

## Cabinet Paper material

### Proactive release

Minister & portfolio Hon Chris Hipkins, Minister of Education  
Name of package Extending Eligibility to Student Support to People Affected by the Christchurch Mosques Terror Attack  
Date considered 16 March 2020  
Date of release

#### These documents have been proactively released:

**Cabinet paper: Extending Eligibility to Student Support to People Affected by the Christchurch Mosques Terror Attack**

Date considered: 16 March 2020  
Ministry of Education

**Cabinet minute: SWC-MIN-0013**

Date considered: 16 March 2020  
Cabinet office

**CAB-20-MIN-0094 Report of the Cabinet SWC Minute**

Date considered: 16 March 2020  
Cabinet office

#### Material redacted

Some deletions have been made from the documents in line with withholding grounds under the Official Information Act 1982. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some deletions have been made from the documents as the information withheld does not fall within scope of the Minister's portfolio responsibilities, and is not relevant to the proactive release of this material.

You can read the Official Information Act 1982 here:

<http://legislation.govt.nz/act/public/1982/0156/latest/DLM64785.html>

In Confidence

Office of the Minister of Education

Chair, Cabinet Social Wellbeing Committee

## **EXTENDING ELIGIBILITY TO STUDENT SUPPORT TO PEOPLE WHO WERE AFFECTED BY THE CHRISTCHURCH MOSQUES TERROR ATTACK**

### **Proposal**

1. I am seeking Cabinet approval to waive the three year residence stand-down period for student loans, student allowances and Fees Free tertiary education and training (Fees Free) for:
  - 1.1. people with a Christchurch Response (2019) Permanent Resident Visa (Christchurch Response Visa); and
  - 1.2. people who would have been eligible for a Christchurch Response Visa, but were already holding another residence visa.

### **Executive Summary**

2. In May 2019, the Government waived the two-year residence stand-down period applicable to the main benefits (i.e., Jobseeker Support, Sole Parent Support and Supported Living Payment) for the two groups of people outlined in paragraphs 1.1 and 1.2. This was to ensure that those affected by the Christchurch mosques terror attack, and their families, were able to access income support.
3. Student financial support was not considered at the time. This is because Cabinet was looking at the immediate income support needs for affected families when making these changes.
4. Currently, a residence stand-down period of three years applies for people with a residence visa before they become eligible for student loans and allowances as well as Fees Free payments.
5. Under current policy settings, if the groups of residents, outlined in paragraph 1, accessed tertiary study, they would be eligible for domestic tuition fees but could not have any fees met through the Fees Free policy, or fees and living costs met through student loans or allowances, because of the stand-down. They may, however, be eligible to receive income support from the Ministry of Social Development (MSD).
6. I propose extending the Government's decision to waive the residence stand-down period for these groups to student support and Fees Free payments, to be consistent with the approach taken for income support. Waiving the three year residence stand-down period for these two groups will provide further targeted support for those affected by the terror attack. It will also help many of these affected people achieve their tertiary education and career goals more quickly.

7. From an education perspective, these changes will significantly improve these residents' settlement outcomes, and increase their ability to actively participate in and contribute to New Zealand society and economy in the long term.
8. I also propose to exclude financial gifts or donations made to a person affected by the Christchurch mosques terror attack from the student allowances personal, parental, and partner income tests. This will provide certainty that this type of financial support will not affect their entitlement to student support financial assistance.
9. Making these changes will have student support costs but these will be small and their impact time-limited, as this eligibility change is limited to a very small group of people, who would most likely be eligible for this support after three years. A very high estimate is 30 additional people per year over 2020-2022 entering into tertiary education that may be eligible for student loans and allowances and Fees Free payments as a result of the proposed changes.
10. The impact on Fees Free payments can be met within existing baselines within Vote Tertiary Education.
11. I propose that the operating costs associated with student loans and allowances and the student loan capital costs between 2020 and 2022 be picked up through the standard forecast process.
12. The Treasury recommends that funds be appropriated to meet time-limited additional student loan and student allowance costs. The Treasury recommends for the operating costs associated with student loans and student allowances between 2020 and 2022 to be met from the between-Budget contingency established at Budget 2019, and for the student loan capital costs to be charged as a pre-commitment against the Multi-Year Capital Allowance.

