

ACCREDITED EMPLOYER WORK VISA FACTSHEET STANDARD AND HIGH-VOLUME ACCREDITATION

Employers wanting to hire any number of migrants on the new Accredited Employer Work Visa (AEWV) must gain employer accreditation.

Standard and high-volume accreditation

The accreditation levels are:

- standard accreditation for employers who want to have up to 5 migrant workers on AEWVs at any one time.
- high-volume accreditation for employers who want to have 6 or more migrant workers on AEWVs at any one time.

This only includes migrants on AEWVs. Migrants on other visa types (e.g. working holiday visas) will not be counted towards the total.

All employers must meet standard accreditation criteria. Franchisees and employers wanting to place migrants on AEWVs with third parties (including labour hire companies) must meet additional criteria to get accredited.

When you are approved you will receive accreditation for 12 months. At renewal, franchisees and employers that want to place migrants on AEWVs with third parties will be granted accreditation for a further 12 months, and all other employers will be granted accreditation for 24 months.

Standard accreditation requirements

All employers who intend to hire migrants on AEWVs must meet the standard accreditation requirements.

These requirements are intended to ensure all employers hiring migrants meet minimum requirements to support and settle migrants and comply with employment and immigration laws.





1. Must be a genuinely operating business

The employer must be registered as an employer with IRD and hold a New Zealand Business Number (NZBN).

Some employers may need to provide evidence showing they are in a sound financial position. This means the business must:

- be profitable (before depreciation and tax), or
- have positive cash flow, or
- have sufficient capital or external investment or funding, for example from a founder or parent company, or
- a plan to ensure the business remains viable and ongoing.

If the employer is a partnership or sole trader, the business owners must not be bankrupt or subject to a No Asset Procedure (automated checks with Insolvency Register).

2. Must not have a recent history of regulatory non-compliance

INZ will check:

- the employer and key office holders are not on the <u>Labour Inspectorate stand</u> <u>down list</u>
- the employer and key office holders are compliant with immigration law and requirements, and are not subject to a permanent ban following conviction for immigration related offences
- key office holders are not prohibited from acting as a director or have a pattern of immigration offences in other businesses they have been involved in
- the employer is not a phoenix company a business re-established under a new legal entity and NZBN, that is essentially the same as another business that does not meet the accreditation requirements, set up to avoid accreditation being declined.

3. Must take steps to minimise the risk of exploitation

This includes:

- allowing migrant workers time to complete <u>online employment rights modules</u> during paid work hours
- paying all recruitment costs in New Zealand and outside New Zealand, including advertising, agency fees, employer and job check applications, training and induction, health and safety equipment, and branded uniforms. This does not include migrant worker airfares (although this may be a requirement by the authorities in some countries).



Employers must ensure that everyone who makes recruitment decisions completes <u>online employment modules</u>. Employers should keep records to show they have met the requirements.

Employers must also provide migrant workers with:

- work-related settlement information like how to get an IRD number, relevant industry training and qualification information and options, and specific job or industry hazards
- local community and services information including accommodation options, transport, cost of living, how to access healthcare services, Citizens Advice Bureau services and relevant community groups, like religious or migrant groups.

Employers must not charge fees outside of New Zealand which would be unlawful if charged in New Zealand, including:

- payment to secure a job
- bonding agreements for an unlawful purpose
- deductions not agreed in writing.

Compliance costs

To minimise compliance costs for employers INZ will primarily assess applications based on employer declarations and automated checks against publicly available information or information held by MBIE.

In some cases, INZ may ask an employer to provide additional evidence or declarations as part of the application process.

High-volume accreditation requirements

In addition to meeting the standard accreditation requirements, employers hiring 6 or more migrants on AEWVs at any one time will also need to show a commitment to improving pay and conditions for all employees over time.

To meet this commitment, employers will need to ensure all jobs submitted at the Job Check either meet a minimum pay requirement of 10 percent above the minimum wage, or are covered by a collective agreement.



