



BRIEFING

Draft Cabinet Legislation paper: Immigration (International Visitor Conservation and Tourism Levy) Amendment Bill

Date:	3 May 2019	Priority:	High
Security classification:	Sensitive	Tracking number:	3143 18-19

Action sought		
	Action sought	Deadline
Hon Kelvin Davis Minister of Tourism	Consult with your Ministerial colleagues on the attached Cabinet Legislation Paper and draft Bill Provide feedback to officials by 10 May	10 May 2019
Hon Iain Lees-Galloway Minister of Immigration	Note that the Minister of Tourism will lead consultation with Ministerial colleagues on the attached Cabinet Legislation Paper and draft Bill Provide feedback to officials by 10 May	10 May 2019

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
Danielle McKenzie	Acting Manager, Tourism Policy	04 896 5113	Section 9(2)(a)	✓ Tourism
Siân Roguski	Manager, Immigration Policy	04 901 3855		✓ Immigration
Charlotte Woolhouse	Senior Policy Advisor, Tourism Policy	04 896 5867		

The following departments/agencies have been consulted

New Zealand Customs Service, Treasury, Department of Conservation, Inland Revenue, Ministry of Transport, Department of Internal Affairs, Ministry of Foreign Affairs and Trade, Ministry for Primary Industries, New Zealand Defence Force, and the Ministry for Pacific Peoples.
The Department of the Prime Minister and Cabinet was informed.

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 Withdrawn |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



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Purpose

This paper provides you with a draft Cabinet Legislation Committee (LEG) paper for the *Immigration (International Visitor Conservation and Tourism Levy) Amendment Bill*, and a copy of this Bill. We recommend that the Minister of Tourism lead consultation with your Ministerial colleagues. We ask that you provide feedback to officials by Friday 10 May, to enable lodging of this paper on Thursday 16 May 2019.

Recommended action

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

- a **Note** that in September 2018 Cabinet invited the Minister of Tourism to issue drafting instructions to the Parliamentary Counsel Office to give effect to the International Visitor Conservation and Tourism Levy (IVL) and also authorised him to approve changes consistent with the policy proposals and on any issues that arose during the drafting process

Noted

Noted

- b **Note** that in February 2019 Cabinet invited the Minister of Immigration to issue drafting instructions to the Parliamentary Counsel Office to give effect to the electronic travel authority (ETA), and also authorised him to approve changes consistent with the policy proposals and on any issues that arose during the drafting process

Noted

Noted

- c **Note** that we anticipate the Minister of Immigration will agree to include a clause within the Immigration (International Visitor Conservation and Tourism Levy) Amendment Bill to provide for automated decision making for the ETA [MBIE briefing 3278 18-19]

Noted

Noted

- d **Forward** the draft Cabinet paper at Annex One and the draft Bill at Annex Two to your colleagues for consultation (led by the Minister of Tourism) and provide feedback to officials by Friday 10 May

Forward / Not forward

Noted

e **Discuss** any questions about this paper with officials.

Discuss / Not discuss

Discuss / Not discuss

Section 9(2)(a)

Section 9(2)(a)

✓ Danielle McKenzie
Acting Manager, Tourism Policy
Labour, Science and Enterprise, MBIE
3 / 5 / 19
..... / /

Siân Roguski ✓
Manager, Immigration Policy
Labour, Science and Enterprise, MBIE
3 / 5 / 19
..... / /

Hon Kelvin Davis
Minister of Tourism
..... / /

Hon Iain Lees-Galloway
Minister of Immigration
..... / /

Background

International Visitor Conservation and Tourism Levy

1. In September 2018 Cabinet agreed to the collection mechanism for the International Visitor Conservation and Tourism Levy (IVL), and invited the Minister of Tourism to issue drafting instructions to Parliamentary Counsel Office (PCO) [DEV-18-MIN-0194].
2. Cabinet also authorised the Minister of Tourism to approve changes consistent with the policy proposals agreed to by Cabinet, or on any issues that arose during the drafting process. In April 2019 the Minister of Tourism agreed to a number of minor changes to enable the drafting of the Bill [MBIE briefing 2654 18-19].

