



## COVERSHEET

<b>Minister</b>	Hon Michael Wood	<b>Portfolio</b>	Workplace Relations and Safety
<b>Title of Cabinet paper</b>	Parental Leave and Employment Protection Amendment Regulations 2021	<b>Date to be published</b>	29 March 2021

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
1 July 2020	Amending the Parental Leave and Employment Protection Regulations 2016 to enable online applications for parental leave	Office of the Minister for Workplace Relations and Safety
1 July 2020	Amending the Parental Leave and Employment Protection Regulations 2016 to Enable Online Applications for Parental Leave – Cabinet Economic Development Committee Minute of Decision	Cabinet Office
10 February 2021	Parental Leave and Employment Protection Amendment Regulations 2021	Office of the Minister for Workplace Relations and Safety
10 February 2021	Parental Leave and Employment Protection Amendment Regulations 2021 – Cabinet Business Committee Minute of Decision	Cabinet Office

### Information redacted

**NO**

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

In Confidence

Minister for Workplace Relations and Safety

Cabinet Business Committee

## **Parental Leave and Employment Protection Amendment Regulations 2021**

### **Proposal**

- 1 This paper seeks authorisation to submit the Parental Leave and Employment Protection Amendment Regulations 2021 to the Executive Council.
- 2 The Amendments to the Parental Leave and Employment Protection Amendment Regulations 2021 implement policy decisions proposed in the *Parental Leave and Employment Protection Regulations 2016: Proposed Amendments to Enable Online Applications for Parental Leave* Cabinet paper and agreed to by Cabinet on 6 July 2020 [DEV-20-MIN-0129 refers].
- 3 I am seeking a waiver of the 28-day rule for these amendments, on the basis that they confer only benefits on the public.

### **Relation to government priorities**

- 4 These are minor and technical changes to regulations that are designed to enable:
  - 4.1 The integration of paid parental leave (PPL) into Inland Revenue's (IR) new tax system START (Simplified Tax and Revenue Technology) through IR's Business Transformation programme, Stage 4.
  - 4.2 Connecting PPL to SmartStart, a joint initiative between partner agencies to provide a single and comprehensive online platform to access services associated with the birth of a child.
- 5 This update of the Parental Leave and Employment Protection regulations ensures they remain fit-for-purpose, consistent with Government expectations for regulatory stewardship by departments.

### **Background**

#### *Enabling online applications for paid parental leave*

- 6 Under the existing regulations online applications are not supported. A physical copy of an application form is required to be filled in and signed, and information from the applicant, or in some cases a third party, must be provided and verified through statutory declarations.
- 7 Significant enhancements to IR's systems in recent years means that much of the information that parental leave applicants are currently required to provide is already held by IR. The changes proposed mean that applicants will be directed from the SmartStart website to their secure myIR account, where they will be able to complete and lodge a PPL application online.

8 The completed implementation of SmartStart and expected start date is 1 March 2021.

*Details of proposed changes*

9 The proposed amendments to the Regulations are to:

- remove requirements for information to be provided in writing or through a specific form
- remove the requirement to verify information, such as by making a statutory declaration, where the information is already held by IR
- remove the need to seek third party verification (for instance by providing a statement by the employer) where the information is already held by IR
- remove out-of-date references, for instance to parental tax credits which are no longer available for children born on or after 1 July 2018.

**Timing and 28 day rule**

10 I seek a waiver of the 28-day rule for these amendments, on the grounds that these changes will confer only benefits on applicants for PPL, as they remove administrative burden. The transition to a paperless system will not be disruptive, as IR will continue to accept paper forms that are submitted after the commencement date.

11 Cabinet consideration of the drafted amendment regulations was delayed due to the election date being changed after a COVID-19 resurgence. We will be unable to meet the timeline for Business Transformation Stage Four without a waiver of the 28-day rule.

12 If the amendments are not in force by 1 March, employer or third party verification of applicants' income and eligibility will be required, which would mean that customers would need to continue using the paper application form until the regulations were in place. This would delay the delivery of the benefits that this change is intended to deliver.

13 If the 28-day rule is waived, gazettal will occur on 18 February and the regulations will come into force on 1 March 2021.

**Compliance**

14 The Orders in Council comply with each of the following:

- 14.1 the principles of the Treaty of Waitangi;
- 14.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993;
- 14.3 the principles and guidelines set out in the Privacy Act 2020;
- 14.4 relevant international standards and obligations;

- 14.5 the Legislation Guidelines (2018 edition), which are maintained by the Legislation Design and Advisory Committee.

### **Regulations Review Committee**

- 15 I do not consider there to be any grounds for the Regulations Review Committee to draw these regulations to the attention of the House of Representatives under Standing Order 327.

### **Certification by Parliamentary Counsel**

- 16 The amendment regulations have been certified by the Parliamentary Counsel Office (PCO) as being in order for submission to Cabinet.

### **Impact Analysis**

#### **Regulatory Impact Statement**

- 17 Based on the information provided, the Regulatory Quality Team at the Treasury has determined that the regulatory proposal in this paper is exempt from the requirements to provide a Regulatory Impact Statement on the basis that it repeals or removes redundant legislative provisions.

#### **Climate Implications of Policy Assessment**

- 18 The Ministry for the Environment has been consulted and confirms that the climate implications of policy assessment (CIPA) requirements do not apply to this proposal as the threshold for significance is not met.

### **Consultation**

- 19 Inland Revenue, Department of Internal Affairs, Ministry of Social Development, Ministry of Health, Social Wellbeing Agency, the Treasury, and the Department of the Prime Minister and Cabinet (Policy Advisory Group) were consulted on the Cabinet paper *Parental Leave and Employment Protection Regulations 2016: Proposed Amendments to Enable Online Applications for Parental Leave*, where the policy decisions that informed this paper were proposed. Inland Revenue was consulted on this paper.

### **Communications**

- 20 I intend to announce the changes alongside or as part of broader communications about SmartStart in the period prior to its implementation in early 2021.

### **Proactive Release**

- 21 I intend to proactively release this Cabinet paper, subject to any appropriate withholding of information that would be justified under the Official Information Act 1982.

### **Recommendations**

I recommend that the Cabinet Business Committee:

**IN CONFIDENCE**

- 1 **note** that on 1 July 2020 the Cabinet Economic Development Committee agreed to amend the *Parental Leave and Employment Protection Regulations 2016* to enable online applications for paid parental leave;
- 2 **authorise** the submission to the Executive Council of the Parental Leave and Employment Protection Amendment Regulations 2021;
- 3 **note** that a waiver of the 28-day rule is sought:
  - 3.1 so that the regulations can come into force by 1 March 2021;
  - 3.2 on the grounds that the change confers only benefits on the public;
- 4 **agree** to waive the 28-day rule so that the regulations can come into force on 1 March 2021;
- 5 **note** that the Parental Leave and Employment Protection Amendment Regulations 2021 will be gazetted on 18 February 2021 and come into force on 1 March 2021.

Authorised for lodgement

Hon Michael Wood

Minister for Workplace Relations and Safety