



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



Briefing for the Incoming Minister for Workplace Relations and Safety

June 2023



MBIE Karakia

Tāwhia tō mana kia mau, kia māia

Ka huri taku aro ki te pae kahurangi,
kei reira te oranga mōku

Mā mahi tahi, ka ora, ka puāwai

Ā mātau mahi katoa, ka pono, ka tika

TIHEI MAURI ORA

TRANSLATION:

Retain and hold fast to your mana, be bold, be brave

*We turn our attention to the future, that's where the
opportunities lie*

By working together we will flourish and achieve greatness

Taking responsibility to commit to doing things right

TIHEI MAURI ORA

MĀIA
BOLD & BRAVE

**PAE
KAHURANGI**
BUILD OUR FUTURE

MAHI TAHI
BETTER TOGETHER

**PONO
ME TE TIKA**
OWN IT

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1. Portfolio overview

Purpose

1. This briefing provides you with information about the Workplace Relations and Safety portfolio. Further briefings will be provided focussing on specific topics in depth, if needed. There are many projects underway in the Workplace Relations and Safety work programme which MBIE looks forward to discussing with you.

Introduction to the employment relations and employment standards system and the health and safety at work system

2. The Minister for Workplace Relations and Safety has responsibility for the employment relations and employment standards (ERES) regulatory system, and the health and safety at work regulatory system. These regulatory systems are critical in supporting businesses to employ skilled and productive people, ensuring work is healthy and safe, building productive employment relationships and protecting minimum standards of employment. A well-functioning and high-performing labour market relies on robust regulatory systems that encourage productivity and innovation, protect workers and support businesses, and maintain New Zealand's international brand as a reputable employer in export markets.
3. Other portfolios also contribute to the functioning of the labour market such as the Social Development and Employment portfolio, Accident Compensation portfolio and the Immigration portfolio. The boundary between these is explained further in section 3.
4. Most of the policy and operational functions of the ERES system are contained within the Ministry of Business, Innovation and Employment (MBIE). Section 5 provides you with further detail. The policy function for the health and safety at work regulatory system sits within MBIE and the operational functions are held by WorkSafe New Zealand, the primary regulator for health and safety at work.
5. Detail on the legislation relevant to the Workplace Relations and Safety portfolio is provided as Annex 1.

The employment relations and employment standards regulatory system

6. The ERES system sets the minimum standards of employment and provides a legislative structure to support productive relationships between employers, workers and their respective representatives. The system focuses on the way in which employers and employees relate to one another, how breakdowns in this relationship are moderated and how compliance with employment standards is achieved.
7. Recent significant policy work in the employment relations and standards system has included:
 - passing Fair Pay Agreements Act in 2022 and enacting the necessary regulations to enable the system to function (completed in May 2023)

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- increasing the adult minimum wage rate from \$15.75 in 2017 to \$22.70 in 2023
 - passing the Screen Industry Workers Act in 2022 and enabling the system to begin operation
 - developing new legislation on employee leave to replace the Holidays Act 2003 based on the tripartite Holidays Act Taskforce recommendations
 - passing dual-language legislation to create a new public holiday to enable the celebration of Matariki
 - passage of the Equal Pay Amendment Act in 2020 to create a system for pay equity in female-dominated jobs
 - implementation of policy and operational changes to reduce temporary migrant worker exploitation, such as the launch of dedicated migrant exploitation report tools and the Migrant Exploitation Protection Visa in July 2021 and the introduction of the Worker Protection (Migrant and Other Employees) Bill in September 2022, which is expected to complete its third reading in the week of 26 June
 - public consultation and ongoing policy development for new legislation to address modern slavery and exploitation in the supply chains of New Zealand organisations.
8. MBIE is the primary regulator of the ERES system. The Chief Executive is required to promote the objectives of the Employment Relations Act 2000 by, among other things:
- providing information and advice about employment relationships
 - promoting the effective resolution of employment relationship problems by providing problem and dispute resolution services
 - publishing information, reports, and guidelines about employment relationships
 - publishing comments about employment relationship matters in relation to particular persons
 - maintaining a strategy for promoting compliance with, and enforcement of, employment standards legislation, and
 - performing any other functions and duties under employment standards legislation.
9. MBIE performs most of its operational functions through Te Whakatairanga Service Delivery Group. Depending on the service provided or function being exercised, the regulator is externally known as Employment New Zealand, Employment Mediation Services or the Labour Inspectorate. The main functions that MBIE delivers directly are:

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- **information and education services**, through MBIE’s Service Centre, digital channels, and in person activities. This year, MBIE has responded to over 45,000 calls and 2,300 emails, including 615 calls to the dedicated migrant exploitation reporting line.
- **dispute resolution services for employment relationships**, through its Employment Mediation Service, Early Resolution Service and Bargaining Support Service. Over 14,000 interventions have been delivered this year, including 3,705 mediations, 1,658 early resolutions, responses to 20 strike notices, 60 mediations of bargaining disputes, and certification of 8,928 private records of settlement.
- **compliance and enforcement of minimum employment standards**, through the Labour Inspectorate. This year, the Inspectorate has made over 2,839 employment standards interventions, a 37% rise on last year and exceeding the Estimates measure of 2,200. This included 379 investigations into the most serious or severe breaches of employment law, of which 175 involved migrant exploitation, and over \$2 million in penalties being awarded.
- **statutory decision-making**, including in relation to bargaining for Fair Pay Agreements, and responsibilities relating to registering unions, collective agreements, industrial disputes, and pay equity bargaining.
- **administrative functions relating to the Employment Relations Authority**, including providing support services for the Authority’s operations, and advice to you as the responsible Minister for appointments to the Authority.
- **assistance to other regulators of work**, including Immigration New Zealand in managing the Recognised Seasonal Employer (RSE) scheme, with the Inspectorate delivering 1,238 checks and audits of RSE employers this year.

10. In addition, the Employment Relations Act provides for the following statutory institutions in the ERES system:

Institution	Role
Employment Relations Authority	<p>A quasi-judicial investigative body that has the role of resolving employment relationship problems by establishing the facts and making a determination according to the substantial merits of the case, without regard to technicalities.</p> <p>MBIE provides administrative support for the Authority. Members are appointed by the Governor-General on your advice, which is supported by MBIE.</p>
Employment Court	<p>Exclusive jurisdiction and corresponding powers to deal with a range of employment related matters, including hearing matters previously determined by the Authority.</p>

	<p>The Employment Court is serviced by the Ministry of Justice. Members are appointed by the Governor-General on the advice of the Attorney-General.</p>
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The health and safety at work regulatory system

11. The health and safety at work regulatory system aims to secure the health and safety of workers and workplaces, through duties, principles, and rights. Under the *Health and Safety at Work Act 2015* (the HSW Act), businesses must ensure the health and safety of their workers and others affected by their work, as they create the workplace risks and are best placed to manage them. Businesses must involve their workers in managing health and safety risks in the workplace.
12. The legislative framework has been significantly modernised with the introduction of the *Health and Safety at Work Act 2015* (the Act) and a suite of underpinning regulations. Recent significant work by MBIE and WorkSafe New Zealand has included:
 - Establishing joint governance and steering groups with WorkSafe New Zealand to drive implementation of the *Health and Safety at Work Strategy 2018 – 2028*.
 - Passage of the Health and Safety at Work Amendment Bill to restore stronger worker representation and participation rights for workers, implementing a Labour Party manifesto commitment.
 - Cabinet policy decisions to modernise and improve the regulations providing protections for people working with plant, structures, excavations and working at heights, to address the significant proportion of workplace harm related to this type of work, and developing the draft package of new regulations for public consultation.
 - Public consultation and Cabinet policy decisions to improve the regulations that provide for the safety of Adventure Activities, after a targeted review in the wake of the White Island/Whakaari tragedy.
13. WorkSafe, as the primary work health and safety regulator, engages with a wide range of sector and industry stakeholders, and others, to drive a shared commitment to health and safety. In the 2022/23 financial year WorkSafe undertook over 9,100 enforcement actions, ranging from directive letters to investigations and prosecutions (data as at 17 May 2023).
14. At the highest level, effective governance of the health and safety regulatory system will require a shared understanding of desired system outcomes, a clear shared strategy, and effective monitoring of system performance. Achieving this will require strong regulatory stewardship, including governance and system-wide priority setting, delivered through implementation of the Strategy.

15. Given the dynamic nature of the business environment, as well as new technologies and shifting work practices, these systems need to be treated as ‘living’ and managed in a way that ensures they continue to deliver on their goals as the context changes. Annex 2 contains more information about how the health and safety at work regulatory system works.

Link between the health and safety at work and energy regulatory systems

16. MBIE is the lead policy advisor for the energy regulatory system, including energy safety (which includes elements of public and worker safety and the prevention of property damage). This overlaps with the work health and safety aspects of your portfolio and Ministers work together on these issues as they arise.
17. The Minister of Energy and Resources is the Minister responsible for the Gas Act 1992 and Electricity Act 1992 and associated regulations. WorkSafe is the regulator for the safe supply and use of gas and electricity under these Acts, where its role extends outside work and workplaces, to include the safety of energy production, supply, installation and use.

These regulatory systems face ongoing challenges

18. The ERES system has been impacted by fundamental shifts both within, and external to, the regulatory system over recent years (eg during COVID-19, Fair Pay Agreements). In the last few years, the system has developed policy on and introduced significant changes that system participants have had to implement and respond to. At the same time, demand for services has remained high and is growing. Forecast economic conditions mean likely additional pressure on employment relationships – and demand for employment relations services as a result – is on the horizon.
19. Amidst this context, challenges and risks facing the ERES system include:
 - A fully committed policy work programme, meaning a focus on delivery **Free and frank opinions**
 - Ongoing high demand in the system and issues with delivering timely and early employment dispute resolution, **Free and frank opinions**
 - A range of new and complex regulatory requirements, compounding existing complexity **Free and frank opinions**
 - Delivering a growing range of regulatory functions, including some that are novel to the ERES system and in New Zealand.
 - A need to better understand and evaluate how the ERES system is functioning and using that knowledge to inform both policy settings and regulatory strategy.
20. Challenges facing the health and safety at work regulatory system include:

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- New Zealand’s work-related death rates continuing to track at twice that of Australia and four times that of the United Kingdom. Progress to reduce work-related deaths and serious injuries has stalled. In addition, a worker is 15 times more likely to die from a work-related disease than a workplace injury.
 - System outcomes are inequitable, with some population groups disproportionately represented in injury and fatality statistics.
 - An incomplete and outdated regulatory framework that does not provide equal protection from harm to workers across business and industry, while being increasingly difficult in places for businesses to comply with and WorkSafe to enforce.
 - The ongoing implementation of the recommendations in the Sage Bush report and determination of the funding required for the regulators.
 - A need for more effective governance of the health and safety regulatory system, including a shared understanding of desired system outcomes, a clear shared strategy, and effective monitoring of system performance.
21. Given this, the performance of the health and safety at work system is mixed. While there have been significant improvements to the system since the Pike River tragedy, there is more to do to improve, and sustain, performance.
22. All participants in the system (Government, PCBU¹ and workers) have key roles to play in this improvement, both individually and as part of a collective:
- The regulatory framework needs to be completed; completing the Plant and Structures reform is the first priority.
 - We need to ensure that WorkSafe is Free and frank opinions and optimises its resources across a range of interventions at its disposal. The independent review completed by Sage Bush indicated that this should be a key priority.
 - Sector, industry and business leaders, along with workers, their representatives and unions, all have a key role in lifting the performance of the health and safety system; playing their part under the Government’s Health and Safety at Work Strategy 2018–2028.

The performance and current state of the labour market

23. Work is the main way that most people participate in and benefit from the success of a growing economy, and businesses need labour and skills to thrive. The labour market is the system through which firms find the people they need to produce goods and services, and people find work and earn incomes.

¹ Person conducting a business or undertaking.

