



AIDE MEMOIRE

Income insurance - impacts for Māori/iwi and honouring Te Tiriti o Waitangi

Date:	21 January 2022	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-2345

Hon Grant Robertson Minister of Finance
Hon Carmel Sepuloni Minister for Social Development and Employment
Hon Willy Jackson Minister for Māori Development

Contact for telephone discussion (if required)			
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The following departments/agencies have been consulted
ACC, MSD and the Pou Tangata Skills and Employment Iwi Leaders Group

Minister's office to complete:

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| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
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| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments



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Purpose

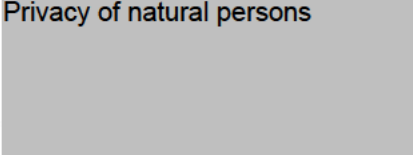
To outline the key considerations and potential impacts for Māori to support the ongoing work to design an income insurance scheme for New Zealand.

This briefing is provided to support discussions at the next meeting between Ministers and the Pou Tangata Co-Chairs – Kahurangi Dame Rangimārie Naida Glavish and Rahui Papa in early 2022.

This paper includes an overview of:

- Māori in the labour market.
- Work underway to improve outcomes for Māori in the labour market.
- The impact of introducing an income insurance scheme for Māori – including the scheme settings that are likely to have significant impacts for Māori.
- Ensuring the scheme to honour Te Tiriti o Waitangi.

Privacy of natural persons



Jivan Grewel
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Immigration Policy**

21 / 01 /2022

To: The Minister of Finance, Minister for Social Development and Employment, Minister for Māori Development and Pou Tangata Co-Chairs Rahui Papa, Kahurangi Dame Rangimarie Naida Glavish

Prepared by: Social Insurance Working Group in consultation with the Pou Tangata Skills and Employment Iwi Leaders Group

Approved by: Jivan Grewal, Policy Director, MBIE

Date: 21 January 2021

Subject: Income insurance – impacts for of Māori/iwi and honouring Te Tiriti o Waitangi

Purpose

1. This note outlines the key considerations and potential impacts for Māori to support the ongoing work to design an income insurance scheme for New Zealand.
2. This paper includes an overview of:
 - Māori in the labour market.
 - Work underway to improve outcomes for Māori in the labour market.
 - The impact of introducing an income insurance scheme for Māori – including the scheme settings that are likely to have significant impacts for Māori.
 - Ensuring the scheme to honours Te Tiriti o Waitangi.

Summary

3. On 16 December 2021, the Ministers of Finance, Social Development and Employment and Māori Development met with the Pou Tangata Co-Chairs – Kahurangi Dame Rangimarie Naida Glavish and Rahui Papa to discuss the ongoing work on income insurance. At the meeting it was agreed that the working group would provide a briefing on the key considerations needed for the ongoing work to design an income insurance scheme and identify the impacts the scheme could have on Māori. This briefing is provided to support discussions in the next meeting in early 2022.
4. Understanding how Māori workers are represented in the labour market is key to understanding the impact that income insurance may have on Māori/iwi. Data shows that:
 - Māori are disproportionately more likely to be made redundant relative to their share of the population (in 2020, 18.5% of those economically displaced were Māori, compared with a share of population of 16.7%) and young Māori are a significant proportion of those economically displaced.
 - Māori are disproportionately more likely to leave work for health or disability reasons and have higher rates of disability than other groups.