## Background

13. After the attack on Masjid Al Noor and Linwood Masjid on 15 March 2019, Cabinet established the Christchurch Response Visa, which became open for applications on 24 April 2019 [CAB-19-MIN-121 and CAB-MIN-0172 refers].
14. Its purpose is to make permanent residence available through an accelerated process (for a limited period)<sup>1</sup> to people who were present during the terror attack and their immediate families (if they did not already have New Zealand residence). Specifically, this visa is available to people who were already living in New Zealand at 15 March 2019 and are:
  - 14.1. the immediate family member of an individual who died in the Christchurch mosques terror attack; or
  - 14.2. an individual who was injured in the attack, or their immediate family member; or

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<sup>1</sup>Eligible affected individuals must submit their applications by 24 April 2021, which is two years from the opening of the visa category. Some people may want to take time out in their home country before returning to New Zealand.

- 14.3. an individual who was present in the mosques at the time of the attack, or their immediate family member.
15. The objective of the visa category is to ensure certainty of immigration status for those who had chosen to make New Zealand their home but had not yet secured residence, including those whose pathway to permanent residence might have been affected by the Christchurch mosques terror attack.
16. In total, Immigration New Zealand has approved 150 people for a Christchurch Response Visa from June to 30 November 2019. At that time, they had another 30 applications on hand, where decisions were yet to be made.
17. These numbers are likely to be the majority of those eligible for this immigration category, as there has been a focus from Immigration New Zealand on getting applications in and processed quickly. These figures reflect the government's estimate when the Christchurch Response Visa was established that 188 people would be eligible.

*Government also improved access to the main benefits for those affected by the Christchurch mosques terror attack*

18. In May 2019, Cabinet waived the two-year benefit stand-down period<sup>2</sup> required to receive Jobseeker Support, Sole Parent Support and Supported Living Payment, for those affected by the terror attack [CBC-19-MIN-0021 and CAB-19-MIN-0225]. This was to ensure that affected people were able to access income support. Specifically, the exemption applies to the two groups outlined in paragraphs 1.1 and 1.2.

*However, a three year residence stand-down period still applies to student support*

19. When changes were made to the benefits system, Cabinet was looking at the immediate income support needs for affected families in the aftermath of the attack. Student financial support was not considered at the time.
20. Currently, residents holding a Christchurch Response Visa, and those already with a residence visa, who would have been eligible for a Christchurch Response Visa but have not yet fulfilled the residence requirement, are eligible for domestic tuition fees if they access tertiary study. However, they are not eligible for student loans, student allowances and Fees Free due to an insufficient residence period. This means they could not have any fees met through Fees Free payments, or fees and living costs met through student loans or allowances because of the stand-down.
21. The purpose of the three year residence stand-down period is to provide some confidence that those with New Zealand resident visas will stay in New Zealand long-term after they complete study. The stand-down period for student loans, student allowances and Fees Free has three aspects. To be eligible to these types of student financial support a person, who is not a citizen, and not covered by refugee or protected persons status or sponsored by a refugee, must:

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<sup>2</sup>Under the settings of the Social Security Act 2018, to receive Jobseeker Support, Sole Parent Support and Supported Living Payment, a person must generally be a New Zealand citizen or New Zealand Permanent Resident, and have resided continuously in New Zealand for a period of at least two years after becoming a citizen or resident.

- 21.1. be entitled to reside indefinitely in New Zealand (in practice this means they have a residence visa);
  - 21.2. have held this visa and lived in New Zealand for at least three years; and
  - 21.3. be ordinarily resident in New Zealand.
22. Over time, more people affected by the Christchurch mosques terror attack may look to access study and face a barrier, especially for fee payments. I note that the Tertiary Education Commission (TEC), which administers Fees Free, has already received in 2020 four appeals from individuals impacted by the Christchurch mosques terror attack for a review of eligibility to Fees Free payments.
23. The TEC has discretion around eligibility for exceptional circumstances but must apply this in line with the policy intent of Fees Free.

