

**From:** Privacy  
**To:** [IncomeInsurance](#)  
**Subject:** Value for money  
**Date:** Friday, 25 February 2022 3:49:31 pm

---

This seems to represent very poor value for money for the majority of New Zealanders. Based on the NZ median wage of \$56,160 there would be a contribution from employees of \$780.62 and the same from employers, so a total annual cost of \$1,561.25 for 7 months of income cover. I understand that people can get private income protection insurance for a significantly lower cost that provides a much longer term of cover for health issues. In reality a lot of people are going to want to continue to have that longer period of cover so are going to end up effectively paying for two policies because the government one is inadequate.

It would be better to structure the scheme similar to Kiwisaver whereby the insurance is provided by private companies, individuals can choose the parameters of the policies that they want, employers contribute a fixed percentage of wages (up to a maximum level as with ACC) and employees then incur the balance of the cost based on the parameters that they have chosen. Therefore everyone ends up with a policy that meets their individual needs in a manner in which they consider what represents value for money.

Regards,  
David.

---

David Stark - Director  
Mead Stark Ltd, Chartered Accountants  
PO Box 31, 29 The Mall, **Privacy of natural persons**  
[www.meadstark.co.nz](http://www.meadstark.co.nz)

---

*The Anti Money Laundering and Countering Financing of Terrorism Act 2009 ("the AML/CFT law" for short) came into effect for accounting firms on 1 October 2018. The AML/CFT law requires us to collect more information from clients. Please [Click Here](#) for the information we will be requesting.*

This email, together with any attachments, is for the exclusive and confidential use of the addressee(s) and may contain legally privileged information. Any other distribution, use or reproduction without the sender's prior consent is unauthorised and strictly prohibited. If you have received this message in error, please notify the sender by email immediately and delete the message from your computer without making any copies.

Mead Stark