- Māori are proportionately over-represented in casual, fixed term and seasonal work but under-represented in self-employment.
5. Improving labour market outcomes for Māori is important across the whole public service. Significant work is underway in a number of areas supporting Māori employment aspirations and positive labour market outcomes, this includes work on the Māori Employment Action Plan and other employment strategies across government.
 6. Because they face a greater risk of job loss due to displacement or a health condition or disability, we expect the income insurance scheme will benefit Māori workers. The scheme will not benefit those on welfare benefits who are not in paid employment, those who stop working to care for dependents¹ or those who do not meet the contributions requirement.
 7. The scheme will provide an opportunity to re-engage in quality work and will also encourage people to take the chance to upskill, retain and engage in Active Labour Market Policies (ALMPs). While ALMPs are currently under review, we note that Cabinet has agreed to a Māori Employment Action Plan and has already published an employment action plan for youth. We expect further work in this area will be particularly beneficial for young Māori who are displaced.
 8. Given what we know about Māori in the labour market, there are significant impacts for Māori from aspects of the income insurance scheme design which need to be considered carefully. This includes:
 - Coverage of non-standard workers – it is currently proposed these workers are covered by the scheme where they had a reasonable expectation of future work. Exclusion of casual, seasonal and fixed term employees would disproportionately disadvantage Māori who are over-represented in these forms of work.
 - Contributions history requirement – the more stringent the eligibility requirement the more people will be excluded from the scheme (officials are working to understand this impact). Consideration will be given to alternative forms of contributions which could reduce the impact of this requirement for Māori.
 - Paying the levy – it is proposed all employers and employees will pay a 1.39% levy on their salary and wages. As Māori are over-represented in roles that offer lower pay, it is likely that the levy will have a material impact on low-income Māori families. Consideration is being given to ways to reduce the impact of levy on incomes.
 - Bridging payments – it is proposed employers will be required to pay employees a bridging payment of four-weeks at 80% of the employee's previous income if they are made redundant or laid-off. This will have a cost for Māori employers and will be considered carefully following engagement.
 9. The Crown has obligations under Te Tiriti o Waitangi to consider the implications for Māori throughout the design and implementation of the scheme. In order to do this, the

¹ The initial focus of the income insurance scheme has been to reduce wage scarring and the financial shock of an unexpected loss of work from a health condition or disability or economic displacement. Widening of the eligibility criteria to cover those who stop working to care for dependents could be considered at a later date.

working group will continue to work closely with the Pou Tangata Skills and Employment Iwi Leaders Group (SE ILG) on the policy proposals and on Te Tiriti o Waitangi legislative provisions for the Bills related to the build and delivery of the scheme.

10. Ensuring meaningful and genuine engagement with Māori on the proposals is also key. Officials will continue to work with the SE ILG to plan and undertake the engagement, including co-leading engagements with iwi Māori and stakeholders as appropriate. Given timing constraints engagement will be targeted to key groups (an initial list is attached as Annex One) with all other New Zealanders also able to have their say.
11. The way the scheme is governed, delivered and evaluated should recognise the Crown's Te Tiriti o Waitangi obligations. This could include allowing for:
 - Representation at the governance level (representation on the Board and/or advisory group to the Board).
 - Kaupapa Māori approaches to research, evaluation and policy development.
 - Perspectives of Māori that inform service delivery.
 - Performance measures which reflect a commitment to equitable outcomes for Māori.
 - Appropriate te ao māori case management and return to work support.

Background

12. Earlier this year, the Future of Work Tripartite Forum (the Forum) – a partnership between Government, the New Zealand Council of Trade Unions (NZCTU) and Business New Zealand (Business NZ) invited the Government to consider an income insurance scheme as part of the work toward a more productive, sustainable and inclusive economy.
13. On 15 March 2021, Cabinet agreed that government would work with business and union representatives to design an income insurance scheme for public consultation [CAB-21-MIN-0069 refers]. An income insurance scheme will have significant impacts for all New Zealand employees and employers.
14. The working group began engagement with the Pou Tangata Skills and Employment Iwi Leaders Group (SE ILG) on the overarching proposal in November 2021. The SE ILG have since identified the income insurance scheme as one of their key priority areas. Ongoing work with the SE ILG will focus on the impacts of the scheme on Māori, work through options for outstanding policy issues and co-design the engagement plan.
15. On 16 December, the Ministers of Finance, Social Development and Employment and Māori Development met with the Pou Tangata Co-Chairs – Kahurangi Dame Rangimārie Naida Glavish and Rahui Papa. At the meeting it was agreed that the working group would provide a briefing on the key considerations needed for the ongoing work to design an income insurance scheme and the impacts it may have for Māori.
16. This briefing has been drafted to support a further meeting between Ministers and Co-Chairs in early 2022.

