

VOTE

Immigration

Immigration

Overview

Appropriations sought for Vote Immigration in 2003/04 total \$137.125 million. This is intended to be spent as follows:

- \$118.701 million (86.6% of the Vote) on purchasing services to increase the capacity of New Zealand through immigration.
- \$18.424 million (13.4% of the Vote) on purchasing services to position New Zealand as an international Citizen with immigration-related interests and obligations.

The Department expects to collect \$7.600 million of Crown Revenue from the Migrant Levy in 2003/04.

Details of how the appropriations are to be applied appear in Parts B1 and C of this Vote. Details of Crown revenue appear in Part F1.

Terms and Definitions Used

RAA	Residence Appeal Authority
RRA	Removal Review Authority
RSAA	Refugee Status Appeal Authority
ESOL	English for speakers of other languages
NZIS	New Zealand Immigration Service
UNHCR	United Nations High Commissioner for Refugees

Immigration

VOTE MINISTER: Minister of Immigration

ADMINISTERING DEPARTMENT: Department of Labour

The Minister of Labour is the Responsible Minister for the Department of Labour

Part A - Statement of Objectives and Trends

Part A1 - Objectives for Vote Immigration

Related Government Outcomes

The appropriations in Vote Immigration will contribute to the key Government goals of:

- strengthen national identity and uphold the principles of the Treaty of Waitangi
- grow an inclusive, innovative economy for the benefit of all
- restore trust in Government and provide strong social services
- improve New Zealanders' skills
- reduce inequalities in health, education, employment and housing
- protect and enhance the environment.

The Department of Labour's services and activities all contribute to the achievement of the overarching outcome "People with high-quality working lives in thriving and inclusive communities". The NZIS contributes to this outcome through increasing the capacity of New Zealand through immigration, and through positioning New Zealand as a good international citizen with immigration-related interests and obligations.

Immigration contributes to an increase in the capacity of New Zealand through the participation and contribution of migrants (temporary and permanent) to the society and the economy of New Zealand. This aligns to the Government's goal of growing an inclusive, innovative economy for the benefit of all. The creation of new business and labour market opportunities occur through the facilitation of business investment, innovation and new skills and support of key industries such as tourism and international education. There is international competition for particular skills, foreign investment and tourism. New Zealand must attract potential skilled migrants in competition with a range of other countries, and NZIS must offer comprehensive services that facilitate their arrival, settlement and contribution. Recognising that there can be adverse impacts arising from immigration, the immigration programme must establish acceptable levels of risk and plan to mitigate unacceptable risks to ensure that the benefits outweigh the costs.

Immigration contributes to the positioning of New Zealand as a good international citizen and hence the strengthening of national identity. This takes place through the promotion of New Zealand's interests as a participant in multilateral immigration forums and the provision of a safe haven for refugees in a manner that provides protection and surety to refugees, while honouring international commitments. If required, responses

to humanitarian crises are implemented and help fulfil New Zealand's obligations as a member of the international community.

Output Classes

Services to increase the capacity of New Zealand through Immigration

- Research, design, development and implementation of advice and policy relating to building the capacity of New Zealand through immigration.
- Migrant customer services (facilitation, decision-making and risk management).
- Settlement services and community initiatives.
- Support services for the Minister, Residence Appeal Authority (RAA) and Removal Review Authority (RRA).

Services to position New Zealand as an international citizen with immigration-related interests and obligations

- Research, advice and implementation of policy relating to positioning New Zealand as an international citizen.
- Refugee customer services (refugee status determinations, support processes for claimants and the selection, travel and escort of quota refugees).
- Support services for the Refugee Status Appeal Authority (RSAA).
- Participation in international initiatives.

Links Between the Output Classes and the Government's Outcomes

Output classes purchased through Vote Immigration all contribute to the Government's key goals. Linkages between Departmental output classes and the outcomes are set out in the Department of Labour's Statement of Intent.

Part A2 - Trends in Vote Immigration

Analysis by Appropriation Type: 2003/04 compared to 2002/03

The output class structure for Vote Immigration was changed in 2002/03 to support a stronger outcome and results focus for the immigration-related services that the Department of Labour provides and which are funded from Vote Immigration. This was consistent with the Government's objective of creating, within the public sector, a stronger outcome focus and demonstration of contribution to the Government's key goals.

The change resulted in two new output classes being established:

Departmental Output Class D1 – Services to increase the capacity of New Zealand through immigration, appropriated \$80.238 million, and

Departmental Output Class D2 – Services to position New Zealand as an international citizen with immigration-related interests and obligations, appropriated \$15.217 million.

