



COVERSHEET

Minister	Hon Erica Stanford	Portfolio	Immigration
Title of Cabinet paper	Immigration Fee and Levy Review	Date to be published	9 August 2024

List of documents that have been proactively released		
Date	Title	Author
27 June 2024	Immigration Fee and Levy Review – final proposed rates ECO-24-MIN-0117 Minute	Cabinet Office
19 June 2024	Immigration Fee and Levy Review – final proposed rates	Office of the Minister of Immigration
2 May 2024	2324-2878 Immigration fee and levy review – targeted consultation report back	MBIE
2 April 2024	2324-2695 Targeted consultation material – Immigration fee and levy review	MBIE
2 April 2024	Immigration Fee and Levy Review	Office of the Minister of Immigration
27 March 2024	Immigration Fee and Levy Review ECO-24-MIN-0040 Minute	Cabinet Office
4 March 2024	2324-1491 Immigration fee and levy review proposed rates and draft Cabinet paper	MBIE
1 February 2024	2324-1757 Further information on refugee support activities and reallocating ESOL costs	MBIE
31 January 2024	2324-1685 Options to address refugee and protected person claim processing challenges	MBIE
21 December 2023	2324-1069 Further advice on fiscal sustainability options for the immigration system	MBIE
27 November 2023	2324-0932 Fiscal sustainability options for the immigration system	MBIE

Information redacted

YES

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 for reasons of international relations; confidential advice to government; legal professional privilege; negotiations; confidentiality; free and frank opinions; maintenance of the law; confidential information entrusted to the government; and privacy of natural persons.

[Budget Sensitive]

Office of the Minister of Immigration
Cabinet Economic Policy Committee

Immigration fee and levy review

Proposals

- 1 This paper seeks Cabinet’s agreement to targeted consultation with key stakeholders on increased immigration fee and levy rates.
- 2 It also seeks Cabinet’s agreement to address immediate immigration system cost pressures by:
 - 2.1 repurposing a Crown-funded tagged operating contingency (provided in Budget 2023) to manage increased asylum claims costs for 2023/24 and to deliver the Refugee Quota and related programmes to year end 2025/26
 - 2.2 using levy funding to fully resource the immigration compliance and investigations function for 2023/24 until the new levy rate takes effect.

Relation to government priorities

- 3 The proposals to reduce Crown funding and that users¹ of the immigration system more fully meet costs supports the Government’s priority to deliver effective and fiscally sustainable public services.
- 4 The proposals to manage immediate cost pressures support the Government’s international obligations related to refugees and those in humanitarian need and its priority of responding to migrant exploitation.

Executive Summary

- 5 There is scope for users of the immigration system to more fully meet costs for services they receive (through increased fees and levies), as authorised by the Immigration Act 2009 (the Act) and cost recovery guidance².
- 6 This would reduce current Crown funding provided for immigration services (\$72.9 million) and for providing English for Speakers of Other Languages (ESOL) programmes in schools (\$41.3 million). I also propose removing Crown funding of \$19.549 million per annum provided to subsidise visas in 2022 [CAB-22-MIN-0121]. There is a choice regarding the subsidy for three Pacific-related visas.

¹ Migrants and employers who pay immigration charges.

² Consistent with cost recovery principles outlined in the Treasury (New Zealand). (2017). *Guidelines for Setting Charges in the Public Sector: April 2017* and the Office of the Auditor General (New Zealand). (2021). *Setting and administering fees and levies for cost recovery: Good practice guide*.

BUDGET SENSITIVE

- 7 These proposals would reduce Crown funding for the immigration system from approximately \$167.7 million to approximately \$55.6 million in 2024/25 (excluding cost pressures) which would primarily fund the refugee programmes.
- 8 To support my priority to ensure the immigration system is sustainably funded, I am proposing increases to immigration fee and levy rates. The proposed fee and levy rates also account for uncertain revenue so the system is less susceptible to funding shortfalls if visa volumes and revenue drop (using a 90% visa volume scenario), while remaining competitive with Australia's charges (where feasible).
- 9 I seek Cabinet's approval to consult with a key group of stakeholders on the proposed fee and levy rates. If agreed, following targeted consultation, I propose to report back to Cabinet by mid-2024 with final proposals for amended fee and levy rates and any associated appropriation changes to reflect authority to spend on cost pressures accounted for. Changes to fee and levy rates would take effect by the end of September 2024.
- 10 I seek Cabinet's agreement to repurpose \$14.9 million from a \$16.9 million tagged contingency from Budget 2023, (which is no longer required for its original purpose of maintaining visa processing capacity) to manage immediate cost pressures from a significant surge in asylum claims,³ a fiscal cliff and higher delivery costs for refugee quota programmes (e.g international travel and medical assessments for refugees). This would mean \$2 million could be returned to the centre.
- 11 I also seek Cabinet agreement to fully resource the compliance and investigation function for the level of activity required to manage serious immigration non-compliance (migrant exploitation and trafficking) using levy funding (\$5 million in 2023/24). The deficit of the levy hypothecation account will further increase by \$5 million. The proposed fee and levy rate increases are intended to recover these costs and balance the account in the medium-term.

Background

The immigration system is funded by the Crown and third-party users

- 12 The immigration system supports a range of Government objectives, including to grow economic prosperity and boost social cohesiveness by facilitating genuine travellers and managing risk. The immigration system is currently funded by:
- 12.1 **the Crown** for functions including policy advice, border risk management, compliance and refugee services (**\$167.7 million**)⁴

³ Asylum claims are projected to more than quadruple from the pre-pandemic level of approximately 500 to 2,000+ in 2023/24.

⁴ Includes just over \$2 million of funding provided by other government departments for the provision of services on their behalf.

- 12.2 **users through fees⁵ and the immigration levy⁶** for visa decision-making, New Zealand electronic Travel Authority (NZeTA) requests and specified activities including system infrastructure, managing immigration risks, supporting migrant settlement and the attraction of migrants **(\$410.6 million).**⁷
- 13 Immigration charges are regularly reviewed to ensure they are appropriately recovering costs. Adjusting charges through a fee and levy review ensures that key stakeholders have the opportunity to input and test the reasonableness of any increases.
- 14 The last fee and levy review commenced in 2021, with new rates taking effect in August 2022. The focus of that review was to adjust the cost allocation model to better align with cost recovery principles and to reduce the shortfall in immigration funding that had arisen prior to COVID-19 and been exacerbated by the border closures [CAB-22-MIN-0121].

The immigration system has three appropriations which currently total \$578.3 million

- 15 The Immigration Services multi-category appropriation (MCA) is currently \$565.8 million and supports the activities outlined in Table 1. The other appropriations are Policy advice (\$8.5 million) and Regulation of Immigration Advisers (\$4.0 million).

Table 1: Overview of the Immigration Services MCA and activities

Funding source and authority	2023/24 \$m	Scope of the activities
Crown – Cabinet	\$164.9 28%	Primarily for refugee programmes, migrant and refugee settlement, border risk management, and compliance.
Fees – Immigration Act 2009 – sections 393 and 400	\$282.1 49%	Primarily for services provided for visa decision-making and NZeTA requests that directly benefit visa applicants.
Levy – Immigration Act 2009 – sections 399 and 400	\$128.4 22%	For specified activities such as maintenance costs of the immigration system, including system infrastructure, managing immigration risks, the attraction of migrants and supporting refugee and migrant settlement.

