainty and ensuring risks are appropriately managed;
- noted that officials are planning to conduct targeted stakeholder consultation on the package of proposals throughout September and October 2024;
- **noted** that targeted consultation will seek views from stakeholders on the following proposals:
  - 14.1 a differentiated and graduated model of accreditation focused on streamlining the AEWV process for good employers, Confidential advice to Government focusing more resources on higher-risk employers;
  - 14.2 a strengthened labour market test, which includes:
    - 14.2.1 removal of the median wage Confidential advice to

      Government

- 14.2.2 options for the role of the Ministry of Social Development;
- 14.3 an enhanced compliance function across the AEWV;
- **noted** that through the above review, the Minister will be considering whether sector/region specific settings can be used to enable employers in certain sectors or regions to continue to recruit entry-level lower-skilled labour;
- noted that the Minister will engage with the Ministers and Associate Ministers of Agriculture, Rural Communities, and Social Development and Employment on specific rural/regional aspects of the AEWV review;
- **noted** that the Minister will also consider a fit-for-purpose immigration pathway for seasonal work;
- invited the Minister to report back to ECO in December 2024 with final proposals for the second phase of the AEWV review;

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## Rachel Clarke Committee Secretary

#### Present:

Rt Hon Winston Peters

Hon David Seymour

Hon Brooke van Velden

Hon Nicola Willis

Hon Chris Bishop

Hon Simeon Brown

Hon Erica Stanford

Hon Louise Upston

Hon Judith Collins KC

Hon Paul Goldsmith

Hon Todd McClay

Hon Tama Potaka

Hon Casey Costello

Hon Melissa Lee

Hon Chris Penk

Hon Penny Simmonds

Hon Andrew Bayly

Hon Mark Patterson

Simon Court MP

Jenny Marcroft MP

#### Officials present from:

Office of the Prime Minister Office of Hon Simeon Brown Office of Hon Erica Stanford Office of Simon Court MP Officials Committee for ECO