**I seek Cabinet's agreement to waive the student support stand-down requirement to be consistent with the equivalent changes made to the benefit residence settings**

24. I propose to waive the three year residence stand-down period for student loans, student allowances and Fees Free payments for the following two groups of people:
- 24.1. people holding a Christchurch Response Visa; and
  - 24.2. people who would have been eligible for a Christchurch Response Visa but were already holding another residence visa.
25. This exclusion would remove the two eligibility requirements described in paragraphs 21.2 and 21.3 for the groups outlined in paragraph 24 above. This means these two groups would be eligible for student loans, student allowances and Fees Free from the date these changes become effective (provided they meet other eligibility requirements).
26. Waiving the three year residence stand-down period for student support for these residents would provide consistency between income support through the benefit system and student financial support.
27. This proposal would also provide further targeted support for those most affected by the terror attack. It would recognise that they need both an immediate compassionate response to their income support needs, and a longer term compassionate response to their tertiary education and career needs and goals. It would also help them settle in New Zealand and support their long-term contribution to and participation in New Zealand's society and economy.

*In the wake of the Christchurch mosques terror attack, communities have been providing financial support to victims and their families*

28. Following the event of 15 March 2019, individuals, communities, international governments and businesses have been providing financials donations and funds to assist affected people. Much of this financial support has been collected through crowd funding platforms, such as givealittle and launchgood. People are continuing

to provide help. I am informed that at the time of preparation of this Cabinet paper, the largest donations include:

- 28.1. The Victim Support fund on givealittle, which has raised over \$10.9 million;
  - 28.2. The Christchurch Foundation fund “Our People, Our City”, which has raised over \$11 million in pledges and cash; and
  - 28.3. The New Zealand Islamic Information Centre fund on launchgood, which raised over \$2.7 million.<sup>3</sup>
29. There have also been various other appeals on givealittle and other similar websites, all raising substantial amounts of money to assist those affected. These funds will be provided to individuals and families as well as the affected community as a whole. The various donation pages have stated that donations received will be used to provide support and resources for people affected by the Christchurch mosques terror attack and their family members.
30. In addition to waiving the two-year benefits stand-down period, gifts or donations made to a person affected by the Christchurch mosques terror attack are exempted from cash assets and income testing for 12 months by the Social Security Regulations 2018 [CAB-19-MIN0134 refers]. This includes payments referred to in paragraph 28. The Minister of Social Development has reported back to Cabinet seeking approval to extend this period.

*I also propose to also exclude income in the form of gifts or donations from the student allowance income tests*

31. Student allowances provide a higher level of subsidy for tertiary education to help students from low-income families, and those most in financial need. An income test is used at the time of application to ensure that student allowances are targeted to those most in need.<sup>4</sup>
32. A payment, such as a financial gift or donation, may be income under the current definitions and therefore affect people’s entitlement to student allowances. I consider it unfair to people who are affected by the events in Christchurch to have their student support entitlements reduced in this way.
33. I therefore propose excluding income in the form of gifts or donations made to a person affected by the Christchurch mosques terror attack from all income testing for student allowances (i.e., personal, parental and partner income testing). This approach will provide certainty that this type of financial support will not affect entitlement to student allowances.<sup>5</sup>

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<sup>3</sup>This campaign has since been closed.

<sup>4</sup>All student allowance recipients undergo a personal income test. Tertiary students under 24 years of age receiving the student allowance undergo an additional parental income test. Student allowance rates are also subject to a partner income test if the student and their partner are both over 24 years of age or are supporting a child. If a student’s circumstances change, such as a change in income, they are required to let MSD know.

<sup>5</sup>However, any income derived from such a payment, such as through investments, will be included as income and could reduce student allowance entitlements.

