

From: Privacy
To: [IncomeInsurance](#)
Subject: Income Protection Scheme Submission
Date: Wednesday, 6 April 2022 5:42:15 pm
Attachments: [image004.png](#)
[image005.png](#)
[Submission.pdf](#)

Hi,

I read through the scheme. In general I like it except:

1. Employers have to fund the first 4 weeks/waiting period themselves.
2. Cost is high.
3. Clunky – existing insurers could manage the scheme and get the costs down.
4. Employers have to keep job open for 6 months – difficult to do for most SME as they don't have staff that can pick up the unwell person's work. They would most likely have to find someone fairly quickly.
5. Needs to be locked in forever otherwise insured people can find themselves unable to get insurance again if they cancel their existing policies.
6. Need to talk to the private insurers about how they will structure their existing income protection policies – if the scheme's benefit period increases/decreases will the insurer adjust the cover without penalising the insured person.
7. The option to opt in to both benefits: illness and redundancy. For example, I am not interested in redundancy cover as I can pivot quickly. It is a cost without a benefit for me.

Ngā mihi | Kind regards

Kerstin Bain, MBA(EntMgt), ALU, Dipl.MktM

Pronouns: she/her

Director and Financial Adviser

Connect and Grow Limited

Due to COVID-19-related people shortages within the insurance companies we work with, our usual turn-around time is impacted and there may be delays in processing your emails and requests. We apologise for any inconvenience this may cause.



Want to book a time? Feel free to share some dates/times when you're available. Or, if you like, you can choose from my availability here: [Click here to book a time.](#)

COVID-19: We are committed to keeping everyone safe from COVID-19. Until further notice, only people who are fully vaccinated will be able to meet in person. For people who are not vaccinated, we will work constructively with you to find an appropriate way to meet. Full details of our policy can be found [here](#).

Connect with me on [LinkedIn](#)



IMPORTANT INFORMATION

FSP number for Connect and Grow Limited (Financial Advice Provider) is 710092. FSP number for Kerstin Bain is 53621.

More information on Connect and Grow Limited is available on our website: <https://www.connectandgrow.co.nz/more-information-about-us>

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**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HIKINA WHAKATUTUKI



A New Zealand Income Insurance Scheme



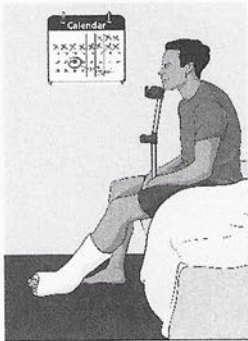
**Tell us what you think of the
Income Insurance Scheme proposal**

March 2022

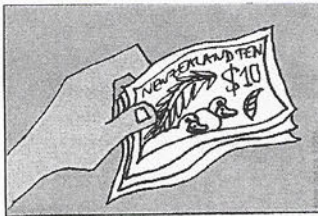
What is this document about?



The **Ministry of Business, Innovation and Employment** want to ask you some questions about our proposal for a **New Zealand Income Insurance Scheme**.



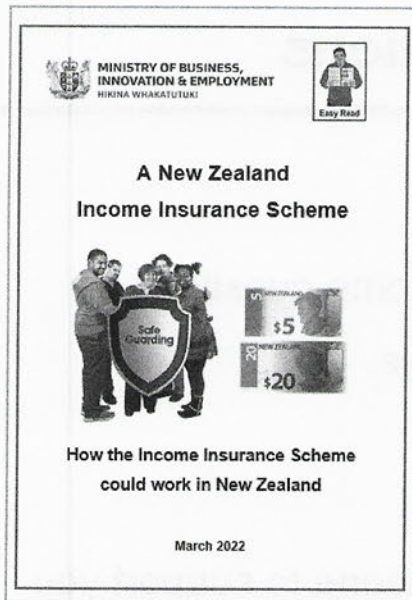
A **New Zealand Income Insurance Scheme** would give **some financial support** to people who cannot work anymore because of a health condition or disability.



Financial support is when the Government pays you money so you can pay for things like bills.

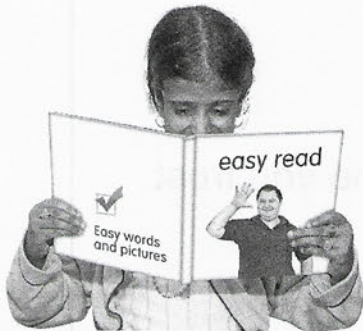


In this document we will call the New Zealand Income Insurance Scheme the **Scheme**.



You can read about the Scheme in Easy Read in the document:

A New Zealand Income Insurance Scheme: How the Income Insurance Scheme could work in New Zealand



You need to read that document before answering these questions.

Your answers to our questions need to be sent to us before **26 April 2022**.



If we do not get your answers before **26 April 2022** we cannot use your answers.

Answering the questions



We will ask you some questions in the next few pages.



You can ask someone to support you in completing this form.

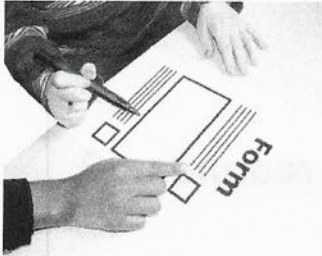


This can be someone you trust like a:

- family member
- friend
- support person.



