

PEOPLE
BUSINESS
EMPLOYMENT LAW

## Minimum wage increase

On 1 April the minimum wage increases by \$1.20 to \$18.90 per hour. It's the last rise before the minimum wage goes up to \$20 per hour on 1 April next year. Still in the wings are Fair Pay Agreements and the review of contractors' rights, which will add to the cost of labour.

While this is really good pay, it doesn't seem to be encouraging young employees into work. 12-14% of 15 to 24-year olds are not in employment, education or training. These people (dubbed NEETs) make up more than 16% of the unemployed in Northland, 14.1% in BOP, 12.6% in Waikato and 11.6% in Auckland.

For the future, MBIE's Employers Guides advise that the Government will negotiate and introduce Sector agreements with minimum conditions for entire industries, including residential care and possibly construction - <a href="https://www.immigration.govt.nz/employ-migrants/settle-migrant-staff/resources-for-you">https://www.immigration.govt.nz/employ-migrants/settle-migrant-staff/resources-for-you</a>.

## **Immigration changes**

The other option looks bleaker still, with the minimum salary for a Work to Residence visa at \$38.25 per hour or \$79,560 per year. The government is clearly committed to tightening immigration to bring it down from the present almost 60,000 per year to make that work available to New Zealanders. Two obvious problems are the NEETs referred to above, and the fact that it will take years before local education and training produces results.

So, while the Government reluctantly accepts the need for immigrants in the short term, immigration will be a three-step process, which it calls three gateways –

- Employer accreditation/registration
- Job check/labour market test
- Worker check.

These changes will take effect from 2021. With Immigration New Zealand's workload growing, it is unlikely that employers applying for accreditation now will be in a position to start a new immigrant before early next year.

## In the meantime –

- 6 existing work visas are being replaced with a single temporary work visa
- lower-paid jobs will get a maximum 12-month work visa
- higher paid jobs could get up to 3 years
- move away from ANZCO to pay levels.

## **Novel Coronavirus (COVID-19)**

Please refer to the recent WGANZ bulletin on COVID-19 and to the most recent bulletins from the Ministry of Health.

Immigration NZ advises that Government has travel restrictions in place for some foreign travellers. This decision will be reviewed every 48 hours and the Government will decide on or before Tuesday 3 March 2020 whether the travel restrictions need to remain in place.

These restrictions apply to any foreigners who:

- have been present in, or transited through, Iran or mainland China, 14 days prior to them departing for New Zealand. Mainland China includes all of China, but not Hong Kong SAR and Macau SAR, and not Taiwan.
- were a passenger or crew on board the Diamond Princess Cruise ship operated by Princess Cruises, within 14 days of disembarking from the cruise ship.

The decision to deny boarding or refuse entry to New Zealand does not apply to New Zealand citizens, permanent residents, residents with valid travel conditions and their immediate family, who will still be able to come to New Zealand. Australian citizens and permanent residents are also not subject to the travel restrictions if New Zealand is their primary place of established residence. However, if they have been present in, or transited through mainland China or Iran 14 days before departing for New Zealand, they will be required to self-isolate for 14 days from the time they arrive in New Zealand.

The Health and Safety at Work Act 2015 requires businesses to mitigate health and safety risks and protect their workers from it, so far as is reasonably practicable. Under HSWA workers are also required to take care of their and others' health and safety while at work, and to follow and cooperate with reasonable health and safety instructions, policies and procedures given to them.

With the news of a confirmed and two suspected case in New Zealand, the Ministry of Health publishes guidance for infectious disease prevention and control for workplaces here <a href="https://www.health.govt.nz/your-health/healthy-living/environmental-health/infectious-disease-prevention-and-control/workplace-infectious-disease-prevention-news-models.">https://www.health.govt.nz/your-health/healthy-living/environmental-health/infectious-disease-prevention-news-models.</a>

The most practical things to do are basic -

- Encouraging employees to -
  - wash and dry hands regularly and well
  - cover coughs and sneezes
  - stay at home if you are sick
- Protecting staff who might be required to have contact with people who are sick (for example, health care workers).

The Ministry of Health has specific COVID-19 information available at <a href="https://www.health.govt.nz/our-work/diseases-and-conditions/covid-19-novel-coronavirus">https://www.health.govt.nz/our-work/diseases-and-conditions/covid-19-novel-coronavirus</a>

This article is brought to you by the Window and Glass Association's free employment helpline 0800 692 384. If you have any questions or would like to discuss the article above, please call Philip or Anthony on the helpline.