



## BRIEFING

### Coalition commitment to introduce a new parent visitor visa – proposed scope and timing

<b>Date:</b>	13 February 2025	<b>Priority:</b>	Medium
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	REQ-0009473

Action sought		
	Action sought	Deadline
Hon Erica Stanford <b>Minister of Immigration</b>	<b>Discuss</b> the proposed scope and timing to progress work on a new parent visitor visa with officials.	18 February 2025

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
Polly Vowles	Manager, Immigration (Skills & Residence) Policy	04 978 3106	Privacy of natural persons	√
Lee Gerrard	Principal Policy Advisor	04 830 7396		

The following departments/agencies have been consulted
The Ministry of Health and Ministry of Social Development

Minister's office to complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

Comments



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### Purpose

To support an upcoming discussion with officials on the scope and timing for work on the coalition commitment to introduce a new parent visitor visa.

### Executive summary

As part of the New Zealand National and ACT parties' Coalition Agreement, there is a commitment to introduce a new five-year renewable parent visa conditional on covering healthcare costs. You have signalled to Cabinet you are aiming to introduce this visa by the end of November 2025.

We have a meeting to discuss the proposed scope and timing to progress this work and seek your initial direction on the design on 18 February 2025. This briefing provides an overview of the key trade-offs and design choices, as well as some international comparisons and illustrative options (annexed), to support the discussion.

Ultimately, the design of a new parent visa will depend on where you choose to strike the balance between facilitation and attraction (both compared to our comparator countries and existing pathways for parents) and risk mitigation (notably potential impacts on the health system, social services and de-facto settlement risks). Key design choices will include the duration of the visa (and any periods required offshore within the visa duration) and what, if any, requirements will be in place to manage health costs (for example, income/financial requirements, mandatory health insurance, levies and/or bonds).

We have outlined a proposed timeframe to implement a new parent visa as scheduled (in September, given competing implementation priorities in November) which would see Cabinet decisions sought in May. This timeframe will limit the breadth and complexity of policy work and implementation achievable, notably some options such as a health levy will not be possible in this timeframe. Officials will discuss this further with you.

## Recommended action

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

- a. **Discuss** the scope and approach to progressing the coalition commitment to introduce a new parent visitor visa at an upcoming meeting with officials on 18 February 2025.

*Agree / Disagree / Discuss*



Polly Vowles  
**Manager, Immigration (Skills and  
Residence) Policy**  
Labour, Science and Enterprise Group,  
MBIE

Hon Erica Stanford  
**Minister of Immigration**

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13 /02 / 2025

## Background

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### *Current settings for parents*

1. There are three key existing specific immigration policies for parents of New Zealand citizens and residents to come to New Zealand:
  - The Parent/Grandparent Visitor Visa offers parents the ability to come to New Zealand for 18 months within a three-year period (for a maximum of six months at a time). Applicants must meet a good health requirement.

**Note:** Parents may also use the General Visitor Visa (generally 6 or 9 months) or for visa waiver countries a New Zealand Electronic Travel Authority (NZeTA) for visits up to 3 months (or 6 months for UK citizens). These pathways may be more preferable for parents where they do not intend multiple visits. Visitors do not normally need to provide upfront evidence to meet health requirements.
  - The Parent Resident Visa (Parent Category) provides 2,500 places per annum for residence. Parents must be sponsored by their children who must meet certain income requirements. Applicants must meet good health and English language requirements.
  - The Parent Retirement Visa provides residence to parents who will invest at least \$1 million in New Zealand bonds, shares or property (not their own home) for at least four years. Applicants must meet a good health requirement and must have at least \$500,000 to support settlement in New Zealand.
2. More information about these visas and key data (including volumes) is included at **Annex One**.