*These proposals are unlikely to establish a precedent as they are a response to an isolated situation*

34. This decision may establish a precedent for waiving the three year residence criteria when emergency situations arise. The purpose of this criterion is to strike a balance between the contributions new residents have made and will make to New Zealand and the student support they receive. It provides confidence that residents will stay in New Zealand and contribute to New Zealand society. Students, to whom the stand-down period applies, qualify for and are supported to study through domestic student fees which are heavily subsidised by the Government.
35. Establishing a precedent may mean that other groups in emergency situations may propose similar exemptions. For example, a recent migrant to New Zealand may lose their job and decide to take up tertiary education to up/reskill. They may consider it inequitable that they cannot immediately apply for student loans, student allowances and Fees Free.
36. However, any concern about establishing a precedent should be balanced against the exceptional circumstances of the Christchurch mosques terror attack and the specific nature of this exemption. The exemption only affects the three year residence requirement. It is not a wider exemption that would allow other people on temporary visas not affected by the Christchurch mosques terror attack to access student support, or to remove any other eligibility requirements from student support that New Zealand citizens would have to meet.

*The process for implementing these changes has a number of steps that differ for each component changed*

37. The process for implementing the changes differs for Fees Free, student loans and allowances. If Cabinet agrees to exclude those outlined in paragraphs 1.1 and 1.2 from the three year residence stand-down requirement for:
  - 37.1. Fees Free, I can approve an updated Fees Free delegation (see attached), which can take effect immediately.
  - 37.2. student loan borrowing, MSD (who administer student loans) will implement the changes alongside the student allowance changes.
  - 37.3. student allowances and the exclusion of gifts and donations from income testing, Cabinet will need to provide authority for the Minister for Social Development to instruct the Parliamentary Counsel Office to draft the necessary changes to the Student Allowances Regulations 1998 (the Regulations).
38. The TEC will communicate this change, with respect to Fees Free, and work with newly eligible students immediately once Cabinet approval is provided. This will be reflected in the Fees Free delegation I will issue to the TEC to administer Fees Free payments.
39. Changes to the student loan residence setting for this group will be implemented by and take effect from 1 June. This means that that living costs can only be paid for

study from this date, including where that course of study commenced before this date. However, where fees have already been paid, as the study was not covered by the Fees Free policy, they cannot be paid from a student loan. Course-related costs can be paid, up to the maximum entitlement, from that date.

40. Once the Regulations changes have been agreed by Cabinet Legislation Committee and Cabinet, MSD (who administers student allowances) can implement the changes. The amended Regulations will be implemented by and come into force from 1 June. This timeframe includes an agreement to waive the 28-day rule to enable students to benefit from these changes as soon as possible. Without a waiver of the 28-day rule, the changes would not come into force until 11 June.
41. This means that payments for study can only be made for study from 1 June, including where that course of study commenced before this date. It also means that income in the form of gifts or donations received from this date will be excluded from the student allowance income tests.
42. I note that study at the majority of tertiary providers has resumed for the 2020 calendar year. Eligibility for student allowances will commence once changes have come into effect and there will be no back payment. However, due to the existing waiver for benefit stand-down periods, students from this group of residents, who may otherwise seek access to student allowances, may have to delay their study for a small period of time and, if required, may seek income support through MSD.

## Consultation

43. The Ministry of Education consulted with the TEC, Inland Revenue, the Ministry of Business, Innovation and Employment, the Treasury and the Department of Prime Minister and Cabinet (Policy Advisory Group) on this paper.
44. MSD was involved in the development of the paper and will lead the work on the Regulations changes for student allowances.

## Financial Implications

*Making these changes will have student support costs but these will be small as eligibility is ring-fenced and the effect is time-limited*

45. While it is difficult to estimate the numbers who will take up tertiary education, or the precise cost of these proposed changes, all the estimated student support costs are small and the impact time-limited. There is limited information on the circumstances for this group, for example their prior tertiary study patterns for Fees Free eligibility, or their income levels for eligibility for student allowances. It is also uncertain whether this group would take up further study if they had the financial support to do so.
46. However, the numbers within this group, that will study and seek student support or Fees Free payments prior to meeting the three year residence period (that they would currently have to meet), are expected to be very small, as the total population affected is small.