Māori in the labour market

17. Understanding Māori in the labour market is key to understanding the impact that income insurance may have on iwi, Māori employees and employers and highlights which scheme settings are likely to have a particular impact on Māori.
18. Māori will make up one-sixth of New Zealand's workforce by 2038. The younger and growing Māori population will be key to supporting New Zealand's future workforce.
19. Māori have made significant gains in terms of skills and education; more Māori are in skilled and highly skilled jobs across an increasing range of sectors. Despite this, a relatively high proportion of Māori are in lower-skilled, lower paid occupations including significant numbers of Māori in sectors particularly vulnerable to economic shocks.
20. Data shows that Māori are disproportionately more likely to be made redundant relative to their share of the population (in 2020, 18.5% of those economically displaced were Māori, compared with a share of population of 16.7%) and young Māori are a significant proportion of those economically displaced. Māori are also disproportionately represented in unemployment benefit receipt.
21. Further, evidence indicates that Māori are disproportionately more likely to leave work for health or disability reasons and have higher rates of disability than other groups.
22. Māori are proportionally over-represented in non-standard work:
 - Under-represented in permanent full-time work relative to overall population (13.6%)
 - Over-represented as a proportion of casual workers (18.4%)
 - Significantly over-represented in fixed term work arrangements (32.4%).
 - Relatively under-represented in self-employment and employer roles (8.2% but growing).
23. Compared to the rest of the workforce:
 - Māori workers are younger. The 15-24 year olds represent a higher (21.0%) percentage of employed compared to New Zealand Europeans (14.5%)
 - Māori have a higher proportion of workers employed in lower-skilled occupations (26.1% compared to 19.9% for all workers) and in industries particularly vulnerable to changes in technology and economic cycles (e.g. manufacturing, wholesale and retail trade and construction).
24. The industries employing the most Māori workers in December 2020 were utilities & construction, manufacturing, and wholesale and retail.

Māori-owned business and significant employers of Māori

25. Māori-owned businesses operate in the same way as non- Māori businesses but there are some areas where Māori businesses may differ significantly:
 - Legislative – additional laws that set rules and define structures and processes that Māori businesses based on collectively owned assets such as Māori land and fishing quotas must follow.

- Culture and values - Māori culture and values may be woven through Māori businesses and may have multiple objectives, e.g. social, cultural, environmental, spiritual, and economic.
26. Recent research commissioned by Te Puni Kōkiri identified more than 10,000 economically significant Māori-owned businesses, representing 6% of business across Aotearoa/New Zealand7%. The proportion of Māori sole traders compared to non-Māori sole traders is 7%. **The regions with the highest proportion of sole traders are Gisborne, Northland and Bay of Plenty.**
 27. It was found that in most regions, there are more Māori-owned businesses in construction than any other industry and 537 tourism businesses were identified.
 28. Both Māori-owned and non-Māori-owned businesses follow similar patterns for enterprise size, based on employee count and on GST size.
 29. Further, this **research confirmed that Māori are more likely to employ other Māori.** On average 43 percent of employees of Māori-owned business are Māori, compared to 14 percent for non- Māori owned business, and additionally identified 10,200 “significant employers of Māori”, of which 2,200 are Māori-owned businesses.

Work underway to improve Māori labour market outcomes

30. Improving how services are delivered for Māori is important across the whole public service. Significant work is underway in a number of areas supporting Māori employment aspirations and positive labour market outcomes. Some examples include He kai kei aku ringa (the Crown–Māori Economic Development Strategy), Ka Hikitia – Ka Hāpaitia (the Māori education strategy), the Māori Economic Resilience Strategy and Te Pae Tata – Ministry of Social Development’s (MSD) Māori Strategy and Action Plan, the Māori Employment Action Plan, the resetting the foundations of the welfare system work (including consideration of TeTiriti o Waitangi provisions and Kaupapa Māori values for the welfare system) and work on a review of Active Labour Market Policies (ALMPs).
31. The Māori Employment Action Plan aims to remove barriers and create opportunities for Māori to exercise rangatiratanga to create intergenerational wellbeing through work. It will achieve this by setting out the immediate, medium and long-term actions the government will take and by providing a framework for monitoring the impact of those actions on Māori outcomes in the labour market. This will be underpinned by kaupapa Māori values.
32. The next phase of the Review of ALMPs will continue to consider the needs of Māori and the effectiveness of support provided².