If a high-volume employer submits a Job Check for a job paying less than 10 percent above the minimum wage, and is not covered by a collective agreement, the Job Check will be declined.

The Government has previously signalled there would be a requirement to make a commitment to training and upskilling New Zealanders. The detail of this requirement is being considered for addition to the standards at a later date.

Additional requirements for franchisees

Additional requirements apply for franchisee employers. In addition to meeting standard accreditation requirements (and high-volume requirements if applicable), franchisee employers need to:

- have been operating for at least 12 months; and
- have a history of hiring New Zealand workers.

The accreditation period for these employers will be 12 months

INZ will provide a further detailed definition of what business models must meet these requirements later in 2021 after further targeted consultation with representative bodies.

Franchises will be subject to increased compliance checks. INZ will be targeting higher risk employers.

Employers placing migrants with third parties (Triangular employment arrangement requirements)

Additional requirements apply for employers who employ AEWV holders in a triangular employment arrangement, including:

- labour hire companies
- employers who send migrant employees on secondment to a third party
- parent or umbrella companies who place their migrant employees with a third party such as a subsidiary company or branch that is a separate legal entity.

In addition to meeting standard accreditation requirements (and high-volume requirements if applicable), employers who place migrants with third parties must only place AEWV holders with compliant businesses. A 'compliant business' means a business that has an NZBN, is not on the stand-down list for breaches of minimum employment standards, and has declared to



the employer that they do not have immigration-related issues that would prevent them from being granted accreditation in their own right.

These employers must also:

- have good systems in place to monitor employment and safety conditions on site
- have a history of contracting labour for the past 12 months
- demonstrate that at least 15% of their workforce being placed with third parties are New Zealanders in full-time employment (i.e. at least 30 hours a week).

The employer's systems to monitor employment and safety conditions on site must cover proactive and reactive actions, which could include, but are not limited to, the following:

- upfront checking of work conditions before the migrant is placed with a third party
- ensuring the migrant worker and third party have a clear understanding of visa conditions and employment and safety obligations
- monitoring the work conditions of workers, which could include: ensuring there are channels for employees to report issues, conducting appropriate onsite visits, depending on the duration of the placements and any perceived risks
- investigate and address employment and safety issues identified through monitoring
 or via external reports (this may include removing migrants from the third party or
 working with the third party to ensure issues are resolved).

The accreditation period for these employers will be 12 months.

To ensure good systems are in place, employers will be subject to more up front verification and compliance checks.

Exceptions

Employers who only hire migrants on visas with open work rights (those which don't specify an employer), do not need to be become accredited. This includes visas granted under partnership, working holiday visas or students with work rights.

Employers of current Talent and Essential Skill visa holders do not need to be accredited in the new system until they need access to migrant labour on the new Accredited Employer Work Visa.



Application process

We will retain information you previously supplied when applying for renewed accreditation.

Your New Zealand Business Number (NZBN) will link your business information with our delivery platform.

The system will guide you to ensure you provide all the information we need.

You must pay the fee for the employer check.

Employers with a history of regulatory non-compliance

If an employer or key office holder has been convicted under s342(1)(a), 343(1)(d), 344(d), 347 or 350(1)(a) of the Immigration Act, they must have completed a stand-down period (6-24 months, depending on the fine imposed for the conviction), and have satisfied INZ that they have rectified the non-compliance and taken appropriate steps to prevent further non-compliance.

If an employer or key office holder has employed a person not entitled under the Immigration Act to work in the role, employed a person in a role or under conditions that do not match those provided in their employer-supported visa application, or provided false or misleading information to INZ, they must have satisfied INZ that they have rectified the non-compliance and taken appropriate steps to prevent further non-compliance.

A permanent ban will be applied if an employer is convicted under s343(1)(a), 345, 348, 342(1)(b), or 351 of the Immigration Act, or s98C or 98D of the Crimes Act (regardless of level of penalty ordered), or if they are convicted under s343(1)(d) or 344(d) of the Immigration Act and are sentenced to imprisonment.