



## BRIEFING

### Border Exception Ministers – Extension of Polynesian Gateway class exception and update on incoming requests

<b>Date:</b>	4 October 2021	<b>Priority:</b>	Medium
<b>Security classification:</b>		<b>Tracking number:</b>	2122-1207

Action sought		
	Action sought	Deadline
Hon Kris Faafoi <b>Minister of Immigration</b>	<b>Agree</b> to extend the Polynesian Gateway class exception	11 October 2021
Hon Megan Woods <b>Minister for Research, Science and Innovation</b>		
Hon Chris Hipkins <b>Minister for COVID-19 Response</b>		
Hon Carmel Sepuloni <b>Minister for Social Development and Employment</b>		
Hon Stuart Nash <b>Minister for Economic and Regional Development</b>		
Hon Willie Jackson <b>Minister for Māori Development</b>		

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

The following departments/agencies have been consulted
MPI, MSD, Treasury, MFAT, MBIE (MIQ), MoH, MoE

**Minister's office to complete:**

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Notes

Withdrawn

**Comments**



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### Purpose

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This paper:

- seeks your in-principle agreement as Border Exception Ministers that an amended Polynesian Gateway border class exception be referred to Cabinet for approval
- provides an update on MIQ capacity, and incoming requests for class exceptions and out-of-cycle MIQ group allocation
- provides an overview of the cohorts that have been approved for border exceptions through the border exception regime over the past year.

### Recommended action

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

- Note** that in August 2021, you agreed to defer consideration of further border exception proposals until satisfied that MIQ could absorb the demand from these proposals in addition to already approved exceptions that are yet to be activated [briefing 2122-0567 refers]

*Noted*
- Note** that as part of the same briefing you also agreed to add the Tuvalu Maritime Strengthening Project to the government-to-government agreement list as the proposal was deemed critical to preserve safe travel and supply routes within Tuvalu, was time-sensitive and had minimal impacts on MIQ

*Noted*
- Note** that this briefing seeks your approval to a further departure from the position in *recommendation a* above in order to extend the Polynesian Gateway class exception (due to expire on 3 November) and to increase the cap on numbers from 100 to 120 because we consider it meets a similar high threshold in terms of preserving travel links to the Pacific and will have minimal impacts on MIQ

*Noted*
- Note** that there are no other proposals on the border exception pipeline at the current time that we consider should be progressed to Border Exception Ministers for consideration given the ongoing pressure on the MIQ system, and that the case for continuing to defer consideration of border exception requests remains

*Noted*

*Polynesian Gateway class exception*

- e **Note** that the Polynesian Gateway class exception (sponsored by the Ministry of Foreign Affairs and Trade) supports essential travel in and out of the Cook Islands, Niue, Tokelau, Samoa and Tonga for up to 100 people over six months (due to expire on 3 November)

*Noted*

- f **Agree** to recommend that Cabinet approve the following changes to the Polynesian Gateway class exception:

i) an extension of 6 months from 3 November 2021 to 2 March 2022

Agree /  disagree

ii) the addition of Tuvalu to the exception

Agree /  disagree

iii) an increase in the cap over the six months from 100 to 120 people

Agree /  disagree

*Out-of-cycle MIQ group allocation requests*

- g **Note** the senior officials group will be considering the following out-of-cycle MIQ group allocation requests:

- an increase the number of spaces for travellers going to the Dubai Expo on 7 October (sponsored by New Zealand Trade and Enterprise)
- travel of officials to support New Zealand's offshore network (sponsored by the Ministry of Foreign Affairs and Trade)
- Ministerial and dignitary travel for trade and international relations reasons (sponsored by the Ministry of Foreign Affairs and Trade)

*Noted*

*Overview of border exception approvals over 2020/21*

- h **Note** that since March 2020, approximately 26,200 individuals have had their expression of interest for a border exception approved (note this number does not include students)

*Noted*

- i **Note** that consistent with Government priorities, the largest sectors that have benefited from the border settings are healthcare, primary industries and research and development (refer Annex Three)

*Noted*

Privacy of natural persons

Privacy of natural persons

**Manager, Immigration (Border and Funding) Policy**

Labour, Science and Enterprise, MBIE

04/10/2021

**Manager, MIQ Allocation and Supply Policy**

Managed Isolation and Quarantine, MBIE

04/10/2021

Hon Kris Faafoi  
**Minister of Immigration**

..... / ..... / .....