Achieving a fiscally sustainable immigration system

- 16 The immigration system needs to be efficient, self-funding and sustainable. Accordingly, MBIE has commenced a fee and levy review to reset immigration charges in order to:

⁵ Section 393 of the Immigration Act 2009 – fees can be prescribed for any matter or service (associated with visa decision-making and NZeTA requests) and in different ways, to recognise that services can vary in how they are provided.

⁶ Section 399 of the Immigration Act 2009 – a levy is for specified activities and only visa applicants can be charged a levy.

⁷ Includes just over \$2 million of funding provided by immigration advisers through licensing fees and levies to partially fund the work of the Immigration Advisers Authority.

BUDGET SENSITIVE

- 16.1 set fee and levy rates that are reasonable and sustainable to:
- 16.1.1 recover costs between 2024/25 to 2026/27, to address cost pressures and better account for uncertainty of visa volumes and revenue
 - 16.1.2 rebalance accumulated fee and levy account balances at the end of 2027/28 (to smooth out increases and minimise the impact on future payers)
 - 16.1.3 remain competitive with Australia's charges (where feasible)⁸
- 17 Sustainable funding also supports the Ministry of Business, Innovation and Employment (MBIE) to deliver more efficient and effective immigration services. Alongside this, MBIE is reviewing its service model for the end-end visa process, in order to improve efficiency of visa assessment and processing and manage and identify risk. Further information is set out in paragraphs 43-44 and 61-70.
- 18 I seek Cabinet's agreement to all three proposals in the following section in order to achieve these objectives.

Fiscally sustainable proposal 1: Remove Crown-funding provided to subsidise visas

- 19 Crown funding was provided in the 2022 fee and levy review to subsidise the cost of some visas (\$19.549 million per annum) [CAB-22-MIN-0121]. The funding was provided so visas remain competitively priced with comparable countries (Australia), to support economic recovery from COVID-19, and to recognise the Government's commitment to support Pacific resilience and economic development.
- 20 I am advised that the Crown subsidy is no longer required for visitor visas and Skilled Migrant Category visas because visa volumes have recovered more quickly than forecast and the fees memorandum account is projected to remain in surplus by the end of 2023/24. There is a choice to continue to support Pacific resilience and economic development, by subsidising Pacific-related visas (Recognised Seasonal Employer (RSE), Pacific Access Category (PAC) and Samoan Quota (SQ)). Further discussion is set out at paragraphs 39 to 41.
- 21 I propose that the Crown funding of \$19.549 million per annum be removed and returned (or \$18.382 million on average if Pacific subsidies continue). There would be a further small deterioration in the levy hypothecation account but, despite this, it is still possible to balance the immigration accounts over four years (see *Fiscally sustainable proposal 3* below).

Fiscally sustainable proposal 2: Recover more fully costs from users of the immigration system

- 22 Current Crown costs for the immigration system total \$167.7 million which fund policy advice, border risk management, compliance and settlement services. In addition, the Crown currently funds ESOL programmes in schools (\$51.6 million per

⁸ The National Party's Fiscal Plan set out that visa fees would not increase to above 90% of Australia's charges. However, this would not result in full cost recovery in some cases.

BUDGET SENSITIVE

annum). Many of these activities can be considered ‘club goods’, in that they provide benefits to or manage risks created by a broader group of migrants.⁹

- 23 The Act provides fairly broad authority to set charges, enabling flexibility about how costs are allocated. Cost recovery principles for setting public sector fees and charges are also relevant.¹⁰ The guidance states that a robust cost recovery regime should be consistent with key principles (including equity, justifiability) and should, where possible aim to minimise cross-subsidisation.

- 24 There are a range of options (which vary in legal risk and costs) for more fully recovering the costs of services received from third-party users of the immigration system, based on the principle that those that receive the benefit or create the risk should bear the cost. An outcome of doing so would be a reduction in need for Crown funding to support the system. This reduction in Crown funding will support the Budget 2024 objective of delivering effective and fiscally sustainable public services, and support the Government’s fiscal position.

- 25 I seek Cabinet’s approval in principle to increase costs to users of the immigration system by \$72.9 million per annum on average over the next four years (\$86.1 million including cost pressures) (which reduces Crown costs, excluding the Refugee Quota and related programmes costs). I have chosen not to include costs related to the Refugee Quota programmes because these relate to New Zealand’s international and humanitarian commitments and should continue to be Crown funded.

- 26 I also seek Cabinet’s agreement in principle that users of the immigration system fund \$41.3 million per annum (\$58.1 million including cost pressures) (approximately 80%) of ESOL programmes in schools. This is broadly the proportion of students from migrant backgrounds receiving ESOL support.

- 27 Under the Act, levy funding can be used for programmes intended to assist the successful settlement of migrants or categories of migrants. MBIE has historically contributed funding for ESOL programmes in schools from the immigration levy since the late 1990s/early 2000s, although most recently ESOL has been fully Crown funded. **Table 2** sets out the overall expenditure on ESOL programmes in schools since 2016.

Table 2: ESOL programmes in schools costs between 2016/17 and 2022/23

	2016/17 \$m	2017/18 \$m	2018/19 \$m	2019/20 \$m	2020/21 \$m	2021/22 \$m	2022/23 \$m
ESOL programmes in schools spend	30.6	33.9	36.2	38.5	46.4	48.9	47.9

- 28 I did consider, the Crown continuing to fund 50% of ESOL programmes in schools, which would marginally reduce the scale of the increases and mean most temporary visa categories would remain within 90% of Australia’s charges. However, because

⁹ The Treasury (New Zealand). (2017). *Guidelines for Setting Charges in the Public Sector: April 2017* outlines the difference between private, club and public goods.

¹⁰ The Treasury (New Zealand). (2017) and the Office of the Auditor General (2021). *Setting and administering fees and levy for cost recovery: good practice guidance*.

BUDGET SENSITIVE

of the benefits migrant children and their families receive from the ESOL programmes, it is reasonable that users meet the costs of these programmes more fully.

- 29 A summary of the current Crown funded activities proposed to be funded by users is set out in **Annex One**.

Fiscally sustainable proposal 3: Increase fee and levy rates

- 30 To give effect to proposals 1 and 2 above, I seek Cabinet's approval in principle to adjust visa fee and immigration levy rates to account for:
- 30.1 forecast future visa volumes (including provisioning for uncertain visa volumes) to inform costs of processing each visa product
 - 30.2 resetting the levy allocation across visa products to account for previously Crown-funded immigration activities and ESOL programmes in schools
 - 30.3 recovering immigration system and ESOL programme cost pressures (the most significant is public sector collective bargaining – immigration makes up 45% of MBIE's workforce).
 - 30.4 adjusting the ICT fee/levy funding split for:
 - 30.4.1 ICT to better reflect the ICT delivery model and align with the funding provisions in the Act (fixed infrastructure costs are primarily levy funded, and variable, volume-driven costs are primarily fee funded)
 - 30.4.2 risk and verification activities associated with visa assessments
 - 30.5 balancing the immigration accounts over four years
 - 30.6 remaining competitive with Australia's charges.
- 31 The combined fee and levy rate changes for key visa categories are set out in Table 3. For comparison purposes, **Annex Two** sets out the proposed rates for key visa products and includes the 50% ESOL scenario. The detailed proposed fee and levy rates are included at **Annex Three**.

