



## COVERSHEET

<b>Minister</b>	Hon Andrew Little	<b>Portfolio</b>	Immigration
<b>Title of Cabinet paper</b>	Options for updating and reopening the Parent Category Resident Visa	<b>Date to be published</b>	12 July 2023

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
September-October 2022	Options for updating and reopening the Parent Category Resident Visa	Office of the Minister of Immigration
28 September 2022	Options for updating and reopening the Parent Category Resident Visa DEV-22-MIN-0230 Minute	Cabinet Office
3 October 2022	Options for updating and reopening the Parent Category Resident Visa CAB-22-MIN-0421 Minute	Cabinet Office
29 July 2022	Options for updating and reopening the Parent Category Resident Visa	Ministry for Business, Innovation and Employment
18 August 2022	Draft Cabinet paper for consultation – Updating and reopening the Parent Category Resident Visa	Ministry for Business, Innovation and Employment
18 August 2022	Parent Category – options for Green List sponsors and implementation	Ministry for Business, Innovation and Employment
9 September 2022	Final Cabinet paper – Options for updating and reopening the Parent Category Resident Visa	Ministry for Business, Innovation and Employment

### **Information redacted**

**YES / NO** (please select)

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 to maintain legal professional privilege, privacy of natural persons, free and frank opinions and confidential advice to Government.



## BRIEFING

### Draft Cabinet paper for consultation – Updating and reopening the Parent Category Resident Visa

<b>Date:</b>	18 August 2022	<b>Priority:</b>	Medium
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	2223-0389

Action sought		
	Action sought	Deadline
Hon Michael Wood <b>Minister of Immigration</b>	Agree to consult on the Cabinet paper with your Ministerial colleagues and provide final feedback to officials.	22 August 2022

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Andrew Craig	Manager, Immigration (Skills and Residence) Policy	Privacy of natural persons	✓
Ella Pearce	Graduate Policy Advisor		

The following departments/agencies have been consulted
Ministry of Social Development, Ministry of Housing and Urban Development, Ministry of Health, the Treasury, Ministry for Ethnic Communities, Ministry for Pacific Peoples, Whaikaha (Ministry of Disabled People), Ministry for Women, Ministry of Foreign Affairs and Trade, and Immigration New Zealand

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

## Draft Cabinet paper for consultation – Updating and reopening the Parent Category Resident Visa

<b>Date:</b>	18 August 2022	<b>Priority:</b>	Medium
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### Purpose

To provide you with a draft Cabinet paper on proposed revisions to settings for the Parent Category Resident Visa (Parent Category), to be circulated for Ministerial consultation. This paper is accompanied by a briefing on options for preferential treatment of Green List residents and some implementation details.

### Recommended action

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

- a **Note** that on 29 July 2022 MBIE provided you with initial advice on options to update and reopen the Parent Category [briefing 2122-4075 refers]

*Noted*

- b **Note** that you have also just received further advice on options for Green List sponsors and implementation of the new settings [briefing 2223-0459 refers]

*Noted*

- c **Note** that officials have prepared the attached draft Cabinet paper (Annex One) to reflect your feedback. The paper proposes that:

- a. the income threshold for sponsors be lowered as outlined in the table below:

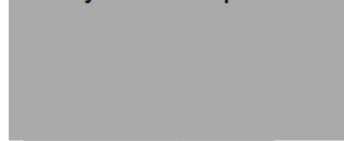
Income threshold for sponsors	One sponsor	<b>1.5x</b> median wage
	Joint sponsors	<b>2x</b> median wage
Sponsoring more than one parent	Income threshold increases by <b>0.5x</b> median wage per parent (up to six parents)	

- b. eligibility for joint sponsorship arrangements is extended to allow siblings to combine their income to meet the relevant threshold, rather than just partners
- c. the annual cap on the number of visas that can be issued to parents is to increase from 1,000 to 2,000 per annum
- d. selections of expressions of interest (EOIs) from the existing queue recommence in chronological order
- e. future EOIs are collected and selected from a ballot, and selections from the ballot begin after the existing queue is clear

*Noted*

- d **Note** that the attached draft Cabinet paper currently includes officials' recommended options for Green List sponsors and implementation of the ballot [briefing 2223-0459 refers] but will be amended to include your preferences ahead of consulting with your Ministerial colleagues  
*Noted*
- e **Note** that the draft Cabinet paper seeks Cabinet approval to give the Minister of Immigration the power to lapse new EOIs and to determine the details of the Parent Category ballot  
*Noted*
- f **Note** that specific estimates on the fiscal and service impacts of the proposed settings are being developed with relevant external agencies, and will be included in the final Cabinet paper  
*Noted*
- g **Agree** to circulate the draft Cabinet paper to your Ministerial colleagues by 23 August 2022  
*Agree / Disagree*
- h **Note** that the final Cabinet paper was to be lodged by 8 September for consideration by the Cabinet Economic Development Committee (DEV) on 14 September, but you are now travelling on this date and the next DEV meeting is 21 September  
*Noted*

Privacy of natural persons



Andrew Craig  
**Manager, Immigration (Skills and Residence) Policy**  
 Labour, Science and Enterprise, MBIE

