



COVERSHEET

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1 Dec 23	MBIE Letter – Confirmation that work has stopped on Income Insurance	N/A

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1 December 2023

Tēnā koe Minister Upston

Thank you for the opportunity to meet with you and discuss your priorities for the Social Development and Employment portfolio on 28 November 2023. Following on from the direction you provided at that meeting, and in accordance with the Government's recently released 100 Day Plan, I am writing to confirm that all work has ceased on the Income Insurance Scheme.

All work on the New Zealand Income Insurance Scheme stopped in February 2023. At that time, Cabinet directed officials to undertake further work on alternative approaches to providing income protection and whether a stand-alone scheme is the best option to deliver support to address this gap. I can confirm this alternative work has also ceased.

Staff members previously working on Income Insurance have been redeployed to support work on other Government priorities. With work now stopped relevant funding will be returned through the upcoming Mini Budget process. We also note that the existing *Income Insurance Scheme (Enabling Development) Act 2022* (which enabled ACC to work on the proposed Income Insurance Scheme) includes a sunset clause providing for its repeal on 31 March 2025. This Act has no impact given all work on the scheme has stopped.

MBIE can provide you with any further information or support you need in regards to this matter.

Jivan Grewal
General Manager, Employment, Skills and Immigration Policy
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