

VISA PAK ISSUE 618 — 7 MARCH 2025

MARKET RATES – ACCREDITED EMPLOYER WORK VISA

This item provides advice regarding the market rate of pay under the Accredited Employer instructions (WA). While market rate assessments have been a relevant part of the assessment at the Job Check prior to the March 2025 Accredited Employer Work Visa changes, there may be increased variability of proposed pay rates for roles given the removal of the median wage, placing more importance on an assessment that the pay rate is suitable for the role. This guidance is intended to support those assessments.

What is the market rate and why consider it?

Job offers must specify a rate of pay that is not less than the market rate for New Zealand workers in that occupation. As defined at immigration instruction <u>W2.2.15</u>, the New Zealand market rate is the rate of pay which would be required to recruit a New Zealand citizen or residence class visa holder to do equivalent work.

Employment of migrant workers should not undermine the wages and conditions of New Zealand workers, displace New Zealanders from employment opportunities or hinder improvements to wages or working conditions. Allowing employers to recruit from offshore with pay rates below the market rate can have the effect of driving down the rates offered to New Zealand workers and affect genuine attempts to recruit New Zealanders.

How are market rate requirements assessed?

Market rate requirements can be assessed in several ways. An immigration officer may make an assessment based on information to hand, consult one source or consult multiple sources.

In cases where positions are well compensated and clearly meet or exceed the market rate, immigration officers should not apply unnecessary scrutiny to the assessment and may determine the market rate assessment is met based on the information in the Job Check application.

 Single source: If one source clearly demonstrates that market rate is met, an immigration officer may assess market rate requirements are met without consulting further sources, provided they are satisfied the source accurately indicates the New Zealand market rate and that a New Zealander would accept the rate of pay offered.



In cases where significant weight can be attributed to a single source, it is less likely to be necessary to consult other sources.

 Multiple sources: In cases where less weight can be placed on the first source an immigration officer checks, it is likely further sources will need to be considered. If there is not one source that clearly demonstrates the market rate is met, it is likely multiple sources will need to be considered.

The number of sources an immigration officer should consider will depend on how much weight can be attributed to a particular source. If raising potentially prejudicial information (PPI) regarding the market rate, and sources show conflicting market rates, an immigration officer should reference each source they consider to be suitable in the letter to the employer.

When is the market rate not met?

Immigration officers should consider how far the pay rate is from the market rate in sources consulted, and whether a New Zealander applying for the job would accept the pay rate. Where the pay rate is marginally or slightly outside a range stated in the applicable sources, and the employer is otherwise considered low risk and meets all instructions, the Job Check application may be approved if an immigration officer is satisfied New Zealanders would still accept the rate of pay offered. Immigration officers should consider taking PPI action where the pay rate offered is clearly outside the market rate stated in the applicable sources.

Weighing and balancing market rate sources:

When determining the market rate, a range of sources should be considered. When considering how much weight should be attributed to a particular source, immigration officers may consider how the data was obtained, the sample size, recency of the data, and whether the data includes granular information around key terms and conditions of employment.

Sources that express the market rate as a range are generally more representative of the market rate compared to a source that expresses the market rate as an average. Similarly, sources that provide market rate information based on the level of training and experience required for the role, region of employment, or other terms and conditions of employment may be more representative compared to a source that combines these factors and provides one pay range.

Conflicting sources:



Where market rate sources conflict, immigration officers are not necessarily required to determine that the market rate should be set based on the source with the lowest pay rate. Instead, the sources should be carefully weighed and balanced to determine which source provides the more reliable information when assessing whether the pay rate offered is likely to meet the market rate.

In the example of a Storeperson:

Careers NZ states a Storeperson can earn \$47,840-\$62,400

- The source is based on data from 2018, which can be considered to be outdated
- Based on a 40 hour week, the range starts below the NZ minimum wage
- The higher end of the range is for managers and supervisors

Seek Salary Guide states the salary for a Storeperson ranges from \$60,000-\$70,000

- Seek data is based on full-time salary ranges disclosed by employers on SEEK job ads in the last 12 months
- At the time of writing, Seek is advertising around 10,000 jobs in New Zealand (large sample size)

In this example, Careers NZ would not be considered a suitable market rate source, whereas significant weight can be placed on Seek as a source, given the recency of the data and sample size.

Pay ranges:

Where a pay range is proposed at the Job Check stage, the entire pay range proposed in the Job Check must not be less than the market rate (or lower pay rate of a market rate range).

Future pay increases:

The market rate must be met at the time the Job Check application is made, rather than based on proposed future pay increases offered to the Accredited Employer Work Visa applicant.

Appropriate market rate sources:

The table below provides a list of resources that immigration officers may consider as part of their assessment process. Other market rate sources may be considered on a case-by-case basis, taking into account the guidance outlined above.

Seek Salary Guide	
CareersNZ	



Hays Salary Guide

Federated Farmers Salary Guide

Absolute IT - IT Job Market & Salary Report

Hospitality Industry Remuneration Survey

Restaurant Association Remuneration Survey