



COVERSHEET

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

List of documents that have been proactively released

Date	Title	Author
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

Implementing Broader Border Settings

Date:	30 September 2021	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-0969

Action sought		
	Action sought	Deadline
Hon Kris Faafoi Minister of Immigration	Agree to the proposed phasing and timing of the border setting changes for 'Other Critical Worker' criteria, offshore residence visa holders	13 October 2021
Hon Chris Hipkins Minister for COVID-19 Response	Agree not to establish the family reunification border exception in light of decisions on one-off residence	13 October 2021

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

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 Withdrawn |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

Implementing Broader Border Settings

Date:	30 September 2021	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-0969

Purpose

To seek agreement to:

- phasing and timing of broader border settings for offshore residence visa holders and other critical worker criteria agreed by Cabinet on 12 July 2021; and
- not to progress a border exception for family reunification in light of Cabinet's decision on the 2021 Residence Visa.

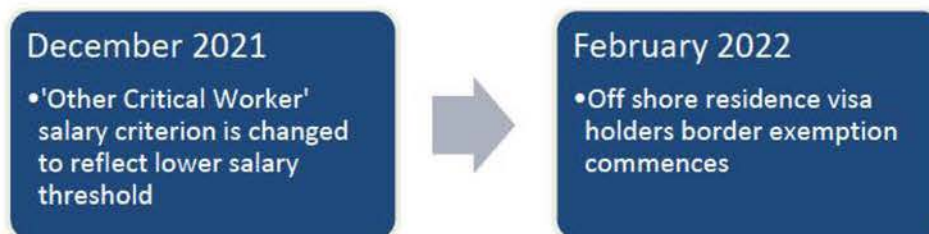
Recommended action

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

- Note** that on 12 July 2021, Cabinet agreed to changes to border settings for family reunification, 'other critical worker' salary threshold and offshore residence visa holders and invited you to report back on phasing and timing of family reunification [CAB-21-MIN-0278]
Noted
- Note** that we reported back to you on 2 August 2021 on the proposed phasing for these border exceptions and indicated we would report back on timing once we understood the impacts of suspending quarantine-free travel with Australia on demand for managed isolation and quarantine [Briefing 2122-1098]
Noted
- Note** that on 2 September 2021, Cabinet agreed to introduce a one-off residence pathway for certain temporary migrant workers in New Zealand, which allows these workers to bring their eligible partners and dependents to New Zealand on residence visas [CAB-21-MIN-0359]
Noted
- Agree** that in light of the decision on one-off residence, the family reunification border exception is no longer needed, as many workers will be able to bring their eligible partners and dependents to New Zealand as part of their residence application
Agree/Disagree
- Note** that we expect demand for managed isolation and quarantine to remain high until at least February 2022, driven by continued high demand for New Zealanders to return home and therefore recommend implementing the changes to border settings for other critical workers in December 2021 and offshore residence visa holders in February 2022
Noted
- Agree** to implement the change to reduce the salary threshold for long-term (more than six months) 'other critical workers' to 1.5 times median wage per annum
Agree / Disagree

- g **Agree** to implement the border exemption that allows offshore residence visa holders to enter New Zealand in February 2022

Agree / Disagree



- h **Note** that individuals who qualify for these border exceptions will book their managed isolation and quarantine places through the Managed Isolation Allocation System unless they are eligible for other manual MIQ allocations

Noted

- i **Note** that the risk-based pathways approach of Reconnecting New Zealanders to the World is a better way to address any temporary workers who may wish to bring their families to New Zealand but are not eligible for one-off residence rather than introducing another very targeted border exception and can be explored further in late 2022

Noted

- j **Note** that on 12 July 2021, Cabinet asked you to report back on the phasing of family reunification, however in light of Cabinet's decision on one-off residence we no longer believe a formal report back is necessary

Noted

- k **Agree** to communicate these changes to your Ministerial colleagues by letter including proposed dates for announcement.

Agree / Disagree

Privacy of natural persons

Privacy of natural persons

Kirsty Hutchison
Manager, Immigration Policy (Border and Funding)
 Labour, Science and Enterprise, MBIE

Manager, MIQ Allocation and Supply
 Managed Isolation and Quarantine Policy Unit, MBIE

30/09/2021

30/09/2021

Hon Kris Faafoi
Minister of Immigration

Hon Chris Hipkins
Minister of COVID-19 Response

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Background

1. On 12 July 2021, Cabinet considered proposals for broadening the border settings for groups that have flexibility around their travel dates and:
 - i. agreed to establish a border exemption to allow all offshore residence visa holders to enter New Zealand;
 - ii. 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;
 - iii. agreed, in principle, to establish a border exception for partners and dependents of all onshore temporary work visa holders;
 - iv. invited the Minister for COVID-19 Response and the Minister of Immigration to report back on the phasing and timing of the border exception in (iii);
 - v. authorised the Minister for COVID-19 Response and the Minister of Immigration to take implementation decisions to broaden border settings, subject to the report-back above (CAB-21-MIN-0278).
2. On 2 August 2021, we provided advice to you around how we would phase these border exceptions but reserved a decision on timing until we could provide further advice on demand for managed isolation and quarantine (MIQ) due to the suspension of quarantine-free travel with Australia [Briefing 2122-0198].
3. On 6 September 2021, Cabinet agreed to introduce a one-off residence pathway for certain temporary migrant workers in New Zealand, which allows these workers to bring their eligible partners and dependents to New Zealand on residence visas [CAB-21-MIN-0359].
4. This paper recommends phasing and timing of changes to border settings originally agreed by Cabinet on 12 July 2021, in the context of one-off residence visa changes and MIQ demand.

