

BRIEFING

Revised Cabinet paper: Introducing a new longer-term visitor visa for parents

Polly Vowles Manager, Immigration (Skills and Residence) Policy Lee Gerrard Principal Policy Advisor O4 830 7396 The following departments/agencies have been consulted on the attached Cabinet paper. The following agencies were consulted on the Cabinet paper: Health, Social Development, Treasury, Ethnic Communities, Pacific Peoples, Primary Industries, Education, Te Puni Kokor Women, Whaikaha, Inland Revenue and the Department of the Prime Minister and Cabinet (Policy Advisory Group) Minister's office to complete: Approved Noted Noted Needs change Seen Overtaken by Event See Minister's Notes	ecurity In Confidence Tracking REQ-0014243					
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Comments	omments					



BRIEFING

Revised Cabinet paper: Introducing a new longer-term visitor visa for parents

Date:	14 May 2025	Priority:	High
Security classification:	In Confidence	Tracking number:	REQ-0014243

Purpose

This briefing provides a revised version of the Cabinet paper: *Introducing a new longer-term visitor visa for parents,* following consultation and further work on the proposed fee and levy. The Cabinet paper, subject to any further feedback, is now ready for lodging.

Recommended action

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

a Note that the attached Cabinet paper was circulated for agency and subsequently Ministerial consultation and feedback was received, which is now reflected in the Cabinet paper as outlined in Table One of this briefing;

Noted

b **Note** that the Cabinet paper now includes the proposed fee and levy for the Parent Boost visa and three-year check point as follows:

	Standard (Band A and C)		Pacific (Band B)		B)	
	Fee	Levy	Total	Fee	Levy	Total
Parent Boost application	\$1,940	\$1,060	\$3,000	\$1,390	\$1,060	\$2,450
Compliance with conditions check	\$325	N/A	\$325	\$240	N/A	\$240
Total	\$3,325			\$2,690	1	

Noted

С	Note that applicants will also be required to pay the International Visitor Conservation and
	Tourism Levy of \$100;

Noted

d	Confidential advice to Government

e **Subject to any feedback**, **agree** to the lodge the final Cabinet paper: *Introducing a new longer-term visitor visa for parents* as attached at **Annex One**

Agree / Disagree / Discuss

f **Note** officials will separately provide you with talking points to support discussion of this item at the Cabinet Economic Policy Committee (ECO) on Wednesday 21 May 2025.

Noted

Polly Vowles

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Manager, Immigration (Skills and Residence)

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Labour, Science and Enterprise, MBIE

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Hon Erica Stanford

Minister of Immigration

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Background

- 1. The draft Cabinet paper was sent for agency consultation from 16-23 April and subsequently for Ministerial consultation from 29 April to 8 May.
- 2. As signalled, officials have done further work on a proposed fee and levy alongside consultation and the proposed fee and levy are outlined below and have been included in the revised Cabinet paper.

Changes made to the draft Cabinet paper

- 3. A considerable amount of feedback was received from agencies and Ministers consulted. A summary of agency feedback was previously provided to your office.
- 4. We have made some changes to the Cabinet paper in light of feedback received and further discussions with you. The changes made and rationale for the change is outlined in Table One below.

Table One: Changes made to the draft Cabinet paper

Where?	What change was made?	Rationale for change
Throughout	Small wording changes to improve clarity and/or address spelling/grammar fixes	Support readability and add further clarity where feedback suggested wording was unclear
Rec 3 and new recs 4, the three-year mark		Following Ministerial feedback and your decision that Parent Boost should be a five-year multi-entry visa with a check of health conditions at some point three years after entry (see below)
Paragraphs 6, 43, 44, 45, 46, 47 and 48 Recs 22, 23 and 24	Added proposed fee and levy amounts	See below
Paragraphs 23 and 24 Removed insurance options		Following feedback from your office that insurance Option Two is now the preferred option
Paragraph 28	Additional context on volume estimates	Following feedback Free and trank opinions
Paragraphs 30-34 Removal of reference to reciprocal health agreement and changes to the section about the potential impact on the health system		Following further feedback from the Ministry of Health, Free and frank opinions

Confidential advice to Government

Paragraph 39	Addition to the implementation section that changes to enable the three-year health check will be implemented after September 2025	The three-year health check process requires separate ICT changes. In order to meet September 2025 delivery of the substantive visa, these changes will progress at a later date but prior to when the functionality is required (from 2028)
Confi	idential advice to G	Sovernment
Paragraphs 50 and 51	Updated wording in the impact analysis section	Following confirmation that a Cost Recovery Impact Statement (CRIS) and Climate Implications of Policy Assessment (CIPA) are not required for the proposals in the paper.
Paragraph 53	Amendment to the population implications section	Following further feedback from the Ministry of Health
Paragraph 56	Updated list of agencies consulted	To reflect the list of agencies who received the paper for consultation
Conf	fidential advice t	o Government
Rec 20	Addition of recommendation 20 that the sponsor must continue to live in New Zealand while the Parent Boost Visa holder is onshore	Following feedback from your Advisor Reference Group and concerns about sponsors abandoning their parents and/or not meeting their sponsorship obligations