### *Proposal for a new parent visa*

3. In the Coalition Agreement between the New Zealand National and ACT parties there was a commitment to: *Introduce a five-year, renewable parent category visa, conditional on covering healthcare costs, with consideration of a public healthcare levy.*
4. In your Immigration Portfolio priorities Cabinet paper, you outlined that you were aiming for implementation of the new visa by 30 November 2025 [ECO-24-SUB-0158 refers].
5. As advised late last year, to meet this timeline, changes would need to be implemented in September 2025 (given competing IT priorities in November). This condenses the time for policy work, which in turn may reduce the scope of work we would be able to consider. We noted that we were assuming the visa would have a health insurance requirement, rather than some form of health levy, which may take longer [REQ-0006970 refers].

## Key considerations and trade-offs in the design of a new parent visa

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6. We are seeking your direction on your key objectives for introducing a new parent visa. Expanding parent settings could aim to expand the eligibility to support/ increase the volumes of parents who are able to come to New Zealand and/or look to maintain volumes but allow parents already eligible to travel to New Zealand to remain onshore for longer periods.
7. Settings which are designed to increase the overall volumes of parents in New Zealand may have a number of positive impacts towards the Governments objectives including:
  - It may support increased spending onshore (by increasing visitor numbers).

- It may reduce parents' barriers to employment, if visiting grandparents support with childcare.
8. Settings designed to support parents to remain onshore for longer (with or without seeking to increase the volume of parents) could also increase our attraction as a destination for skilled migrants, subject to its design and relative generosity compared to our key comparator countries. A brief overview of parent settings in Australia and Canada is included in **Annexes Two and Three** respectively.
  9. While increasing parent volumes or durations onshore will likely have some positive impacts (especially for those eligible), there are known risks associated with expanding parent settings. Given the age of parents (outlined in Annex One) there are more likely to be additional pressures on New Zealand's health system. Even if this is funded (say through private health insurance) there will be a resourcing impact for the health system.
  10. Allowing parents to stay for longer periods onshore may also:
    - Put greater pressure on housing and social services (e.g. parents may be more likely to seek out their own accommodation if they are here for five years as opposed to six months).
    - Increase the risk these parents become well-settled, and lose ties to their homeland, making returning home more difficult. Without policy interventions, temporary visa holders could effectively become de facto residents in New Zealand, but without the rights that go along with it.<sup>1</sup>
    - Increase the risk of a change in their health making it either medically difficult or impossible to return to their homeland.
  11. There is a fundamental tension between expanding settings/making settings more facilitative for parents and mitigating the possible negative impacts, notably to the health system. In existing parent policies these tensions are managed through caps (in the case of residence) and up-front health requirements and only allowing short-term stays (in the case of temporary settings).
  12. Where you choose to strike the balance between facilitation and risk mitigation will inform the design of a new visa category. The key design questions are outlined in the section below. To support your consideration and the upcoming discussion with officials we have included an illustrative set of options based on how you weigh the trade-offs in **Annex Four**.

## Key design questions informing the proposed scope

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### *Interaction with existing visas*

13. A key question will be how a new parent visa will interact and compare to existing visa products for parents. We understand from initial discussions with officials that you are seeking for this visa to be **in addition to** the existing Parent Grandparent Visitor visa and for parents using the visa to maintain eligibility for the Parent Category Resident Visa (noting in Australia, their long-term temporary parent visa cannot be used prior to accessing residence – see Annex Two).

### *Duration*

14. Assuming existing visas and pathways are maintained, the key way this visa will differ and provide attraction benefits is by allowing longer stays onshore. You will have choices for both

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<sup>1</sup> This is the key rationale for the current Maximum Continuous Stay in the Accredited Employer Work Visa and the requirements to spend periods offshore in the current Parent/Grandparent visitor visa design.

the total duration of the visa (e.g. five years with the ability to extend for a further five) and the length of time visa holders can be onshore at a time (e.g. 12 in 18 months, two years at a time or the full visa duration). As outlined above, this will be key to attraction but will have trade-offs with risks of de-facto settlement and health and social service pressure.