Income insurance – impacts for Māori

33. The work on income insurance to date has considered both the implications for Māori as a population group of introducing the scheme (based on the labour market data

² The SE ILG will be a part of this phase of the ALMP review.

outlined above) and the implications of the scheme design when considering the Crown's obligations under Te Tiriti o Waitangi.

34. Te Tiriti o Waitangi analysis has been undertaken on the scheme as a whole to ensure that both the articles and principles of Te Tiriti o Waitangi have been considered in the policy design. This has included consideration of how the scheme can be designed to support:
- Kāwanatanga – good governance and partnership – e.g. through governance and accountability settings.
 - Tino rangatiratanga and mana motuhake – Māori autonomy, authority and self-determination – e.g. by providing multiple service choices for Māori.
 - Ngā tikanga katoa rite tahi - equality, equity, equal outcomes, participation, access e.g. ensuring eligibility settings and entitlements enable broad and equitable access.

Introducing income insurance

35. Because Māori face a greater risk than other groups of job loss due to displacement or a health condition or disability, we expect the scheme will benefit Māori workers. With entitlements based on an individualised assessment, eligibility is wider than welfare, so more whānau will be supported following loss of work.³ This particularly supports the principle relating to ngā tikanga katoa rite tahi by facilitating improved labour market participation and outcomes for Māori.
36. Providing financial support based on previous wages and practical support to return to work will help Māori to find and engage in quality work, rather than just taking up non-suitable employment to meet fixed costs. Being employed in quality work makes an important contribution to wellbeing and socio-economic outcomes for individuals and whānau collectively. Work can improve an individual's wellbeing, and also support the wellbeing of their whānau and community, and that of future generations.
37. For young Māori who are displaced, the scheme could provide a potential pathway to gain the skills and qualifications required in the labour market. For example, income insurance will provide the time and opportunity for people (supported by 80% of their previous wages) to retrain/upskill including the chance to engage in ALMPs such as programmes funded through He Poutama Rangatahi and Māori Trades and Training Fund (as long as otherwise eligible). This would bring them social and economic benefits and provide employers with the right type of employees to fill future labour market demand.

Coverage of health conditions and disabilities will benefit Māori...

38. Māori have a comparatively high disability rate for a population with a relatively young age structure. Evidence indicates Māori are disproportionately more likely to leave work for health or disability reasons. One-in-five Māori report having a disability, and due to the young Māori population and higher susceptibility of Māori to disabling health conditions as they age, the incidence of disability leading to job loss is expected to increase. Māori disproportionately leave jobs because of a health condition or disability and generally have worse health outcomes than non-Māori.

³ As access to welfare is dependent on family income, often those with earning partners are not eligible for welfare following job loss.

39. The 2013 New Zealand Disability Survey identified that Māori with disabilities tend to fare worse than non-disabled Māori across a range of outcomes. The scheme is likely to benefit Māori with disabilities who access it in similar ways as non-disabled Māori, as well as provide time to address the effect their health condition or disability has on their wellbeing and support a return to work, where appropriate.

However, not everyone will be covered by income insurance

40. Some Māori will not benefit from the scheme. Māori are over-represented among working-age people in receipt of main benefits, such as the Jobseeker and Sole Parent Support benefits. People receiving main welfare benefits are generally not engaged in paid employment and therefore will not be able to build the contributions history necessary to access insurance payments. Individuals who exit benefit receipt for work, will be able to build a contributions history, and hence become eligible for insurance if they later experience redundancy, or lose work due to a health condition or disability. As outlined below, **consideration will be given to the possibility of widening the contribution history rules to include some types of non-paid work**. If this were to be the case, it could help beneficiaries to build a contributions history, even before they begin paid employment.
41. People who reduce their hours of work or stop work entirely to care for a whanau/family member will also not be covered by the scheme⁴. This will likely impact Māori women, who are significantly more likely to provide family care than other ethnic groups.
42. No single policy intervention will overcome the systemic factors that contribute to the poorer social and economic outcomes that many Māori experience. However, by designing a scheme that works for and delivers equitable outcomes for Māori, the scheme can help reduce the impacts of these inequities and in particular reduce the impact on Māori workers when their work is interrupted by redundancy or a health condition or disability. The scheme can do this by providing greater financial support for people immediately following their loss of work paired with support to return to work, upskill or retrain or undertake necessary rehabilitation.