Fee and levy for the new Parent Boost visa

Fees

- 5. As previously raised, a new fee and levy is required for the Parent Boost Visa. Immigration fees are set to recover the direct and indirect costs of processing and assessing visa products (i.e. the 'cost-to-serve'). Based on the proposed upfront evidentiary requirements for Parent Boost (including health insurance, income/funds and residence Acceptable Standard of Health), officials consider that processing effort likely to be akin to the Parent Category Resident Visa. The current fee for a Parent Category Resident Visa is \$1,940 for the majority of applicants, and \$1,390 for applicants eligible for the Pacific fee band. We have recommended this fee also apply to the initial Parent Boost application.
- 6. As proposed, there will be condition of a Parent Boost Visa that applicants will be required to go offshore, complete a new immigration medical and provide evidence they have maintained insurance (as required) at some point three-years after they entered on a Parent Boost Visa. This process which we are referring to as a "compliance with conditions" check will have an associated processing impact (to assess health). We recommend this be set at

- the Variation of Conditions level \$325 (\$240 for Pacific fee band applicants), given the anticipated similar level of processing required.
- 7. We note that this assumes that medical waivers will not apply for either the initial visa or compliance with conditions check. Medical waivers generally do not apply for temporary visa holders and we recommend this be maintained for Parent Boost. A medical waiver could result in a parent coming to New Zealand who didn't meet the Acceptable Standard of Health requirements and subsequently faced significant costs they (or their sponsor) may not be able to meet (as pre-existing conditions will be excluded from insurance requirements and these visa holders will have no eligibility for public healthcare).

Levy

- 8. Immigration levies, which cover the wider costs of running the immigration system such as border and identity activity, settlement support, migrant attraction, and compliance and investigations activity, are set to reflect a combination of the benefits that users of the immigration system receive or the risks they create, as well as their ability to pay. As this is a longer-term visitor visa for a potentially riskier cohort, we recommend the levy be set in line with longer term temporary entry visas, like the Accredited Employer Work Visa which currently has a levy of \$1,060 and generally allows for three to five years onshore.
- 9. Aligning with a Variation of Conditions application, there is no proposed levy at the compliance with conditions check.

Total cost

- 10. Based on the proposed fees and levy the total cost for five years on a Parent Boost is \$3,325 for standard applicants and \$2,690 for those eligible for the Pacific fee band this is outlined in full in Table One below.
- 11. In addition to this, applicants will be required to pay the International Visitor Conservation and tourism levy of \$100 per applicant.

Table one: Cost of Parent Boost

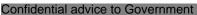
	Standard (Band A and C)			Pacific (Band B)		B)
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Total	\$3,325		\$2,690			

12. It is likely concerns will be raised at the cost of this visa compared to the existing Parent and Grandparent Visitor Visa (\$341 + IVL), particularly in the context of insurance premiums required as well. However, this reflects both the higher cost to serve related to processing the visa and longer duration onshore and subsequent risks posed by this cohort. The cumulative cost is less than Parent Resident categories – however, those categories do not require insurance. A comparison of the total fee and levy cost for parent visas is included in Table Two below for reference.

<u>Table Two: Cumulative standard fee and levy costs for parent visas compared to Parent Boost</u>

Visa	Total fee and levy (standard applicants)	Cost difference to Parent Boost
Parent Boost	\$3,325	N/A
Parent and Grandparent Visitor Visa	\$341	- \$2,984
Parent Category Resident Visa (including online EOI)	\$6,260 (Includes \$450 EOI)	+ \$2,935
Parent Retirement	\$12,850	+ \$9,525

13. Setting a new fee and levy will require changes to the Immigration (Visa, Entry Permission, and Related Matters) Regulations 2010. The Cabinet paper seeks Cabinet's invitation to issue drafting instructions to the Parliamentary Counsel Office to set the new fee and levy.



14. The fee and levy will be reviewed as part of the next fee and levy review to ensure they are set at an appropriate level and recognise the confirmed cost to serve of the visa once applications have been processed and a greater sense of volumes is clearer.

Risks and mitigations

Uncertainty of volumes Confidential advice to Government

15. As discussed with officials, there is considerable uncertainty about the anticipated volumes under Parent Boost. While we have included some estimates in the Cabinet paper – volumes may still be above or below this, and it is unlikely to be clear until the visa goes live.

16.	Confidential advice to Government

Confidential advice to Government

18. We will closely monitor volumes to understand potential impacts on broader resourcing/ processing timeliness and provide you with updates as required.

'Compliance with conditions' check

- 19. Following a discussion with officials on 13 May, we have considered the best approach to have a five-year multi-entry visa which:
 - Requires the applicant to go offshore for a new immigration medical at some point after the three-year mark (with the intent being they stay offshore until they have confirmed they continue to meet ASH requirements).

- Allows INZ to also check evidence of insurance coverage.
- Could result in a visa cancellation or deportation liability notice if the conditions are not met.
- 20. We consider the best approach is to use visa conditions to do this and have a 'compliance with conditions' check similar to a variation of conditions process.

21.	Maintenance of the law

- 22. We are seeking agreement in the Cabinet paper to the fee for this as it will require changes to regulations.
- 23. We note that this has been developed at pace and further work is required both on the design and implementation of this. We will report back to you if further decisions are required on the design of this, or any unanticipated issues arise during implementation.

Next steps

- 24. **Annex One** provides a clean version of the revised Cabinet paper, which, subject to your feedback is ready to lodge for consideration by the Cabinet Economic Policy Committee (ECO) on 21 May. We will separately provide you with talking points to support the discussion of this item at ECO.
- 25. The timeframe we are working to, including for regulations changes and detailed design is outlined in the table below:

What?	When?
Lodge Cabinet paper	15 May
ECO	21 May
Cabinet	26 May
Announcement (tentative)	5 June
Detailed design advice	Early June
LEG paper – Amendment Regulations for fee and levy	July
Amendment Regulations commence	September
Go live of Parent Boost	29 September (ADEPT release on 28 September)
ICT changes / implementation of 'compliance with conditions' check	TBC

Annexes

Confidential advice to Government