Hon Chris Hipkins  
**Minister for COVID-19 Response**

12 / 10 / 2021

Hon Megan Woods  
**Minister for Research, Science and Innovation**

..... / ..... / .....

Hon Carmel Sepuloni  
**Minister for Social Development and Employment**

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Hon Stuart Nash  
**Minister for Economic and Regional Development**

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Hon Willie Jackson  
**Minister for Māori Development**

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## Background

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1. In August, you agreed to defer decisions on further class exceptions until you were satisfied that the additional demand they would generate was manageable within MIQ capacity constraints.
2. This decision took account of the significant strain on MIQ capacity at the time, along with the fact that there were a number of previously agreed border exceptions yet to be implemented. Officials consider that approved border exceptions should be a priority for space in MIQ before additional demand is created through new class exceptions. The previously agreed border exceptions include class exceptions for investors (100) and students (1,000), and a border exception for offshore resident class visa holders who have been unable to enter New Zealand (approx. 5,000).
3. You agreed to consider a proposal to add the Tuvalu Maritime Strengthening Project (the Project) to the government-to-government agreement list because of the essential nature of the work, the minimal MIQ impacts, potential coordination with other projects, and the Project's alignment with New Zealand's strategic priorities. You approved the Project for addition to the list by round robin in August [briefing 2122-0567 refers]. On a similar basis, this briefing seeks a decision from you on whether to extend the Polynesian Gateway class exception until 3 March 2021. This request is discussed further below.
4. Beyond such "high priority / small MIQ impact" exceptions we recommend that you continue to defer consideration of proposals for border exceptions until capacity in MIQ increases sufficiently to absorb the additional demand that these exceptions create.

## Polynesian Gateway extension and update on other requests

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5. SOG met on 24 September and considered two proposals for class exceptions:
  - extension and minor amendments to the 'Polynesian Gateway' class exception, which supports essential travel in and out of the Cook Islands, Niue, Tokelau, Samoa and Tonga – sponsored by the Ministry of Foreign Affairs and Trade (MFAT)
  - a new class exception proposal for up to 45 halal slaughterers – sponsored by the Ministry for Primary Industries (MPI).

### *Polynesian Gateway*

6. The Polynesian Gateway supports essential travel to and from the Realm (Cook Islands, Niue, and Tokelau) and Samoa and Tonga. For essential travellers, the exception facilitates 14-day MIQ access in New Zealand before their onward flight connections into the Pacific. New Zealand is the primary gateway to-and-from the rest of the world for these five countries. There remains an ongoing need for the class exceptions due to uncertainty around international travel and border policies.
7. This class exception was first approved by Ministers with Power to Act over the General Election 2020 and government formation period [briefing 2021-1025 refers] and was implemented from 3 November 2020 for an initial period of six-months, with a view to review based on demand. On 19 April 2021, Border Exception Ministers with Power to Act approved the first extension to this class exception, for an additional 100 people over six months [briefing 2021-3123 refers].
8. There is strong demand for the exception, which demonstrates the ongoing humanitarian, economic and development need for essential travel in and out of the Pacific. MFAT proposes increasing the exception from 100 to 120 travellers over a six-month period.

9. MFAT also proposes the inclusion of Tuvalu as a qualifying country. This would support the implementation of New Zealand investments under the Aid Programme and enable the Government of Tuvalu to undertake maintenance to critical infrastructure such as desalination plants. SOG supports both amendments to the class exception.
10. SOG believe that there is a strong case for referring this proposal to Ministers for extension for the following reasons:
  - there are significant foreign policy benefits and it supports the Government's objectives in the Pacific
  - the impact on MIQ would be minimal
  - the class exception was established in November 2020 with a view to review based on demand and demand for the exception remains.
11. We seek your agreement by round robin by 11 October, to enable a Cabinet paper to be prepared for Cabinet consideration on 18 October. This will allow sufficient time for Immigration Instructions to be prepared for an extension to the class exception before the current class exception expires on 2 November.