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24. One way in which people can improve their living standards is through growing their incomes. This can happen if people gain new work or work more hours, or from labour productivity growth. New Zealand's higher labour utilisation (hours worker per capita) reflects New Zealand's relatively high rates of labour force participation (72% at March 2023) and relatively low rates of unemployment (3.4% at March 2023). But New Zealanders, compared with other OECD countries, work more hours, and achieve less output per hour. Working more hours to grow the output of goods and services and incomes has its limits.
25. The Workplace Relations and Safety Portfolio is responsible for a number of regulatory levers that influence labour utilisation, incomes and labour productivity. This suite of levers balances the rights of workers with labour market flexibility, and in some cases impacts incomes directly (for example the minimum wage). Labour market flexibility supports dynamism, or the flow of workers from low productivity firms or activities to higher productivity ones, while regulatory systems ensure that minimum employment standards are met and workers return home from work healthy and safe.
26. Headline figures about New Zealand's labour market performance mask poorer outcomes for particular groups, such Māori, Pacific Peoples, youth, older workers, people with disabilities, refugees and temporary migrants. Overall productivity and wage growth has also been slow over the medium term. New Zealand has a comparatively well-educated workforce, but there is a significant degree of mismatch between the skills workers have and the skills jobs require.
27. We can provide separate advice to you on the interaction between the Workplace Relations and Safety regulatory levers, labour market productivity and outcomes for particular groups.
28. We work closely with the parts of MBIE that provide strategic advice through Ministerial forums such as EET and the Future of Work Tripartite Forum, and we will ensure that any issues considered by those groups that are of particular relevance to the Workplace Relations and Safety portfolio are brought to your attention. Further information about the Ministerial groups that you participate in as Minister for Workplace Relations and Safety is provided in paragraph 69 of this briefing.

2. Portfolio responsibilities and an overview of the work in your portfolio

Your responsibilities

29. The Minister for Workplace Relations and Safety is responsible for:
- the health and safety at work regulatory system
 - the employment relations and employment standards regulatory system, including the over-arching employment relations framework and prescribed minimum employment standards, such as the minimum wage and leave entitlements.

Legislative responsibilities

30. The Minister for Workplace Relations and Safety is responsible for the following key pieces of legislation:
- Health and Safety at Work Act 2015
 - Employment Relations Act 2000
 - Fair Pay Agreements Act 2022
 - Screen Industry Workers Act 2022
 - employment standards legislation, including the Minimum Wage Act 1983, Holidays Act 2003 and the Parental Leave and Employment Protection Act 1987
 - Equal Pay Act 1972 (and 2020 Amendment Act)
 - Remuneration Authority Act 1977.
31. More details about the legislation you are responsible for can be found in Annex 1.

Crown entities

32. The Minister for Workplace Relations and Safety is responsible for WorkSafe New Zealand. Further information on WorkSafe is set out in Annex 2.

Other institutions

33. The Minister for Workplace Relations and Safety is also responsible for:
- recommending appointments to the Employment Relations Authority and the Remuneration Authority to the Governor-General
 - nominating trustees for the Diversity Works (formerly the Equal Employment Opportunities) Trust
 - acting as chair and a trustee of the Industrial Relations Foundation.
34. Further information on relevant institutions is attached in Annex 3.

Some matters have been delegated to the Associate Minister for Workplace Relations and Safety

35. Hon Priyanca Radhakrishnan was appointed as Associate Minister for Workplace Relations and Safety in June 2022. The Associate Minister was formally delegated responsibility for the following matters:
- migrant exploitation, including engaging with migrant communities about matters relating to workplace relations and safety, overall responsibility for the Migrant Exploitation Strategy, and responsible for the Worker Protection (Migrant and Other Employees) Bill and its implementation;
 - pay transparency and work to promote pay equity in workplaces, which is being undertaken jointly with the Minister for Women.
36. The Associate Minister has also taken a role in relation to parental leave settings, and since February 2023 has been the lead Minister overseeing government agencies' work with the Gloriavale Christian Community.

Key stakeholders

37. The regulatory systems have an impact on and are of interest to a broad range of stakeholders. A list of key stakeholders is attached in Annex 4.

Vote Labour Market

38. You are responsible for appropriations that fall within Vote Labour Market, totalling \$219.7m operating and \$4.7m capital in 2023/2024. The other appropriations within Vote Labour Market are the responsibilities of:
- the Minister of Immigration
 - the Minister of Education
 - the Minister of Social Development and Employment
 - the Minister for ACC.
39. More information about departmental funds and appropriations, contestable funds and trusts, and the Health and Safety at Work Levy is provided in Annex 5.

MBIE's funding pressures

40. There are some funding pressures building within the portfolio. Health and safety policy advice is now levy-funded, with employment relations and standards policy advice being Crown funded. This change was made this financial year and MBIE will continue to monitor the ongoing financial sustainability of the work health and safety and employment relations and standards policy advice functions.

41. Confidential advice to Government

42. MBIE's regulatory services for employment relations are entirely Crown-funded, spanning our work as a regulator and the services we provide to support the

Employment Relations Authority and Remuneration Authority. MBIE and the two Authorities have seen increased demand for core services and broadened and new functions and responsibilities over recent years, through legislative change. Current economic conditions (including demand from workers for wage growth), inflation, and wider cost pressures for employers means the current high demand in the system is only likely to grow over the next period, while core funding has remained static, with new funding dedicated to new functions such as Fair Pay. This has created cost-pressures for the employment system.

43. Budget 23 provided \$8.44 million over four years for cost pressures for MBIE's operational employment relations services, to support meeting ongoing high demand for services. This level of funding will partly address increases in salary costs and non-CPI inflationary pressures, with operational efficiencies required to meet the remainder of the funding gap.
44. The Employment Relations Authority also received \$15.262 million over four years in Budget 23 to expand the Authority to meet ongoing high demand for its statutory services. This will provide for seven additional Authority members and corresponding support services from MBIE.

International responsibilities

45. As Minister for Workplace Relations and Safety, you have a role in a number of international aspects including:
 - **the relationship between New Zealand and the International Labour Organization (ILO).** The ILO is a United Nations agency of 187 member states, established in 1919 to set and promote international labour standards, encourage employment and decent work, promote social protection and encourage social dialogue on work-related issues. New Zealand was a founding member of the ILO and has had a strong association with it historically. Further information on the ILO is provided in Annex 6.
 - **labour standards in trade agreements.** The *Cabinet Framework for Integrating Labour Issues into Free Trade Agreements* guides negotiators on the labour elements they should seek in trade negotiations. Cabinet sets more detailed mandates for each negotiation depending on the context and objectives for each trading partner, and delegates decisions for certain negotiations to relevant Ministers. MBIE will advise you on labour standards implications to inform your decisions on negotiating positions.

New Zealand is currently engaged in negotiations on an Indo-Pacific Economic Framework (IPEF) and has recently re-engaged in negotiations on a NZ-Gulf Cooperation Council Free Trade Agreement. The US is using IPEF to increase its presence in the region and improve its relationships. It has many of the characteristics of a modern free trade agreement, except for lowering tariffs, which limits the potential economic benefits. The negotiations include labour and sustainable development components, such as corporate social responsibility and cooperation on forced labour in supply chains.

The negotiations started in December 2022 and have been taking significant resource as they are moving quickly, with agreement recently reached on a Supply Chains Pillar that could come into effect this year. The Supply Chains Pillar aims to build resilience to shocks but also has ambitious labour commitments, **Confidential advice to Government**

The NZ-Gulf Cooperation Council Free Trade Agreement negotiations were revived in 2022 after they were put on hold in 2009. Labour and sustainability are being discussed as part of the revised negotiations.

There is also a review of the Cabinet Framework underway, MBIE will be implementing the recent NZ-UK and NZ-EU trade agreements over the next year, and it is likely that other trade negotiations will arise in the near term. Further information is provided in Annex 6.

- **Asia-Pacific Economic Cooperation Human Resource Development Working Group** – The 21-member Asia-Pacific Economic Cooperation (APEC) was established in 1989 to strengthen the Asia-Pacific community and further enhance economic growth and prosperity for the region. MBIE leads the engagement in the Human Resource Development Working Group (HRDWG). Further information on APEC and the HRDWG is provided in Annex 6.

Current priorities in the work programme

46. An overview of the current Workplace Relations and Safety work programme is provided as Annex 7 and Annex 8. We are available to discuss the progress of the current projects with you.
47. The current work programme structure is the result of a range of strategic choices and assumptions made about each of the work streams. We thought it would be useful to highlight some of the key choices and assumptions to help you understand the scope and prioritisation of the different elements of the work programme. We are happy to discuss any of these.
48. Priority has been given to the Employment Relations and Employment Standards (ERES) part of the portfolio in recent years. Work has progressed on the Health and Safety work programme but the bulk of the WRS resources has been allocated to the ERES work. As a result of this and other factors such as COVID-19, there has been slower than anticipated progress on the regulations needed to complete the system created by the Health and Safety at Work Act 2015 (“HSW Act”) and on work to follow through on the Government Health and Safety at Work Strategy 2018 – 2028 (“the Strategy”) required under the HSW Act. **Free and frank opinions**

Health and Safety regulatory reform

49. The key regulatory reform in this area is the Plant, Structures and Hazardous Work regulatory reform project (“Plant and Structures”). These regulations will cover hazards that cause a significant proportion of New Zealand’s work-related harm – 79 percent of the 822 work-related deaths between 2008 and 2019 involved plant and structures. Work on Plant and Structures began in 2018 with scoping and early engagement with stakeholders. Cabinet approved release of a discussion document in June 2019, with consultation on regulatory proposals happening in late 2019 and early 2020.
50. In May 2021 Cabinet agreed to introduce new regulations to address the high levels of harm caused by plant and structures. It also authorised the Minister for Workplace Relations and Safety to release an exposure draft of regulations and to consult on remaining matters (including transitional arrangements, offences and penalties, and administrative fees). Drafting and policy analysis on supporting issues (offences, fees, transitional arrangements) occurred over 2021 and 2022.
51. MBIE advised the previous Minister in October 2022 that Confidential advice to Government subject to meeting the requirement to have an agreed communications plan with the Prime Minister’s Office. Confidential advice to Government There remains significant stakeholder interest in its progress.
52. The two remaining significant areas of health and safety regulation that require review, updating and reform to complete the regulatory system are the Hazardous Substances Regulations and regulations governing Hazardous Work. Given current work around Confidential advice to Government the transition to a low carbon economy and other pressures we are aware of in the system, we consider that reform of the Hazardous Substances Regulations Confidential advice to Government

Health and safety strategy

53. For work related to the Strategy, the Health and Safety Policy team is currently prioritising work on identifying new health and safety system targets and measures, to replace targets that expired in 2020. Targets and measures will help to focus health and safety system participants (government, businesses and workers) on area where focus is needed to improve New Zealand’s health and safety performance, and will be a key part of following through on the Strategy.
54. The previous Minister also commissioned work to establish a system level advisory group, led by stakeholders, that can support realising the vision of the Strategy. Work and targeted consultation to date has revealed that there are polarised views amongst stakeholders about the best form and focus of such a group. Free and frank opinions

WorkSafe performance and funding

- 55. Another significant piece of work for the Health and Safety Policy team is assisting WorkSafe to respond to the recent Strategic Baseline Review (“the SBR”) the previous Minister commissioned. The SBR investigated how WorkSafe undertakes its regulatory role, whether it is managing its resources efficiently and effectively, and the rationale, quantum and targeting of any additional funding that might be needed to ensure WorkSafe is acting as an effective regulator.
- 56. WorkSafe, **Free and frank opinions** is working to address issue highlighted in the SBR, including where and how WorkSafe allocates resources, how its activities translate into measurable outputs, and what level of funding and outputs WorkSafe needs to be an effective health and safety regulator.

Legal professional privilege, Confidential advice to Government

- 57. One of the key priorities in the ERES system is the reform of the Holidays Act legislation (refer to the description in section 4 below). **Confidential advice to Government**

- 58. **Confidential advice to Government**

- 59. We will seek confirmation from you on whether the Government intends to introduce the ^{Legal professional} Bill this term. **Confidential advice to Government**

- 60. **Confidential advice to Government** There is significant stakeholder interest in the implementation of the Holidays Act Taskforce recommendations **Confidential advice to Government**

- 61. **Confidential advice to Government**

- 62. **Confidential advice to Government**

Better protections for contractors

63. The work looking at Better Protections for Contractors had been a priority for the portfolio but was paused during the reprioritisation earlier in the year. The Minister announced that the work will not progress while the outcome of the appeal of the Uber case² is pending. The focus of the work in this space has been on clarifying the boundary between employees and contractors which was the recommendation from the tripartite working group created by the previous Minister. Any work on providing additional protections to workers who want to remain contractors was intended to be considered in later stages of this work.