47. Of the Christchurch Response Visa applications processed by November 2019, 78 people are between 20 and 40 years of age, the group most likely to access tertiary education. If we take a very high estimate of this group's tertiary participation rate (40%), this would be 30 additional people in tertiary education per year over the three years, from 2020 until the end of 2022.<sup>6</sup>

#### *Costs of student financial support*

48. Waiving the three year residence requirement for student support means that students who were affected by the Christchurch mosques terror attack could access student loans for living costs or student allowances, if they meet other eligibility criteria.
49. The additional capital borrowing for the student loan fees and course-related costs components is estimated to be \$0.306 million from 1 January 2020 to the end of December 2022. The operating costs for student loan borrowing during this period is estimated to be \$0.110 million.
50. In the year to August 2019, 52,300 people accessed Fees Free payments. A small increase in Fees Free learners will not significantly affect costs. An estimate of the total fiscal impact on Fees Free payments would be \$0.298 million from 1 January 2020 to the end of December 2022.
51. It is technically possible that there may be some offsetting savings within Vote Social Development from any income support payments these residents may have otherwise received instead of student support (due to the existing waiver for benefit stand-down periods). However, given the limited information on the characteristics of those gaining eligibility to student support and if they would otherwise be receiving income support, MSD cannot robustly estimate the offsetting savings.
52. For costing, the maximum option of all 30 students accessing student allowances, with no offsetting savings, has been provided. The additional student allowance costs (gross and including accommodation benefit) are estimated at \$0.312 million per year from 1 January 2020 to the end of December 2022.
53. There are no additional financial implications as a result of excluding financial donations and gifts to people affected by the Christchurch mosques terror attack from the student allowance income tests.
54. MSD advise that they will absorb the small additional cost of implementing a system change required to deliver the policy changes for student loans and student allowances.

#### *Source of funding*

<sup>6</sup>Those granted the Christchurch Response Visa in late 2019 would likely be eligible for student support and Fees Free payments by 2023 under current policy settings. Note that it will be longer than three years for anyone who goes overseas to live and then returns to live in New Zealand, as the three year count stops while they are living overseas.

55. The additional costs for Fees Free payments are minimal, and this can be met from existing funding for Fees-free payments within the Tertiary Tuition and Training Multi-Category Appropriation.
56. The impact of the proposed eligibility change on student support costs are minimal and time limited, and would not be significant enough to revise the forecast parameters for student support. This change may increase the study volume from those who are eligible for student support by up to 30 students a year. In 2019 total tertiary total tertiary study volumes were over 200,000 equivalent full-time students. An additional 30 students a year would make minimal impact on student support costs for all tertiary students.

*There are two ways of funding the proposed changes*

57. I propose that the financial operating costs associated with student loans and allowances and the student loan capital costs between 2020 and 2022 be picked up through the standard forecast process.
58. The Treasury recommends that the financial costs for student support operating costs within Vote Social Development (student allowances) and Vote Revenue (student loans) be met from the between-Budget contingency established at Budget 2019. The Treasury recommends that student loan capital costs within Vote Social Development be charged as a pre-commitment against the Multi-Year Capital Allowance.

### **Legislative Implications**

59. If Cabinet agrees to amend the Student Allowances Regulations 1998, Parliamentary Counsel Office will be instructed to draft the changes to the Regulations. A paper seeking agreement to the draft Regulations will be taken to Cabinet by the Minister for Social Development.

### **Regulatory impact and compliance cost statement**

60. The Treasury Regulatory Quality Team has determined that the decisions sought in this paper are exempt from the Regulatory Impact Analysis requirements on the grounds that they will have no or only minor impacts on businesses, individuals or not-for-profit entities.