#### *Minimising impact on health and social services*

15. The coalition commitment states the new visa is conditional on covering health costs. We are assuming existing upfront health requirements will be maintained. In addition, there are a number of mechanisms which could be considered to cover health costs and reduce the chance parents seek welfare support<sup>2</sup>:

- **Sponsorship** – as with existing temporary and residence parent policies both here and overseas, sponsorship obligations can relate to accommodation provision, ongoing financial support and can also mean sponsors are liable for any costs incurred by the government during the sponsorship period (e.g. any welfare paid). Sponsorship has limitations in effectiveness, particularly if not monitored/enforced.
- **Income threshold for sponsors** – the Parent Category Residence Visa requires sponsors to meet an income threshold<sup>3</sup>, previous evidence suggests this is an effective mechanism to minimise costs to the welfare system<sup>4</sup>. Depending on the level set, an income threshold may also mean parents are more likely to be subsequently eligible under the Parent Category.
- **Financial requirement for parents** – this could be set at a level to ensure parents are able to support themselves and return home<sup>5</sup>. The appropriate level would likely be challenging to determine (as it would vary based on individual circumstances) and may depend what if any other financial/health requirements are in place and the overall duration of the visa.
- **Bonds** – opposed to requiring parents to have a level of savings, bonds could be payable to INZ on visa grant to cover medical evacuations or other situations. Note further work would be required on the operational feasibility of delivering this by September.
- **Mandatory health insurance** – as required in Australia and Canada (see Annexes Two and Three) for their long-term parent visitor visas, health insurance can help ensure that migrants ineligible for publicly-funded healthcare are able to meet their health costs. Requirements could also extend to specific provisions e.g. repatriation (as Canada does). Health insurance requirements already apply in some policies (e.g. the Recognised Seasonal Employer scheme and students). However, health insurance has drawbacks as a standalone policy intervention. In many cases health insurance does not cover pre-existing conditions which would limit its effectiveness. It could also be cancelled by the visa holder once onshore.

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<sup>2</sup> People who are not residents may be able to receive Emergency Benefit.

<sup>3</sup> Sponsors must earn at least 1.5 x median wage (to sponsor one parent) or 2 x median wage (to sponsor two parents). There is currently no income threshold for sponsors of temporary parent visas.

<sup>4</sup> Sapere conducted analysis for MBIE in 2017 on the fiscal impacts of the Parent Category and examined the November 2011 and June 2013 annual cohorts of arrival on Parent Category visas. The 2011 cohort did not have an income threshold for sponsors, whereas the 2013 cohort did. The uptake of benefits decreased significantly once there was an income threshold for sponsors - approximately 33 per cent of the 2011 cohort accessed some form of benefit within the first five years of residence, while only three per cent of the 2013 cohort accessed benefits.

<sup>5</sup> This would be akin to student visa settings where students are required to have sufficient funds to support themselves during their studies.

- **Health levy** – this would likely mean parents were charged up-front (and/or annually) to offset costs to the health system. This would likely mean changes to the health eligibility direction were required to extend access to public healthcare to this cohort. Determining the appropriate level and mechanism for a health levy, and its subsequent implementation, will not be possible within current timeframes.
16. You could also seek to mitigate the level of impact to health and social services by capping the number of places available (like the Parent Category). Caps are effective at managing volumes but often lead to excess demand and significant wait times. Should you wish to consider a cap further, there are design choices including how places are prioritised (e.g. random ballot or chronologically).
  17. We note that including any of the above requirements (with the exception of sponsorship) for applicants will mean the pool eligible for this visa (either for financial or medical reasons) will be smaller than for the existing Parent Grandparent Visitor Visa. It will also likely reduce the attractiveness of the visa (particularly in the context of existing parent settings). This will need to be considered in the context of the broader design and benefits offered.

#### *Other detailed design questions*

18. While not key to the overall design, there are several other design decisions that may affect the overall take-up of the visa, including (but not limited to) any requirements for the sponsoring child to remain onshore and the cost of the visa. We will work through these as part of the detailed design.