Confidential advice to Government

64. Confidential advice to Government

Trade negotiations

65. There are a number of trade negotiations being supported by the portfolio including the Indo Pacific Economic Framework and the Gulf Cooperation Council. These processes are taking an increasing amount of resource to service. You may wish to discuss whether all of these are a priority for the portfolio.

Modern slavery legislation

66. Progressing new legislation to address modern slavery and exploitation in the supply chains of New Zealand organisations is a priority. On 6 June 2023 Cabinet agreed for PCO to draft a Bill that would introduce a new responsibility for organisations with over \$20 million revenue to disclose the steps they are taking to assess and address risks of modern slavery and exploitation within their supply chains and operations.

67. The proposal was developed with the support of the Modern Slavery Leadership Advisory Group (with leaders from business, as well as unions, non-governmental organisations and academia), and was strongly supported in consultation (with 95 percent support for a disclosure regime). The next steps are for the Bill to be drafted,

Confidential advice to Government

Cabinet's decision is yet to be announced. Stakeholders are increasingly seeking clarification of this in the media, so we will engage with your office on options for making an announcement.

Major links with other portfolios

68. Labour market issues involve a range of Ministerial portfolios. Closely related portfolios include:

² E tu v Rasier Operations BV Ors [2022] NZEmpC 192.

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- **Social Development and Employment** – which covers the welfare system and provides information on the overall performance of the labour market, as well as delivering programmes and services to support employment outcomes.
- **Immigration** – covers all immigration elements including settings that enable migrants to participate in the labour market. The Associate Minister for Workplace Relations and Safety is jointly responsible with the Minister of Immigration for the Migrant Exploitation Review and oversight of co-ordinated compliance activities.
- **Accident Compensation Corporation (ACC)** - which is responsible for implementing the ACC scheme and the organisation. There is a strong connection to the labour market through providing no-fault personal injury cover (including income support and rehabilitation services), with the aim of returning people to work and independence.
- **Women** – has a specific focus on gender workplace issues. There is joint responsibility for some projects in this space such as the pay equity legislation and current work on pay transparency.
- **Trade and export growth** – the links to this portfolio centre on the negotiation of labour commitments in trade agreements.

69. The Minister for Workplace Relations and Safety is also involved in a number of ministerial groups including:

- **Education, Employment and Training Ministers Group (EET).** You chair this group in your role as Minister for Social Development and Employment. The other portfolios represented on EET are Education, Women, Finance, Agriculture, Economic Development, Māori Development, Tourism, Immigration, Workplace Relations and Safety, and Regional Development.
- **The Future of Work Tripartite Forum.** The Future of Work Tripartite Forum (The Forum) is a partnership between the Government, Business New Zealand as representatives of business groups, and the New Zealand Council of Trade Unions as representatives of unions. The Forum aims to support New Zealand businesses and workers to meet the challenges and opportunities presented in a rapidly changing world of work, and provides a place for these three social partners to discuss issues and work together to identify and implement solutions.

The Future of Work Minister's Group meets in advance of the Tripartite Forum discussions.

- **Ministerial Oversight Group on State Sector Employment Relations (MOGSSER).** Chaired by the Minister for the Public Service, this group discusses employment topics that may arise across the broader state services system such as collective bargaining or pay equity claims.

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70. MBIE will support you in your role on any relevant Cabinet Committees and Ministerial groups.

3. How MBIE assists you

Our primary ways of engaging with you

71. We engage with you primarily through the following mechanisms:
- Meetings between yourself and MBIE officials, based on your preference
 - Weekly update reports on key policy and operational issues in the portfolio
 - Monthly work programme reporting.
72. We are happy to adjust any of these based on your preferred ways of working.

MBIE is responsible for most of the policy and operational functions in the ERES system

73. Some of MBIE's key roles and responsibilities are:

MBIE Group	Branch	ERES system role and responsibility
Labour, Science and Enterprise	Workplace Relations and Safety Policy	Policy advice on the regulatory regime and broader workplace relations and safety issues.
Te Whakatairanga Service Delivery (TWSD)	Employment Services	Ensuring compliance with and enforcement of minimum employment standards. Known externally as the Labour Inspectorate.
		Dispute resolution services for employment relationship problems. Known externally as Employment Mediation Services, and the Early Resolution Service
		Guidance and capability-building for employers, workers and other actors in the ERES system.
		Regulatory services , such as support for the Employment Relations Authority and the Chief Executive of MBIE in performing their statutory functions. Examples include supporting decision-making in the Fair Pay Agreements system and receiving collective agreements and other bargained agreements (eg pay equity settlements).
	Advice, insights and analysis on the performance of the regulator.	
	Engagement and Experience	Providing information and education to employers, workers and the public about employment rights and obligations, how to comply with them, and where to go for help. Channels include the Employment New Zealand website and MBIE's call centre.
	Market Integrity	Registering unions and screen industry organisations through the Companies Office.

BRIEFING FOR INCOMING MINISTER FOR WORKPLACE RELATIONS AND SAFETY


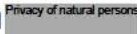

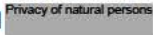

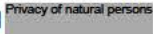

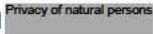
Digital, Data and Insights	Evidence and Insights	<p>Generating evidence and insights about the labour market, employment conditions, workplace relations, and migration trends and conditions, working closely with Statistics New Zealand and other external research bodies.</p> <p>This involves working across MBIE and with external stakeholders to provide a range of survey, research, evaluation and analytical work to support regulatory, operational, strategic and policy level direction and decision making. This work supports the portfolio by providing:</p> <ul style="list-style-type: none"> • regular reporting on the state of the labour market and analysis of long-term trends, including job vacancies, as well as responding to ad hoc queries • employment modelling and forecasting • quarterly reports on international migration • easy to access and user-friendly information tools to support policy and strategy development, including the Migration Data Explorer.
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74. The determination and judicial operational functions in the employment relations and standards system are respectively performed by independent statutory bodies:
- the **Employment Relations Authority** (administered under the WRS portfolio and supported by the Employment Services branch in MBIE) and
 - the **Employment Court** and higher appellate courts (administered under the Justice portfolio and supported by Ministry of Justice).


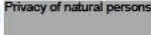

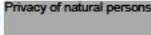

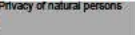

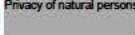
Health and Safety at Work System

75. MBIE works closely with WorkSafe in the stewardship of the health and safety at work system and energy safety.
- The Workplace Relations and Safety Policy Branch of MBIE provides primary policy advice on the legislation and regulations, and policy and strategic advice on the design and overall performance of the health and safety at work system and energy safety.
 - WorkSafe is the primary regulator. MBIE monitors WorkSafe as a crown entity, as the primary health and safety at work and energy safety regulator, and its leadership role in the health and safety at work system.
 - The Civil Aviation Authority and Maritime New Zealand are designated agencies under the Health and Safety at Work Act 2015, for the purposes of performing functions and exercising powers in the aviation and maritime sectors.



Key contacts

Contact	Role	Priority Area	Contact details
<p>Carolyn Tremain</p> 	<p>Chief Executive, Ministry of Business, Innovation and Employment</p>	<p>All</p>	<p>E Carolyn.Tremain@mbie.govt.nz P 04 901 1357 M </p>
<p>Iain Cossar</p> 	<p>Acting Deputy Chief Executive, Labour, Science and Enterprise (LSE)</p>	<p>The Labour, Science and Enterprise Group works with people, businesses, regions, and the science, innovation and education systems to help the country and New Zealanders to be successful.</p>	<p>E Iain.Cossar@mbie.govt.nz P 04 474 0973 M </p>
<p>Suzanne Stew</p> 	<p>Deputy Chief Executive, Te Whakatairanga Service Delivery</p>	<p>Te Whakatairanga Service Delivery Group provides the critical functions and services that support businesses, employees and consumers to operate successfully in the market place.</p>	<p>E Suzanne.Stew@mbie.govt.nz P 04 474 2926 M </p>
<p>Anna Clark</p> 	<p>General Manager, Workplace Relations and Safety Policy Branch, LSE</p>	<p>The Workplace Relations and Safety Policy Branch provides policy and regulatory advice in relation to employment relations and standards, health and safety, international labour, and accident compensation.</p>	<p>E Anna.Clark2@mbie.govt.nz M </p>


BRIEFING FOR INCOMING MINISTER FOR WORKPLACE RELATIONS AND SAFETY

Contact	Role	Priority Area	Contact details
<p align="center">Jivan Grewal</p> 	<p>General Manager, Employment, Skills and Immigration Policy Branch, LSE</p>	<p>The Employment, Skills and Immigration Policy Branch provides policy and regulatory advice in relation to immigration and skills and employment.</p>	<p>E Jivan.Grewal@mbie.govt.nz P 04 896 5999 M </p>
<p align="center">Katherine MacNeill</p> 	<p>General Manager, Employment Services branch, Te Whakatairanga Service Delivery</p>	<p>Employment Services branch is the primary ERES system regulator, including employment dispute resolution services, compliance and enforcement of employment law, regulatory statutory decision making, and administration of the Employment Relations Authority.</p>	<p>E Katherine.MacNeill@mbie.govt.nz M </p>
<p align="center">Michael Bird</p> 	<p>General Manager, Entity Performance and Investment</p>	<p>The Entity Performance and Investment branch supports you in your oversight and ownership responsibilities for WorkSafe, including Board appointments.</p>	<p>E Michael.Bird@mbie.govt.nz P 04 901 3929 M </p>
<p align="center">Tracy Mears</p> 	<p>Policy Director, Workplace Relations and Safety</p>		<p>E Tracy.Mears@mbie.govt.nz P 04 901 8438 M </p>

BRIEFING FOR INCOMING MINISTER FOR WORKPLACE RELATIONS AND SAFETY

Contact	Role	Priority Area	Contact details
<p>Natalie Labuschagne</p> 	<p>Policy Director, Workplace Relations and Safety</p>		<p>E Natalie.Labuschagne2@mbie.govt.nz P 04 901 1534 M <small>Privacy of natural persons</small></p>
<p>Nita Zodgekar</p> 	<p>Manager, International Labour Policy</p>		<p>E Nita.Zodgekar@mbie.govt.nz P 04 901 3889 M <small>Privacy of natural persons</small></p>
<p>Hayden Fenwick</p> 	<p>Manager, Health and Safety Policy</p>		<p>E Hayden.Fenwick@mbie.govt.nz P 04 896 5479 M <small>Privacy of natural persons</small></p>
<p>Alison Marris</p> 	<p>Manager, Employment Standards Policy</p>		<p>E Alison.Marris@mbie.govt.nz P 04 901 8564 M <small>Privacy of natural persons</small></p>
<p>Beth Goodwin</p> 	<p>Manager, Employment Relations Policy</p>		<p>E Beth.Goodwin@mbie.govt.nz P 04 901 1611 M <small>Privacy of natural persons</small></p>

BRIEFING FOR INCOMING MINISTER FOR WORKPLACE RELATIONS AND SAFETY

Contact	Role	Priority Area	Contact details
<p align="center">Scott Ussher</p> 	<p>Manager, Workforce and Workplace, Evidence & Insights branch</p>		<p>E Scott.Ussher@mbie.govt.nz M <small>Privacy of natural persons</small></p>


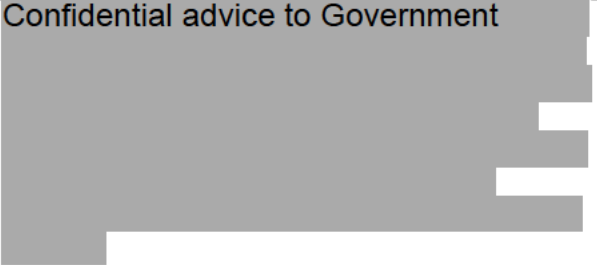
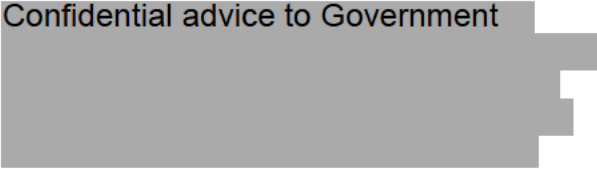
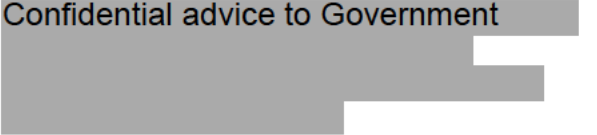



4. Immediate priorities and key decisions

76. This section provides key dates and immediate priorities for the Workplace Relations and Safety portfolio. Officials are available to brief you to provide further information.