### **Human Rights**

61. These proposals will improve the position of certain groups relative to the status quo under the student support system. Members of the groups being advantaged will generally be Muslim, but this is not the reason to distinguish them from other groups who are not also being advantaged. The proposed exemptions apply to people in, or connected to, Masjid Al Noor and Linwood Masjid. The exemptions do not require the person to be a member of a religious community, or exclude other religious groups. We do not consider there is any unlawful discrimination in this context and therefore consider the proposals to be consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

## Gender Implications

62. There are no specific gender implications in the proposals in this paper.

## Disability Perspective

63. There are no specific disability considerations in the proposals in this paper.

## Publicity

64. If the changes are agreed to, officials will work with my office to develop a communications strategy for appropriately and sensitively communicating the changes to those newly eligible for student financial support.

## Proactive Release

65. I propose that this paper is proactively released within 30 days of Cabinet decisions having been made, with any redactions in line with the provisions of the Official Information Act 1982.

## Recommendations

I recommend that Cabinet:

1. **note** that after the Christchurch mosques terror attack, Government created the Christchurch Response (2019) Permanent Resident Visa, providing special permanent residence to an estimated 188 people who were affected by the attack
2. **note** that Government exempted Christchurch Response (2019) Permanent Resident Visa holders and New Zealand Permanent Residents, who would have been eligible for the Christchurch Response (2019) Permanent Resident Visa, from the two year residence requirement for main benefits under the Social Security Act 2018
3. **note** that a three year residence stand-down period applies before residents become eligible for student loans, student allowances and Fees Free tertiary education and training payments

### *Eligibility changes to student loans and allowances*

4. **agree** to remove the requirement to have held a residence visa and have lived in New Zealand for at least three years and the requirement to be ordinarily resident in New Zealand for both student loans and allowances from 1 June, for:
  - 4.1. people with a Christchurch Response (2019) Permanent Resident Visa; and
  - 4.2. people who would have been eligible for a Christchurch Response (2019) Permanent Resident Visa, but were already holding another residence visa.

5. **agree** to exclude financial gifts or donations made to a person affected by the Christchurch mosques terror attack from personal, parental and partner income tests for student allowances, for payments received from 1 June, the effective date of the Student Allowances Regulations 1998 changes
6. **agree** that the Minister for Social Development will instruct the Parliamentary Counsel Office to draft the necessary changes to the Student Allowances Regulations 1998, as set out in recommendations 4 and 5

*Eligibility change to Fees Free tertiary education and training settings*

7. **agree** to remove the requirement to have held a residence visa and have lived in New Zealand for at least three years and the requirement to be ordinarily resident in New Zealand for Fees Free tertiary education and training, effective from the date approved by Cabinet, for:
  - 7.1. people with a Christchurch Response (2019) Permanent Resident Visa; and
  - 7.2. people who would have been eligible for a Christchurch Response (2019) Permanent Resident Visa, but were already holding another residence visa

**Financial Recommendations**

8. **note** that costs associated with recommendations 4 and 7 will be small and their effect time-limited as these changes are limited to a very small group of people, who would, under current settings, be eligible for this support after three years on a resident visa in New Zealand
9. **note** that officials cannot robustly estimate any offsetting savings from a reduction in income support payments, due to the uncertainty about who will benefit from the policy change

EITHER

10. **agree** that the financial costs (\$1.046m in operating expenses and \$0.306m in capital costs from 1 January 2020 to the end of December 2022) incurred under recommendation 4 above be picked up through the standard forecast process

OR (Treasury recommended)

11. **approve** the following changes to appropriations to give effect to the policy decision in recommendation 4 above, with a corresponding impact on the operating balance and net core Crown debt:

	\$million – increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24& Out-years
<b>Vote Social Development</b>					
<b>Minister for Social Development</b>					
<i>Benefits or Related Expenses:</i>					
Student Allowances	0.156	0.312	0.312	0.156	-
<b>Minister of Revenue</b>					
<i>Non-Departmental Capital</i>					
<i>Expenditure:</i>					
Student Loans	0.038	0.096	0.115	0.057	-
<b>Vote Revenue</b>					
<b>Minister of Revenue</b>					
<i>Non-Departmental Other Expenses:</i>					
Initial Fair Value Write-Down relating to Student Loans	0.014	0.034	0.041	0.021	-
<b>Total Operating</b>	0.170	0.346	0.353	0.177	-
<b>Total Capital</b>	0.038	0.096	0.115	0.057	-