In 2002/03 the appropriation for Departmental Output Class D1 – Services to increase the capacity of New Zealand through immigration increased by \$13.906 million to accommodate volume changes to the Immigration Programme, the continuation of the Thai visa waiver and enhancements to student visa management; and Departmental Output Class D2 – Services to position New Zealand as an international citizen with immigration-related interests and obligations increased by \$1.616 million to provide additional resources for the RSAA.

The appropriations have been increased for 2003/04 to:

- cover the costs of Targeting Key Skills in Immigration, Departmental Output Class D1 Services to increase the capacity of New Zealand through immigration increased by \$7.610 million (associated capital costs of \$5.7 million have been appropriated through Vote Labour)
- cover the costs of Managing the Adverse Impacts of Immigration, Departmental Output Class D1 Services to increase the capacity of New Zealand through immigration increased by \$4.810 million (associated capital costs of \$0.58 million have been appropriated through Vote Labour)
- cover the continuing costs of the number of determinations made by the Refugee Status Branch, Departmental Output Class D2 Services to position New Zealand as an international citizen increased by \$2.482 million
- cover the additional costs of Travel Funding for the Refugee Quota, Departmental Output Class D2 Services to position New Zealand as an international citizen increased by \$609,000
- complete a Security Assessment of New Zealand Government owned and leased properties offshore to implement Security Enhancements, Departmental Output Class D1 Services to increase the capacity of New Zealand through immigration increased by \$130,000.

Output Trends: 1998/99 to 2003/04

NZIS has experienced significant increases in the volume of all temporary application types over the last five years. The growth in the international education industry, particularly in students from the People's Republic of China, has been significant. In 1998/99 there were approximately 30,000 decisions on student visas and permits and in 2001/02 in excess of 98,000 decisions were required. Visitor and work category demand has also increased during that period, notably group visitor visas for tourist groups from the Asia/Middle East market and working holiday schemes in the Europe/Africa/Americas market. There were over 325,000 temporary applications decided on in 2001/02 and over 300,000 in 2002/03. The number of visitors has slowed with the recent international uncertainty and conflict. The number of visa waiver agreements has increased, however in some instances visa requirements have had to be re-imposed (for example, Indonesia and Thailand.)

In 2001/02 a new immigration programme for residence was introduced to replace the global immigration target framework. The new programme contains three new streams that operate independently of each other (the skilled/business stream, which will contribute at least 60% of approvals, the family sponsored stream and the international/humanitarian stream.) Since 1998/99 there has been a strong growth in the overall numbers of residence applications received and, since 2000/01, the Government's overall target has been met. The proportion of skills category

applications received has increased significantly relative to family category applications over that time. The demand has slowed since the English language requirements for skilled and business migrants were changed in late 2002. The international/humanitarian stream includes the programme for 750 UNHCR mandated refugees. Since 1998/99 the quota range has been for 750 refugees plus or minus 10%.

In 2000/01, the Department of Labour was charged with the responsibility for the initial settlement of migrants. Additional resourcing was received to develop a programme of settlement pilots and the evaluation of these pilots continues to inform the most appropriate interventions to achieve positive settlement outcomes. In 1999/2000, additional funding was approved to begin a longitudinal survey of migrants.

A Customised Service strategy has been developed to maximise the outcomes of immigration by targeting migrants who will contribute to New Zealand, by providing them with tailored services to ensure that they have realistic expectations about life in New Zealand, and are aware of available opportunities and settle quickly. Customised Service will be implemented in stages over 2003/04, and will start by targeting the United States and United Kingdom markets for skilled migrants and by encouraging skilled migrants in New Zealand on temporary permits to become permanent residents.

The risks arising from the increase in short-term migration volumes flow through to risk management and compliance activities in order to minimise the potential adverse impacts of immigration. In 1998/99, there was an increase in appropriations for an interdiction pilot at high-risk airports and to allow for an increased number of removals of non-genuine asylum seekers. From 1999/2000, the interdiction programme at high-risk airports has continued. The Advanced Passenger Processing system, which will check airline passengers prior to boarding, will be implemented from 2002/03 and is expected to increase the number of interdictions. The level of investigations, removals and voluntary departures of people unlawfully in New Zealand achieved has remained steady over recent years. In 2003/04 additional resources have been appropriated for investigations and intelligence.

The number of spontaneous asylum claims has increased since 1996/97, and peaked in 1998/99 when over 2,000 claims were received. From 1998/99, additional funding has enabled an increasing number of refugee determinations. This activity has a subsequent impact on refugee status appeals and removal activities.

A Migrant Levy was introduced in 1998/99 to replace the Settlement Services Fee. The introduction of the Migrant Levy, together with the Settlement Information Fee separated settlement information from research and evaluation activity and English for speakers of other languages (ESOL) in the compulsory school sector.