Key decisions and priorities

77. The following items are the upcoming schedule of activities/initiatives being developed or implemented by MBIE, or are currently being developed by MBIE for the Minister for Workplace Relations and Safety:

Things that are going to happen in the employment relations and standards regulatory system			
Topic	Description	Driver	Timing
Employment Relations Authority: member appointment	The appointment of one new Authority member is due to be considered by APH on 28 June 2023.	Vacancy.	Appointment to be considered by APH on 28 June 2023.
Employment Relations Authority: member reappointments	The reappointment of three Authority members is currently being consulted. This is ahead of potential consideration by APH on 19 July 2023.	Upcoming vacancies.	Reappointments to be considered by APH on 19 July 2023.
Minimum Wage Review	It is mandatory for the Minister for WRS to review the minimum wage by the end of each calendar year. To fulfil this obligation, MBIE provides a minimum wage review report in November. Confidential advice to Government	Statutory requirement.	Confidential advice to Government
Announcement of Cabinet’s decision to draft Modern Slavery legislation	On 6 June Cabinet agreed for PCO to draft a Modern Slavery and Worker Exploitation Supply Chain Bill (discussed in paragraph 66). An announcement is yet to be made.	Stakeholders are increasingly seeking clarification of this, including the Modern Slavery Leadership Advisory Group of key stakeholders that was established to support the reform.	To be agreed with your office.

Things that are going to happen in the health and safety at work regulatory system			
Topic	Description	Driver	Timing
Reforming the Adventure Activities regulatory system	Following the 2019 Whakaari eruption, MBIE undertook a targeted review of the adventure activities regulatory system. In September 2022 Cabinet agreed to a package of changes to address issues identified in the review. These included several amendments to the Health and Safety at Work (Adventure Activities) Regulations 2016. Ministerial consultation has been done on the draft regulations, but we are not yet aware of any comments. Some additional drafting is being done to finalise the draft regulations.	Government priority.	Amendment regulations are planned to be presented to LEG in late July.
Expanding the Health and Safety at Work designation of Maritime NZ	Cabinet has agreed to Maritime NZ being designated as the regulator for the Health and Safety at Work Act for work at the 13 largest commercial ports from 1 July 2024. This is in addition to the current designation for work onboard ships . A designation instrument, for signature by the Prime Minister, is currently being drafted with the intention that it will be forwarded by you and the Associate Minister of Transport or the Prime Minister to sign before Gazetting. Cabinet’s intention is that the designation is completed now to allow funding and preparations for the new role to be made by Maritime NZ in advance of the designation coming into effect.	Cabinet decision.	Designation instrument and accompanying briefing for forwarding to the Prime Minister in early July.
Confidential advice to Government 	Confidential advice to Government  Confidential advice to Government  Confidential advice to Government 	Confidential advice to Government 	Confidential advice to Government  Confidential advice to Government 
WorkSafe New Zealand	The appointment of a new member is due to be considered by the Appointments and Honours Committee (APH) on Wednesday 28 th June. The appointment has been lodged in CabNet. There is one further vacancy on the board, you will receive a further briefing on proposed candidates in a future briefing	Vacancy	Paper due to be considered by APH on 28 June.

Things to be aware of in the employment relations and standards regulatory system			
Topic	Description	Driver	Timing
Holidays Act review	<p>The policy design work on a replacement for the Holidays Act was completed in October 2022. <small>Legal professional p</small></p> <p>[REDACTED]</p> <p>[REDACTED] e will be seeking confirmation about whether the Bill will be introduced or not. Communication to stakeholders about the progress of the Bill will be needed. <small>Confidential advice to Government</small></p> <p>[REDACTED]</p>	Manifesto commitment.	To be confirmed.
Appointment to the Diversity Works Board	The Diversity Works Board currently has three public sector vacancies. The Board can still maintain a quorum and continue to operate.	Vacancy.	You will receive advice on public sector candidates in July 2023.
Decisions on courses eligible for Employment Relations Education (ERE) leave	A union may allocate paid employment relations education (ERE) leave so members can attend approved courses in employment relations. These courses must be approved by the Minister for Workplace Relations and Safety. Approvals and renewals are generally done every quarter. There are currently 59 approved ERE courses.	Statutory requirement for courses to be approved by Minister. Two courses will expire if not renewed in July 2023.	You will receive advice on ERE course approvals and renewals in July 2023.
Decisions on Industrial Relations Foundation grant applications	Applications are currently open for the 2023 round of grants from the Industrial Relations Foundation (IRF). The IRF is a charitable trust that funds research into industrial relations issues and questions. The Minister for Workplace Relations and Safety is chair of the trust, with four other trustees from BusinessNZ and the Council of Trade Unions. Applications close on 8 July 2023.	A grant round for 2023 has been opened and applications are currently being sought.	You will receive advice on next steps after the application period ends.
<small>Confidential advice to Government</small>	Confidential advice to Government	<small>Confidential advice to Govern</small>	<small>Confidential advice to Government</small>

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Things to be aware of in the health and safety at work regulatory system			
Topic	Description	Driver	Timing
Health and Safety at Work: Plant and Structures Regulatory Reform	<p>Work with plant (machinery and equipment), structures, and hazardous work at height causes 79% of New Zealand’s work-related harm. In 2021 Cabinet agreed to policy proposals for new health and safety at work regulations. Exposure draft regulations are ready for public consultation, pending Cabinet approval of release.</p> <p>Free and frank opinions</p>	Meeting the recommendations of the Pike River Royal Commission and the Independent Taskforce on Workplace Health and Safety.	Confidential advice to Government
Health and Safety at Work: Regulatory options for dealing with respirable silica risks from work with engineered stone	<p>Since 2019 there has been increasing awareness of health risks to workers making benchtops and similar products from “engineered stone”.</p> <p>Engineered stone is an imported manufactured product that contains high levels of respirable crystalline silica (RCS) that needs special dust control precautions when machining to avoid workers suffering from “accelerated silicosis” lung disease. The sector employs about 900 workers, and WorkSafe have interacted with most workplaces, but ACC and other data is emerging that shows a significant percentage are at risk of silicosis disease.</p> <p>Usage of engineered stone is similar in Australia, and steps have been taken there to impose regulatory controls, including a possible ban on work with higher-risk engineered stone products, licensing of fabricators, and exposure and health monitoring of at-risk workers.</p> <p>The Minister for Workplace Relations and Safety has asked for advice on regulatory options for New Zealand.</p>	Responds to media attention and concerns of the medical profession, unions, and sector groups.	MBIE and WorkSafe will provide an update on advice by 30 October 2023 and final advice and supporting documentation by 30 November 2023.

Legislation on the Order Paper

78. The following legislation within your portfolio is currently before Parliament. MBIE is available to advise you further on these matters.

Title	Type of Bill	Description	Status	Next steps
Employment Relations (Restraint of Trade) Amendment Bill	Member's Bill	This Bill will prohibit the use of restraints of trade in employment agreements for lower and middle income employees. It will require employers of higher income employees to carefully consider whether a restraint of trade is appropriate in relation to those employees and, if they insist on a restraint of trade, to compensate the employees for it.	Introduced	First reading
Parental Leave and Employment Protection (Shared Leave) Amendment Bill	Member's Bill	We understand that this Bill aims to ensure that existing paid parental leave entitlements can be split between spouses or partners who are carers of the child and that this leave can be taken simultaneously by both parents.	Introduced	First reading
Worker Protection (Migrant and Other Employees) Bill	Government	This Bill improves compliance and enforcement legislation to deter employers from exploiting migrant workers.	Committee of the whole House complete	Third reading, due during the week of 26 June.
Crimes (Theft by Employer) Amendment Bill	Member's bill	The bill seeks to amend the Crimes Act 1961 to "clarify that not paying an employee their wages is theft". The bill's general policy statement notes that "this small change will provide clear direction to employees that they have the right to be paid what they are due and that it is clearly set out in law."	Introduced	First reading
Employment Relations (Protection for Kiwisaver Members) Amendment Bill	Member's bill	This bill aims to "restore the protections provided for by the principal Act before it was amended in 2008 and ensure that the majority of workers cannot be discriminated against simply because they are members of a KiwiSaver scheme or a complying superannuation fund."	Introduced	First reading

Annex 1: Relevant legislation

The Minister for Workplace Relations and Safety is responsible for the following Acts and the regulations that sit under them.

Employment relations and standards regulatory system

Employment Relations Act 2000

Regulates relationships between employees, employers and unions, including promoting good faith, fair process and collective bargaining. Sets out dispute resolution processes and the provision of mediation services, governs personal grievances and establishes the Employment Relations Authority and Employment Court. Also establishes Labour Inspectors to monitor and enforce compliance with employment standards.

Equal Pay Act 1972

Establishes the right to equal pay for male and female employees. The Equal Pay Amendment Act 2020 expressly provided for a pay equity regime, creating a process for raising pay equity claims directly with an employer, and if any issues are identified, addressing them through a process that is aligned with New Zealand's existing bargaining framework.

Fair Pay Agreements Act 2022

Provides a framework for bargaining for fair pay agreements that specify industry- or occupation-wide minimum employment terms, or in certain circumstances, for the Employment Relations Authority to determine those minimum employment terms.

Holidays Act 2003

Provides all employees with minimum paid entitlements to annual holidays, public holidays for the observance of days of national, religious, or cultural significance and sick leave, bereavement leave and family violence leave. It sets out how and when leave entitlements and payments are calculated and must be paid to employees in various circumstances. The purpose of this Act is to promote balance between work and other aspects of employees' lives.

Minimum Wage Act 1983

Prescribes minimum wages for all employees (including starting-out and training minimum wages), and establishes a process for reviewing the minimum wages annually.

Parental Leave and Employment Protection Act 1987

Provides parents who are employees or are self-employed with entitlements to paid or unpaid time off work, and job-protected extended leave.

Remuneration Authority Act 1977

Creates the Remuneration Authority to set the pay for key office holders such as Judges and Members of Parliament.

Screen Industry Workers Act 2022

Provides a new framework for workplace relationships in the screen industry and gives contractors who work in the screen industry new rights and protections.

Sharemilking Agreements Act 1937

Establishes minimum conditions for sharemilkers.

Shop Trading Hours Act 1990

Restricts the days on which certain shops can trade or be open.

Trade Unions Act 1908

Sets out some requirements for trade unions to operate, including requiring a registry of unions to be kept.

Union Representatives Education Leave Act Repeal Act 1992

This Act repeals the *Union Representatives Education Leave Act 1986*, which guaranteed a certain number of days of leave for union members to attend education or training.

Volunteers Employment Protection Act 1973

Protects the employment status of employees who take leave from their work for the purposes of voluntary service or training in the Armed Forces

Wages Protection Act 1983

Sets out how wages are to be paid to an employee and prohibits employers from making unlawful deductions.