#### *Halal slaughterers*

12. SOG agreed in principle to support the proposal for a class exception for up to 45 halal slaughterers, but not to refer this to Border Exception Ministers at this time. This is because in light of the ongoing pressure on MIQ, SOG considered that it should be considered and prioritised alongside other workforce class exceptions in the pipeline.
13. An earlier request from the sector was declined by Border Exception Ministers in September 2020 [briefing 2021-0950 refers]. The sector advised that 80 of the 132 migrant workers employed by the industry at the time were going to be subject to a 12-month stand-down period during the January to September season. This meant that they would need to leave New Zealand unless they could secure a visa that was not subject to the stand-down (e.g. by being paid above the national median wage and securing a higher paid visa).
14. Prior to Ministers reconsidering this proposal, MBIE recommends that the sector should provide further information about why they have not been able to retain these workers, particularly given the implementation of the stand-down requirement has been deferred.

#### *Pipeline of requests for class exceptions (Annex One)*

15. Annex One provides a draft overview of the current requests on hand for class exceptions and additions to government-approved lists. In addition to the two discussed above, there are five in development. MPI is the sponsoring agency for two of these (rural contractors and seafood processors), MBIE is the sponsoring agency for the other three (tech sector workforce, construction workers and auditors).

#### *Out-of-cycle MIQ group allocation requests*

16. Agencies continue to engage with MIQ on the prospect of securing out-of-cycle group allocations for the current allocation period. The Minister for COVID-19 Response has previously advised that no out-of-cycle requests will be considered [briefing 2122-0300 refers]. SOG will be considering a proposal to increase the number of spaces for travellers going to the Dubai Expo on 7 October, alongside a proposal from MFAT regarding travel of officials to support New Zealand's offshore network.
17. Ministers have also received an out-of-cycle group allocation request to allow Ministerial and dignitary travel for trade and international relations reasons [briefing 2122-1224 refers].

## **Demand for MIQ remains very high**

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18. 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.
19. Additionally, MIQ demand is facing increased demand from the:
  - recent pause on release of MIQ vouchers due to the Delta community outbreak
  - ongoing support to enable limited returns from Australia during the QFT suspension, including a return in limited red flights
  - continued support to Afghani evacuees who have the legal right to enter New Zealand, which could be as many as 1,200 individuals.
20. On 20 September, 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.
21. To meet the remainder of this demand, as well as any additional demand for MIQ rooms that will arise over the coming months, MIQ has around 3,000 rooms planned for release before the end of September, and approximately a further 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 not be able to be met during 2021.
22. It was 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 a guaranteed access to 70% of MIQ vouchers. Currently 79% of MIQ vouchers are secured by New Zealand citizens and residents.

## **Overview of groups approved under the border exceptions regime**

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23. Since the border was closed in March 2020, highly targeted border exceptions have enabled entry to New Zealand for a range of temporary migrants. Around 26,200 individuals have had their expression of interest for a border exception approved since the March 2020.
24. Annex Three sets out the mix of groups with approved EOIs for border exceptions and their relative size, for the period 18 June 2020 to late September 2021 (excluding students). Consistent with Government priorities, the largest sectors that have benefited from the border settings are healthcare (23%), primary industries (22%) and research and development (16%, of which 12% is for people transiting New Zealand as part of international Antarctic science and research programmes).

## **Next steps**

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25. Cabinet approves proposals for class exceptions. We recommend that Border Exception Ministers agree in principle to the extension and minor amendments to the Polynesian Gateway class exception by 11 October, and that the Minister of Immigration take the proposal to Cabinet for approval. Should Cabinet agree, changes to immigration instructions will be drafted for the Minister of Immigration's certification.

## **Annexes**

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Annex One: Pipeline of requests for class exceptions and additions to lists

Annex Two: Proposal for extension of Polynesian Gateway exception

Annex Three: Draft overview of migrant groups that have had EOIs approved under the border exceptions regime since June 2020

**Annex One: Pipeline of requests for class exceptions and additions to lists**

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# Pipeline of Requests for Border Class Exceptions and Additions to Lists