How to answer questions

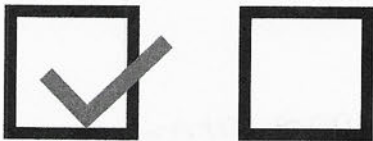


In the document we will ask you some questions that you answer as:

- Yes

or

- No.



Please tick ✓ 1 answer for these questions

You can also write why you chose that answer if you want to.



There will be other questions that ask you to write down what you think of an idea.



1. Should New Zealand start an Income Insurance Scheme for people losing their jobs because of:

- being made redundant?
- being laid off?



Yes

No

Why do you think this?

THERE IS A LARGE PORTION OF THE POPULATION THAT
CANNOT GET I.P. BECAUSE OF

- HEALTH
- OCCUPATION
- PERSUASION & PAST TIMES
- COST



2. Should New Zealand start an Income Insurance Scheme for people losing their jobs because of:

- health conditions?
- disability?



Yes

No

Why do you think this?

I AM NOT SURE IF WOULD CORRECTLY.

HOPEFULLY THEY WILL NOT LOSE THEIR JOB

THEY MAY HOWEVER ~~NOT~~ NOT GET THEIR INCOME

BUT IF THEY LOSE THEIR JOB BECAUSE OF ILL

HEALTH + DISABILITY THEN - YES. DEFINATELY



3. Do you think we should cover a lot of different ways of working like:



- part time work?
- full time work?



Yes

No

Why do you think this?

PEOPLE RELY ON THE INCOME THEY GENERATE
WITHOUT IT IT WILL BE FINANCIALLY DIFFICULT
REGARDLESS OF HOURS WORKED

1. _____
2. _____
3. _____

4. What do you think of the eligibility criteria for people to be part of the Scheme?

Eligibility criteria is a list of things that need to be true for someone to be part of the scheme

Write your answer here:

I THINK ALL SHOULD BE OFFERED COVER
ONLY ABLE TO OPT OUT IF THEY HAVE
INCOME PROTECTION INSURANCE IN PLACE
ALREADY WITHOUT EXCLUSIONS.

SHOULD BE AVAILABE EACH TIME A PERSON STARTS
A NEW JOB LIKE KIWISAVER



5. What do you think about the government paying most of what someone would normally earn for up to 6 months through the Scheme?

Write your answer here:

GOOD IDEA

HELP THAT PERSON TRANSITION IF NEVER ABLE TO WORK.

FINANCIAL COUNSELLING SHOULD BE OFFERED TO HELP THOSE PEOPLE UNABLE TO WORK AFTER 6 MONTHS.

NO DIFFERENT TO BUSINESSES RECEIVING WAGE SUBSIDY DUE TO COVID.

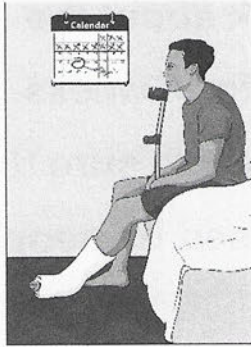


6. What do you think about the payment offered for 4 weeks by employers to make sure the Scheme is only used by people who need it?

Write your answer here:

EMPLOYERS ALREADY SHOULDER MANY OF THE COSTS INCLUDING PROVIDING 10 DAYS SICK LEAVE AND 4 WEEKS HOLIDAY PAY.

THE COST SHOULD BE MANAGED BY THE GOVERNMENT. OTHERWISE 'CANDIDATES WITH LESS THAN PERFECT HEALTH (INCLUDING THE OLDER POPULATION) WILL BE OVERLOOKED FOR POSITIONS WITHIN' COMPANIES - ESPECIALLY SME'S.



7. Do you think there are other ways we can make sure the Scheme is only used by people who need it?

Write your answer here:

IT CAN BE MANAGED THE SAME WAY AS ACC
~~...~~

CARE NEEDS TO BE TAKEN WITH PEOPLE WITH
MENTAL HEALTH ISSUES

WHY DOESN'T THE GOVERNMENT USE EXISTING
INSURERS TO MANAGE CLAIMS??



8. How do you think you would use the financial support from the Scheme if you lost your job?

Write your answer here:

PAY FOR BILLS, MEDICAL COSTS,
REHABILITATION.



9. Can you think of any support that is not financial that could support workers in returning to work?

Write your answer here:

BUDGET ADVICE

MENTAL HEALTH COUNSELLING

PHYSIO

GYMS

COACHES: WELLBEING - EAT, SLEEP, ETC

RETRAINING

1. _____
2. _____
3. _____

10. What things should people who get the Scheme payments need to do to keep getting the payments?

Write your answer here:

FOLLOW ADVICE OF GP. IF UNWELL.

