



Cabinet

Minute of Decision

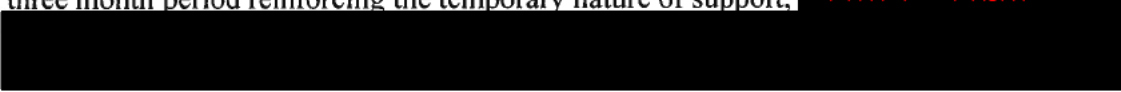
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Support for Foreign Nationals in Hardship From 1 December 2020

Portfolio Social Development and Employment

On 16 November 2020, Cabinet:

- 1 **noted** that as a result of COVID-19 and the Alert Level 4 lockdown period, some foreign nationals (those on temporary work, student and visitor visas) became stranded in New Zealand and were experiencing hardship;
- 2 **noted** that:
 - 2.1 in June 2020, Cabinet agreed that the Department of Internal Affairs establish a temporary Assistance for Foreign Nationals Impacted by COVID-19 Programme (the Programme) [CAB-20-MIN-0283];
 - 2.2 in September 2020, Cabinet agreed to extend the Programme until 30 November 2020 [CAB-20-MIN-0436];
- 3 **noted** that the Programme, run through the Department of Internal Affairs and the New Zealand Red Cross, has been running since 1 July 2020 and to date has assisted over 11,000 foreign nationals at a total cost of \$22.3 million;
- 4 s9(2)(ba)(i) [REDACTED]
- 5 **noted** that:
 - 5.1 since the establishment of the Programme, the impacts of COVID-19 on flights, repatriation and employment has changed and continues to evolve, but is largely better than expected;
 - 5.2 despite this, there are still foreign nationals who are in hardship and stranded in New Zealand due to a variety of circumstances, and will likely require further assistance following the end of the Programme;
- 6 **noted** that a decision is required on further support for foreign nationals in hardship following the end of the Programme on 30 November 2020;
- 7 **agreed** to continue to provide financial support to foreign nationals who are in hardship in New Zealand through the provision of an Emergency Benefit via the Ministry of Social Development (MSD) from 1 December 2020 following the end of the Programme on 30 November 2020;

- 8 **noted** that the Emergency Benefit can be made available to foreign nationals through section 64 of the Social Security Act 2018 (the Act);
- 9 **noted** that eligibility to the Emergency Benefit under this proposal will comprise foreign nationals that:
- 9.1 are lawfully residing in New Zealand and hold a valid temporary visa (work, student or visitor visas but excluding those on sponsored visas) and are not otherwise eligible for financial assistance under the Act;
 - 9.2 are in hardship as assessed through usual income and asset tests under the Social Security Act 2018;
 - 9.3 have taken all reasonable steps to either find an alternative means of supporting themselves (by employment, consular assistance or by exhausting options to return home through commercial or repatriation flight options);
 - 9.4 meet all other Emergency Benefit eligibility criteria under section 63 of the Act;
- 10 **noted** that the Emergency Benefit will be available to eligible foreign nationals for three months, from 1 December 2020 to 28 February 2021 (inclusive) and paid weekly, with the three month period reinforcing the temporary nature of support. s9(2)(f)(iv), s9(2)(g)(i)

- 11 **noted** that the Emergency Benefit will provide a weekly rate of support of up to around \$250.74 for single foreign nationals and \$428.06 for a couple with children (it is expected most foreign nationals would be considered equivalent to Jobseeker Support);
- 12 **noted** that the payment of the Emergency Benefit to foreign nationals is subject to all usual benefit rules and settings, including income and cash asset tests and abatement regimes under the Act;
- 13 **noted** that MSD can implement Emergency Benefit for foreign nationals from 1 December 2020;
- 14 **noted** that the Minister for Social Development and Employment will issue written approval to MSD under section 64 of the Social Security Act 2018 to allow Emergency Benefit to be made available to foreign nationals in hardship;
- 15 **noted** that in September 2020, Cabinet approved funding for Immigration New Zealand's Integrity and Security of the New Zealand Immigration System appropriation, to be used to assist with the costs of repatriation for those assessed through the Programme as having insufficient funds to pay for their travel [CAB-20-MIN-0436];
- 16 **agreed** that the remaining funding in Immigration New Zealand's Integrity and Security of the New Zealand Immigration System appropriation continue to assist with the costs of repatriation for those assessed through the Emergency Benefit as having insufficient funds to pay for their travel;
- 17 **noted** that there is a projected underspend in the Programme of approximately \$14 million that will be returned to the Crown and that, due to this and the increase of \$16 million required for the Emergency Benefit proposal above, it is expected that the net impact on the Crown operating balance will be minimal overall;

- 18 **agreed** to increase spending to provide for the costs associated with the decision in paragraph 7 above, with the following impact on the operating balance and net core Crown debt:

Funding Impact	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance and Net Core Crown Debt Impact	\$14.251	-	-	-	-
Net Core Crown Debt Only Impact	-	-	-	-	-
No impact (tax revenue on benefit)	\$1.817	-	-	-	-
Total Operating	\$16.068	-	-	-	-

- 19 **approved** the following changes to appropriations to give effect to the decision in paragraph 7 above:

Vote Social Development Minister for Social Development and Employment	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Benefits or Related Expenses: Jobseeker Support and Emergency Benefit	16.068	-	-	-	-
Total Operating	16.068	-	-	-	-

- 20 **agreed** that the changes to appropriations for 2020/21 above be included in the 2020/21 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;
- 21 **agreed** that the operating balance and net core Crown debt impact in paragraph 18 above of expenses incurred under paragraph 19 above be charged against the COVID-19 Response and Recovery Fund established as part of Budget 2020;
- 22 **authorised** the Minister for Social Development and Employment to make minor and technical policy, design and implementation decisions regarding Emergency Benefit for foreign nationals;
- 23 **noted** that:
- 23.1 further decisions will be required in early 2021 regarding ongoing support for foreign nationals;
- 23.2 officials will continue to monitor the situation regarding foreign nationals in hardship in New Zealand and will report back to Cabinet in 2021 on next steps.

Michael Webster
Secretary of the Cabinet