



MEMO

DATE 17 March 2016

TO s 9(2)(a) Private Secretary, Office of the Minister of Immigration
s 9(2)(a), Department of Prime Minister and Cabinet

CC Steve McGill, General Manager, Settlement, Protection and Attraction

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SUBJECT Information for the next three year refugee programme

PURPOSE

1. This note sets out information relating to the next three-year refugee programme, including progress of the New Zealand Refugee Resettlement Strategy (the Strategy), indicative costs of increasing the Refugee Quota, and other options relating to alternative forms of admission that would sit alongside current resettlement programmes.

THE STATUS QUO

2. If the status quo is maintained, the size of the Refugee Quota Programme will revert to 750 from 2018/19. The current places, including those for Syrian refugees, are all priority protection cases referred by the United Nations High Commissioner for Refugees (UNHCR).

Table One: Current Refugee Quota Programme (including emergency response to Syrian refugee crisis)

2016/17	2017/18	2018/19
1,000 (includes 250 Syrians)	1,000 (includes 250 Syrians)	750

THE NEW ZEALAND REFUGEE RESETTLEMENT STRATEGY

3. The Strategy, approved by Cabinet in 2012, provides a whole-of-government approach to delivering improved refugee resettlement outcomes so that refugees more quickly achieve self-sufficiency, social integration and independence. The

Strategy is being implemented progressively and covers quota refugees who arrived in New Zealand after 1 July 2013.

4. Since implementation of the Strategy began in July 2013, the following changes have been made to improve refugee settlement outcomes.

- Changes to the mix of services provided to refugees to place a greater emphasis on employment and living in New Zealand. These include:
 - improved off-shore orientation to help prepare them for life and work in New Zealand
 - a revamped six-week reception programme at the Mangere Refugee Resettlement Centre (MRRC) to place a greater emphasis on supporting refugees to achieve employment, social integration and independence
 - the development of settlement plans for each refugee family, and
 - support in the community for the initial 12 month settlement phase strengthened to link refugees through the settlement plans to mainstream services.
- A Ministry of Social Development contract with the New Zealand Red Cross for the "Pathways to Employment" programme is focused on connecting refugees to employment opportunities in the community.
- The Ministry of Education and the Tertiary Education Commission have mapped the English language needs for refugees with a view to providing easier access to English language classes at the level required.
- A refugee driver training programme has been implemented in Hamilton, Palmerston North and Nelson. In 2015/16 these programmes are expected to provide 60 refugees with the opportunity to obtain their restricted drivers licence.
- A review of interpreter services and how they are used to support refugees' access to mainstream services is expected to report with findings and recommendations by July 2016.

5. Progress in improving the Strategy's integration outcomes is measured annually. There is limited data available at this stage on those refugees covered by the Strategy but the baseline figures show that:

- there is a marked improvement in employment at two years (20 per cent) and at five years (almost 40 per cent) after arrival in New Zealand. It is expected that those covered by the Strategy will achieve higher levels of employment at two years and five years
- since 2010, there has been a decline (from almost 70 per cent to around 67 per cent) in the proportion of refugees on unemployment related benefits 12 months after their arrival in New Zealand.

- around 67 per cent of quota refugees resettled in 2014/15 were initially placed in State houses and almost 33 per cent placed in private rental accommodation or with friends or family (historically around 10 per cent were placed in private housing). Around 16 per cent of quota refugees who arrived in 2013/14 and were placed in State houses are no longer tenants with Housing New Zealand.
- 81 per cent of refugee students who left school after at least five years in education had gained NCEA level 2. This compares with 72.9 per cent in 2013 and 77 per cent for all school leavers.

QUOTA REFUGEE COSTS AND BENEFITS

6. The estimated costs of resettling refugees over the first three years in New Zealand (Table Two) are sourced from the Detailed Business Case completed as part of the Strategy in 2012¹. These costs include the direct and mainstream costs of resettlement and cover Immigration, Housing, Health, Ministry of Social Development and Education.

Table Two: Estimated costs of differently sized refugee quota programmes

Number of refugees	Refugee specific costs	Mainstream costs	Total costs
750	\$14.4M	\$42.4M	\$56.8M
850	\$16.5M	\$48.5M	\$65.0M
1,000	\$19.7M	\$57.6M	\$77.3M
1,200	\$23.6M	\$69.1M	\$92.7M

7. The benefits from the strategy as measured by the net present value come from the improved outcomes measured over 30 years. They were part of the business case for the Strategy and sit squarely alongside the costs over the first three years. The benefits result from getting a greater proportion of refugees into employment which reduces the welfare costs, reduces the rent subsidy paid for those in state houses, increases the tax take, and gives a return on the investment in education for those going onto study before work.

750 refugees	850 refugees	1,000 refugees	1,200 refugees
\$11M – 21M	\$12.4M - \$23.8M	\$14.6M - \$28M	\$14.6M - \$33.6M

¹ Martin Jenkins are in the process of updating the costs and benefits for refugee resettlement in New Zealand. This work is expected to be completed shortly and is expected to show an increase in the costs of resettlement and the benefits across a range of wage assumptions.

.CAPACITY AT THE MANGERE REFUGEE RESETTLEMENT CENTRE

8. The new buildings at the MRRC will be operational from July 2016 and will have the capacity to accommodate between 200 and 230² refugees at any given time. The facilities would be able to accommodate up to 1200 per annum, based on the existing six-week reception programme.
9. However, an increase in flows of refugees through the MRRC would impact on the ongoing maintenance requirements for the accommodation buildings. When the business case for the MRRC rebuild was approved, it took account of potential expansion of the centre beyond the capacity currently being built. Should the size of the refugee quota programme be increased, consideration would need to be given to building two more accommodation blocks adjacent to the current buildings.
10. The cost of developing the additional buildings during the current construction period is estimated to be S 9(2)(i) [REDACTED]. This would be higher (due to additional procurement and project establishment costs) once the current developer has moved from the site. The additional accommodation would increase the capacity of the centre and also reduce the maintenance costs of the current building as blocks could be refreshed more readily.

ALTERNATIVE FORMS OF ADMISSION

11. The UNHCR is encouraging resettlement States to explore alternative forms of admission that would sit alongside current resettlement programmes and help expand the current protection places. These forms of admission include skilled migration, labour mobility schemes, family reunification, scholarships and private or community organisation sponsorship.
12. s 9(2)(f)(iv) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
13. There is also the opportunity for community organisations to take a greater responsibility for settlement in the community for this new group of refugees and build on recently-demonstrated public support for the resettlement of Syrian refugees. S 9(2)(f)(iv) [REDACTED]
[REDACTED] Australia and Canada run such sponsorship schemes. The Canadian programme is showing improved results in employment in the first three years in Canada compared with the Government refugee programme.
14. Introducing a new residence category with new criteria for refugees granted residence under alternative forms of admission and/or a greater role for community organisations in refugee resettlement could be considered alongside the Refugee Quota (ie the priority protection places).
15. Any new residence category would require a reasonable lead in time to develop and implement the changes, including building capacity with community

² The total capacity depends on the family composition of the intake or the specific accommodations needs.

organisations to ensure they can meet their commitments for support in New Zealand. There would also be significant costs for the design and operation of the policy. S 6(b)(ii)

S 6(b)(ii)

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