

Hon Michael Wood

MP for Mt Roskill

Minister of Immigration
Minister of Transport
Minister for Workplace Relations and Safety



29 AUG 2022

MPOL 718

Daran Ponter
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Dear Daran,

Thank you for your email of 28 July regarding immigration settings for bus drivers.

I congratulate Wellington Regional Council on its commitment to improving pay and conditions for bus drivers, and am pleased to hear that the new \$27/hour base rate is making a difference to retention rates.

The list of occupations treated as exceptions in Appendix 7 of the immigration instructions is used to determine whether an occupation is considered "skilled employment" for the purposes of the Skilled Migrant Category (SMC). SMC, which is the main category for residence for skilled workers, has been closed to new applications since April 2020.

This category is currently under review to ensure the settings are fit for purpose in the mid- to long-term so that highly skilled migrants continue to have a pathway to residence, but that prevents historic challenges with long queues and uncertainty. I expect to provide more details about the category reopening to applications in the coming months.

I do note, however, that the pay threshold for occupations treated as exceptions to qualify as skilled employment is tagged to the median wage. The pay thresholds in the SMC instructions have not been updated since the category was closed to new applications, but the median wage threshold has since increased to \$27.76/hour.

The median wage will be updated again in February 2023 based on the rate published by Statistics New Zealand in August 2022.

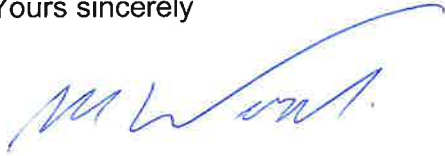
The median wage of \$27.76/hour is also the threshold for recruiting migrant workers for most jobs under the Accredited Employer Work Visa (AEWV), which launched on 4 July, replacing Essential Skills as the main temporary work visa.

I understand, at this stage, the median wage threshold means that no regions will be able to access migrant bus drivers on AEWVs based on the current pay rates in collective agreements.

I hope that the increase to wage rates later this year as a result of the Budget 22 Sustainable Bus Driver Workforce initiative, and co-investment by Public Transport Authorities, will help to stabilise the workforce nationally.

Thank you for writing and take care.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M Wood'.

Hon Michael Wood
Minister of Immigration

Daran - happy to discuss this
further in person sometime
soon.

A handwritten signature in blue ink, appearing to read 'Michael', with a horizontal line underneath.