Scheme design elements likely to have the biggest impact on Māori

43. All scheme design settings will have an impact on all New Zealand employees and employers. However, given the areas in which Māori are more represented there is likely to be more significant impacts for Māori in specific scheme elements. These are detailed further below.

Coverage of non-standard workers

44. Internationally, indigenous people tend to lack coverage under social security schemes because they are often engaged in informal work. Where they are covered, they may not meet the eligibility conditions (e.g. relevant contributions requirements) to realise

⁴ Financial help and other support for carers is available through the welfare and health systems, including Funded Family Care, which has changed to pay partners and spouses to look after family members and those caring for children under 18 years. The Mahi Aroha: Carers' Strategy Action Plan 2019--2023 has a new focus on population groups, including Māori carers, and has actions to support carers in paid work and support carers' pathways to employment.

entitlements or are unable to effectively access financial help and other support. We have tailored the settings of the New Zealand proposal to try to minimise these effects.

45. In New Zealand, as detailed above, Māori are over-represented in most forms of non-standard work such as casual, fixed term and seasonal work (Māori males make up one third of the seasonal workforce), while they are under-represented in self-employment.
46. Exclusion of non-standard work from the scheme would therefore have a significant impact on Māori. In order to ensure coverage is as broad as possible, the Discussion Document proposes that casual, fixed term and seasonal work be covered by the income insurance scheme where displaced workers had a reasonable expectation of future work. Conversations with the Pou Tangata SE ILG have further highlighted the importance of casual and non-standard workers only contributing to the scheme if they stand to benefit from it.
47. The Discussion Document seeks views on how to cover the self-employed, noting the intent to cover those self-employed who most resemble employees. While Māori are currently a low proportion of self-employed workers in New Zealand, the number of Māori in self-employment is growing.

Contributions history requirement

48. International experience shows that more stringent eligibility settings, such as employment or contribution history requirements, can be more difficult to meet for people in non-standard working arrangements.
49. As proposed, employees will have needed to contribute to the scheme, by paying a levy on their wages for six months of the previous 18 months to be eligible – similar to New Zealand's Paid Parental Leave requirements.
50. The proposed contribution requirement is comparatively low compared to many international schemes and is not tied to a particular job, this aims to ensure coverage and access for non-standard workers. This approach could still limit the number of Māori, particularly young Māori who contribute to the scheme by paying a levy but cannot access the scheme because they do not meet the contributions requirement. The deduction of the levy will therefore have an impact on their income, without the possibility of an initial benefit from the scheme.
51. Following initial conversations with the SE ILG – the working group will do further work to understand and consider options to reduce the impact of the contributions requirement, including consideration of whether non-paid employment such as supporting a local iwi/marae could be counted towards contributions⁵. There is a similar intent behind the decision to count time on parental leave as contributions to reduce potential gender bias.

Paying the levy

52. As proposed, all employees and employers will contribute to the scheme through a levy split equally between them. The Discussion Document proposes a levy of 1.39% each.

⁵ This will include careful considerations of any risks associated.

53. Payment of a 1.39% levy will reduce all employees' net earnings. However, it is likely to have a greater material impact for those on lower incomes who may already struggle to meet their ongoing or fixed costs.
54. As Māori are over-represented in roles that offer lower pay, it is likely that the levy will have a significant impact on low-income Māori families.
55. The use of a levy free threshold has previously been ruled out, given the significant implications for the cost of the levy for all levy payers. Consideration will be given to other ways to reduce the impact of the levy on low-income working families.