12. **agree** that the proposed changes to appropriations for 2019/20 above be included in the 2019/20 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply
13. **agree** that the operating expenses incurred under recommendation 11 above be charged against the between-Budget contingency established as part of Budget 2019, and that the capital expenditure incurred under that recommendation be charged as a pre-commitment against the Multi-Year Capital Allowance
14. **note** that the funding implications of recommendation 4, by Vote are:

	\$m - increase / (decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Out-years
<b>Vote Social Development</b>					
Operating balance impact	0.140	0.280	0.280	0.140	-
Debt Impact (loans)	0.038	0.096	0.115	0.057	-
No Impact	0.016	0.032	0.032	0.016	-
<b>Vote Revenue</b>					
Operating balance impact	0.013	0.033	0.037	0.015	(0.006)
Debt Impact (loans)	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Operating balance impact</b>	0.153	0.313	0.317	0.155	(0.006)
<b>Debt Impact (loans)</b>	0.038	0.096	0.115	0.057	-
<b>No Impact</b>	0.016	0.032	0.032	0.016	-

15. **note** that there are no financial implications associated with recommendation 5 to exclude financial gifts or donations made to a person affected by the Christchurch mosques terror attack from personal, parental and partner income tests for student allowances
16. **note** that the additional costs for Fees Free payments to give effect to the decision in recommendation 7 are minimal and can be met within the existing Fees Free payments category of the Tertiary Tuition and Training Multi-Category Appropriation (MCA) in Vote Tertiary Education

Authorised for lodgement

Hon Chris Hipkins

Minister of Education



# Cabinet Social Wellbeing Committee

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Extending Eligibility to Student Support to People Affected by the Christchurch Mosques Terror Attack

Portfolio                      Education

On 11 March 2020, the Cabinet Social Wellbeing Committee:

#### Background

- 1        **noted** that after the Christchurch mosques terror attack, Cabinet created the Christchurch Response (2019) Permanent Resident Visa, providing special permanent residence to an estimated 188 people who were affected by the attack [CAB-19-MIN-0121, CAB-19-MIN-0172];
- 2        **noted** that Cabinet exempted Christchurch Response (2019) Permanent Resident Visa holders and New Zealand Permanent Residents, who would have been eligible for the Christchurch Response (2019) Permanent Resident Visa, from the two year residence requirement for main benefits under the Social Security Act 2018;
- 3        **noted** that a three-year residence stand-down period applies before residents become eligible for student loans, student allowances, and Fees Free tertiary education and training payments;

#### Eligibility changes to student loans and allowances

- 4        **agreed** to remove the requirement to have held a residence visa and have lived in New Zealand for at least three years and the requirement to be ordinarily resident in New Zealand for both student loans and allowances from 1 June, for:
  - 4.1      people with a Christchurch Response (2019) Permanent Resident Visa; and
  - 4.2      people who would have been eligible for a Christchurch Response (2019) Permanent Resident Visa, but were already holding another residence visa;
- 5        **agreed** to exclude financial gifts or donations made to a person affected by the Christchurch mosques terror attack from personal, parental and partner income tests for student allowances, for payments received from 1 June, the effective date of the Student Allowances Regulations 1998 changes;
- 6        **invited** the Minister for Social Development to instruct the Parliamentary Counsel Office to draft the necessary changes to the Student Allowances Regulations 1998, as set out in paragraphs 4 and 5;

**Eligibility change to Fees Free tertiary education and training settings**

- 7 **agreed** to remove the requirement to have held a residence visa and have lived in New Zealand for at least three years and the requirement to be ordinarily resident in New Zealand for Fees Free tertiary education and training, effective from the date approved by Cabinet, for:
- 7.1 people with a Christchurch Response (2019) Permanent Resident Visa; and
- 7.2 people who would have been eligible for a Christchurch Response (2019) Permanent Resident Visa, but were already holding another residence visa;

