



## COVERSHEET

<b>Minister</b>	Hon Michael Wood	<b>Portfolio</b>	Immigration
<b>Title of Cabinet paper</b>	<i>Border Settings and Border exceptions referred to Cabinet</i>	<b>Date to be published</b>	19 August 2022

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
July 2021	<i>Border Settings and Border exceptions referred to Cabinet</i>	<i>Office of the Minister of Immigration</i>
12 July 2021	<i>CAB-21-MIN-0278 Minute</i>	<i>Cabinet Office</i>
2 August 2021	<i>2122-0198 Further advice on phasing and timing to broaden border settings</i>	<i>MBIE</i>
<i>30 September 2021</i>	<i>2122-0969 Implementing Broader Border Settings</i>	<i>MBIE</i>

### Information redacted

**YES / NO**

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reasons of privacy of natural persons and free and frank opinions



## BRIEFING

### 2122-0198 Further advice on phasing and timing to broaden border settings

<b>Date:</b>	2 August 2021	<b>Priority:</b>	High
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	2122-0198

Action sought		
	Action sought	Deadline
Hon Kris Faafoi <b>Minister of Immigration</b>	<b>Agree</b> your preferred phasing of options to broaden border settings	9 August 2021
Hon Chris Hipkins <b>Minister of COVID-19 Response</b>	<b>Direct</b> officials to report back on MIQ demand and capacity in early September to inform decisions on timeframes to commence the phased entry.	

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Kirsty Hutchison	Manager, Immigration (Border and Funding) Policy	<small>Privacy of natural persons</small>	✓
<small>Privacy of natural persons</small>			

The following departments/agencies have been consulted

Minister's office to complete:

- |   |  |
|---|--|
| <input type="checkbox"/> Approved             | <input type="checkbox"/> Declined            |
| <input type="checkbox"/> Noted                | <input type="checkbox"/> Needs change        |
| <input type="checkbox"/> Seen                 | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn           |

Comments



# BRIEFING

## 2122-0198 Further advice on phasing and timing to broaden border settings

<b>Date:</b>	2 August 2021	<b>Priority:</b>	High
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	2122-0198

### Purpose

To seek agreement on phasing the changes to border exceptions for family reunification, other critical worker criteria and to allow offshore residence visa holders to enter New Zealand.

### Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

- a **Note** that we recommend the family reunification cohort be categorised into four tranches (the most recent estimate of numbers in each tranche is in brackets):
- i. Tranche 1: people who currently hold or held a relationship-based visa at the time of the border closure (~1,600)
  - ii. Tranche 2: people whose relationship-based visa applications have been paused due to the border closure (~4,000)
  - iii. Tranche 3: temporary visa holders with an employer-assisted visa (~3,500) who wish to sponsor partners and dependents
  - iv. Tranche 4: all other onshore temporary visa holders (~5,000) who wish to sponsor partners and dependents
- Noted*
- b **Note** that we have considered the options for phasing and timing of the proposed changes to border settings in terms of their impacts on:
- a. social and economic outcomes
  - b. MIQ space and our ability to manage increased demand
  - c. administrative demands on Immigration New Zealand to process additional applications
- Noted*
- c **Note** we suggest the following phasing for broadening border settings

Phase One	Phase Two	Phase Three
Family reunification – Tranches 1 and 2	Family reunification- Tranche 3	Family reunification- Tranche 4
Lower Other Critical Worker salary threshold	Offshore residence visa holders	

*Noted*

- d **Agree** to the proposed phasing of changes to border exceptions for family reunification, and other critical worker criteria and to allow offshore residence visa holders' entry in to New Zealand  
*Agree / Disagree*
- e **Note** that the Government's decision to suspend QFT arrangements with Australia has created significant uncertainty on MIQ demand and availability over the remainder of 2021  
*Noted*
- f **Note** that prior to the suspension of QFT with Australia there was very high demand for MIQ space, which was expected to continue until early 2022  
*Noted*
- g **Note** that by mid-August we will have a better understanding of how the suspension of the QFT with Australia will impact future demand for MIQ space  
*Noted*
- h **Note** that Immigration New Zealand requires four-six weeks to operationalise any changes to border settings, therefore any decisions on timing will need to take this lead time into account  
*Noted*
- i **Direct** officials to report back on MIQ demand and capacity in early September to inform decisions on timeframes to commence the phased entry  
*Agree / Disagree*
- j **Note** that deferring a decision on timing until September will also defer the report back to Cabinet on phasing family reunification and any announcements on broader border settings  
*Noted*

Privacy of natural persons

Kirsty Hutchison  
**Manager, Immigration (Border and Funding) Policy**  
 Labour, Science and Enterprise, MBIE  
 02/08/2021

Privacy of natural persons

02/08/2021

Hon Kris Faafoi  
**Minister of Immigration**  
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Hon Chris Hipkins  
**Minister of COVID-19 Response**  
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## Background