Regulations
Employment Court Regulations 2000
Employment Relations Authority Regulations 2000
Employment Relations (Infringement and Reminder Notices) Regulations 2016
Employment Relations (Infringement Offences) Regulations 2019
Employment Relations (Prescribed Matters) Regulations 2000
Fair Pay Agreements Regulations 2022
Minimum Wage Order 2022
Parental Leave and Employment Protection Regulations 2002
Screen Industry Workers (Registrar Functions and Other Prescribed Matters) Regulations 2022
Sharemilking Agreements Order 2011

Annual requirements

You must review minimum wage rates in each year ending on 31 December under the *Minimum Wage Act 1983*. Following the review you may, in that year or subsequently, make recommendations to the Governor-General regarding the adjustments that should be made to that minimum rate.

Under the *Parental Leave and Employment Protection Act 1987*, parental leave payment rates are adjusted from 1 July each year in accordance with a formula in the Act (based on wage growth). You are required to publish the adjusted maximum payment rate and the adjusted minimum rate for self-employed persons.

Health and safety at work regulatory system

Health and Safety at Work Act 2015

Places duties on businesses, their officers (eg company directors), and workers to protect workers and other persons against harm to their health and safety by managing the risks arising from work. Provides for work health and safety engagement, participation and representation, consultation, and issue resolution. Promotes the provision of advice, information, education and training for work health and safety, and provides for compliance and enforcement measures.

Mines Rescue Act 2013

Provides for a co-ordinated response to mine emergencies, and establishes the Mines Rescue Trust.

WorkSafe New Zealand Act 2013

Establishes WorkSafe New Zealand, to promote and contribute to securing the health and safety of workers and workplaces. Provides for its functions and governance arrangements.

Regulations made under the <i>Health and Safety at Work Act</i>
Health and Safety at Work (General Risk and Workplace Management) Regulations 2016
Health and Safety at Work (Worker Engagement, Participation, and Representation) Regulations 2016
Health and Safety at Work (Asbestos) Regulations 2016
Health and Safety at Work (Adventure Activities) Regulations 2016
Health and Safety at Work (Major Hazard Facilities) Regulations 2016
Health and Safety at Work (Mining Operations and Quarrying Operations) Regulations 2016
Health and Safety at Work (Petroleum Exploration and Extraction) Regulations 2016
Health and Safety at Work (Rates of Funding Levy) Regulations 2016
Health and Safety at Work (Infringement Offences and Fees) Regulations 2016
Health and Safety at Work (Hazardous Substances) Regulations 2017
Regulations saved by the <i>Health and Safety at Work Act</i>
Health and Safety in Employment Regulations 1995
Health and Safety in Employment (Pipelines) Regulations 1999
Health and Safety in Employment (Pressure Equipment, Cranes, and Passenger Ropeways) Regulations 1999
Amusement Devices Regulations 1978 (made under the <i>Machinery Act 1950</i>)
Spray Coating Regulations 1962 (made under the <i>Health Act 1956</i>)

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Lead Process Regulations 1950 (made under the <i>Health Act 1956</i>)
Geothermal Energy Regulations 1961 (made under the <i>Geothermal Energy Act 1953</i>)
Other regulations
Mines Rescue (Levy) Regulations 2014 (made under the <i>Mines Rescue Act 2014</i>)

Annex 2: How the health and safety at work regulatory system works

79. The health and safety at work regulatory system provides a balanced legislative framework to secure the health and safety of workers and workplaces, through duties, principles, and rights. The health and safety at work system's components include:
- the regulatory framework, primarily the *Health and Safety at Work Act 2015* and associated regulations, Approved Codes of Practice, Safe Work Instruments, and guidance
 - leadership, strategy and coordination, driven by the *Health and Safety at Work Strategy 2018-2028*
 - a tripartite approach, with government, workers and businesses working together to improve work health and safety outcomes
 - capacity and capability building, through information, training and education
 - injury prevention, in conjunction with the Accident Compensation Corporation
 - incentives to comply with statutory obligations, including monitoring and enforcement by the regulator, and court powers.
80. The health and safety at work regulatory system aims to increase awareness, knowledge and competence across all system participants, in managing work health and safety risks to reduce work-related harm. The Act's performance-based general duties ensure broad coverage of New Zealand's work and workplaces. Advantages of the broad nature of these general duties are that they do not quickly date, they support innovation and they provide flexibility. The duties are underpinned by industry- and hazard-specific regulations, safe work instruments, Approved Codes of Practice and guidance where further clarity is required, particularly in areas of high risk.
81. The foundation for driving sustained, system wide improvements is the Government's *Health and Safety at Work Strategy 2018-28*. This Strategy sets a clear direction and priorities for reducing the unacceptably high rate of work-related harm in New Zealand.
82. The Strategy's vision is that work is healthy and safe for everyone in New Zealand. This sets a framework for focusing on what will make the biggest impact to reduce work-related harm in terms of:
- work-related health
 - businesses with greater need and sectors with highest harm
 - workers with greater need.
83. The Strategy aims to build capability to reduce harm by:
- encouraging leaders to integrate health and safety
 - supporting workers to be represented, engaged and to participate
 - lifting capability of health and safety practitioners

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- developing and sharing better data and insights.
84. MBIE provides primary policy advice on the legislation and regulations, and policy and strategic advice on the design and overall performance of the work health and safety system.
 85. WorkSafe, as the primary work health and safety regulator, provides leadership in implementing the work health and safety system, including developing safe work instruments and Approved Codes of Practice, and providing information and guidance. WorkSafe undertakes workplace assessments and investigations to encourage improved work health and safety and to monitor compliance; it supports duty-holders to undertake self-reviews of their work health and safety practice; and it takes enforcement action where appropriate for serious work health and safety failures (eg issuing improvement, prohibition and infringement notices, and taking prosecutions).
 86. WorkSafe works jointly with the Civil Aviation Authority and Maritime New Zealand, which are designated as the work health and safety regulators for the aviation and maritime sectors. WorkSafe also works closely with the New Zealand Police, particularly the Commercial Vehicle Safety Team, in improving on-road work health and safety. WorkSafe partners with the Accident Compensation Corporation in coordinating injury prevention activity, and with the Environmental Protection Authority in the management of hazardous substances.

Annex 3: Crown entities, institutions and statutory bodies, and international bodies

The institutions and statutory and advisory bodies associated with the portfolio are:

- WorkSafe New Zealand (WorkSafe)
- Employment Relations Authority
- Remuneration Authority
- Mines Rescue Trust (the Trust)
- Diversity Works Trust (formerly the EEO Trust)
- Industrial Relations Foundation (IRF).

Each entity is discussed below. MBIE provides you with support in your monitoring of these entities.

WorkSafe New Zealand

WorkSafe New Zealand (WorkSafe) was established on 16 December 2013. It is a Crown Agent, led by a governing Board. WorkSafe's foundation for driving change in the health and safety system is the Government's *Health and Safety at Work Strategy 2018-2028* (the Government's Strategy) and its vision: "Work is healthy and safe for everyone in New Zealand."

WorkSafe's own vision is: "We are working towards a productive New Zealand in which everyone who goes to work comes home healthy and safe." It has three core roles that drive it: regulatory effectiveness, harm prevention and system leadership. To achieve measurable change in the health and safety at work system it needs to partner with workers, worker representatives and unions including the New Zealand Council of Trade Unions – Te Kauae Kaimahi. Individual employers, businesses, and industry and sector bodies, along with Business New Zealand are also important partners and stakeholders.

The Minister for Workplace Relations and Safety must appoint between five and nine board members. The appointment process typically takes between three and six months. When appointing a member of the board, the Minister must have regard to the need to ensure that WorkSafe has among its members persons who collectively have knowledge and experience of, and capability in, the following:

- public sector governance
- central government processes
- New Zealand's work health and safety environment, including workplace illness and occupational disease
- perspectives of workers
- perspectives of employers

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- administration of work health and safety legislation and risk management frameworks
- business generally.

The Minister may not appoint any member of the board unless the Minister has first publicised an invitation for nominations from interested parties and considered any nominations received. More detailed information about WorkSafe will be provided in its briefing to you.

Members of the WorkSafe Board		
	Date of original appointment	Expiry date of present term
Jennifer Kerr (Chair)	17 October 2022	16 October 2025
Bill Moran (Deputy Chair)	01 July 2019	18 June 2026
Kristen Thompson	01 July 2019	18 June 2026
Nikki Davies-Colley	16 December 2016	14 June 2023*
James Fletcher	15 June 2020	14 June 2023*
Robin Hapi	15 June 2020	14 June 2023*
Pauline Lockett	01 May 2022	28 February 2025
Lois Hutchinson	01 March 2022	28 February 2025
Bill Newson	10 March 2022	9 March 2025
New member progressing through APH on 28 June to replace Nicole Davies-Colley	TBA	TBA

* A Board member continues in office despite the expiry of his or her term of office until (a) the member is reappointed; or (b) the member's successor is appointed; or (c) the member is informed by written notice that the member is not to be reappointed and no successor is to be appointed at that time (section 32(3) Crown Entities Act 2004).

Employment Relations Authority

The Employment Relations Authority (the Authority) | Te Ratonga Ahumana Taimahi is a quasi-judicial investigative body with the role of resolving and making determinations about employment relationship problems that cannot be solved through mediation or other means. The Authority has offices in Auckland, Wellington, and Christchurch, and members travel when required. MBIE provides support to the Authority.

Under section 166 of the Employment Relations Act 2000, the Authority consists of one member appointed as Chief of the Authority, and at least two other members. Section 167 provides for appointment of members to the Authority by the Governor-General on your recommendation as the Minister for Workplace Relations and Safety. Section 169 provides that members of the Authority are appointed for terms of up to four years, and are eligible for reappointment from time to time.

The Authority currently has 24 members, with one new member expected to start in July 2023, and a further appointment to start in July 2023 pending Cabinet and Governor-General confirmation. One of the 24 current members has been temporarily appointed until the end of 2023, and another will retire at the end of his current term in February 2024. In

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Budget 2023, funding was provided for seven new Authority members, bringing the total permanent-funded establishment to 31 Members including the Chief. Recruitment for these positions will commence after the election, with appointments expected to start by mid-2024.

Three members' terms will expire within six months of the election (ie during the February – April 2024 period). Given the Authority generally needs six months' notice for case scheduling and due investigation process reasons, their reappointments would ideally be confirmed by Cabinet before the election. The previous Minister has commenced consultation on progression of the reappointments, ahead of submission for APH consideration on 19 July 2023.

Members of the Employment Relations Authority			
Name	Location	Date of original appointment	Expiry date of present term
Alastair Dumbleton (temporary appointment)	Auckland	7 February 2022	31 December 2023
Philip Cheyne	Christchurch	3 February 2020	2 February 2024
Marija Urlich	Auckland	3 February 2020	2 February 2024
Rachel Larmer	Auckland	1 July 2010	3 February 2024
Mike Loftus (will retire when term expires)	Wellington	1 June 2010	17 February 2024
Peter Fuiava	Auckland	5 April 2021	4 April 2024
Helen Doyle	Christchurch	19 December 2001	18 December 2024
Rachel Larmer	Auckland	1 July 2010	3 February 2025
Alex Leulu	Auckland	12 December 2022	30 September 2025
Natasha Szeto	Wellington	12 December 2022	30 September 2025
Shane Kinley	Wellington	12 December 2022	30 September 2025
Lucia Vincent	Christchurch	14 November 2022	30 September 2025
Sarah Blick	Auckland	1 March 2022	31 December 2025
Andrew Gane	Auckland	1 March 2022	31 December 2025
Rowan Anderson	Wellington	21 March 2022	31 December 2025
Antoinette Baker	Christchurch	31 January 2022	31 December 2025
Sarah Kennedy-Martin	Wellington	29 March 2021	30 September 2026
Geoff O'Sullivan	Wellington	30 September 2019	29 September 2026
Nicola Craig	Auckland	12 October 2015	29 September 2026
Peter van Keulen	Christchurch	12 October 2015	29 September 2026
Andrew Dallas (Chief)	Wellington	2 November 2015	29 September 2026
Robin Arthur	Auckland	29 July 2013	29 September 2026
David Beck	Christchurch	3 February 2020	29 September 2026
Eleanor Robinson	Auckland	1 July 2010	29 September 2026

Members of the Employment Relations Authority			
Name	Location	Date of original appointment	Expiry date of present term
Davinnia Tan (appointed, term yet to commence)	Wellington	1 July 2023 (start date)	30 September 2026
New Member – pending Cabinet and Governor General approval	Auckland	13 July 2023	30 September 2026
Claire English	Wellington	12 July 2021	30 June 2027

Remuneration Authority

The Remuneration Authority | Te Mana Utu Matua is established under the Remuneration Authority Act 1977 (the Act). It is an independent statutory body which is responsible for determining the remuneration (sometimes including superannuation/ retirement savings, annuities, expenses, allowances and benefits) for a wide variety of senior public office holders and, in some cases, their spouses, partners and family members. These office holders include the Governor-General, members of Parliament (MPs), judicial officers, elected members of local authorities (councils, local boards and community boards) and a wide range of statutory officers.