Phasing the changes to the border settings

5. In developing the phasing of the proposed changes to border settings, we have considered the impacts on:
 - a) MIQ space and our ability to manage increased demand, and
 - b) operational and resourcing demands on Immigration New Zealand to process additional applications.
6. We considered all three cohorts together (offshore residence visa holders, other critical workers and partners and dependents of temporary work visa holders) when developing the phasing to ensure numbers of people and effects on MIQ could be reasonably managed.

One-off residence addresses family reunification for temporary migrant workers

7. On 12 July 2021, Cabinet agreed to establish a border exception to allow all eligible partners and dependents of temporary migrant workers to enter New Zealand. Cabinet's subsequent decision, on 6 September 2021, to extend one-off residence to temporary migrant workers who are 'settled, scarce or skilled' includes their eligible partners and dependents.
8. In our Cabinet advice on one-off residence options, we suggested establishing a limited border exception for partners and dependents offshore who had expired partnership visas or had applications lodged. This would provide a pathway for some families to reunite before their residence application would be decided. The rationale for granting a border exception to these cohorts (estimated at around 5600 individuals) was that they had demonstrated a genuine intention to come to New Zealand.

9. On reflection, with demand for MIQ spaces high and the visa processing resources required, we no longer recommend this family reunification border exception. Temporary migrant workers eligible for one-off residence will be able to include eligible partners and dependents in their residence visa application. Adding a possible 5600 partnership applications to the more than 110,000 potential applications for one-off residence will be difficult for Immigration New Zealand to operationalise.
10. We do not consider it a prudent use of resources to set up a pathway for temporary migrant workers to apply for a family reunification exception and then include their family members in their one-off residence application, when the latter will already allow them to bring their families onshore. There is also a financial implication for applicants as they will be charged fees for both applications.

Family reunification for those ineligible for one-off residence

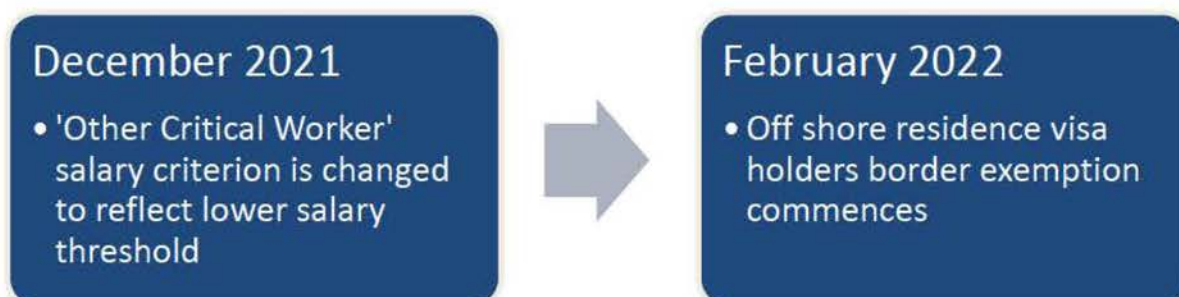
11. Around 110,000 eligible temporary migrant workers will be able to include their partners and dependents in their residence applications, however there will be a cohort of temporary migrant workers who will not meet any of the “settled, skilled or scarce” criteria e.g. a retail worker earning below the median wage who has been in New Zealand for two years.
12. Those ineligible for one-off residence will not be able to bring their partners and dependents to New Zealand and we recognise that the current criteria for the family reunification border exception is difficult to meet. We consider the Reconnecting New Zealanders to the World framework, when it is operational, a better option for families to enter to New Zealand rather than continuing to tweak the margins of the border exceptions framework.