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1. On 12 July 2021, Cabinet considered proposals for broadening the border settings for groups that have flexibility around their travel dates and:
  - agreed to establish a border exemption to allow all offshore residence visa holders to enter New Zealand;
  - agreed to reduce the salary threshold for long-term (more than six months) other critical workers to 1.5 times median wage per annum and retain all other criteria;
  - agreed, in principle, to establish a border exception for partners and dependents of all onshore temporary work visa holders;
  - invited you both to report back on the phasing and timing of the border exception in bullet three;
  - authorised you both to take implementation decisions to broaden border settings, subject to the report-back above (CAB-21-MIN-0278).
2. You asked the Ministry of Business, Innovation and Employment (MBIE) to report back on the phasing and timing for entry to New Zealand across all three cohorts: offshore residence visa holders; other critical workers and family reunification, including a breakdown of the cohort for family reunification

## Phasing the changes to border settings

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3. In developing the phasing of the proposed changes to border settings we have considered the impacts on:
  - a. social and economic outcomes
  - b. MIQ space and our ability to manage increased demand, and
  - c. administrative demands on INZ to process additional applications.
4. Enabling families that have been separated by the border closure to reunite in New Zealand will address the significant hardship these families have experienced. It will also deliver economic benefits as skilled workers are more likely to stay in New Zealand if there is a pathway for their families to join them.
5. The proposed phasing seeks to take account of the impacts on INZ processing capacity by staggering the changes and prioritising the family reunification groups that already hold or have submitted applications for visas.

## Family reunification

6. We suggest splitting the family reunification cohort in to four tranches:
  - a. Tranche 1: those who currently hold or held a relationship-based visa at the time of the border closure who are not covered by existing border exceptions<sup>1</sup> (around 1,600<sup>2</sup>) people:

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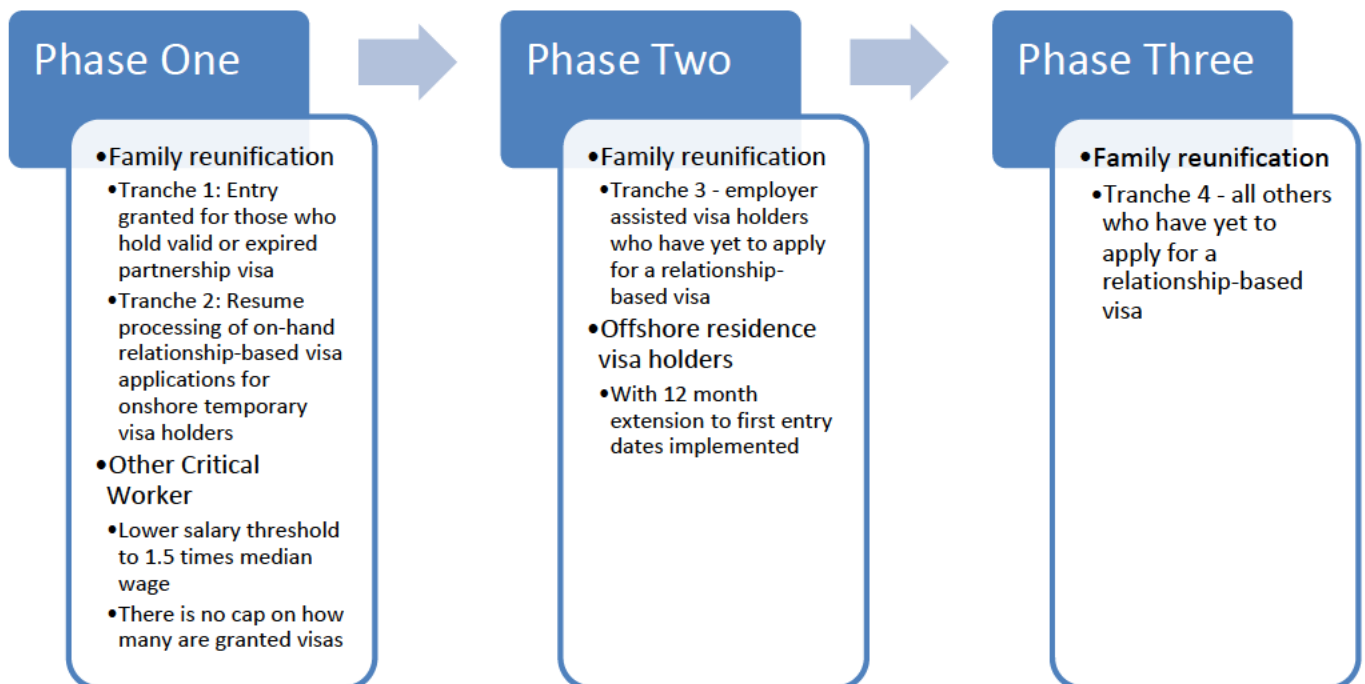
<sup>1</sup> On 12 April 2021, Cabinet agreed to create a border exception for partners and dependents who held a visa before the border closure. There were around 400-500 individual family members who qualified for this border exception. As of 10 July, 212 Expressions of Interest had been approved.