Hon Michael Wood  
**Minister of Immigration**

18/08/2022

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## The draft Cabinet paper

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### MBIE has prepared a draft Cabinet paper containing your recommendations on updating and reopening the Parent Category Resident Visa

1. The attached draft Cabinet paper at Annex One proposes that:
  - a. the income threshold for sponsors is lowered as outlined in the table below:

Income threshold for sponsors	One sponsor	<b>1.5x</b> median wage
	Joint sponsors	<b>2x</b> median wage
Sponsoring more than one parent	Income threshold increases by <b>0.5x</b> median wage per parent (up to six parents)	

- b. eligibility for joint sponsorship arrangements is extended to allow siblings to combine their income to meet the relevant threshold, rather than just partners
- c. the annual cap on the number of visas that can be issued to parents increase from 1,000 to 2,000 per annum
- d. selections of expressions of interest (EOIs) from the existing queue recommence in chronological order
- e. future EOIs are collected and selected from a ballot, and selections from the ballot begin after the existing queue is clear.

*Officials have also provided advice on options for Green List sponsors and implementation of the ballot [briefing 2223-0459 refers]*

2. The Cabinet paper includes officials' recommended options for the Green List sponsors and implementation of the ballot. If your preferred options differ from these recommendations, then officials will amend the Cabinet paper to reflect those preferences ahead of the draft going to your Ministerial colleagues.

*The Cabinet paper addresses other administrative issues to assist with implementing the Parent Category changes*

3. The draft Cabinet paper seeks Cabinet agreement to grant the Minister of Immigration powers to lapse future Parent Category EOIs, and to determine any other matters regarding the manner and form of the ballot. Our view is that this will provide flexibility to make changes to the Parent Category to improve its operation in the future more easily and without the current constraints.
4. The draft Cabinet paper does not describe the details of the ballot; however, our initial thinking is to hold EOIs for up to two years in the ballot pool. EOIs would expire if not drawn at this point and applicants would need to reapply. This approach keeps EOIs current, while limiting reapplication frequency for applicants. Bringing EOIs online should also result in a reduced cost. Officials plan to include the customer-facing details in the final Cabinet paper, following further consultation with Immigration New Zealand.

#### *Other matters*

5. The 'Impacts' section of the draft Cabinet refers to estimated demand pressure of the Parent Category changes, rather than giving a figure on the financial impacts. Officials are working with the Ministry of Health and Ministry of Social Development to develop an appropriate methodology to calculate the anticipated financial impacts of the Parent

Category. We are planning to have these figures finalised and included in the final Cabinet paper.

6. The draft Cabinet paper gives a specific date of Monday 14 November for resuming selections of EOIs. This date depends on the Parent Category changes being approved by Cabinet on 19 September. Any delays to Cabinet decisions or the announcement will result in the resumption date of EOI selections being adjusted accordingly.

## Consultation

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7. MBIE officials consulted on the draft Cabinet paper with the Ministry of Social Development, Ministry of Housing and Urban Development, Ministry of Health, Treasury, Ministry for Ethnic Communities, Ministry for Pacific Peoples, Whaikaha (Ministry of Disabled People), Ministry for Women, Ministry of Foreign Affairs and Trade, and Immigration New Zealand.
8. Feedback provided by these agencies has been incorporated where appropriate into the draft Cabinet paper. The key points of feedback received include:
  - a. While the lower income thresholds reduce barriers to access the Parent Category for some, this is not true for all. The Ministry for Ethnic Communities, Whaikaha and Ministry for Pacific Peoples noted that there would continue to be systemic barriers to access for former refugees, people with disabilities, and Pacific peoples.
  - b. The Ministry for Ethnic Communities, Ministry for Pacific Peoples, Whaikaha, and Ministry of Foreign Affairs and Trade expressed support for allowing siblings to enter into joint sponsorship arrangements, as this is far more inclusive of different family arrangements.
  - c. Treasury asked whether supplementary welfare assistance and tax credits (for example, Working for Families or the Accommodation Supplement) would be considered towards the income threshold for sponsors. Officials will follow up on this and provide further advice and amend the final Cabinet paper, if necessary. Our initial view is that the purpose of that assistance and tax credits is to assist with the costs of children or housing, and so should not count towards the income threshold for the Parent Category; rather, only taxable income should be considered.

## Next steps

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9. You have previously noted that you want to progress this work as soon as possible. To support this, officials propose the timeline in the table below, which supports presentation of these proposals to DEV on 14 September and Cabinet on 19 September. However, we note that you are travelling on the week of 14 September and cannot attend DEV – if you prefer to attend when the paper is considered, the next available DEV date is 21 September, followed by Cabinet on 26 September.

Action	Date
Minister of Immigration begins consultation with Ministerial colleagues	Tuesday 23 August
Minister of Immigration provides any final feedback on the draft Cabinet paper	Tuesday 6 September
Officials provide a final Cabinet paper	Wednesday 7 September (for lodgement by Thursday 8 September)

DEV considers Cabinet paper	Wednesday 14 September
Cabinet considers Cabinet paper	Monday 19 September

## **Annexes**

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Annex One: Draft Cabinet paper – *Updating and reopening the Parent Category Resident Visa*