Electronic Travel Authority

3. In February 2019 Cabinet invited the Minister of Immigration to issue drafting instructions to PCO to give effect to the electronic travel authority (ETA), and also authorised him to approve changes consistent with the policy proposals and on any issues that arose during the drafting process.
4. In May 2019 MBIE recommended the Minister of Immigration make a number of minor policy changes to the ETA scheme [MBIE briefing 3278 18-19]. This includes approving a minor additional amendment to the Immigration Act 2009 (the Act) to enable automated decision making for the ETA.

Passage of the Bill

5. The Minister of Tourism previously indicated his preference to pass the Bill under urgency on Budget night (Thursday 30 May 2019). On 15 April 2019 Cabinet agreed that the Bill would be considered under urgency on 30 May 2019 [CAB-19-Min-0174].
6. In order to meet this timeframe LEG will need to consider the Bill on 21 May and Cabinet must approve the introduction of the Bill on 27 May 2019. A draft Cabinet Legislation paper is attached at **Annex One**, and the draft Bill is attached at **Annex Two**.

About the Bill

7. As previously advised, PCO recommends that the IVL is provided for via an amendment to the Immigration Act, rather than a standalone piece of legislation. This means the Bill is relatively short, as we have been able to rely on existing sections of the Act for certain powers (such as the power to make regulations).
8. The Bill:
 - a. modifies the purpose section of the Act to include a sub-clause that enables an IVL to be charged to fund, or contribute to the funding of, costs associated with conservation or tourism
 - b. amends the definition of Minister, to allow different Ministers to be responsible for parts of the Act, so that the Minister of Tourism can recommend the making of regulations in respect of the IVL (subject to allocation of ministerial responsibilities by the Prime Minister)
 - c. Adds a new section to the Act that allows for regulations to be made to charge the IVL, including:
 - i. who can be charged – applicants for temporary entry class visas, and persons seeking to rely on a waiver under section 69 of the requirement to hold a temporary entry class visa (ie people requesting an ETA)

- ii. the purpose of the levy – to fund or contribute to the funding of conservation and tourism
 - iii. what the regulations may do – specify who pays and who is exempt, set the levy amount, and provide for the manner of collection of the levy.
- d. Adds a new section to the Act that:
- i. requires the Minister to consult with persons and organisations whom the Minister considers appropriate when making regulations (except for the first set of regulations)
 - ii. requires MBIE to review the amount of the IVL, at intervals of no more than every 5 years
- e. Modifies section 28 of the Act to enable automated decision making for the ETA (subject to the agreement of the Minister of Immigration).

Next steps

9. We recommend you forward the draft LEG paper and draft Bill to your Ministerial colleagues and provide any feedback to officials by Friday 10 May.
10. The below table outlines the next steps and timing to ensure the Bill is ready to be passed on 30 May 2019:

Date	Action
3 May-10 May	Consultation on the draft Bill and LEG paper with your Ministerial colleagues
13 May-15 May	MBIE and PCO make any final changes to the Bill
16 May	Draft Bill and LEG paper lodged with Cabinet office
21 May	LEG considers paper and draft Bill
27 May	Cabinet considers paper and draft Bill
30 May	Bill considered under urgency
4 June	Governor General gives Royal Assent at Executive Council
1 July	Bill and associated regulations come into force and collection of the IVL starts

11. In addition to the Bill, MBIE and PCO are working on the regulation changes necessary to introduce the IVL and ETA. We will provide you with a joint LEG paper and draft Amendment Regulations in the next couple of weeks so LEG can consider these in late May or early June, to enable a 1 July commencement date.

Annexes

Annex One: Draft Cabinet legislation paper

Annex Two: Draft Bill – *Immigration (International Visitor Conservation and Tourism Levy) Amendment Bill*

Annex One: Draft Cabinet legislation paper

Annex Two: Draft Bill – Immigration (International Visitor Conservation and Tourism Levy) Amendment Bill