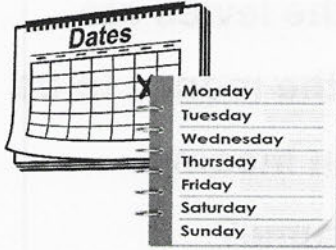
WORK WITH A VOCATIONAL TRAINER IF REDUNDANT



11. What should happen to people getting the Scheme payments if they do not do what they are meant to?

Write your answer here:

= IF UNWILL WORK WITH THEM TO REHABILITATE
= IF REDUNDANT = TRANSFER TO WORK + INCOME
CANCEL PAYMENTS.



12. Should people be able to get support for up to 12 months if they are:



- training for a new career?
- going through rehabilitation for their health condition or disability?



Yes

No

Why do you think that?

1) IT TAKES TIME TO REHABILITATE FOR MANY SERIOUS CONDITIONS

2) DEPENDS ON THE TRAINING. IF ITS FOR SAY HIP HOP THEN NO. FOR CARPENTRY THEN YES. NEEDS TO BE USEFUL & EMPLOYABLE ONCE COMPLETED OTHERWISE IT WILL NOT BE HELPFUL IN SECURING EMPLOYMENT FOR THE LONG TERM



13. Do you think the levies are worth paying the money to be able to have an Income Insurance Scheme?



Yes

No

Why do you think that?

BUT TOO HIGH.

WHY DONT YOU USE THE EXISTING INSURANCE COMPANIES TO

1) LOWER COSTS

2) MANAGE EFFECTIVELY

THEY HAVE THE SKILLS TO MANAGE THIS PROGRAM ALREADY.

WHY "RE INVENT THE WHEEL?"



15. How can we make sure the scheme follows the Tiriti o Waitangi / Treaty of Waitangi partnership?

Write your answer here:

BOARD REPRESENTATION.

BENCHMARKS

CONTINUOUS EVALUATION & IMPROVEMENT REQUIRED



14. Do you think you can afford the extra money the levies will cost?

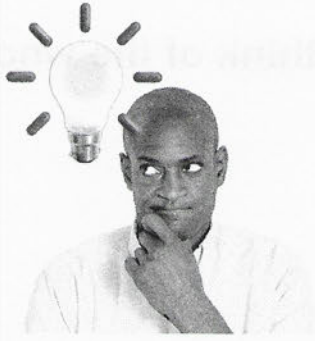


Yes

No

Why do you think that?

BUT MANY MAY NOT
EMPLOYERS WILL BECOME SELECTIVE IN THEIR
HIRING
WAGES WILL BE SUPPRESSED.



16. Do you have any ideas that will be important for ACC to think about for running the Scheme?

Write your answer here:

= CAN PEOPLE WITH INCOME PROTECTION OPT OUT?

= CAN I OPT OUT OF REDUNDANCY LEVIES - SO JUST PAY FOR INCOME PROTECTION.

= NEEDS TO BE OFFERED TO ALL.

= WORK WITH INSURANCE COMPANIES - THEY MANAGE CLAIMS WELL ALREADY.

= WHY CANT YOU USE INSURANCE COMPANIES LIKE YOU DO FOR KIWISAVER PAYMENTS.

=



17. What do you think of the whole Scheme?

Write your answer here:

I THINK IT HAS MERIT AND WILL TAKE THE STRAIN OFF PEOPLE WHO ARE UNWELL KNOWING THAT THEY WILL HAVE THE SUPPORT THEY NEED. - EVEN THE PLAYING FIELD BETWEEN THOSE THAT CAN GET INSURANCE AND THOSE THAT CURRENTLY CANNOT.



18. Do you think New Zealand needs the Scheme?

Yes

No

Write your answer here:

SEE EARLIER PAGES.

AS A FINANCIAL ADVISER I KNOW HOW FEW PEOPLE CAN GET INCOME PROTECTION INSURANCE.

IT IS A REALLY GREAT IDEA.

JUST NEED TO GET COST DOWN AS IT IS HIGHER/MORE EXPENSIVE THAN INCOME PROTECTION WITH ALL THE BENEFITS.



19. What do you like about the Scheme?

Write your answer here:

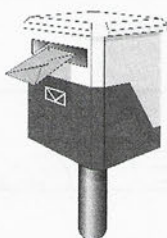
AS ABOVE

Where to send your answers



You can send us your answers by
email to:

incomeinsurance@mbie.govt.nz



You can send us your answers by
post to:

**Social Unemployment Insurance
Tripartite Working Group**

**Ministry of Business, Innovation
and Employment**

PO Box 1473

Wellington 6145



20. What do you not like about the Scheme?

Write your answer here:

- = COST OF THE INSURANCE FOR BOTH THE EMPLOYEE & EMPLOYER.
TOO EXPENSIVE.
- = WORK WITH EXISTING PROVIDERS TO GET COSTS DOWN.
- = EMPLOYER HAVING TO PAY FIRST 4 WEEKS. THIS ESSENTIALLY SHIFTS THEIR BURDEN FROM 10 DAYS TO 31 DAYS. MASSIVE COST FOR MOST BUSINESSES.
- = SNAES CANNOT PROTECT JOB FOR 6 MONTHS. MOST POSITIONS ARE CRITICAL & IF THAT PERSON ISN'T AT WORK IT WILL NEED TO BE FILLED BY SOME ELSE - NEW TO BUSINESS.