For most roles the Remuneration Authority is responsible for, it reviews remuneration annually. However, for MPs the Act requires the Remuneration Authority to begin a review of their salaries and allowances within 3 months from the return of the writ following the general election. After the review the Remuneration Authority must issue a determination that sets MPs' pay for the three-year term of Parliament, with any annual adjustments built into the determination.

The Remuneration Authority is comprised of a Chair, Deputy Chair and a Member, all of whom are part time.

Members of the Remuneration Authority			
	Location	Date of original appointment	Expiry date of present term
Geoff Summers (Chair)	Wellington	1 December 2015	18 July 2025
Dallas Welch	Wellington	13 September 2021	27 October 2025
Vern Walsh	Wellington	4 July 2022	18 July 2025

The Mines Rescue Trust

The Mines Rescue Trust provides specialist emergency rescue services for coal mines, underground metalliferous mines, and tunnels over 150m under construction. They also

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respond if requested by Police or Fire and Emergency New Zealand to other emergencies that require specialist long duration breathing capability.

The Trust is not a Crown Entity. It is a charitable trust that is also recognised by the Minister for Workplace Relations and Safety under the *Mines Rescue Act 2013* (the Act). The Act sets out statutory functions to assist mining operations with emergency planning, to train and equip special mines rescue brigades, and to deploy those brigades in the event of an emergency. The Act and accompanying Mines Rescue (Levy) Regulations 2014 provide an industry levy to fund the functions. The Trust is governed by a board that represents levy payers as specified in the Act. Each group of levy payers nominates their representative (they are not appointed by the Minister). The required members are:

- one person appointed by WorkSafe (non-voting member)
- two who represent mine operators of underground coal mines
- one who represents mine operators of opencast coal mines
- one who represents mine operators of underground metalliferous mines
- one who represents tunnelling operators, and
- one from the Engineering, Printing and Manufacturing Union.

In addition, the Trust can appoint additional members as required (there is one currently).

Members of the Mines Rescue Trust Board		
	Organisation	Representing
Joe Edwards	McConnell Dowell (Chair)	Tunnelling operators
Andrew Holley	New Zealand Coal and Carbon Limited (Roa Mine)	Underground coal mines
Richard Tacon	Bathurst Resources	Opencast coal mines
Kevin Pattinson	OceanaGold	Underground coal mines
Alison Paul	OceanaGold	Underground metalliferous mines
James Isles	OceanaGold	Underground metalliferous mines
Garth Elliott	E tū Union	Engineering, Printing and Manufacturing Union
David Bellett	WorkSafe (Deputy Chief Inspector Extractives)	WorkSafe

MBIE administers the legislative framework governing the Trust and its levy. WorkSafe's High Hazards Unit has a close operational relationship with the Trust.

Diversity Works Trust

Diversity Works (formerly the Equal Employment Opportunities) Trust is a not-for-profit organisation, jointly established as a charitable trust by government and the private sector

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in 1992. The purpose of the Trust is to provide New Zealand employers with information and tools to raise awareness of the business benefits of effectively managing diversity in the workplace. Diversity Works also provides consultancy services to organisations on diversity matters.

The Diversity Works Trust is governed by Trustees representing the private and public sectors. The five private sector trustees are elected by Diversity Works Trust members and the four public sector trustees are nominated by the Minister for Workplace Relations and Safety and the Minister for Women.

Two public sector members have resigned due to changes in their employment circumstances, and a third public sector term just expired, on 23 June 2023, leaving three vacancies. Officials can provide joint Ministers advice on a shortlist for nominations, or Ministers can jointly nominate candidates.

Name	Organisation
Private Sector Trustees	
Susan Doughty (Chair)	Fonterra Co-operative Group
Adrienne Miller	Cupola
Tracey Taylor	Yellow New Zealand
John Christie	Enterprise Dunedin
Ranjna Patel	Nirvana Health Group
Public Sector Trustees	
Renee Graham	Social Wellbeing Agency

Industrial Relations Foundation (IRF)

The IRF is a charitable trust established in 1977 under the Charitable Trusts Act 1957. Its purpose is to promote, through education, better industrial relations in New Zealand. It does this by funding research into significant questions or issues in industrial relations.

The IRF is administered by five Trustees. The trustees of the IRF, whose functions include awarding the grants, are:

- the Minister for Workplace Relations and Safety (Chairperson)
- the President of Business New Zealand (Business NZ)
- the Chief Executive of Business NZ
- the President of the New Zealand Council of Trade Unions (NZCTU)
- the Secretary of NZCTU.

A Steering Group advises the trustees on applications for grants, how best to achieve its aims, fund management, and administrative matters. The Steering Group consists of:




- the Chief Executive of MBIE or their nominee

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- the Chief Executive of Business NZ or their nominee
- the Secretary of NZCTU.

Secretariat support for the IRF is provided by MBIE.

The IRF has often sought applications for funding annually, but at times less frequently. Applications are considered and decided on by the Trustees, and MBIE provides briefings to the Minister to seek input on funding decisions. The IRF usually allocates \$40-50,000 for funding grants each round but this can vary based on the applications received. **Commercial Information**



Applications are currently open for the 2023 funding round. The deadline is 8 July 2023, after which you will receive advice about next steps.

Annex 4: Key stakeholders

Crown Entities and Other Related Bodies	
WorkSafe New Zealand	Chair: Jennifer Kerr Deputy Chair: Bill Moran Chief Executive: Phil Parkes
Employment Relations Authority	Chief: Andrew Dallas
Employment Court	Chief Judge: Christina Inglis
Equal Employment Opportunities Trust	See list of trustees in Annex 3
Remuneration Authority	See list of members in Annex 3
Worker/Union	
Council of Trade Unions	President: Richard Wagstaff Secretary: Melissa Ansell-Bridges
Public Service Association	National Secretaries: Kerry Davies and Duane Leo
E tū	National Secretary: Bill Newson
First Union	General Secretary: Dennis Maga
Business Stakeholders	
Business Leaders' Health and Safety Forum	Chair: George Adams Executive Director: Francois Barton
Business New Zealand	Chief Executive: Kirk Hope Manager, Employment Relations: Paul Mackay
Employers and Manufacturers Association (Northern)	Chief Executive: Brett O'Riley
Health and Safety Association of New Zealand	Chair: Mike O'Brien

Annex 5: Funds and appropriations

Vote Labour Market: Budget Structure

Four Ministers are responsible for appropriations in Vote Labour Market. For 2023/24:

1. The **Minister for ACC** is responsible for appropriations totalling \$2,224.2m, primarily to cover the estimated cost of injury prevention, claims processing, medical services and social rehabilitation for claims on the Non-Earners' Account.
2. The **Minister of Immigration** is responsible for appropriations totalling \$554.0m, primarily for the provision of immigration services, including assessment and processing services, settlement and integration of refugees and integrity and security of the New Zealand immigration system.
3. The **Minister of Social Development and Employment** is responsible for an appropriation of \$18.0m for the provision of He Poutama Rangatahi (youth employment services) and employment information and facilitation services.
4. The **Minister for Workplace Relations and Safety** is responsible for appropriations totalling \$224.4m (including \$4.7m capital), primarily for the provision of employment relations services and work health and safety services.

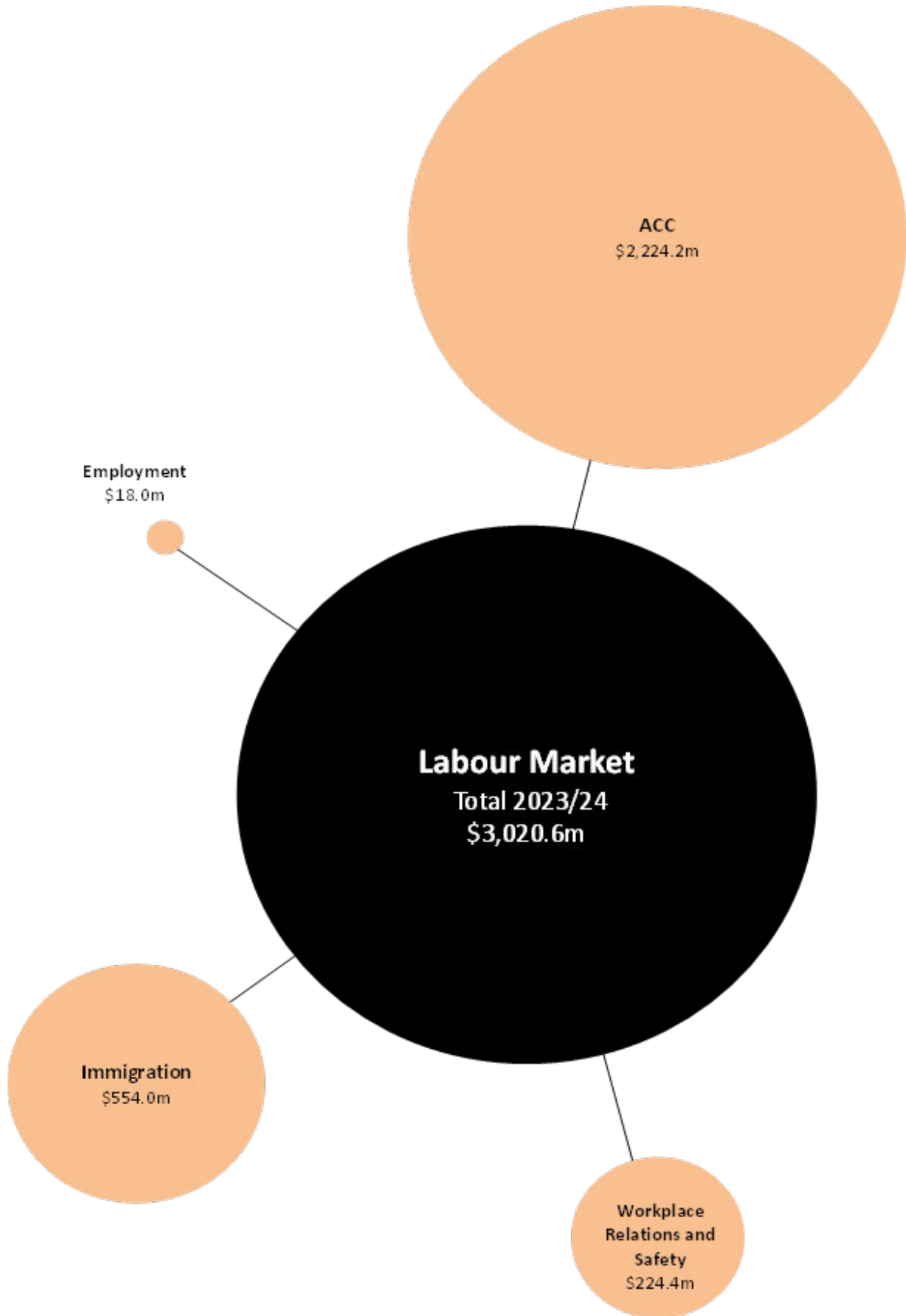
The lead minister for Vote Labour Market has overall responsibility for a multi-class appropriation of \$27.82m to provide policy advice and related services to the Minister for ACC and Income Insurance the Minister of Social Development and Employment, the Minister of Immigration, and the Minister for Workplace Relations and Safety. The diagram overleaf attributes a portion of the policy advice appropriation to each of the constituent portfolios. The total figures in the diagram are therefore higher than the figures above.