<sup>2</sup> These numbers are subject to final quality assurance.

- i. Partners and dependent children that were in New Zealand but left prior to the border closure and cannot enter under the 'normally resident' border exception (~500)
  - ii. Partners and dependent children who held a visa that is now expired and where the sponsoring onshore temporary visa holder has a minimum of 12 months left on their visa (~1,100)
- b. Tranche 2: those whose relationship-based visa application has been paused due to the border closure (~4,000).
  - c. Tranche 3: temporary visa holders with an employer-assisted visa who wish to sponsor partners and dependents (Based on the proportion of employer-assisted work visa holders who brought in family members prior to COVID, we estimate around 3,500 of this group may wish to bring in family).
  - d. Tranche 4: other temporary work visa holders who are eligible to sponsor a partner or dependent and who have not yet done so. (This group mainly comprises post study work visa holders and is estimated at around 5,000).

### Three phases of entry

7. We recommend the following three phases of entry. This phasing allows a pathway for some partners and dependents of temporary visa holders to enter New Zealand first as MIQ space allows. It provides some immediate relief to businesses seeking critical workers and defers a significant proportion of the new exceptions until Phase Two.



### *Offshore Residence Visa holders are considered New Zealanders by the Managed Isolation Allocation System*

8. There are around 5,000 offshore residence visa holders who are unable to enter New Zealand as the border closed before they first entered the country to activate their visas.
9. The Minister for Covid-19 Response recently agreed to ring-fence spaces in MIAS to ensure New Zealanders retain priority access. This means New Zealanders will be able to book all available places on MIAS, but non-New Zealanders will not be able to book over 30% of rooms. These changes will be introduced in August for future voucher releases.



10. Residence-class visa holders are treated as “New Zealanders” for the purposes of ring-fencing in MIQ. Delaying their entry until Phase Two would ensure they do not displace New Zealand citizens in the short-term where there is already very high demand.
11. The Minister of Immigration approved a 12 month extension to these visas in 2020. Many of these visas will expire from September 2021. We are preparing a separate briefing to seek the Minister of Immigration’s approval to grant a further 12 month extension of first entry dates for these visa holders.

#### *Other Critical Workers*

12. We recommend prioritising this cohort to help address skills shortages experienced by businesses. The Minister of Immigration has asked for some further advice on the other critical worker criteria. We will report back separately on this.

## **Timing the entry of the cohorts**

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13. Since April 2021, the pressure on the MIQ system has increased significantly, driven by two key shifts:
  - a. Demand for MIQ rooms, which had been low between late March and early May, has significantly increased. This increase is driven primarily by New Zealanders, with returnees from the United Kingdom and United States making up a disproportionately large part of this increased demand [briefing 2021-4418 (Annex One) refers]; and
  - b. MIQ making 2030 rooms available at short notice from 13 July – 22 August to facilitate the managed return of travellers from New South Wales.
14. Prior to the suspension of QFT, MIQ officials assessed it as likely that high demand for MIQ space would continue for much or all of the time until the end of the summer 2021/22 peak. The suspension of QFT with Australia will increase this pressure, although the magnitude is yet to become clear.
15. In light of the rapidly evolving situation with Australia, officials recommend decisions on timing are deferred until early September. This will allow time for MIQ to move past the current “incident management” response, and gain clarity on the likely impact of the suspension on MIQ demand, in particular:
  - a. How many of the estimated 20,000 New Zealanders currently thought to be in Australia remain to be repatriated after the conclusion of the ‘Green’ flight process;
  - b. How much demand remains for ‘Red’ managed return flights from New South Wales;
  - c. How much demand from Australian travellers re-emerges if ‘Red’/MIQ flights are re-established;
  - d. What proportion of MIQ space is being withheld from public release to facilitate returning New Zealanders from Australia, and for how long that may be required.

#### *Decisions on timing will need to allow for a lag-time between decisions and arrivals*

16. INZ has advised that any changes to border settings would require changes to the Immigration Instructions and some IT adjustments to ensure the system can process the visas for the new cohorts. Therefore we anticipate around four-six weeks lead-in time for each of the three phases.

## Next steps

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17. Further advice on MIQ pressure and capacity can be provided early September to enable you to make decisions on the timeframes for implementing the phased entry to New Zealand.
18. Once decisions on timing have been taken, officials will prepare advice for you to report back to Cabinet on your preferred phasing and timing of broader border settings. We will then work with you and your office to prepare materials to announce the changes.