Bridging payments

56. As well as impacts for Māori employees, the scheme will also have an impact on Māori businesses/employers – both through the payment of a levy and through additional obligations imposed on employers as part of the scheme. These obligations are designed principally to reduce the risk of sham redundancies and support good outcomes for employees.
57. As proposed, employers will be required to provide a minimum of four-weeks notice and a further four-week 'bridging payment' at 80% of an employee's previous income when making any employee redundant. The 'bridging payment' aims to reduce the risk of unnecessary redundancies and gaming of the system.
58. The bridging payment is a scheme design element where the outcomes of public consultation and further engagement will be particularly important.
59. Concerns have been raised that that a compulsory levy and bridging payments limits to some extent the ability for an iwi or hapū to exercise undisturbed autonomy over their resources. This will likely have some impact on iwi and hapū – particularly where that additional liability would create hardships.
60. The benefit, however, is that the bridging payment is a direct cost to businesses making staff redundant, but it lowers the overall cost of the scheme through reducing the number of claims and ensuring that (for displaced workers) the costs for the first four weeks of entitlement are limited to the 'displacing employers', rather than all employers.

Income insurance – ensuring the scheme to honours Te Tiriti o Waitangi

61. There are two key elements to ensure that the scheme honours Te Tiriti o Waitangi:
 - Designing the scheme.
 - Delivering the scheme.

Designing the scheme

62. Fundamental to establishing and delivering a scheme that benefits Māori and honours the Crown's obligations under Te Tiriti o Waitangi is consideration of the implications for Māori throughout the policy design and initial stages of the work and meaningful engagement on the proposals.

63. Officials are continuing to work closely with the SE ILG on key scheme design elements (including those outlined above) in light of the Crown's obligations to Te Tiriti o Waitangi to ensure that the scheme allows for kāwanatanga, tino rangatiratanga, mana motuhake and ngā tikanga katoa rite tahi.
64. Ongoing conversations with the SE ILG include consideration of how best to ensure the Crown continues to meet its obligations under Te Tiriti o Waitangi in the design, build and delivery of the scheme. This includes consideration of whether legislative provisions/obligations could support the intent that Te Tiriti o Waitangi is paramount in the delivery of the scheme. Any such legislative provisions would be worked on in partnership with the SE ILG to ensure they are meaningful and accurately reflect the Crown's obligations.

Engagement

65. In order to ensure the design of the scheme is recognising the importance of partnership it is important that the engagement on the proposal, reflects the Crown's obligations to Te Tiriti o Waitangi for meaningful and genuine engagement with Māori.
66. In recognition of the importance of partnership, the Crown will work with the SE ILG on the engagement plan and intend to co-lead engagement sessions with the SE ILG as appropriate. Given the tripartite nature of the work, social partners will also be involved in the engagement, particularly for engagement with businesses and workers.
67. It is currently proposed that this engagement take place from February to April 2022 supported by the release of the discussion document. The Discussion Document will put forward a largely fully formed proposal however it will be important to keep stakeholders informed, listen to, and acknowledge any concerns, and provide feedback on how stakeholders' input influenced decisions. We consider there are three key groups of stakeholders that we will need to use different methods of engaging with:
 - Group one – targeted engagement, either face to face or virtual meetings with iwi Māori and stakeholders with key expertise in aspects of the scheme's design and where further detailed information is needed from them. See Annex One for an initial list of group one stakeholders (to be finalised).
 - Group two – actively seek to reach with targeted information to share and promote consultation amongst their networks and encourage submissions.
 - Group three – capture feedback through typical communications and engagement activities, but no specific focussed outreach.
68. Some engagements may need to be scaled depending on when the engagement process launches and closes, and we are continuing to consult with agencies to refine our proposed organisations for engagement.

Delivering the scheme

69. The way the income insurance scheme is governed, delivered and evaluated should recognise a partnership approach, to ensure Māori have real authority to develop and implement policies that address Māori needs and respect te ao Māori. This could be achieved in several ways, such as representation at the governance level (representation on the Board and/or advisory group to the Board), kaupapa Māori

approaches to research, evaluation and policy development, and perspectives of Māori income insurance claimants that inform service delivery.

70. How the scheme's performance is measured will also be an important driver for its shape as it evolves. We therefore need to ensure the scheme's performance indicators (when set) reflect a commitment to equitable outcomes for Māori.