BUDGET SENSITIVE

Table 3: Summary of fee and levy increases for key visa products and comparison with Australia

Key visa products	Forecast visa application volumes (October 2024 - June 2027)	Current price (fee + levy)	Proposed Fee	Proposed Levy	Proposed Price (fee + levy)		
					\$ price	% change	% of Aus (\$NZD)
Visitor*	1,530,950	211	310	31	341	62%	169%
Group visitor	87,500	110	86	200	286	160%	N/A
Working Holiday	145,700	420	250	420	670	60%	99%
Students	273,000	395	465	285	750	90%	99%
Post-study work	12,700	700	350	1,540	1,890	170%	94%
Partnership (work)	106,150	860	555	1,120	1,675	95%	N/A
Accredited Employer Work Visa (AEWV) - migrant check	175,500	750	420	1,120	1,540	105%	100%
AEWV accreditation	1,150	3,870	3,900	-	3,900	1%	N/A
AEWV job check	97,050	610	615	-	615	1%	N/A
Limited Visa - Recognised Seasonal Employer (RSE)	41,100	285	355	-	355	25%	94%
Agreement to recruit under Recognised Seasonal Employer Scheme	2,550	290	290	-	290	0%	N/A
Recognised Seasonal Employer Status	450	1,080	1,080	-	1,080	0%	N/A
Entrepreneur (work)	50	3,920	9,690	1,120	10,810	176%	159%
Variation of conditions on a temporary entry class visa	35,650	210	440	-	440	110%	N/A
Skilled Residence pathways (Resident)*	18,700	4,290	2,560	3,890	6,450	50%	131%
Partnership (Resident)*†	27,200	2,750	1,780	4,220	6,000	118%	64%
Parent (Resident)*	450	5,260	3,740	2,920	6,660	27%	126%
Dependent Child (Resident)	6,550	3,610	1,670	1,560	3,230	-11%	100%
Active Investor Plus (Resident)*	100	7,780	10,860	19,290	30,150	288%	165%
Permanent Resident Visa	65,150	240	345	-	345	44%	N/A
Samoa Quota	1,200	800	1,430	-	1,430	79%	N/A
Pacific Access Category	550	1,280	1,470	-	1,470	15%	N/A

Key:

- Within 100%
- Below 100% when accounting for secondary applicants
- Above 100%

BUDGET SENSITIVE

- 32 These proposed rates mean that costs could be fully met by users, providing sustainable funding for the immigration system. Most temporary visa charges would remain within 100% of Australia’s charges, except Visitor and Entrepreneur. For residence charges, Skilled residence, Parent and Active Investor would be above 100%.
- 33 Visitor visa charges were already higher than Australia’s charges (\$211 compared to \$201). The proposed visitor visa increase would not affect visitors who do not require a visitor visa (Australian citizen or permanent resident visitors or those visa-free for travel). It would impact our largest markets (China and India). I am aware that changes to other charges are being considered that may have a cumulative impact on visitors (such as the International Visitor Conservation and Tourism Levy).
- 34 The proposed student visa and working holiday visa charges are equivalent to those of Australia. Agencies advise the increases are unlikely to impact demand for these visas.
- 35 Australia charges separate fees for additional applicants or requires individual visa application for visitor visas. New Zealand charges one fee per family. Once secondary applicants are taken into consideration the Entrepreneur visa is the only outlier with Australia, and this is because the proposed charge reflects the cost to fully recover the direct and indirect costs of visa assessment and processing.
- 36 Setting a lower rate to be below Australia’s charges would be inconsistent with cost recovery principles. It would also result in the immigration accounts being in a deficit position because revenue is insufficient to cover expenditure.
- 37 The evidence points towards relatively low price elasticity of demand for visas,¹¹ because immigration charges are a very small proportion of the total costs of travelling or moving to New Zealand compared to the benefit received (e.g. the salary a migrant worker receives). The 2022 fee and levy review resulted in a significant levy rate increase and there has been no marked impact on demand.
- 38 While some of the proposed increases are significant, this is unlikely to have a material impact on demand. The potential impact on demand will be further tested during targeted consultation with key stakeholders.
- 39 New Zealand’s immigration settings are of critical interest to Pacific partners and Pacific diaspora communities in New Zealand. Table 4 below shows the fee increases required to fully recover the visa processing costs for three Pacific-related visas (Recognised Seasonal Employer, Pacific Access Category and the Samoan Quota). The scale of the increases reflect the degree to which these products were previously and are currently subsidised to keep prices low. The last Fee and Levy Review in 2022 sought to explicitly subsidise these categories, to support Pacific resilience and development.

Table 4: Comparison of different approaches to setting fees for Pacific-related visas

¹¹ Home Office (UK), *A review of the evidence relating to the elasticity of demand for visas in the UK* (March 2020). Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/872608/review-evidence-relating-to-elasticity-horr114.pdf

BUDGET SENSITIVE

Visa product	Current price (fee + levy)	Price to fully recover associated visa processing costs			Proposed Price		
		\$ price	% change	% of Aus (\$NZD)	\$ price	% change	% of Aus (\$NZD)
Limited Visa - Recognised Seasonal Employer (RSE)	285	355	25%	94%	285	0%	76%
Samoan Quota	800	1,430	79%	-	800	0%	N/A
Pacific Access Category	1,280	1,470	15%	-	1,280	0%	N/A

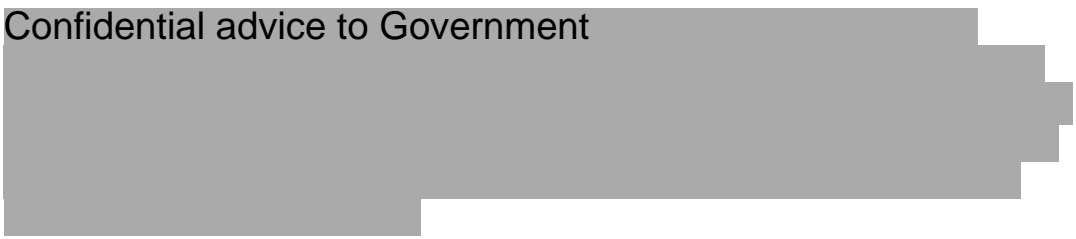
Key:
Within 100%
Below 100% when accounting for secondary applicants
Above 100%

40 While, overall, the charges remain lower than other visa products, I acknowledge the increase required to fully cost recover these categories is particularly significant for the Samoan Quota. The Ministry of Foreign Affairs (MFAT) note that changes are considered to be high risk both in terms of diplomatic relationships and the Government’s strategic prioritisation of relationships in the Pacific. New Zealand’s immigration settings are of critical interest to Pacific partners and Pacific diaspora communities in New Zealand. MFAT recommends a comprehensive “no-surprises” approach to consultation to support our resilience approach to engagement with the Pacific.

41 The alternative to increasing rates for Pacific related visas to recover costs is that the Crown continues to subsidise these visas (approximately \$1.167 million per annum). If charges for these categories are not increased at this time, we will need to consider in future the sustainability of the Crown continuing to subsidise these categories.