#### *Potential changes to other visas*

19. You have separately requested some initial views on possible changes to the Parent Category Residence Visa cap. We will provide this to you on 17 February 2025 to support the discussion on 18 February 2025. This will inform consideration of whether any changes to broader parent settings are being included in the scope of this work.
20. Subject to further discussions, we are not proposing any changes to General Visitor Visa as part of this work.

## **Next steps and timing**

21. Officials will discuss the proposed scope and approach with you with you at the meeting on 18 February 2025.
22. To meet a September implementation date (as outlined in Paragraph 5) we would need to progress along the timeframe outlined in the table below. We note that meeting this timeframe is subject to the scope of work agreed and broader ongoing discussions about your work programme and delivery priorities.

<i><b>What?</b></i>	<i><b>When?</b></i>
Confirm scope / timeframe <i>*timeframe below assumes scope kept tight</i>	18 February
Policy work and preparing advice	21 February – 26 March
Advice provided seeking your agreement to draft a Cabinet paper	27 March
Drafting Cabinet paper	1 – 16 April
Draft Cabinet paper provided	16/17 April (pre-Easter/Anzac)
Conjoint Ministerial/agency consultation on draft Cab paper	28 April – 9 May
Revised Cabinet paper provided	12 May

Lodge Cabinet paper	15 May
Cabinet committee (ECO)	21 May
Cabinet	26 May
Instructions	June
Development/testing	July and August
Implementation	September

## Annexes

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**Annex One:** Overview of existing parent policies, including key data

**Annex Two:** High level overview of parent settings in Australia

**Annex Three:** High level overview of parent settings in Canada

**Annex Four:** Illustrative options in light of trade offs



## Annex One: Overview of existing parent policies in New Zealand including key data

	Visa	Key settings and requirements	Volumes	Other data as relevant																		
Temporary	<b>Parent and Grandparent Visitor Visa</b>  Cost: \$341	<ul style="list-style-type: none"><li>Multiple entry</li><li>Able to spend up to 18 months in New Zealand within a 3-year period (each stay must be no more than 6 months at a time)</li><li>Must be sponsored their child/grandchild who is a New Zealand citizen or resident and 18 or over (but no income requirement for sponsor)</li><li>Must have a chest X-ray and a medical examination to prove good health</li><li>Declaration required that visa holder will pay the costs of any health care or medical assistance received while in NZ (sponsor required to meet costs if visa holder is unable to).</li><li>Medical insurance recommended but not required.</li><li>Must meet character requirements</li><li>Must intend to visit children/grandchildren and therefore the children/grandchildren must be in New Zealand during the visit</li><li>Can include a partner in the application but not dependent children</li></ul>	2018: 3,651 2019: 3,463 2020: 752 2021: 8 2022: 4,817 2023: 14,683 2024: 7,601  <i>* Note: parents can also enter NZ on a general visitor visa and therefore this may not be representative of the entire volume of parents visiting NZ</i>	For 2024 the top three nationalities were:  1- India (3,909) 2- China (973) 3- Philippines (480)  For 2024 the age range for visa holders was: <table><tr><th>Age range</th><th>Volume (of 2024 grants)</th></tr><tr><td>49 or below</td><td>149</td></tr><tr><td>50-55</td><td>977</td></tr><tr><td>55-60</td><td>1,747</td></tr><tr><td>60-65</td><td>2066</td></tr><tr><td>65-70</td><td>1481</td></tr><tr><td>70-75</td><td>737</td></tr><tr><td>75-80</td><td>310</td></tr><tr><td>Over 80</td><td>283</td></tr></table>	Age range	Volume (of 2024 grants)	49 or below	149	50-55	977	55-60	1,747	60-65	2066	65-70	1481	70-75	737	75-80	310	Over 80	283
	Age range	Volume (of 2024 grants)																				
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60-65	2066																					
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70-75	737																					
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Over 80	283																					
Residence	<b>Parent Resident Visa</b>  Cost: \$450 online / \$575 physical – EOI + \$5,810 visa	<ul style="list-style-type: none"><li>2,500 per annum cap</li><li>NZ citizens and residents can sponsor their parent(s) for residence if they are earning at least 1.5 x median wage (to sponsor one parent) or 2 x median wage (to sponsor two parents)</li><li>Sponsor must live in New Zealand</li><li>The sponsor must provide suitable accommodation if the parent doesn't have their own place to live and ensure that the parent's health and welfare needs are met for a ten-year period.</li><li>Must have a chest X-ray and a medical examination to prove good health</li><li>Must meet character requirements</li><li>Must meet English language requirements</li><li>Can include a partner (they must also meet character, health and English language requirements)</li><li>Cannot have or include dependent children</li></ul>	2018: 949 2019: 54 2020: <= 5 2021: 0 2022: <= 5 2023: 1,015 2024: 2,350	For 2024 the top three nationalities were:  1- China (1104) 2- India (401) 3- Philippines (77)  Current EOI volumes: <table><tr><td></td><th>EOIs</th><th>Total Applicants</th></tr><tr><th>Ballot pool</th><td>9,934</td><td>15,051</td></tr><tr><th>Queued pool</th><td>1</td><td>1</td></tr></table>		EOIs	Total Applicants	Ballot pool	9,934	15,051	Queued pool	1	1									
		EOIs	Total Applicants																			
Ballot pool	9,934	15,051																				
Queued pool	1	1																				
	<b>Parent Retirement Category</b>  Cost: \$12,850	<ul style="list-style-type: none"><li>Must invest at least \$1million in New Zealand bonds, shares or property (not own home) for at least four years.</li><li>Must have at least \$500,000 to support settlement in New Zealand</li><li>Must have an annual income of \$60,000 or more</li><li>Sponsor must be a NZ citizen or resident</li><li>Sponsor must live in NZ</li><li>Can include a partner (they must also meet immigration requirements)</li><li>Cannot have or include dependent children</li><li>Must have a chest X-ray and a medical examination to prove good health</li><li>Must meet character requirements</li></ul>	2018: 61 2019: 68 2020: 47 2021: 56 2022: 154 2023: 225 2024: 165	The top nationality was China with 98.																		