Receipts collected on behalf of the Crown

The only receipt that will be collected on behalf of the Crown in 2003/04 is the Migrant Levy. In 2000/01, the application of the levy was extended to family category migrants (excluding applicants who are refugees or family members of refugees, humanitarian applicants or Samoan citizens).

Reconciliation of New Initiatives to Appropriations

Initiative	Appropriations as shown in Part B	\$000 increase/(decrease)				
		2002/03	2003/04	2004/05	2005/06	2006/07
Targeting Key Skills in Immigration to enable the implementation of the new business strategy	Departmental Output Class Services to increase the capacity of New Zealand through immigration	-	7,610	10,323	11,537	3,527
To increase funding to minimise the adverse impacts of immigration on New Zealand's society and infrastructure	Departmental Output Class Services to increase the capacity of New Zealand through immigration	-	4,810	4,810	4,810	4,810
Security/Counter Terrorism: Physical and Personnel Security Measures	Departmental Output Class Services to increase the capacity of New Zealand through immigration	105	130	130	130	130
Additional funding to achieve and maintain the timely determination of refugee claims	Departmental Output Class Services to position New Zealand as an international citizen with immigration related interest and obligations	-	2,482	2,482	2,482	2,482
Travel funding for Refugee Quota	Departmental Output Class Services to position New Zealand as an international citizen with immigration related interest and obligations	-	609	609	609	609
Total Initiatives		105	15,641	18,354	19,568	11,558

Trends in Vote Immigration - Summary of Appropriations and Crown Revenue

Types of Appropriation	1998/99	1999/2000	2000/01	2001/02	2002/03		2003/04 Appropriations to be Used				2004/05	2005/06	2006/07	
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		Total \$000	Estimated \$000	Estimated \$000	Estimated \$000
							Annual \$000	Other \$000	Annual \$000	Other \$000				
Operating Flows														
Classes of Outputs to be Supplied	58,551	66,986	80,316	92,895	119,530	112,319	137,125	-	-	-	137,125	137,664	138,878	129,252
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Other Expenses	2,060	2,320	282	221	-	-	-	-	-	-	-	-	-	-
Capital Flows														
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase or Development of Capital Assets	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Repayment of Debt	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Total Appropriations	60,611	69,306	80,598	93,116	119,530	112,319	137,125	-	-	-	137,125	137,664	138,878	129,252
Total Crown Revenue and Receipts	7,777	5,302	6,020	8,481	7,600	7,600	N/A	N/A	N/A	N/A	7,600	7,600	7,600	7,600

Part B - Statement of Appropriations

Part B1 - Details of Appropriations

	2002/03				2003/04		Description of 2003/04 Appropriations
	Vote		Estimated Actual		Vote		
Appropriations	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross)							
D1 Services to Increase the Capacity of New Zealand Through Immigration	103,316	-	97,767	-	118,701	-	- Purchase of migrant customer services that include facilitation, decision making and border risk management, response to settlement needs and community initiatives to encourage migrant participation. Provision of related advice on appropriate policy settings, research and evaluation, Ministerial services and support services for Residence Appeal Authority and Removal Review Authority, is also purchased.
D2 Services to Position New Zealand as an International Citizen with Immigration-Related Interests and Obligations	16,214	-	14,552	-	18,424	-	- Purchase of refugee customer services that include selection, travel and resettlement of quota refugees and refugee status determinations and support processes for claimants. Participation in multilateral initiatives, the preparedness to respond to a humanitarian crisis, the provision of related advice on appropriate policy settings, research and evaluation, and support services for Refugee Status Appeal Authority is also purchased.
Total Appropriations for Departmental Output Classes (Mode B Gross)	119,530	-	112,319	-	137,125	-	
Total Appropriations	119,530	-	112,319	-	137,125	-	

Part C - Explanation of Appropriations for Output Classes

Part C1 - Departmental Output Classes

Output Class D1 – Services to increase the capacity of New Zealand through immigration

Through this output class the Minister purchases a range of services aimed at increasing the capacity of New Zealand through the participation and contribution of migrants to New Zealand society and the economy. The three objectives of this output class are:

Skilled and inclusive communities

This objective will be achieved through the delivery of services to select migrants and to facilitate their entry and settlement. These services include the provision of advice on appropriate policy settings to attract skilled migrants, the facilitation of application and entry, the brokering of settlement information and the facilitation of settlement and related services. Initiatives require close liaison with other government departments and agencies providing settlement or employment related services. Targeted communication on immigration policy and the benefits of immigration are used to raise the awareness of the community. Research and evaluation of migrant labour market participation, migration trends and statistics, inform the relative success of the interventions.