Future adjustments to rates


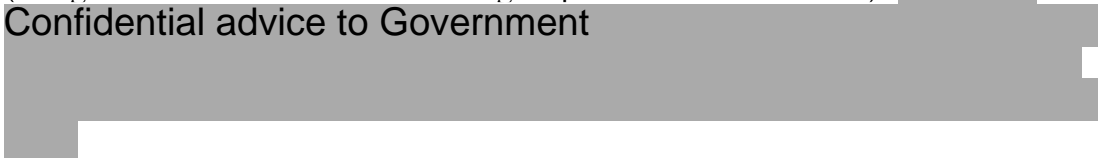
42 At this time, I am proposing minor increases to the Accredited Employer Work Visa (AEWV) fee charges (an increase of \$5 and \$30 respectively) because the rates are being reviewed as part of a suite of AEWV policy changes underway. Any further changes to the AEWV rates will not form part of targeted consultation (because of timing) but will be included in the final proposals, which will be brought to Cabinet in mid-2024.

43 **Confidential advice to Government**


44 More information on my expectations around further improvements to Immigration New Zealand’s (INZ) efficiency is included in paragraphs 61-70 below.

Risks with increasing third-party costs and mitigations

45 The main risk with third-party revenue meeting a higher portion of immigration system costs is that immigration expenditure may be unable to adjust in the event that visa volumes and revenue drop. This is because the immigration system cost structure is relatively fixed (70% of costs are workforce and ICT related). This could lead to a:

- 45.1 **funding shortfall**, resulting in deficit position for the immigration fees memorandum and levy hypothecation accounts.
- 45.2 **fiscal risk for the Crown**, in the event that Crown funding is required to maintain immigration services (capital injections were provided during COVID-19). While regular reviews of immigration charges and memorandum accounts can manage this to an extent, this is not always possible, as seen over COVID-19.
- 46 The adjusted fee and levy rates also provision for uncertain visa volumes and revenue (using a scenario of visa volumes being 90 per cent of the forecasts). 
Confidential advice to Government 

I seek Cabinet's approval to undertake targeted consultation with key stakeholders on increases to fee and levy rates

- 47 Consistent with best practice guidance when adjusting fee and levy rates, I seek Cabinet's approval to targeted consultation on proposed increases to fee and levy rates with key immigration system stakeholders who can best represent migrant views (including immigration professionals, international education, tourism, workers, representatives of ethnic communities and businesses/employers) in April 2024.¹²
- 48 Consultation is important because it follows best practice guidance on adjusting fees and levies, informs us of any demand impacts and helps to manage risk of challenge. I note MBIE has established a precedent of consultation on fee and levy rate changes.

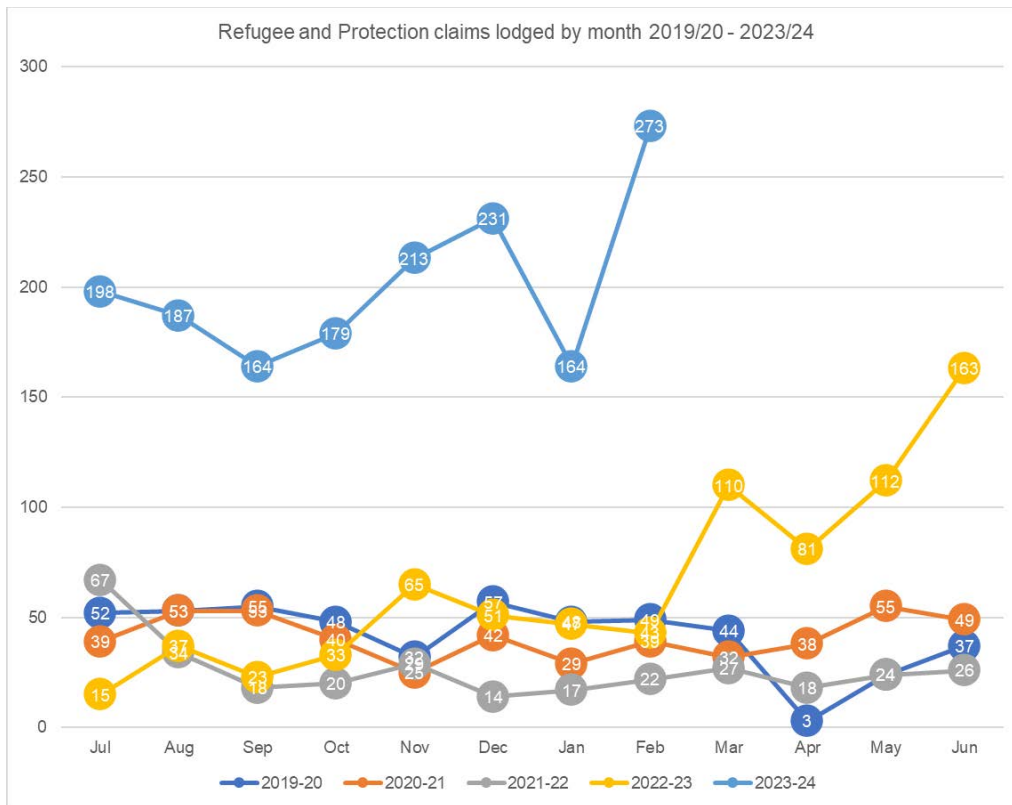
Managing immediate cost pressures facing the immigration system

- 49 The immigration system is facing some immediate cost pressures. The **Crown funded** cost pressures are due to:
- 49.1 a significant surge in asylum claims as shown in Figure 1 (**\$1.3 million**) needed for 2023/24 to increase processing capacity from 500-600 claims per year to 1,000), and
- 49.2 reduced funding from 2024/25¹³ and increased costs to deliver the Refugee Quota (1,500 places), Refugee Family Support Category (600 places) and Community Organisation Refugee Sponsorship (CORS) (150 places over three years) (**\$1 million** needed for 2023/24).

¹² Business, Council of Trade Unions, Employers and Manufacturers Association, Independent Tertiary Education New Zealand, Sieba, Tourism Export Council New Zealand, Tourism Industry Aotearoa, Union Network of Migrants, Universities New Zealand. MBIE's Immigration Reference Group and the Minister of Immigration's Advisor Reference Group.

¹³ Budget 2022: Refugee Quota cost pressures – initiative 13785.

Figure 1: Refugee and protection claims lodged by month 2019/20 to 2023/24



50 The asylum claims are projected to be 2,000+ in 2023/24, more than quadruple pre-COVID levels, consistent with global trends (further information is set out in **Annex Four**).

51 The cost increases for the refugee programmes include exit fees from Pakistan for approximately 250 Afghan refugees who have either been approved or are being processed, international flights to bring refugees to New Zealand, offshore medical assessments, the reception programme, settlement support in the community, and depreciation and capital charge (previously not included in the capital increase).

52 The **levy funded** cost pressures relate to a funding shortfall for the compliance and investigation workforce (for serious immigration non-compliance, including migrant exploitation and trafficking) (**\$5 million**). I note that reports of exploitation have risen significantly since 2021. MBIE received 1,756 complaints of migrant exploitation between 1 July and 11 December 2023, compared with 933 complaints received in the 2022/23 year.

53 I have set out two proposals below to address these cost pressures.

Cost pressure proposal 1: Repurpose a Crown-funded tagged operating contingency to fund Crown-funded cost pressures (i.e. the Refugee Quota)

54 In Budget 2023, the Crown provided a tagged operating contingency (**\$16.9 million** across 2024/25 and 2025/26) to maintain immigration visa processing in the context of uncertain visa volumes (and revenue) [CAB-23-MIN-0139]. The Minister of Finance and I agreed to extend the expiry date for the tagged contingency from

BUDGET SENSITIVE

1 February 2024 to 30 June 2024 to enable consideration of how to address immigration Crown-funded cost pressures in the context of this advice.

