



Accreditation criteria for Living Wage Employers

You must fulfil the following criteria to achieve and keep Living Wage Employer accreditation. Once you're accredited:

- you'll be a Living Wage Employer
- you can display the Living Wage Employer trade marks.

Your employees get the Living Wage

All your directly employed workers aged 16 or over and based in New Zealand must be on the current Living Wage. 'Directly employed workers' are people you employ in an employer-employee relationship.

Workers employed by contractors get the Living Wage

All indirectly employed workers must be either:

- on the current Living Wage
- on milestones for phasing in the Living Wage, as we've agreed with you.

'Indirectly employed workers' are people employed by your contractors (other than apprentices or interns) who do a service for you on a regular and on-going basis at any of:

- your premises
- property you own, occupy, or lease
- land you're responsible for maintaining or working on
- another workplace
- their own home.

Examples of indirectly employed workers

Workers who come onto your premises regularly, such as:

- cleaners
- security staff
- mailroom staff
- catering staff.

Workers who work in other places, such as:

- construction workers who work on various sites
- home care workers who work in the community
- truck drivers who travel the country.

Some workers and work do not count towards accreditation

We don't count these things towards your accreditation:

- workers who are self employed
- work arranged by a landlord to deliver services on your premises
- work delivered by a separate entity on premises they hire from you
- work you pay for that's not 'regular and on-going' — for example, contracts you have with printers, telecommunication providers, electricity retailers.

Some workers employed by subcontractors get the Living Wage

Some people employed by your subcontractors may meet the definition of 'Indirectly employed workers'. If they do, they must be either:

- on the current Living Wage
- on milestones for phasing in the Living Wage, as we've agreed with you.

We'll help you identify which of your subcontractors' workers meet this definition.

Trainees get the training rate or the Living Wage, plus costs

You must pay trainees:

- the training rate (90% of the current Living Wage) for the first 12 months, or 1,040 hours of work, whichever is less
- the full Living Wage rate after 12 months
- all costs to do with getting qualified, including course costs and leave needed.

If you don't meet the above criteria, the Living Wage rate applies.

Trainees are workers:

- doing an NZQA qualification to Level 3 NZQA Certificate or above
- receiving their training to meet the requirements of their job.

You don't need to pay the Living Wage to apprentices

The Living Wage does not apply to apprentices. Formal apprenticeships under the Education and Training Act 2020 have pay criteria dictated by government.

Your franchisees meet all the accreditation criteria

If you're a master franchiser, you must make sure that all your franchisees meet the criteria for Living Wage Employers. (A master franchiser being accredited does not automatically result in accreditation for individual franchisees.)

If you're a franchisee, you can become accredited individually. This accreditation does not apply to other franchisees unless either:

- the master franchiser is accredited and has included individual franchisees on their licence agreement
- the other franchisees have individual accreditations.

Your workers have access to a union

You must give your workers access to a union, as required by section 20 of the Employment Relations Act 2000. We'll check that you've done this. If you have a current relationship with the union, we'll notify the union that you've become accredited, giving them at least 7 days' notice.

Your workers' conditions are not reduced

You must not reduce your employees' terms and conditions to pay the Living Wage. For example, you cannot reduce hours or other benefits so you can cover the cost of paying the Living Wage.

Salaries increase within 5 months of a Living Wage increase

You must apply the new Living Wage rate within 5 months of it being released.

Your accreditation is valid once you've signed your licence

When you've met all the above criteria, you'll sign an Accreditation Licence. Your Living Wage Employer accreditation is valid for as long as your licence is in force.