## Annex Two: High level overview of parent settings in Australia

**Note:** From a search of publicly available information, Australia appears to have seven parent visa pathways. Four are displayed in the table below. The three not displayed relate to aged parents (i.e. parents of pension age in Australia). The visas offered to aged parents are residence (contributory or not) and contributory temporary. Further information can be requested from our Australian counterparts as part of ongoing work.

**Note:** Parent visa applications in Australia are subject to capping and queueing. Publicly available information outlines that the processing timeframe will vary based on the visa type but is significant for residence offerings. We will request further information on processing times and volumes from our Australian counterparts as part of ongoing work.

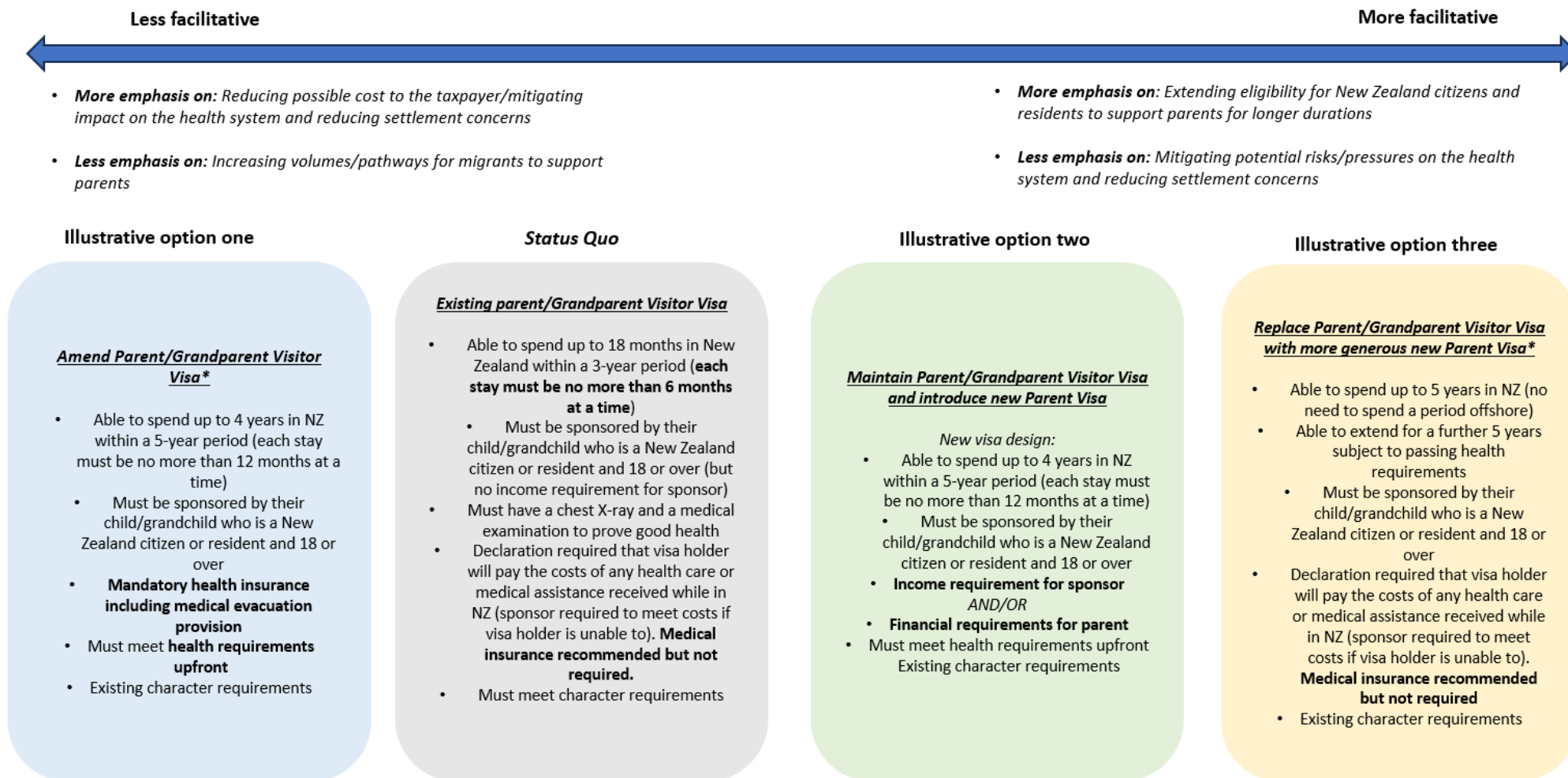
	Australia		
	Temporary		Residence
	<i>Sponsored Parent (Temporary) Visa (subclass 870)</i>	<i>Contributory Parent (temporary) visa (subclass 173)</i>	<i>Contributory Parent Visa (subclass 143) and Parent Visa (subclass 103)</i>
<b>General overview</b>	Can visit for up to 3 or 5 years per visa and can apply for further visas to visit up to a maximum period of 10 years. No work rights. <b>Cannot subsequently apply for residence</b>  3-year cost: AUD \$5,895 5-year cost: AUD \$11,785	Stay for 2 years with work and study rights, cannot be extended but can apply for a different visa including residence (subclass 143)  Cost: AUD \$32,430	Residence visa  Contributory cost: AUD \$48,495 Parent cost: \$5,125