**Financial Recommendations**

- 8 **noted** that costs associated with the decisions in paragraphs 4 and 7 will be small and their effect time-limited as these changes are limited to a very small group of people, who would, under current settings, be eligible for this support after three years on a resident visa in New Zealand;
- 9 **noted** that officials cannot robustly estimate any offsetting savings from a reduction in income support payments, due to the uncertainty about who will benefit from the policy change;
- 10 **approved the following changes to appropriations to give effect to the policy decision in paragraph 4 above, with a corresponding impact on the operating balance and net core Crown debt:**

	\$million – increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24& Out-years
Vote Social Development Minister for Social Development <i>Benefits or Related Expenses:</i> Student Allowances	0.156	0.312	0.312	0.156	-
Minister of Revenue <i>Non-Departmental Capital Expenditure:</i> Student Loans	0.038	0.096	0.115	0.057	-
Vote Revenue Minister of Revenue <i>Non-Departmental Other Expenses:</i> Initial Fair Value Write-Down relating to Student Loans	0.014	0.034	0.041	0.021	-
Total Operating	0.170	0.346	0.353	0.177	-
Total Capital	0.038	0.096	0.115	0.057	-

- 11 **agreed** that the changes to appropriations for 2019/20 above be included in the 2019/20 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 12 **agreed** that the operating expenses incurred under paragraph 10 above be charged against the between-Budget contingency established as part of Budget 2019, and that the capital expenditure incurred under that paragraph be charged as a pre-commitment against the Multi-Year Capital Allowance;



- 13 **noted that the funding implications of the decision in paragraph 4, by Vote are:**

	\$m - increase / (decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Out-years
Vote Social Development					
Operating balance impact	0.140	0.280	0.280	0.140	-
Debt Impact (loans)	0.038	0.096	0.115	0.057	-
No Impact	0.016	0.032	0.032	0.016	-
Vote Revenue					
Operating balance impact	0.013	0.033	0.037	0.015	(0.006)
Debt Impact (loans)	-	-	-	-	-
No Impact	-	-	-	-	-
Operating balance impact	0.153	0.313	0.317	0.155	(0.006)
Debt Impact (loans)	0.038	0.096	0.115	0.057	-
No Impact	0.016	0.032	0.032	0.016	-

- 14 **noted** that there are no financial implications associated with the decision in paragraph 5 to exclude financial gifts or donations made to a person affected by the Christchurch mosques terror attack from personal, parental and partner income tests for student allowances;
- 15 **noted** that the additional costs for Fees Free payments to give effect to the decision in paragraph 7 are minimal and can be met within the existing Fees Free payments category of the Tertiary Tuition and Training Multi-Category Appropriation (MCA) in Vote Tertiary Education.

Vivien Meek  
Committee Secretary

**Present:**

Rt Hon Jacinda Ardern  
Rt Hon Winston Peters  
Hon Grant Robertson  
Hon Dr Megan Woods  
Hon Chris Hipkins  
Hon Andrew Little  
Hon Carmel Sepuloni (Chair)  
Hon Nanaia Mahuta  
Hon Tracey Martin  
Hon Willie Jackson  
Hon Aupito William Sio  
Hon Poto Williams  
Jan Logie, MP

**Hard-copy distribution:**

Minister of Education

**Officials present from:**

Office of the Prime Minister  
Officials Committee for SWC  
Office of the SWC Chair



# Cabinet

## Minute of Decision

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*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

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**Redactions made as content out of scope of Minister's portfolio responsibilities**

### **Report of the Cabinet Social Wellbeing Committee: Period Ended 13 March 2020**

On 16 March 2020, Cabinet made the following decisions on the work of the Cabinet Social Wellbeing Committee for the period ended 13 March 2020:

SWC-20-MIN-0014    **Access to Sanitary Products in Schools and Kura**    CONFIRMED  
Portfolios: Prime Minister / Education

SWC-20-MIN-0013    **Extending Eligibility to Student Support to People Affected by the Christchurch Mosques Terror Attack**    CONFIRMED  
Portfolio: Education

Michael Webster  
Secretary of the Cabinet

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Cabinet Social Wellbeing Committee