The Ministry of Business, Innovation and Employment is the department responsible for administering Vote Labour Market.

For administrative simplicity, one Minister typically takes overall responsibility for the Vote Labour Market budget processes. A decision is needed on who the lead Minister for Vote Labour Market will be. The Lead Minister for Vote Labour Market receives the final estimates documentation for approval, covering ACC, Employment, Immigration, and Workplace Relations and Safety. During the course of the financial year, the Lead Minister also receives:

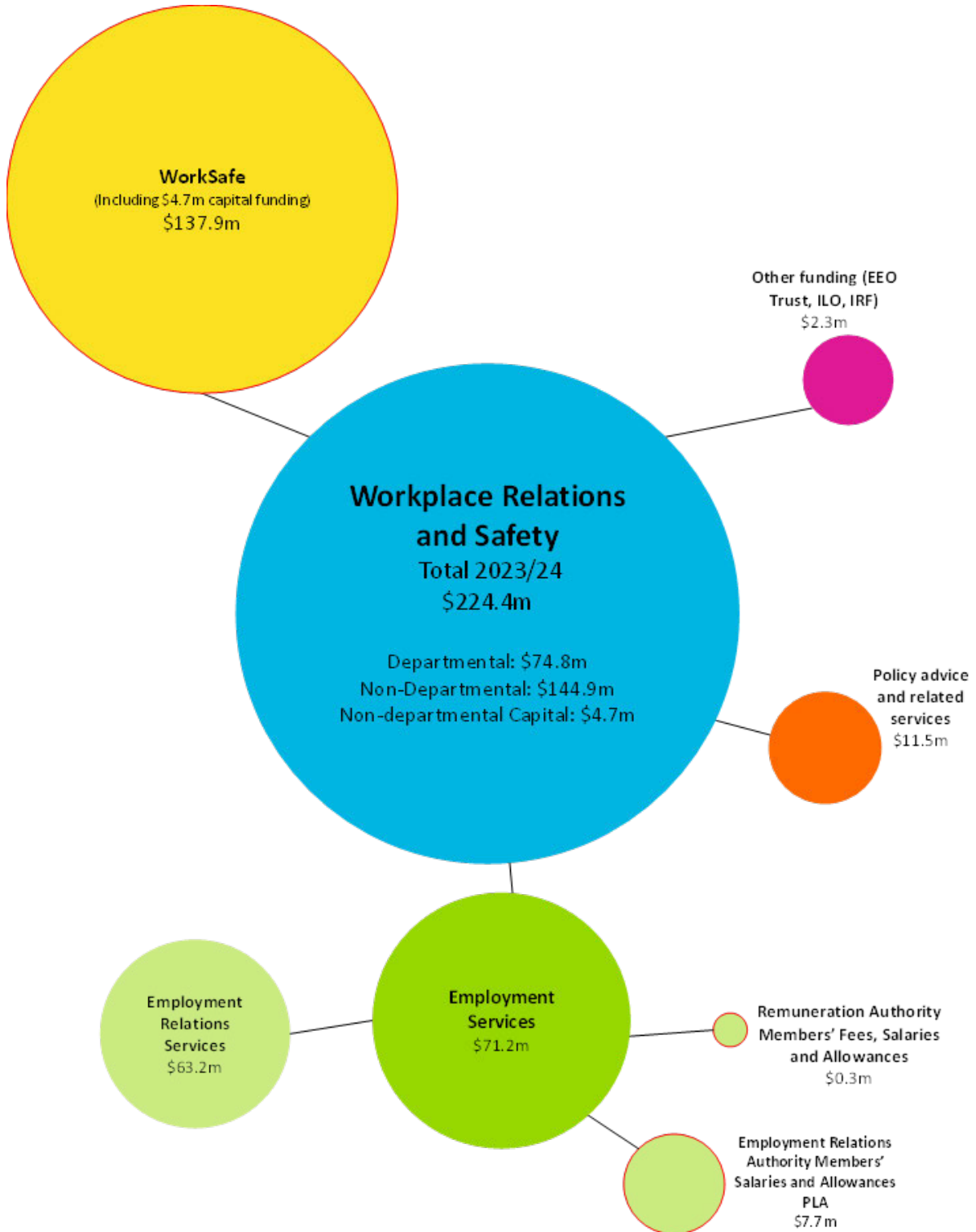
- October and March Baseline Updates
- In-Principle Expense Transfers in June
- Estimates and Supplementary Estimates
- Select Committee Estimates Examination material as the main point of contact for Vote Labour Market.

The diagram below sets out the total 2023/24 appropriations for Vote Labour Market.



Workplace Relations and Safety portfolio appropriations

The diagram below sets out the total 2023/24 appropriation for the Workplace Relations and Safety portfolio. This captures both departmental funding (funding received by MBIE to provide services directly) and non-departmental funding (funding provided via MBIE to other agencies for them to provide services).



*Red outline indicates **partial** levy-funding
While there is a levy, it doesn't fund the operation of the Authority

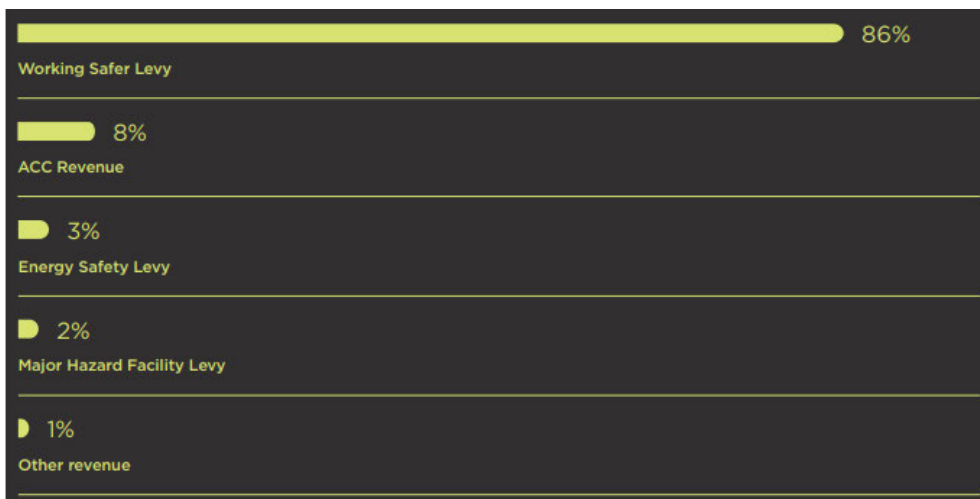
The Health and Safety at Work Levy

WorkSafe New Zealand is funded through an appropriation set by Government, with these costs then recovered primarily by the Health and Safety at Work levy under the *Health and Safety at Work Act 2015*. The appropriation for 2023/24 is \$132.4m, \$0.869m of which is paid to ACC for the collection of the Health and Safety at Work levy and \$4.65m for Capital Expenditure.

The Health and Safety at Work levy is paid by all employers and self-employed at 8 cents per \$100 of liable earnings, collected by ACC alongside its Work Account levy. The costs of the work health and safety functions of WorkSafe, the Civil Aviation Authority and Maritime New Zealand (as designated regulators under the Act), are recovered from the levy, which is a dedicated funding source that cannot be used elsewhere. MBIE’s work health and safety policy advice is also recovered by the Health and Safety at Work levy.

In addition to the Health and Safety at Work levy, WorkSafe’s costs are recovered from three other funding sources: energy levies paid by electricity and gas industry operators (and collected by MBIE), which fund WorkSafe’s electricity and gas safety services; the Major Hazard Facilities levy paid by facility operators; and a small amount of Crown funding for a hazardous substances register and test certification. WorkSafe also charges fees for some regulatory services, e.g. safety case assessments, registrations and licences. WorkSafe also receives funding from ACC for harm prevention initiatives under the joint WorkSafe/ACC Harm Prevention Action Plan, through a multi-year partnership agreement of up to \$15.00m per annum.

The WorkSafe 2022/23 Statement of Performance Expectations contains the following breakdown of WorkSafe’s funding sources.



Annex 6: Further detail on international responsibilities

International Labour Organization

The ILO is a tripartite body, governed jointly by member States and the international representatives of workers and employers. ILO membership involves regular interactions between the Government, Business New Zealand and the New Zealand Council of Trade Unions, as well as participation in the ILO's Governing Body and at its annual International Labour Conference.

The ILO also oversees a comprehensive body of International Labour Standards, and the Conference is the key means by which the ILO formulates those standards and holds member States to account over their observance of them.

Standards can take the form of treaty-level Conventions or Protocols, or guiding Recommendations. Conventions and Protocols are only binding on member States that have ratified them. Once members ratify a Convention or Protocol this commits them to observe its provisions in national law and practice, report regularly on its application, and be accountable under the ILO supervisory system for any alleged breaches. New Zealand has ratified 61 ILO Conventions and one Protocol, of which 33 are currently in force. The most recent instrument ratified by New Zealand is the Forced Labour Protocol (P029), ratified on 13 December 2019, which came into force on 13 December 2020.

In addition, the ILO denotes eleven specific Conventions that deal with core labour rights as "Fundamental Conventions." There are considered so important that even member States that have not ratified them are expected to uphold the principles and rights they promote and report regularly on their observance. These are:

- Convention 29 - Forced Labour
- Convention 87 - Freedom of Association
- Convention 98 - Right to Organise and Collective Bargaining
- Convention 100 - Equal Remuneration
- Convention 105 - Abolition of Forced Labour
- Convention 111 - Discrimination (Employment and Occupational)
- Convention 138 - Minimum Age
- Convention 155 - Occupational Health and Safety
- Convention 182 - Worst Forms of Child Labour
- Convention 187 - Promotional Framework for Occupational Safety and Health
- Protocol 29 - Protocol of 2014 to the Forced Labour Convention.

New Zealand has ratified all but three of these Conventions – Convention 87 on Freedom of Association, Convention 138 on the Minimum Age and Convention 187 on a Promotional Framework for Occupational Safety and Health. As a matter of general policy, New Zealand does not ratify international instruments until it is able to comply fully with them in terms of domestic law and practice.

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In terms of Convention 87, although New Zealand has embedded freedom of association in the Employment Relations Act 2000, the ILO generally interprets the Convention to allow for the protected exercise of secondary strike action and strikes on economic or social grounds, but this interpretation is currently in dispute. New Zealand employment law only treats strikes taken in the course of collective bargaining or on health and safety grounds as lawful and protected.

In terms of Convention 138 concerning Minimum Age, the current range of protections and restrictions on young people's work (mainly regulated by a combination of education and work health and safety legislation) has been seen as preferable to legislating for a specific minimum age for admission to employment. Informal consultation with the ILO is underway on the alignment of New Zealand's current law and practice with Convention 138 and officials are working to clarify what legislative and policy changes are necessary to start the ratification process. It is likely that the minimum age for employment in hazardous work will need to be raised from 15 years and further legislative changes may also be required.

In June 2022, the ILO designated two current Conventions as new Fundamental Conventions – Convention 155 on Occupational Health and Safety, and Convention 187 on Promotional Framework for Occupational Safety and Health. New Zealand has ratified Convention 155, but not Convention 187.

Decisions on the potential ratification of all three unratified Fundamental Conventions will need to be considered against the commitments given by New Zealand in agreeing the NZ-European Union Free Trade Agreement, settled in July 2022. Under that Agreement, likely to be ratified in the coming months, New Zealand has committed to make “continued and sustained efforts towards ratifying” unratified Fundamental ILO Conventions. The European Union has indicated that New Zealand meeting this commitment is of significant importance.

Trade and Labour Standards

In 2001, New Zealand adopted the *Cabinet Framework for Integrating Labour Issues into Free Trade Agreements* to guide negotiators on what labour elements they should seek in trade negotiations.

