

Immigration (Enhanced Risk Management) Amendment Bill – changes relating to migrant exploitation and non-compliant employers

4. Increase the maximum penalty for migrant exploitation from seven to 10 years	5. Extend the time MBIE has to issue certain employer infringement offence notices	6. Introduce two new employer infringement offences
Current state		
<p>Migrant exploitation offences currently carry maximum imprisonment terms of five years, or seven years where the employer knew the migrant was not lawfully entitled to work.</p> <p>Exploitation causes serious harm to vulnerable workers and can involve organised, coercive behaviour. Despite this, existing maximum penalties are lower than those for comparable offences under the Crimes Act 1961. This limits the extent to which sentencing outcomes can reflect the seriousness of the offending, and deter this behaviour.</p>	<p>Under the Immigration Act 2009 (the Act) and the Summary Proceedings Act 1957, the Ministry of Business, Innovation and Employment (MBIE) must issue infringement notices for certain employer offences within a de facto 90-day timeframe from the date the offending occurred.</p> <p>In practice, MBIE often becomes aware of offending after this timeframe has elapsed, particularly where migrant workers delay reporting exploitation. The time limit may also expire where investigations are complex.</p> <p>As a result, some employers avoid infringement penalties on technical timing grounds, although there is no doubt that they have committed the offence. This limits the effectiveness of the employer compliance regime and reduces accountability for unlawful employment practices.</p>	<p>At present, MBIE has limited tools to deal quickly and proportionately with employers who provide incorrect or incomplete information, or who do not supply documents when asked.</p> <p>Some of this behaviour can technically be prosecuted, but criminal charges may be too heavy-handed for lower-level non-compliance, and there is no ability to issue an infringement offence under the Act.</p> <p>As a result, MBIE is sometimes left without an effective enforcement option for common employer behaviours that undermine trust in the immigration system.</p>
Future state		
<p>The Bill increases the maximum term of imprisonment for migrant exploitation offences to 10 years, aligning the offence with other serious crimes involving coercion, vulnerability and organised conduct.</p> <p>Courts will retain full discretion over individual sentences. The higher maximum will signal the seriousness with which Parliament views migrant exploitation, support stronger deterrence, and better reflect the harms experienced by exploited migrants.</p>	<p>The Bill will enable MBIE to issue infringement notices for specified immigration employer offences up to six years from the date of the offence. This will better align enforcement timeframes with the realities of detecting migrant exploitation and unlawful employment, ensure employers cannot evade consequences due to delayed discovery, and strengthen the credibility and deterrent effect of the employer infringement regime.</p>	<p>The Bill introduces two new employer-specific infringement offences, covering the provision of false or misleading information, and failures to supply documents when lawfully requested. This will enable proportionate enforcement responses to common forms of employer non-compliance, reduce reliance on more resource-intensive criminal prosecution, and strengthen the integrity of employer-facing parts of the immigration system.</p>