Update on Managed Isolation and Quarantine demand and capacity

13. Since providing initial advice on potential phasing and timing of broader border settings [briefing 2122-0198 refers], forecasting now indicates that pressure on MIQ is expected to remain very high until at least February 2022. This is driven by continued high demand for New Zealanders to return home alongside the end of year seasonal peak.
14. Additionally, MIQ demand is facing increased demand from the:
 - recent pause on release of MIQ vouchers due to the Delta community outbreak, which will result in even more pent-up demand
 - continued support to Afghani evacuees who have the legal right to enter New Zealand, which could be as many as 1,200 individuals.
15. On 20 September 2021, MBIE released around 3,200 MIQ rooms for online booking. This was the first major release of rooms since 7 July, and saw almost 32,000 users trying to secure rooms.
16. MIQ released another 3,000 rooms on 28 September 2021, and there are approximately another 6,000 rooms for later release covering travel in November and December 2021. It is therefore likely that more than half the demand seen in the 20 September release will still not be able to be met during 2021.
17. The Minister for COVID-19 Response previously agreed to implement the ring-fencing of rooms on MIAS, to ensure New Zealanders have priority access to a majority of MIQ rooms [briefing 2021-4418 refers]. New Zealanders will have guaranteed access to 70% of MIQ vouchers. Currently, 79% of MIQ vouchers are New Zealand citizens and residents.
18. We will look to activate ring-fencing during early October 2021, in consultation with the Minister for COVID-19 Response’s office. The current split between New Zealanders and non-Zealanders indicates that the number of non-New Zealanders securing MIQ rooms could go up before hitting the 30% cap.

Suggested phasing and timing of changes for broader border settings

19. In light of the pressure on MIQ capacity, any move to permit a wider range of temporary visa holders to travel to New Zealand before the end of 2021 will only add to the number of travellers, including New Zealand citizens seeking to exercise their right to return to New Zealand but unable to secure a MIQ room.
20. Officials therefore recommend staging the new border settings to manage the additional demand these changes are anticipated to create over early 2022.
21. The below timings also reflect that there is a lag time between a new border exception being announced/opened, and migrants beginning to arrive as they secure a border exception, visa, and finally MIQ voucher and flight. While this timing will vary depending on the steps needed for each individual and each cohort, there is likely to be at least 1-2 months delay between a border exception opening and new migrants seeking MIQ rooms.



'Other Critical Worker' Criteria Change – December 2021

22. Reducing the salary threshold for long-term 'other critical worker' criteria is a straightforward change as all other criteria will remain the same. The high bar for employers to meet when seeking to bring workers to New Zealand will continue to limit numbers who are granted visas in this category.
23. To reduce the salary threshold for the other critical worker criteria from \$106,080 per annum to 1.5 times the median wage (\$84,240 per annum), officials will seek agreement from the Minister of Immigration to amend the Immigration Instructions so that this change is can be operational from December 2021. We recommend the Minister of Immigration announces this change soon after it is agreed.
24. This change will likely increase the number of critical workers entering New Zealand and using MIQ. Government agreed to establish a 10% target for critical workers use of MIQ. As shown in the table below, in July and August the number of critical workers using MIQ was below 10%.

Month	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021
Average Critical Worker occupancy	13.3%	18.8%	14.3%	10.3%	13.7%	10.5%	9.6%	8.3%

Table 1: Average MIQ occupancy of critical workers by month

Exemption for Offshore Residence Visa Holders – February 2022

25. There are around 5000 offshore residence visa holders who have yet to enter New Zealand for the first time. In August, the Minister of Immigration issued a Special Direction to extend the first-entry dates for these visas to 11 September 2022.

26. We suggest the exemption for this cohort is put in place by February 2022. This should ensure that the majority of the summer 2021/22 demand for MIQ has passed before this cohort are in a position to apply for MIQ rooms. This group will qualify for a border exemption as New Zealand citizens or residents, so any tools we use to prioritise entry for New Zealanders (e.g. ring-fencing) will also benefit this cohort.
27. These visa holders will still have around seven months' validity left on their visas in February 2022, however, it may be necessary to extend the first-entry dates of any visa holders who have not yet travelled to New Zealand prior to 11 September 2022.
28. For offshore residence visa holders, we will amend the current border exemption to allow those holding valid visas at the time of the border closure (19 March 2020) to enter New Zealand. As this is already agreed by Cabinet, officials will seek agreement from the Minister of Immigration to amend the Immigration Instructions. We recommend the Minister of Immigration announces this change soon after it is agreed to allow offshore residence visa holders to begin to make plans to travel to New Zealand.
29. The Minister for COVID-19 Response had asked us to investigate setting aside space in MIQ for these groups. We do not consider this necessary as one of our parameters for broadening border settings was that individuals had flexibility around travel dates and would book their MIQ place using the Managed Isolation Allocation System.

Next steps

30. Cabinet invited you to report back on phasing for the original family reunification border exception which allowed all temporary migrants to bring eligible partners and dependents to New Zealand.
31. In light of subsequent decision on one-off residence for temporary migrant workers and the reduced need for a family reunification border exception, we do not believe it is necessary to report back to Cabinet on the phasing of family reunification. We suggest you advise your Ministerial colleagues by letter of these changes and when you intend to announce them. Subject to your agreement we will provide a draft letter for your signatures.
32. We are preparing further advice that reports on the border exceptions regime to date, including numbers of migrants that have been granted visas and then entered New Zealand, additional border exceptions that are yet to be announced and operationalised (e.g. investors), and the pipeline of upcoming requests.