- 55 The \$16.9 million contingency is no longer required for its original purpose because of the strong rebound in visa volumes and revenue. I propose to repurpose **\$14.9 million** of the Crown-funded tagged operating contingency (and return \$2 million to the Centre) to address the following cost pressures:
- 55.1 **asylum claims** for 2023/24 (\$1.3 million) (excludes funding for outyears as these costs are proposed to be met by third-party users)
- 55.2 **refugee quota and related programmes** for 2023/24 (\$1 million) and a further two financial years (\$12.6 million). Funding these programmes in outyears provides certainty for planning and delivery to meet our international and humanitarian commitments. It would minimise the fiscal cliff for the Refugee Quota programmes and would fully address the fiscal cliff for the CORS pilot ensuring settlement support for refugees and their sponsors can be provided.
- 56 Funding the Refugee Quota programme cost pressures until 2025/26, ensures delivery and supports meeting our international commitments while Confidential advice to Government
- 57 I did consider using only \$8.6 million of the tagged contingency to fund the refugee quota and related cost pressures for 2023/24 and 2024/25 (and returning \$8 million to the Centre). However, the preferred approach better supports our international commitments, ensuring settlement outcomes and would reduce the amount of outyear funding being sought.
- 58 To meet the two report back requirements of the drawdown of the tagged contingency, the 2024 fee and levy review is intended to rebalance the immigration accounts by setting immigration charges at a sustainable level. The required report back on benefits realisation from ICT system investment to improve visa processing timeliness will be provided to the Ministers of Finance and Immigration from ICT system investment by the end of 2024.


Cost pressures proposal 2: Use levy funding for the compliance and investigation cost pressure

- 59 I seek Cabinet's approval to use \$5 million of immigration levy funding to more fully resource the compliance and investigation function for 2023/24. While this would increase the deficit in the levy hypothecation account in the short-term, the proposal to increase levy rates is intended to recover the deficit in the levy account over time.
- 60 Additional funding is to deliver the required level of compliance and investigation activity to address serious instances of immigration non-compliance (migrant exploitation and trafficking). Operating at reduced capacity would be inconsistent with the New Zealand National Party and New Zealand First Party Coalition Agreement, which includes a commitment "to enforcement and action to ensure those found responsible for the abuse of migrant workers face appropriate consequences."

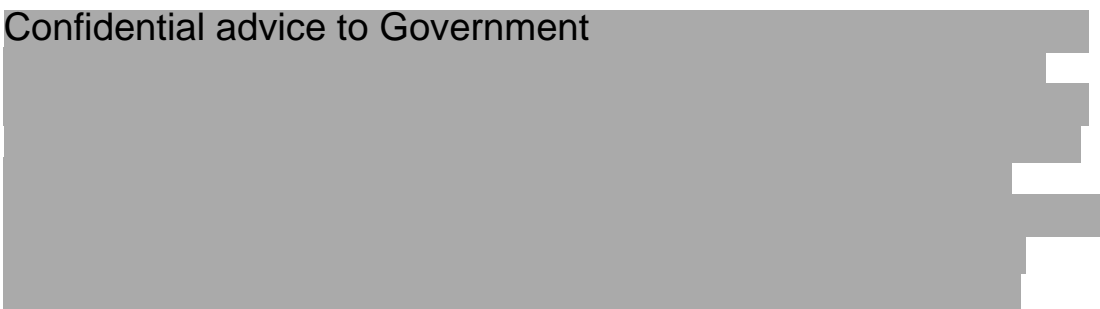
Improving the efficiency and effectiveness of the Immigration system

- 61 It is essential to not just ensure the current fiscal sustainability of the immigration system, but seek to improve the efficiency and value for money of the system over time.
- 62 I have directed MBIE to develop a fiscal management plan for the immigration system to improve scrutiny of proposals with financial implications and ensure the effective and efficient provision of immigration services. This is in addition to quarterly financial reporting on the immigration system to me and the Minister of Finance.
- 63 In addition, INZ, as part of the work initiated by the Government on fiscal sustainability is planning further changes, including designing its target future state to ensure the system operates more efficiently, effectively manages increased complexity and delivers value for money.
- 64 Following the border reopening, INZ received a high volume of visa applications (including a higher portion with an increased risk profile) and faced significant pressure from stakeholders to improve timeliness. Combined with a high proportion of new and relatively inexperienced staff, reduced market knowledge and language capabilities with closures of offshore offices has affected visa processing productivity.
- 65 In 2019, 50 per cent of temporary visa applications were triaged as medium or high risk, requiring a higher level of scrutiny and processing effort than those applications that triaged as low risk. In 2023, 67 per cent of applications were triaged as medium or high risk. The higher risk applications has resulted in an increased decline rate (from 8 per cent in 2019 to 14 per cent in 2023). Typically, it takes longer to decline an application than approve one.
- 66 INZ recruited additional visa processing staff to increase its workforce capacity in line with rising forecast volumes. Since 2023, a visa processing plan determines resource requirements based on visa volumes and on forecast modelling. INZ continues to closely monitor the plan and adjust workforce requirements as the operational environment changes.

67 Confidential advice to Government



68 Confidential advice to Government



█. A greater focus on ‘decision ready applications’ will further reduce processing resource required.

- 69 INZ has already reduced headcount as part of the cross-MBIE voluntary redundancy offer, with a reduction of twelve FTE. As part of the future state, there will be a focus on increasing productivity per visa through a review of current delivery by teams. INZ will also regularly review its FTE count to stay within a sustainable staffing footprint. Through the transition stage, the impacts on timeliness, quality of decisions and on the frontline will be managed I have made clear to INZ my expectation that we strike the balance between facilitation and protection to maintain the integrity of the system.
- 70 As part of the quarterly financial reporting to the Minister of Finance and Minister of Immigration, I have directed INZ to also provide regular updates on headcount, efforts to improve efficiency and the productivity per visa product, and any associated savings as expenditure reduces in line with increased productivity.

Implementation

- 71 Subject to Cabinet approval, consultation with key stakeholders is planned to take place in April. I intend to report back to Cabinet with final policy proposals by early July 2024. Any agreed changes to fee and levy rates would come into force in late September 2024.

Cost-of-living implications

- 72 There are no cost of living implications associated with the proposals. The visa costs will increase for foreign nationals who are visa required.

Financial Implications

- 73 Aside from addressing immediate cost, all financial implications from the fee and levy review will be addressed as part of the report-back in mid-2024 with final proposals for amended fee and levy rates.

Reducing Crown funding

- 74 Reducing **\$133.7** million of existing Crown funded costs on average over the next four years (\$72.9 million of immigration services and removing Crown subsidises of \$19.5 million and \$41.3 million for ESOL programmes in schools) plus reduced Crown funding for future cost pressures mean the operating costs for the Crown will reduce and third-party funding will increase to meet these costs. Note that if Crown subsidies are maintained for Pacific visas (\$1.167 million per annum), this would mean slightly higher Crown funded costs remain.
- 75 Note that all charges will be updated with revised visa volume and revenue forecasts following targeted consultation to inform final Cabinet decisions in mid-2024.