The framework is a public statement of New Zealand's objectives, setting out principles that our trade agreements should aim to promote, rather than specifying particular outcomes. Two key principles are that trade agreements should promote decent work in New Zealand and for our trading partners, and the International Labour Organisation's Fundamental Principles and Rights at Work are a basis for labour standards trade agreements. It also reflects increased global interest and concerns over fair competition in cases where trade advantage may be secured through unfair labour practices. A key principle of the framework is that:

developing countries should not be denied legitimate comparative advantage of lower labour costs but this advantage should not be secured by deliberately neglecting fundamental labour principles

The framework was developed to guide New Zealand's trade negotiators at a time when bilateral and multilateral free trade agreement (FTA) negotiations were largely in their infancy, but has endured over time and seeking outcomes on labour is now part of any trade negotiation in which New Zealand is involved.

BRIEFING FOR INCOMING MINISTER FOR WORKPLACE RELATIONS AND SAFETY

The Ministry of Foreign Affairs and Trade (MFAT) leads New Zealand's trade negotiations overall. MBIE leads in the area of trade and labour, working alongside MFAT in negotiating specific FTA texts. MBIE also implements labour commitments and manages the relationship with partner countries.

Since 2001, New Zealand has negotiated trade and labour instruments under nine trade agreements covering 18 countries as well as the recent EU-NZ FTA. The conclusion of the Comprehensive and Progressive Trans-Pacific Partnership in 2017 reinforced the need to recalibrate trade policy generally given emerging public concerns over trade agreements and a perceived loss of social licence. In April 2018, the Minister for Trade and Export Growth launched the Government's Progressive and Inclusive Trade for All Agenda, focused on reinforcing the social license of trade agreements and using trade as a tool to enhance social wellbeing through an emphasis on sustainable development, including labour, environment, climate and gender issues.

Cabinet subsequently established a Trade for All Advisory Board in November 2018 to make recommendations on effecting a sustainable and inclusive trade policy. The Board reported in November 2019. A key recommendation was that:

MFAT and MBIE should be directed to work with social partners to redevelop the 2001 Cabinet Framework for Trade and Labour.... This work should also include an assessment of whether both the Framework and New Zealand legislation to address modern slavery are sufficient, given international trends.

Cabinet agreed to this, and other recommendations, in March 2020, although the impact of COVID-19 subsequently delayed work on refreshing the Framework. The Minister for Trade and Export Growth will soon put an updated Framework to Cabinet, which has been informed by public consultation. It includes more modern labour issues and highlights the importance of advancing Māori interests, providing for greater Māori, civil society, business and social partner engagement in the operation and review of trade agreements.

New Zealand is currently engaged in negotiations on an Indo-Pacific Economic Framework (IPEF) and has recently re-engaged in negotiations on a NZ-Gulf Cooperation Council Free Trade Agreement. The United States is using IPEF to increase its presence in the region and improve its relationships. It has many of the characteristics of a modern free trade agreement, except for lowering tariffs, which limits the potential economic benefits. The negotiations include labour and sustainable development components, such as corporate social responsibility and cooperation on forced labour in supply chains. The negotiations started in December 2022 and have been taking significant resource as they are moving quickly, with agreement recently reached on a Supply Chains Pillar that could come into effect this year. The Supply Chains Pillar aims to build resilience to shocks but also has ambitious labour commitments, **Confidential advice to Government**

The NZ-Gulf Cooperation Council Free Trade Agreement negotiations were revived in 2022 after they were put on hold in 2009. Labour and sustainability are being discussed as part of the revised negotiations.

2023 marks the 40th anniversary of the Australia-New Zealand Closer Economic Relations Agreement (CER). MBIE officials are working with MFAT to explore championing sustainable and inclusive trade as part of the 40th anniversary of CER. We will report to you on how labour standards may be included.

Other developments are likely to arise over the next year, including the commencement of new trade negotiations with labour and sustainability components. New Zealand is hosting the Comprehensive and Progressive Trans-Pacific Partnership meetings this year and a review is being carried out of the Labour Chapter as it has been in place for five years. Also, the NZ-UK FTA has recently been agreed

and may come into effect soon, which could require cooperative activities aimed at lifting labour standards among the parties.

Asia-Pacific Economic Cooperation Human Resource Development Working Group

The 21-member Asia-Pacific Economic Cooperation (APEC) was established in 1989 to strengthen the Asia-Pacific community and further enhance economic growth and prosperity for the region. APEC provides a key vehicle for regular high level dialogue and enhanced trade and economic integration with New Zealand's key regional partners, including the United States, Canada, China, Korea, Japan, ASEAN and Latin America.

Working Groups carry out APEC's work in specific sectors as directed by APEC Economic Leaders, APEC Ministers, APEC Sectoral Ministers and Senior Officials. There are currently 11 Working Groups, including the Human Resources Development Working Group (HRDWG). HRDWG conducts work programmes to develop human resources on issues ranging from education to labour to capacity building and this work covers multiple ministerial portfolios for New Zealand, including workplace relations, education, social development and employment. MBIE leads the engagement in this working group, and New Zealand's engagement in two of the three networks that sit below it, the Labour and Social Protection Network and the Capacity Building Network (the Ministry of Education leads New Zealand's engagement in the Education Network).

New Zealand hosted APEC in 2021. 2023 is the United States' (US) host year. The U.S. host year will focus on the cross-cutting concepts of "resiliency," "sustainability," and "inclusivity." These three factors directly impact APEC's economic drivers and are necessary to advance economic prosperity across the APEC region. The US priorities are:

1. **Interconnected:** Building a resilient and interconnected region that advances broad-based economic prosperity.
2. **Innovative:** Enabling an innovative environment for a sustainable future.
3. **Inclusive:** Affirming an equitable and inclusive future for all.

Annex 7 - Upcoming ERES system legislation

Attached as a separate document

Upcoming ERES system legislation

Updated 23 June 2023



Policy process → Legislative process → Implementation

Confidential advice to Government

Modern slavery

Act amended: TBC
Regulator: TBC
Reg functions affected: TBC
Commencement period: TBC

Cabinet decisions made: next steps are drafting legislation

Confidential advice to Government

Worker Protection (Migrant and Other Employees) Bill

Stage: Third reading expected in week beginning 26 June 2023
Acts amended: ERA, Immigration Act, Companies Act
Regulators: ES, INZ, Companies Office
Regulatory functions affected: I&E, LI, RAS
Commencement period: 6 months

Implementation: Baseline; planning underway

PPL KiwiSaver contribution

Stage: Select committee
Act amended: KiwiSaver Act and others
Regulator: IR
Reg functions affected: I&E, LI
Commencement: 1 July 2024

Implementation: Baseline

Fair Pay Agreements Act 2022

Implementation plan ✓
I&E plan ✓
Working group ✓

Remaining activities:

- Set up LI compliance function.
- Publish remaining sections of technical guidance. Progress: around 50%.
- CE, Authority & Employment Court forms: three approved, three pending approval. 18 forms in total.
- FPA template: being drafted.

Screen Industry Workers Act 2022

Source document ✓
Implementation plan ✓
I&E plan ✗
Working group ✓

Remaining activities:

- Complete I&E content.
- Handover to BAU: manage bargaining grants, provide bargaining support, administer bargaining process with Employment Relations Authority.

Legal professional privilege, Confidential advice to Government Bill

Act amended/repealed: Holidays Act
Regulator: ES
Regulatory functions affected: LI, guidance and engagement, I&E
Commencement period: Confidential advice to Gov

Legislation is being drafted; introduction timing TBC. Implementation funded and is being planned. Confidential advice to Government

Ratifying ILO Convention 138 (minimum age for work)

Act amended: TBC
Regulator: TBC
Reg functions affected: TBC
Commencement period: TBC

Restraint of trade (member's bill)

Stage: Introduced, awaiting first reading
Act amended: ERA
Regulator: ES
Regulatory functions affected: I&E, DR
Commencement period: 1 day

Implementation: Baseline; planning to commence after SC report back

Shared parental leave (member's bill)

Stage: Introduced, awaiting first reading
Act amended: PLEPA
Regulator: ES
Regulatory functions affected: I&E, LI, payment delivery through IR
Commencement period: 1 day

Implementation: Baseline; planning to commence after SC report back

Employment Relations (Extended Time for Personal Grievance for Sexual Harassment) Amendment Act 2023

Source document ✓
Implementation plan ✓
I&E plan ✓
Working group ✓

Remaining activities:

- Update Code of Good Faith in Collective Bargaining.
- Update Employment Relations Authority forms.

Replacing minimum wage exemption permits

Act amended: MWA (TBC)
Regulator: ES, MSD
Reg functions affected: LI, I&E

Policy work led by MSD.

Part 6A application: home and community support workers

Act amended: ERA
Regulator: ES
Reg functions affected: I&E, DR

Can be done via Order in Council (no parliamentary process).

Wage theft (member's bill)

Stage: Introduced, awaiting first reading
Act amended: Crimes Act
Regulator: Police, ES
Regulatory functions affected: I&E, LI
Commencement period: 1 day

Implementation: Baseline; planning to commence after SC report back

KiwiSaver protections (member's Bill)

Stage: Introduced, awaiting first reading
Act amended: ERA
Regulator: ES
Regulatory functions affected: I&E, DR
Commencement period: 1 day

Implementation: Baseline; planning to commence after SC report back

New Zealand Income Insurance scheme

Act amending: TBC
Regulator: TBC
Reg functions affected: TBC

Policy work led by ESIP.

Up next subject to prioritisation



- Abbreviations**
- CE: Chief executive
 - DR: Dispute Resolution (ES)
 - ERA: Employment Relations Act
 - ERES: employment relations and employment standards
 - ES: Employment Services
 - ESIP: Employment Skills and Immigration Policy branch
 - FPA: Fair Pay Agreement
 - I&E: Information and education
 - ILO: International Labour Organization
 - INZ: Immigration NZ
 - IPET: in-Principle Expense Transfer
 - IR: Inland Revenue
 - LI: Labour Inspectorate (ES)
 - MSD: Ministry of Social Development
 - MWA: Minimum Wage Act
 - PLEPA: Parental Leave and Employment Protection Act
 - PPL: Paid parental leave
 - RAS: Regulatory and Advisory Services (ES)
 - SC: select committee

Annex 8: Upcoming Health and Safety legislation

Attached as a separate document

Upcoming H&S system legislation

Updated 23 June 2023

Policy process

Legislative process

Implementation

Advice on engineered stone (Silicosis)

Regulations amended: New regulations TBC
Regulator: WorkSafe

Involves ACC and Ministry of Health
Policy work commenced for October/November Briefing on options for consultation

Confidential advice to Government

Energy Safety Standards

Regulations amended: Electricity (Safety) Regulations 2010 and the Gas (Safety and Measurement) Regulations 2010
Regulator: WorkSafe
Commencement period: TBC, likely ASAP after Regulations amended

Reviewing the 630 standards to verify which are to be referenced

Confidential advice to Government

Adventure Activities

Stage: Awaiting LEG Committee (suggested date 29 June 2023)
Regulations amended: Health and Safety at Work (Adventure Activities) Regulations 2016
Regulator: WorkSafe
Commencement period: Will advise

Implementation: Mix of baseline and B21 funding

High risk work licensing regulations for refrigerants

Stage: Confidential advice to Government
Regulator: WorkSafe
Regulations amended: New regulations
Commencement period: Confidential advice

Implementation: Full cost recovery, funding in B20 for implementation

Maritime New Zealand Designation

Stage: Designations instrument being drafted
Regulator: WorkSafe / Maritime NZ
Regulations amended: HSW Act 2015
Commencement period: 1 July 2024

Implementation: Designation to be signed by PM July 2023
Maritime NZ and WorkSafe completing preparation
Maritime NZ funded in B23

WorkSafe Implementations (Under HSW Act 2015)

Health and Safety at Work (Health and Safety Representatives and Committees) Amendment Act 2023

Health and Safety at Work Regulations 2016 (Major Hazard Facilities) Fees and Levies

Health and Safety in Employment (Pipelines Amendments) Regulations 2023

Abbreviations

H&S: Health and Safety

HSW Act: Health and Safety at Work Act

SC: select committee

B20 – B24: Budget rounds for those years

Parking lot (not started)

Confidential advice to Government

Confidential advice to Government

Confidential advice to Government

Energy Safety – sits under the Minister of Energy and Resources

Parking lot (paused)

Confidential advice to Government