Case management and access to support services

71. Fundamental to good outcomes for income insurance recipients is coupling income support with appropriate case management and return to work support. The design and delivery of policies and programmes aimed at supporting Māori income insurance claimants into work should be sourced from or informed by te ao māori.
72. The income insurance scheme will initially refer claimants to existing government services which provides only a limited ability for the scheme to directly influence how those services are delivered. But there could be future opportunities to build and create support and services consistent with te ao māori in addition to the existing support and services and delivered by iwi or Māori providers.
73. Case management design will support good outcomes for Māori by incorporating Te Tiriti o Waitangi principles:
 - Mana motuhaketanga and tino rangatiratanga: the scheme design will seek to provide multiple service choices for Māori. This includes incorporating te ao māori into core design and exploring a dedicated raranga case management pathway, alongside direct service delivery by Kaupapa Māori providers.
 - Waka hourua: Māori are represented at scheme design governance level and will be invited to partner with ACC to design the case management approach.
 - Tiakitanga and tauritanga: the design approach is seeking to prioritise mātauranga Māori by including Kaupapa Māori expertise in key areas such as design, research, technology, and customer insights.
74. As detailed above, improving how services are delivered for Māori is important across the whole public service and there is work underway that income insurance could build on and leverage off such as the Māori Employment Action Plan, Ministry of Social Development's Te Pae Tata, Review of ALMPs, ACC's Whāia te Tika Māori Strategy, and changes under the Health and Disability System Reforms, e.g. establishment of the Māori Health Authority. Whānau Ora also provides a model for delivery of services to support whānau and families.

Implementation planning

75. In commencing implementation planning, ACC has been conscious of implementing the scheme in a way that supports Māori wellbeing and upholds principles of Te Tiriti o Waitangi. As an early step, they engaged a Kaupapa Māori consultancy to develop te ao māori design principles for the implementation and these were endorsed by ACC's Māori Customer Advisory Panel and have been shared with SE ILG. These design principles are being used to inform the operating model and processes for the scheme.
76. ACC is also setting up a Māori Advisory Rōpū for the income insurance scheme to provide ongoing advice to the ACC implementation team and ACC Board on income insurance implementation design throughout the implementation and early operation of

the scheme. The rōpū will include members of the SE ILG, as well representatives of iwi, Kaupapa Māori businesses and providers. It is expected that this rōpū will commence in February.

77. The ACC Board has appointed Sharon Shea as an external member of the Board Committee which is currently overseeing income insurance planning. This is a temporary appointment while the permanent governance arrangements for the scheme are being determined. It ensures that in the interim, the Board's commitment Te Tiriti o Waitangi is reflected in the governance structure.
78. ACC is currently identifying opportunities for co-design and engagement with Māori of key scheme services such as case management. The Māori Advisory Rōpū will be engaged to provide guidance and support on these co-design and engagement activities.

Annex One – Key groups for engagement

Māori

- National Iwi Chairs Forum
- ACC's Māori Customer Advisory Panel
- MSD's Maori Reference Group
- Māori Women's Welfare League
- New Zealand Māori Council
- Te Rūnanga o ngā Kaimahi Māori o Aotearoa

Pacific peoples

- Le Va
- Pasifika Medical Association and Pasifika Futures
- Pacific Business Trust
- A collection of providers under the Pacific Skills Shift initiative

Disabled people and people with health conditions

- Disabled People's Organisations Coalition
- Mental Health Foundation

Training, employment and rehabilitation providers

- Regional Skills Leadership Group Chairs
- Workforce Development Councils
- Te Pūtahitanga
- Te Pūkenga – NZ Institute of Skills and Tech
- Workbridge

Health practitioners

- NZMA
- Royal New Zealand College of General Practitioners
- General practices with Māori health services could include Papakura Marae Health Centre, Raukura Haoura O Tainui, and/or Te Manu Aute Whare Oranga (Manurewa Marae)
- New Zealand Psychologists Society

Finance Industry

- Financial Services Council
- Banking Association

Non-standard workers

- Seasonal work - HortNZ
- Self-employed - ProDrive
- Labour Hire companies

Researchers and economists

- TBC