



Cabinet Social Wellbeing Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Annual Refugee Quota: Proposed Increase

Portfolio **Immigration**

On 19 September 2018, the Cabinet Social Wellbeing Committee (SWC), having been authorised by Cabinet to have Power to Act [CAB-18-MIN-0459]:

- 1 **noted** that New Zealand currently provides 1,000 places annually for refugees referred for resettlement by the United Nations High Commissioner for Refugees;
- 2 **agreed** to increase the number of places within the refugee quota to 1,500 places per annum from 2020/21;

Contingency for operational changes and additional resources

- 3 **noted** that the increase in the refugee quota will require operational changes and additional resources to ensure provision of settlement services to an increased quota, including:
 - 3.1 shortening the length of the reception programme from six to five weeks and increasing the size of each intake of quota refugees;
 - 3.2 expansion of dining and education facilities at Mangere Refugee Resettlement Centre (MRRC);
 - 3.3 scaling up the provision of settlement and orientation services in the community;
 - 3.4 establishment of five to six additional settlement locations around New Zealand, which will be undertaken by a cross-agency senior officials group;
- 4 **agreed** to set aside the following tagged operating and capital contingency as a pre-commitment against Budget 2019 operating and capital allowances, for the operational changes and additional resources outlined in paragraph 3, with a corresponding impact on the operating balance and debt:

Operating contingency

Initiative name	\$m – increase/(decrease)						
	2018/19	2019/2020	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Increasing the refugee quota to 1,500	1.297	7.912	31.011	31.928	33.762	34.199	35.021
Total operating	1.297	7.912	31.011	31.928	33.762	34.199	35.021

Capital contingency

Initiative name	\$m – increase/(decrease)						
	2018/19	2019/2020	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Increasing the refugee quota to 1,500	0	7.368	0	0	0	0	0
Total capital	0	7.368	0	0	0	0	0

- 5 **authorised** the Minister of Finance, the Minister of Immigration, the Minister of Housing and Urban Development, and the Minister for Social Development, acting jointly, to draw down on the tagged contingency “Operating and capital contingency – increasing the refugee quota to 1,500” outlined in paragraph 4, subject to providing a breakdown of all costs, a detailed implementation plan and consideration of all funding sources;

Contingency for housing-related costs

- 6 **agreed** to the following initiatives that will be required to ensure that suitable housing can be located for quota refugees in a way that does not impact on other government priorities:
- 6.1 increasing the supply of public housing to account for approximately 50 percent of the refugee quota; and
 - 6.2 provision of additional funding to enable quota refugees to secure tenancies ahead of their departure from MRRC;
- 7 **agreed** to changes to the re-establishment grants to support refugees in their initial weeks in New Zealand in a way that does not impact on other government priorities;

Additional public housing

- 8 **noted** that additional resources are required to increase the supply of public housing in refugee settlement locations to minimise the impact of the increase in the refugee quota on the social housing register;
- 9 **noted** that a further 149 public housing places annually will be required in refugee resettlement areas across New Zealand (over and above those funded through Budget 2018 and included in the Ministry of Social Development’s Public Housing Plan);

Securing public and private tenancies

- 10 **noted** that additional funding is also required to enable quota refugees to secure tenancies in public and private housing before the end of the reception programme at the Mangere Refugee Resettlement Centre;
- 11 **noted** that this funding would be used to cover rent payments for a period of up to four weeks, from the point at which the tenancy was secured to the point at which refugees complete the reception programme and move into settlement locations;
- 12 **noted** that further work is required on the design of this system and to determine a more accurate model of the expected cost of holding public or private rental houses;

Changes to re-establishment grants

- 13 **noted** that quota refugees are currently eligible for re-establishment grants to cover accommodation and household costs;
- 14 **noted** that the Minister of Immigration is proposing changes to this grant s 9(2)(f)(iv)
- 15 **noted** that further work is required on the design of the changes to the re-establishment grant and the amount of funding that would be required to implement this change;
- 16 **agreed** to set aside the following tagged operating contingency as a pre-commitment against the Budget 2019 operating allowance, for the purpose of implementing the initiatives in paragraphs 6 and 7:

Operating contingency – Housing

Initiative name	\$m – increase/(decrease)				
	2018/19	2019/2020	2020/21	2021/22	2022/23 & Outyears
Increasing the refugee quota to 1,500	0	0.207	6.716	11.296	16.951
Total operating	0	0.207	6.716	11.296	16.951

- 17 **authorised** the Minister of Finance, the Minister of Immigration, the Minister of Housing and Urban Development and the Minister for Social Development, acting jointly, to draw down on the tagged contingency “Operating contingency – Housing – Increasing the refugee quota to 1,500” outlined in paragraph 16, subject to providing administration costs, a detailed implementation plan and the impact on Housing New Zealand Corporation debt;

Further funding considerations

- 18 **noted** that there will be ongoing cost pressures as a result of the policy change in paragraph 2 above, with funding to be provided via future population based funding adjustments and other costs required to be met through agency baselines or resulting in future Budget cost pressure initiatives;
- 19 **noted** that these flow-on costs are estimated to be \$50 million operating over the forecast period, with an ongoing cost of around \$26 million per annum in outyears;
- 20 **agreed** that the tagged contingencies outlined in paragraphs 4 and 16 will expire at the end of June 2019;

Next steps

s 9(2)(f)(iv)

- 22 **noted** that the Minister of Immigration will submit a proposal to Cabinet on the international regional allocation and distribution of sub-categories within the refugee quota for 2019/20-2021/22 later in 2018;

- 23 **noted** that the Ministry of Business, Innovation and Employment will work with the offices of the Prime Minister and the Minister of Immigration on a communications strategy for the announcement and related material.

Gerrard Carter
Committee Secretary

Present:

Rt Hon Jacinda Ardern
Rt Hon Winston Peters
Hon Kelvin Davis
Hon Grant Robertson
Hon Phil Twyford
Hon Andrew Little
Hon Carmel Sepuloni (Chair)
Hon Stuart Nash
Hon Iain Lees-Galloway
Hon Jenny Salesa
Hon Tracey Martin
Hon Kris Faafoi (part of item)
Hon Willie Jackson
Hon Aupito William Sio
Hon James Shaw
Jan Logie, MP

Hard-copy distribution:

Minister of Immigration

Officials present from:

Office of the Prime Minister
Office of the Chair
Officials Committee for SWC

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982