4-Oct-21	Agency	Group	Sept	Oct	Nov	Dec '21	Jan '22	Feb	Mar	April	May	June	Total
For implementation	MBIE	Offshore resident visa holders	Cabinet agreed a border exception for around 5,000 offshore resident class visa holders. Advice on phasing of implementation is being considered by the Minister of Immigration and Minister for COVID-19 Response										~5,000
		Investors (pending Cabinet decision)	100 people										100
	MoE	International students	Up to 1,000 students from February 2022										1000
For decision	MFAT	Polynesian Gateway	Extension of existing border exception for up to 120 travellers from Polynesian Gateway countries (including addition of Tuvalu) over 6 months, from 3 November										120
	MPI	Halal slaughterers	Up to 45 timing flexible (peak period December - March)										45
In development	MPI	Rural contractors	Up to 75 timing to be confirmed										75
		Seafood processors	Indicative - early stage of development										TBC
	MBIE	Tech sector workforce	Indicative - early stage of development										TBC
		Construction workers	Indicative - early stage of development										TBC
		External auditors	Indicative - early stage of development (a previous request was declined by Border Exception Minsiters at meeting 8 on 5 July)										TBC

## Annex Two: Polynesian Gateway proposal

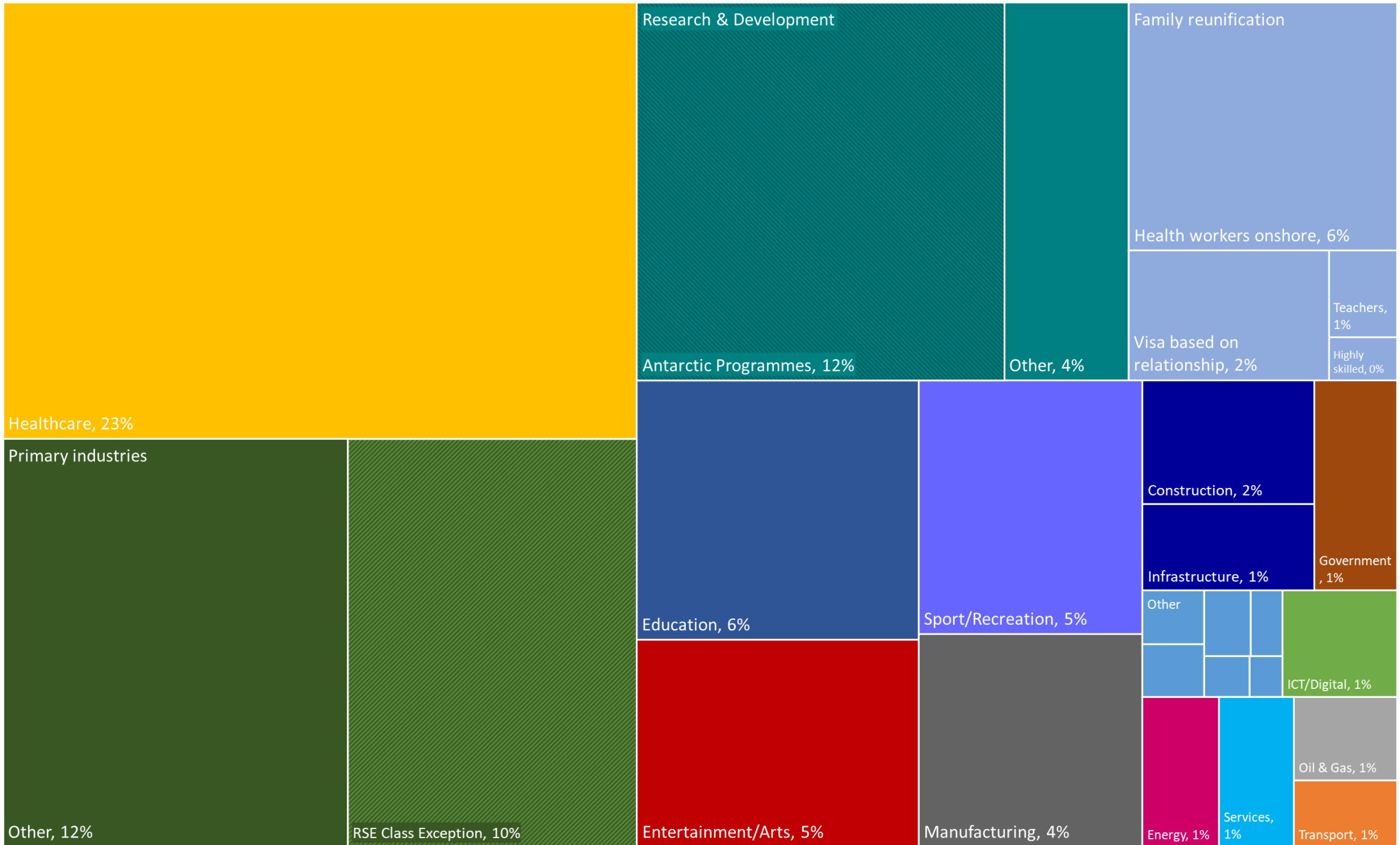
<p><b>Proposal:</b></p> <p><b>Extension of Polynesian Gateway Exception – essential travel to and from the Cook Islands, Niue, Tokelau, Samoa and Tonga (proposal to add Tuvalu)</b></p>		
Numbers	Timing considerations	Any other relevant information
<p><b>120 (proposal to increase cap from 100)</b></p> <p>The current exception runs from 3 May 2021 – 2 November 2021 and is capped at 100.</p>	<p>Border exception will be approved for six months from 3 November 2021</p>	<p>This application is for:</p> <ul style="list-style-type: none"> <li>the extension of the current Polynesian Gateway border exception;</li> <li>the addition of Tuvalu to the list of countries (Cook Islands, Niue, Tokelau, Samoa and Tonga) for which this exception applies; and</li> <li>an increase to the total number of Invitations to Apply granted for this border exception from 100 to 120 within a six month period.</li> </ul> <p>As with the existing category, the gateway Government nominates an essential traveller for MFAT’s consideration. MFAT processes these applications and submits them to Immigration New Zealand (INZ). Individual travellers are required to submit an EOI to INZ, and if successful travellers are invited to apply for a visa.</p>
<p><b>Assessment</b></p>		
<p><b>Mandatory criteria</b></p>	<p>Provide net benefits</p>	<p>Significant foreign policy benefits</p>
	<p>Minimal labour market displacement</p>	<p>N/A</p>
	<p>Reasonable request compared to others</p>	<p>Yes, given small numbers</p>
	<p>Strategic alignment</p>	<p>Yes; close alignment with foreign policy objectives in terms of relationship with the Pacific</p>
	<p>Previously lived in NZ/expectation to live in NZ</p>	<p>N/A</p>
	<p>MIQ manageable</p>	<p>Yes</p>
<p><b>Further strength of case</b></p>	<p>State which factors:</p> <ul style="list-style-type: none"> <li>- <i>Support significant jobs</i></li> <li>- <i>Support sector</i></li> </ul>	<p>Not for New Zealand, but for Pacific.</p> <p>The strategic objectives of this group are to support the economic, social and environmental security of the gateway countries while supporting them to remain COVID-free. This exception proposal directly meets these</p>