Building the capacity of New Zealand through immigration means migrants must be able to participate in, and make contributions to, the New Zealand economy and society. Effective matching of potential with opportunities by new migrants through labour market participation is important for positive settlement outcomes. Sound social and community support systems for new migrants and refugees also contribute to the ease of settlement and enable participation. The host communities' attitude to migrants is important and needs to be welcoming and well-informed if the benefits of immigration are to be realised.

Greater opportunities for all in New Zealand

This objective will be achieved through visa and permit application services that are facilitative and based on policy designed to deliver positive economic advantages for New Zealand. Dedicated business migration services are provided to facilitate business investment and assist with information on the New Zealand business environment. Activities also include the facilitation of people seeking temporary entry such as visitors, students and skilled workers. Facilitation initiatives require close liaison with other government departments and agencies such as Ministry of Foreign Affairs and Trade, Tourism NZ, Trade NZ and the business sector. Research and evaluation of the impacts on the business sector and the economy inform the relative success of the interventions. Advice on appropriate immigration policy settings to achieve these outcomes will be provided.

Providing skills, expertise and investment to generate business and employment opportunities increases New Zealand's capacity. Foreign exchange earnings are generated through trade and tourism as students and visitors to New Zealand participate in the economy. Increased investment in New Zealand by business migrants also benefits the economy as business opportunities, jobs and international linkages are created.

Adverse impacts of immigration minimised

Adverse impacts are the unplanned consequences of immigration flows on the infrastructure, laws and policies of New Zealand. This objective will be achieved through the delivery of services to manage the possible adverse impacts of immigration above those managed by preventative risk management practices. These services will include the provision of advice on appropriate policy to ensure benefits of New Zealand's immigration programme outweigh the costs on health, education and welfare. The quantum and policy criteria for the programme need to take into account the impact on the infrastructure. Consultation with appropriate government departments and agencies on the immigration programme will take place in order to achieve a basis for monitoring and responding to adverse impacts.

Output Class D2 – Services to position New Zealand as an international citizen with immigration-related interests and obligations

Through this output class the Minister purchases a range of services aimed at positioning New Zealand as an international citizen with immigration-related interests and obligations. The two objectives of this output class are to promote New Zealand's immigration-related interests and secure and enhance New Zealand's international reputation through reliability and fulfilment of international obligations, including providing refugees with safe haven.

Promoting New Zealand's immigration-related interests

This objective is achieved through the successful participation in multilateral security and law and order initiatives to advance New Zealand's immigration-related interests. Involvement requires close liaison with other government departments and agencies. Research and evaluation will inform the relative success of the interventions. Advice on appropriate immigration policy to achieve these outcomes will be provided.

Promoting New Zealand's immigration-related interests contributes to a greater presence or reach internationally and plays an important role in the international community. Departmental representation of immigration-related interests offshore is formed in conjunction with other relevant departments.

International reputation through reliability and fulfilment of international obligations

This objective will be achieved through selection and determination systems for quota refugees and refugee status seekers respectively, the independent Refugee Status Appeal Authority process and responsiveness to humanitarian crises. It also includes the accommodation and induction of quota refugees at the Mangere Refugee Resettlement Centre and ongoing resettlement services. Research and evaluation will inform the relative success of the interventions.

The provision of safe haven for refugees contributes to the positioning of New Zealand as an international citizen. Protection and resettlement services are provided to United Nations High Commissioner for Refugees (UNHCR) mandated refugees. Safe haven is also provided to spontaneous asylum seekers during the determination process and settlement support is provided where appropriate. In both cases the selection or determination system demonstrate fairness and natural justice. Reputation is also enhanced through ongoing contributions to the development of best practice protection systems in the region.

The preparation of emergency responses to humanitarian crises and maintaining preparedness to respond will also contribute to achieving the objective. Responses require close liaison with other government departments and agencies. The Department's involvement in the region may include specific support for Pacific nations or participation in regional initiatives. The Minister of Immigration determines priorities in this area and often the response will be at short notice and may require additional funding.

Part F - Crown Revenue and Receipts

Part F1 - Current and Capital Revenue and Receipts

	2002/03		2003/04	Description of 2003/04 Crown Revenue
	Budgeted \$000	Estimated Actual \$000	Budget \$000	
Current Revenue				
Non-Tax Revenue				
Migrant Levy	7,600	7,600	7,600	Fees paid by approved residence applicants (excluding applicants who are refugees or family members of refugees, humanitarian applicants or Samoan citizens).
Total Non-Tax Revenue	7,600	7,600	7,600	
Total Current Revenue	7,600	7,600	7,600	
Total Crown Revenue and Receipts	7,600	7,600	7,600	