Addressing immediate cost pressures

- 76 Addressing the immigration system cost pressures will have the following financial impacts:

BUDGET SENSITIVE

- 76.1 A draw-down of the **\$14.9 million** from the Crown-funded tagged operating contingency would increase Crown spending, although the funding has been allocated through Budget 2023.
- 76.2 **\$2 million** revenue Crown from the tagged contingency would return to the Centre
- 76.3 The deficit of the levy hypothecation account will temporarily worsen by **\$5 million**. The proposed levy rate increases intend to balance the account over four years.

Legislative Implications

- 77 There are no legislative implications associated with the proposals in this paper. The Immigration (Visa, Entry Permission, and Related Matters) Regulations 2010 will require amendment to give effect to increased fee and levy rates.

Impact Analysis

Regulatory Impact Statement

- 78 A Stage-2 Cost Recovery Impact Statement will be produced for the subsequent Cabinet paper that seeks final decisions on the 2024 fee and levy review.

Climate Implications of Policy Assessment

- 79 There are no Climate Implications associated with the proposals in this paper.

Population Implications

- 80 The proposed increased to immigration fees and levies will largely affect migrant populations, (those offshore applying to come to New Zealand and those onshore applying to remain in New Zealand). Targeted consultation with key stakeholders will inform future advice on whether increases to fee and levy rates may have a disproportionate impact on any population groups.
- 81 Addressing the immigration system cost pressures will benefit refugees seeking to settle in New Zealand and victims of immigration non-compliance through investigation activity.

Human Rights

- 82 There may be potential human rights implications (e.g. welfare related) associated with the significant delays in processing asylum claims due to the current surge in applications. These delays would be exacerbated without the funding for additional processing capacity sought in this paper.

Use of external resources

- 83 No external resources have been used.

Consultation

- 84 The following agencies were consulted on this paper and their views taken into account during its development: NZ Customs Service, Ministry of Business, Innovation and Employment (Investment Policy and Tourism Policy), the Ministry of Education, the Ministry of Foreign Affairs and Trade, the Ministry for Pacific Peoples, the Ministry of Primary Industries, the Ministry of Transport, the Ministry for Ethnic Communities.
- 85 The Treasury has been consulted to ensure the financial recommendations capture all the technical changes necessary to give effect to the proposals in this paper. The Department of Prime Minister and Cabinet has been informed.
- 86 I propose that targeted consultation with key stakeholders on the increased fee and levy rates commence in April for four weeks. Targeted consultation will include representatives from the immigration professionals, international education, tourism, workers and businesses/employers.

Communications

- 87 No communications are planned.

Proactive Release

- 88 I propose that MBIE release this paper and corresponding Cabinet minute following Cabinet consideration of final proposals, expected to be in mid-2024.

Recommendations

The Minister for Immigration recommends that the Committee:

Achieving a fiscally sustainable immigration system

- 1 note the Government's priority to have an efficient, self-funding immigration system, including shifting to a more fully user pays system can be achieved by returning Crown funding provided to subsidise visas, increasing recovery of costs (including cost pressures) from users of the immigration system through adjusting fee and levy rates;

Fiscally sustainable proposal 1: Removing Crown-funding to subsidise visas

- 2 note that in 2022, as part of the fee and levy review Cabinet agreed to subsidise some visas totalling approximately \$19.549 million per annum [CAB-22-MIN-0121];
- 3 note that visa volumes have rebounded quicker than forecast and the immigration fees memorandum account is in a surplus position, meaning need for Crown funding is reduced because fees can cover the cost of visa processing;
- 4 agree in principle to remove Crown funding of \$19.549 million per annum to subsidise fees and levies of provided for in the 2022 fee and levy review [CAB-22-MIN-0121];

BUDGET SENSITIVE

- 5 note that the upcoming Budget 2024 Cabinet paper will seek to include the changes discussed in recommendation 4 to contribute towards Budget 2024 operating allowances
- 6 note that a decrease in revenue Crown and corresponding increases in third-party revenue (visa fees and the immigration levy) to account for the removal of Crown funding for price subsidies for selected visa products (recommendation 4 above) would have the following impact on the operating balance and net debt:

	\$m – increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance and Net Debt Impact	-	(19.549)	(19.549)	(19.549)	(19.549)
Operating Balance Only Impact	-	-	-	-	-
Net Debt Only Impact	-	-	-	-	-
No Impact	-	19.549	19.549	19.549	19.549
Total	-	-	-	-	-

- 7 note that the change in revenue sources noted in recommendation 6 above would have no impact on the total amount of appropriated spending, but would change the mix of funding sources across the Assessment and Processing Services category of the Immigration Services MCA, as follows:

	\$m – increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Assessment and Processing Services					
Revenue from fees	-	5.300	5.300	5.300	5.300
Revenue from levy	-	14.249	14.249	14.249	14.249
Revenue from the Crown	-	(19.549)	(19.549)	(19.549)	(19.549)
Total Revenue	-	-	-	-	-

- 8 note that the removal of Crown subsidies ahead of increasing fees and levies will worsen the fee and levy memo/hypothecation accounts and the final fee and levy

BUDGET SENSITIVE

review decisions in the mid-year are intended to rebalance the accounts over a four year period.

Fiscally sustainable proposal 2: Reallocating more Crown costs to users

- 9 agree in principle that users of the immigration system fund the current Crown costs and future cost pressures based on the principle that those that receive the benefit or create the risk should bear the cost of those services, comprising of:
 - 9.1 \$72.9 million per annum of immigration system activities (\$86.1 million including cost pressures)
 - 9.2 \$41.3 million per annum for ESOL programmes in schools (\$58.1 million including cost pressures)
- 10 note that the upcoming Budget 2024 Cabinet paper will seek to include the changes discussed in recommendation 9 to contribute towards Budget 2024 operating allowances

Fiscally sustainable proposal 3: Increase fee and levy rates

- 11 note that increases to fee and levy rates (set out in Annex Two) are required to give effect to recommendations 1, 4 and 9;
- 12 note that some changes to the Accredited Employer Work Visa are being considered as part of related policy work and any changes will be included as part of the package of final proposals;
- 13 EITHER
 - 13.1 agree to continue to subsidise the Pacific-related visas (\$1.167 million per annum) which would require updates to recommendations 4 to 7 OR
 - 13.2 agree to consult on charges for Pacific-related visas that reflect the full cost to process these visas, as set out in Table 4;
- 14 agree to targeted consultation with key stakeholders in April 2024 on increases to fee and levy rates;
- 15 note that the Minister of Immigration will approve the targeted consultation material;
- 16 invite the Minister of Immigration to report back to Cabinet in mid-2024 with final proposals on fee and levy rates, following targeted consultation, with updated rates taking effect late September 2024;

Managing immediate cost pressures facing the immigration system

Cost pressures proposal 1: Repurposing a Crown-funded tagged contingency

- 17 note that in Budget 2023, the Crown provided a tagged operating contingency “Immigration Portfolio – Cost Pressures” of \$16.9 million across 2024/25 and

BUDGET SENSITIVE

2025/26 to maintain visa processing in the event that fees revenue is insufficient to cover costs due to uncertainty about visa volumes following the border reopening [CAB-23-MIN-0139];

- 18 note that the Ministers of Finance and Immigration agreed to extend the expiry date for the tagged contingency from 1 February 2024 to 30 June 2024 to enable consideration of how to address immigration Crown-funded cost pressures in the context of the fee and levy review [WILLIS-0485];
- 19 agree to draw down and repurpose \$14.881 million of the \$16.9 million Crown-funded tagged operating contingency “Immigration Portfolio – Cost Pressures” to fund:
 - 19.1 resources to manage a surge in asylum claims for 2023/24 (\$1.3 million)
 - 19.2 delivery of the refugee quota and related programmes for 2023/24 (\$1 million) and a further two financial years (\$12.581 million);
- 20 approve the following changes to appropriations to provide for the decision in recommendation 19 above, with a corresponding impact on the operating balance and net debt:

	\$m – increase/(decrease)				
Vote Labour Market Minister of Immigration	2023/2 4	2024/25	2025/26	2026/2 7	2027/28 & Outyears
Multi-Category Expenses and Capital Expenditure: Immigration Services Multicategory Appropriation (MCA)					
Departmental Output Expenses:					
Settlement and Integration of Refugees and Other Migrants (funded by revenue Crown)	2.300	6.331	6.250	-	-
Total Operating	2.300	6.331	6.250	-	-

- 21 agree that the proposed changes to appropriations for 2023/24 above be included in the 2023/24 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 22 agree that the expenses incurred under recommendation 20 above be charged against the Immigration Portfolio – Cost Pressures – Tagged Operating Contingency described in recommendation 17 above;
- 23 note that, following the adjustment detailed in recommendation 20 above, the remaining balance of \$2.019 million will be returned to the Centre, and the tagged contingency will be closed;

B U D G E T S E N S I T I V E

24 note that MBIE will report back to the Ministers of Finance and Immigration on the benefits from recent investments in automation by the end of 2024;

Cost pressures proposal 2: Use of levy funding to manage levy-funded cost pressures

25 agree to use \$5 million of immigration levy funding for 2023/24 to fully resource the immigration compliance and investigation function;

26 agree to increase spending to provide for costs associated with the policy decisions in recommendation 25 above, with the following impacts on the operating balance and net debt:

	\$m – increase/(decrease)				
Vote Labour Market Minister of Immigration	2023/2 4	2024/25	2025/26	2026/2 7	2027/28 & Outyears
Operating Balance and Net Debt Impact	-	-	-	-	-
Operating Balance Only Impact	-	-	-	-	-
Net Debt Only Impact	-	-	-	-	-
No Impact	5.000	-	-	-	-
Total	5.000	-	-	-	-

27 approve the following changes to appropriations to provide for the decision in recommendation 26 above:

	\$m – increase/(decrease)				
Vote Labour Market Minister of Immigration	2023/2 4	2024/25	2025/26	2026/2 7	2027/28 & Outyears
Multi-Category Expenses and Capital Expenditure: Immigration Services Multicategory Appropriation (MCA)					
Departmental Output Expenses: Integrity and Security of the New Zealand Immigration System (funded by revenue Crown)	5.000	-	-	-	-
Total Operating	5.000	-	-	-	-

28 agree that the proposed changes to appropriations for 2023/24 above be included in the 2023/24 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

BUDGET SENSITIVE

- 29 note that the increased funding through revenue Crown is considered fiscally neutral as it will be managed against the Immigration Levy hypothecation account, and is intended to be recovered from levy payers over time through higher levy rates;
- 30 note that as part of the quarterly financial reporting to me and the Minister of Finance, I have directed Immigration New Zealand to also provide regular updates on headcount, efforts to improve efficiency and the productivity per visa product, and any associated savings.

Hon Erica Stanford
Minister of Immigration

Annex One: Summary of Crown funded activities proposed to be met by third-party users

The following Crown funded activities proposed to be more fully met by fee and/or levy payers based on the Immigration Act 2009 providing legal authority to charge either a fee or levy¹⁴, and principle that those that receive the benefit or create the risk should incur the cost are set out below.

1. Border risk management
2. Compliance and investigation activities
3. Visa assessment and processing (primarily risk and verification)
4. Policy advice and related services to Ministers (80% only, as 20% relates to servicing Ministers and meeting Parliamentary accountability requirements).
5. Migrant attraction services
6. Provision of settlement services for new migrants
7. Processing of asylum claims
8. Pacific migration initiatives and regional skills retention programmes -
9. Regulation of Immigration Advisers
10. English for Speakers of Other Languages (80% only).

The Crown will continue to fund the Refugee Quota and related programmes due to the higher risk of challenge.

BUDGET SENSITIVE

Annex Two: Fee and levy rates for key products 50% and 80% ESOL scenarios

The table below shows the proposed rates based on different ESOL scenarios.

Key visa products	Forecast visa application volumes (October 2024 - June 2027)	Current price (fee + levy)	Proposed Fee	Levy options		Combined prices (GST incl.)					
				80% ESOL scenario	50% ESOL scenario	80% ESOL Scenario			50% ESOL Scenario		
						\$ price	% change	% of AUS (\$NZD)	\$ price	% change	% of AUS (\$NZD)
Visitor*	1,530,950	211	310	31	30	341	62%	169%	340	61%	168%
Group visitor	87,500	110	86	200	195	286	160%	N/A	281	155%	N/A
Working Holiday	145,700	420	250	420	355	670	60%	99%	605	44%	90%
Students	273,000	395	465	285	260	750	90%	99%	725	84%	96%
Post-study work	12,700	700	350	1,540	1,460	1,890	170%	94%	1,810	159%	90%
Partnership (work)	106,150	860	555	1,120	970	1,675	95%	N/A	1,525	77%	N/A
Accredited Employer Work Visa (AEWV) - migrant check	175,500	750	420	1,120	970	1,540	105%	100%	1,390	85%	90%
AEWV accreditation	1,150	3,870	3,900	-	-	3,900	1%	N/A	3,900	1%	N/A
AEWV job check	97,050	610	615	-	-	615	1%	N/A	615	1%	N/A
Limited Visa - Recognised Seasonal Employer (RSE)	41,100	285	355	-	-	355	25%	94%	355	25%	94%
Agreement to recruit under Recognised Seasonal Employer Scheme	2,550	290	290	-	-	290	0%	N/A	290	0%	N/A
Recognised Seasonal Employer Status	450	1,080	1,080	-	-	1,080	0%	N/A	1,080	0%	N/A
Entrepreneur (work)	50	3,920	9,690	1,120	970	10,810	176%	159%	10,660	172%	157%
Variation of conditions on a temporary entry class visa	35,650	210	440	-	-	440	110%	N/A	440	110%	N/A
Skilled Residence pathways (Resident)*	18,700	4,290	2,560	3,890	3,880	6,450	50%	131%	6,440	50%	131%
Partnership (Resident)*†	27,200	2,750	1,780	4,220	4,140	6,000	118%	64%	5,920	115%	63%
Parent (Resident)*	450	5,260	3,740	2,920	2,920	6,660	27%	126%	6,660	27%	126%
Dependent Child (Resident)	6,550	3,610	1,670	1,560	1,560	3,230	-11%	100%	3,230	-11%	100%
Active Investor Plus (Resident)*	100	7,780	10,860	19,290	18,410	30,150	288%	165%	29,270	276%	161%
Permanent Resident Visa	65,150	240	345	-	-	345	44%	N/A	345	44%	N/A
Samoan Quota	1,200	800	1,430	-	-	1,430	79%	N/A	1,430	79%	N/A
Pacific Access Category	550	1,280	1,470	-	-	1,470	15%	N/A	1,470	15%	N/A

Key:

- Within 100%
- Below 100% when accounting for secondary applicants
- Above 100%

Annex Three: Proposed fee and levy rates compared to current charges

Annex Three: Proposed fee and levy rate changes

This annex sets out the current and proposed fee and levy rates.