		objectives through facilitating the flow of essential travel. These objectives align with New Zealand's interests in a safe, prosperous and resilient Pacific.
<b>Other</b>	Legal risks	None identified
	Precedent risk or comparison issue	Free and frank opinions
<b>Other agency views/concerns?</b>		
SOG supported the extension of this class exception, along with the increase to the cap (from 100 to 120 people over six months) and the inclusion of Tuvalu.		
<b>MIQ comment</b>		
Individual travellers are responsible for obtaining an MIQ voucher through the Managed Isolation Allocation System (MIAS). If they meet the criteria, they can apply for a voucher through time-sensitive travel or emergency allocation.		
<b>Overall recommendation</b>		
Strong case, low numbers, urgency to approve extension as current exception expires 2 November 2021. <b>Approve</b> – cap at 120 for the next six months.		

**Annex Three: Draft overview of migrant groups that have had EOIs approved under the border exceptions regime since June 2020**

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Balance of workers, students and family reunification approved from 18 June 2020 across all border exception pathways as at September 2021



- Other
  - Transport
  - Oil & Gas
  - Services
  - Energy
  - ICT/Digital
  - Construction/Infrastructure
  - Government
  - Manufacturing
  - Sport/Recreation
  - Entertainment/Arts
  - Education
  - Research & Development
  - Primary industries
  - Healthcare
  - Family reunification
- Other includes:  
Retail  
Finance  
Import/Export  
Advisory/Consulting  
Marine  
Tourism/Hospitality