<b>Applicant requirements</b>	Applicants must: <ul style="list-style-type: none"> <li>meet health and character requirements</li> <li><b>have sufficient funds to support their stay</b></li> <li>have health insurance</li> <li>be a genuine visitor</li> </ul>	Applicants must: <ul style="list-style-type: none"> <li>meet the health requirement</li> <li>have health insurance</li> <li>meet the character requirement</li> <li>meet the 'balance of family test' (about number of children in Australia vs elsewhere)</li> <li>not already have applied for or hold a Sponsored Parent (subclass 870) temporary visa when applying</li> </ul>	Applicants must: <ul style="list-style-type: none"> <li>meet the health requirement</li> <li>have health insurance</li> <li>meet the character requirement</li> <li>meet the 'balance of family test' (about number of children in Australia vs elsewhere)</li> <li>not already have applied for or hold a Sponsored Parent (subclass 870) temporary visa when applying</li> </ul>
<b>Requirements for sponsor</b>	Sponsors must: <ul style="list-style-type: none"> <li>be the adult child of the applicant/s.</li> <li>hold citizenship/ residence</li> <li>give an assurance of financial support (no specific income requirement)</li> </ul>	Sponsors must: <ul style="list-style-type: none"> <li>be a settled Australian citizen, permanent resident or eligible New Zealand citizen</li> </ul>	Sponsors must: <ul style="list-style-type: none"> <li>be a settled Australian citizen, permanent resident or eligible New Zealand citizen</li> <li>provide an assurance of support that Government support will not be relied on</li> </ul>