Type of application	Current charges					Proposed charges				
	Current Fee rates (GST incl)			Current Immigration Levy	Total (Band A)*	Proposed Fee rates (GST incl)			Proposed Immigration Levy	Total (Band A)*
	Band A (New Zealand)	Band B (Pacific)	Band C (Rest of World)			Band A (New Zealand)	Band B (Pacific)	Band C (Rest of World)		
Residence class visa										
Skilled Migrant category	1,880	1,610	2,480	2,410	4,290	2,560	2,300	2,560	3,890	6,450
Entrepreneur Residence Category	3,710	3,710	3,710	3,150	6,860	9,690	9,690	9,690	3,890	13,580
Active Investor Plus Category	4,750	4,630	4,630	3,150	7,900	10,860	9,770	10,860	19,290	30,150
Residence from Work Category	1,090	-	-	3,150	4,240	2,620	-	-	3,890	6,510
Family Category	1,200	1,200	2,060	1,550	2,750	1,780	1,780	1,780	4,220	6,000
Dependent Child	1,200	1,200	2,060	1,550	2,750	1,670	1,670	1,670	1,560	3,230
Parent Retirement Category	3,710	3,710	3,710	1,550	5,260	3,740	3,740	3,740	2,920	6,660
Samoa Quota Scheme	820	800	-	-	820	1,430	1,430	-	-	1,430
Pacific Access Category	890	870	-	410	1,300	1,470	1,470	-	-	1,470
Employees of Relocating Business Category	1,200	1,200	2,060	3,150	4,350	1,780	1,780	1,780	3,890	5,670
Pitcairn Islanders	1,200	1,200	2,060	410	1,610	1,780	1,780	1,780	-	1,780
Any other residence category	1,200	1,200	2,060	*	*	1,780	1,780	1,780	*	*
Applications for:										
permanent resident visa (by a person holding resident visa or who previously held a resident visa)	240	240	240	-	240	345	345	345	-	345
A grant of second or subsequent resident visa	240	240	240	-	240	305	305	305	-	305
A variation of travel conditions on a resident visa	240	240	240	-	240	435	435	435	-	435
Expressions of Interest under Parent Category										
Hard Copy	550	550	550	-	550	555	555	555	-	555
Online	430	430	430	-	430	435	435	435	-	435
Registration under Pacific Access Category										
First year's registration	85	85	85	-	85	86	86	86	-	86
Second and subsequent year's registration	35	35	35	-	35	86	86	86	-	86
Temporary visa										
Visitor visa	190	150	190	21	211	310	260	310	31	341
Temporary Retirement Category visitor visa	3,710	3,710	3,710	80	3,790	3,740	3,740	3,740	31	3,771
Group visitor visa - Approved Destination Status (China) - offshore only	-	-	35	55	90	-	-	55	200	255
Other group visitor visa	55	55	55	55	110	86	86	86	200	286
Fee-paying student visa	280	220	300	95	375	465	395	465	285	750
Post-study work visa	490	410	490	210	700	350	295	350	1,540	1,890
Partnership/Work to Residence	650	650	650	210	860	555	555	555	1,120	1,675
Entrepreneur Work Visa	3,710	3,140	3,710	210	3,920	9,690	9,690	9,690	1,120	10,810
Working holiday scheme	210	-	210	210	420	250	-	250	420	670
Working holidaymaker extension	210	-	210	210	420	285	-	285	420	705
Accredited Employer Work Visa	540	540	540	210	750	420	420	420	1,120	1,540
Work visa - other	490	410	490	210	700	420	360	420	1,120	1,540
Reconsideration of decision to decline temporary visa	250	-	-	-	250	255	-	-	-	255
Limited visa										
Limited visa - student	280	220	300	95	375	465	395	465	285	750
Limited visa - Recognised Seasonal Employer	310	270	310	15	325	355	355	355	-	355
Limited visa - other	210	170	210	80	290	325	275	325	200	525
Transit visa										
Transit visa	180	180	180	-	180	300	300	300	-	300
Transit visa - group Chinese nationals (per person)	110	110	110	-	110	185	185	185	-	185
New Zealand Electronic Authority										
Request for traveller NZeTA made via INZ website	23	23	23	-	23	23	23	23	-	23
Request for traveller NZeTA made via mobile app	17	17	17	-	17	17	17	17	-	17
Request for transit NZeTA made via INZ website	23	23	23	-	23	23	23	23	-	23
Request for transit NZeTA made via mobile app	17	17	17	-	17	17	17	17	-	17
Request for crew NZeTA	17	17	17	-	17	17	17	17	-	17
Other matters - applications or requests by employers and organisations										
Approval in principle to recruit foreign crew of fishing vessels	6,310	-	-	-	6,310	6,370	-	-	-	6,370
Request for supplementary seasonal employment approval in principle	320	-	-	-	320	325	-	-	-	325
Recognised Seasonal Employer status	1,080	-	-	-	1,080	1,080	-	-	-	1,080
Agreement to recruit under Recognised Seasonal Employer instructions	290	-	-	-	290	290	-	-	-	290
Entertainment Industry accreditation (under Specific Purpose or Events instructions)										
First year's registration	2,200	-	-	-	2,200	2,220	-	-	-	2,220
Second and subsequent year's registration	620	-	-	-	620	625	-	-	-	625
Employer accreditation (under Accredited Employer immigration instructions)										
Employer accreditation (standard)	740	-	-	-	740	745	-	-	-	745
Employer accreditation (upgrade from standard to high volume)	480	-	-	-	480	485	-	-	-	485
Employer accreditation (high volume)	1,220	-	-	-	1,220	1,230	-	-	-	1,230
Employer accreditation (triangular employment)	3,870	-	-	-	3,870	3,900	-	-	-	3,900
Employer accreditation (franchisee)	1,980	-	-	-	1,980	2,000	-	-	-	2,000
Reconsideration of employer accreditation application	240	-	-	-	240	240	-	-	-	240
Job Check (under Accredited Employer immigration instructions)	610	-	-	-	610	615	-	-	-	615
Reconsideration of Job Check	240	-	-	-	240	240	-	-	-	240
Other matters - general										
Special direction	250	250	250	-	250	250	250	250	-	250
Residence class visa granted under section 61	1,080	-	-	-	1,080	1,390	-	-	-	1,390
Temporary entry class visa granted under section 61	460	-	-	-	460	590	-	-	-	590
Variation of conditions on a temporary entry class visa	210	210	210	-	210	440	440	440	-	440
Call-out fee where office is opened outside normal working hours in order to process immigration matter	360	360	360	-	360	365	365	365	-	365
Confirmation of immigration status	150	150	150	-	150	260	260	260	-	260
Transfer fee where visa stamp or label transferred from one passport or certificate to another	150	150	150	-	150	260	260	260	-	260
Endorsement indicating New Zealand citizenship										
First endorsement indicating New Zealand citizenship	170	170	170	-	170	260	260	260	-	260
Second and subsequent endorsement indicating New Zealand citizenship	110	110	110	-	110	260	260	260	-	260

Annex Four: International trends of asylum claims

New Zealand's increase in asylum claims is consistent with trends internationally – 2022 saw the highest number of new asylum applications ever recorded (UN Refugee Agency).

■ Confidential information entrusted to the Government [Redacted]

■ [Redacted]

■ [Redacted]