



## 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

List of documents that have been proactively released			
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	Cabinet Office	
	ECO-24-MIN-0164 Minute		

#### Information redacted

<u>YES</u> / NO (please select)

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Some information has been withheld for the reason of confidential advice to Government.

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# Cabinet Economic Policy Committee

## Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

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

Portfolio Immigration

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

#### Background

- 1 **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**

3 **noted** that, in the interim, the Minister of Immigration (the Minister) has progressed a number of discrete changes to advance Government priorities;



- 6 **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;
- 9 **noted** that officials estimate that implementation timeframes for the above interim changes are between one and four months of final decisions being taken;
- 10 **authorised** the Minister to make further policy decisions as required to give effect to the above decisions;

#### Phase two review

- 11 **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 <u>Objective 2:</u> 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;
- 12 **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;
- 13 **noted** that officials are planning to conduct targeted stakeholder consultation on the package of proposals throughout September and October 2024;
- 14 **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, <u>Confidential advice to Government</u>, while 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;
- 15 **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;
- 16 **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;
- 17 **noted** that the Minister will also consider a fit-for-purpose immigration pathway for seasonal work;
- 18 **invited** the Minister to report back to ECO in December 2024 with final proposals for the second phase of the AEWV review;
- 19 Confidential advice to Government

#### 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