



## COVERSHEET

<b>Minister</b>	Hon Grant Robertson	<b>Portfolio</b>	Finance
<b>Title of Cabinet paper</b>	Update on proposed New Zealand income insurance scheme	<b>Date to be published</b>	28 April 2023

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
February 2022	Update on proposed New Zealand income insurance scheme	Office of the Minister of Finance
16 February 2022	Update on proposed New Zealand income insurance scheme DEV-22-MIN-0010 Minute	Cabinet Office

### Information redacted

YES / NO [select one]

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.

Some information has been withheld for the reason of Confidential advice to Government.



# Cabinet Economic Development 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.*

### Update on Proposed New Zealand Income Insurance Scheme

**Portfolios** Finance / Social Development and Employment / ACC / Workplace Relations and Safety

On 16 February 2022, the Cabinet Economic Development Committee (DEV):

- 1 **noted** that public consultation on the proposed income insurance scheme, which had been planned for late 2021, began on 2 February 2022 and will finish on 26 April 2022;
- 2 **noted** that the timeline has been revised to accommodate the delay to consultation while still allowing for scheme implementation in 2023;
- 3 **invited** the Minister of Finance, the Minister for Social Development and Employment, the Minister for ACC and the Minister for Workplace Relations and Safety (Joint Ministers) to report back to DEV in May 2022 seeking:
  - 3.1 an in-principle decision to proceed with the implementation of the scheme; and
  - 3.2 agreement to introduce legislation that enables the ACC to begin implementation of the scheme;
- 4 **noted** that, subject to Cabinet agreement in-principle to proceed with the scheme, agreement will be sought from the Leader of the House for a Bill to provide ACC the statutory authority to proceed with operational requirements to be introduced and passed as Budget legislation, utilising the urgency afforded to Budget legislation;
- 5 **invited** Joint Ministers to report back to DEV in June 2022 seeking detailed policy decisions, and agreement to legislative drafting instructions for the substantive Bill;
- 6 **noted** that there is an opportunity for ACC, subject to additional funding, to undertake pre-implementation work to lessen delivery risks;
- 7 **approved** the following changes to appropriations, with a corresponding impact on the operating balance and net core Crown debt:

Vote Labour Market Minister for ACC	\$m – increase/(decrease)				
	2021/22	2022/23	2023/24	2025/26	2026/27 & Outyears
Non-departmental Output Expense: Establishment of new income insurance scheme (funded by revenue Crown)	3.00	-	-	-	-

- 8 **agreed** that the change to appropriations for 2021/22 above be included in the 2021/22 Supplementary Estimates, and that in the interim the increase be met from Imprest Supply;
- 9 **agreed** that the funding approved under paragraph 7 above be charged against the between-Budget contingency established as part of Budget 2021;
- 10 Confidential advice to Government

Janine Harvey  
Committee Secretary

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**Present:**

Hon Grant Robertson (Chair)  
Hon Dr Megan Woods  
Hon Carmel Sepuloni  
Hon David Parker  
Hon Poto Williams  
Hon Damien O'Connor  
Hon Stuart Nash  
Hon Kris Fafoi  
Hon Michael Wood  
Hon Dr David Clark  
Hon Dr Ayesha Verrall  
Hon Meka Whaitiri  
Hon Phil Twyford  
Rino Tirikatene MP  
Dr Deborah Russell MP

**Officials present from:**

Office of the Prime Minister  
Officials Committee for DEV