## Annex Two: High level overview of parent settings in Canada

	Canada	
	Temporary	Residence
<b>General overview</b>	A “super visa” allows parents and grandparents to visit for <b>up to 5 years at a time</b> and provides <b>multiple entries for a period up to 10 years</b>	A program to sponsor parents/grandparents to become permanent residents of Canada
<b>Applicant requirements</b>	<p>Applicants must:</p> <ul style="list-style-type: none"> <li>have an immigration medical exam and meet health requirements</li> <li><b>have health insurance which:</b> <ul style="list-style-type: none"> <li>should be valid for a minimum of a year from the date of entry (<i>the policy notes they ‘should have a valid insurance policy while in Canada so may need to renew or maintain insurance during their stay. Insurance must be valid for each entry into Canada</i>)</li> <li>is paid in full or instalments with a deposit</li> <li>covers health care, hospitalisation and repatriation</li> <li>provides a minimum coverage of \$100,000</li> </ul> </li> <li>must be a genuine visitor (<i>this includes consideration of ties to their home country and the overall economic and political stability of their home country</i>)</li> <li>must meet character requirements</li> </ul>	<p>Applicants must:</p> <ul style="list-style-type: none"> <li>meet health and character requirements</li> </ul>
<b>Requirements for sponsor</b>	<p>Sponsors must:</p> <ul style="list-style-type: none"> <li>be the applicant’s child or grandchild</li> <li>hold citizenship/residence</li> <li><b>meet an income threshold</b> (<i>varies by size of household; CAD \$29,380 for 1 person, up to CAD \$77,750 for 7 people (+ CAD \$7,916 for each added person)</i>)</li> <li>provide a promise of financial support for the duration of the visit</li> </ul>	<p>Sponsors must:</p> <ul style="list-style-type: none"> <li>be the adult child of the applicant/s.</li> <li>hold citizenship/residence and primarily reside in Canada</li> <li><b>undertake sponsorship requirements</b> including: <ul style="list-style-type: none"> <li>financially supporting the parent/grandparent for 20 years (or in Quebec, 10 years)</li> <li>making sure no social assistance is granted to the parents, if they receive assistance during the sponsorship window, the sponsor would not be able to sponsor again until they had repaid the cost</li> <li>providing for basic needs including food, clothing and shelter, dental, eye and other health needs not covered by public health</li> </ul> </li> <li><b>Meet an income threshold</b> (<i>varies by size of household; CAD \$44,530 for 2 people, up to CAD \$94,658 for 7 people (+ CAD \$9,636 for each added person)</i>)</li> </ul>
<b>Annual cap</b>	N/A	For the 2024 intake, 35,700 invitations to apply were issued with a goal to accept up to 20,500 applications

## Annex Four: Illustrative options in light of trade offs

### Potential parent visa options considering key trade offs



\* Amending or replacing the existing Parent/Grandparent Visitor Visa is likely to result would reduce complexity in the system when compared to introducing a new visa

\* \* You could also consider using caps to mitigate risks