



## COVERSHEET

<b>Minister</b>	Hon Brooke van Velden	<b>Portfolio</b>	Workplace Relations and Safety
<b>Title of Cabinet papers</b>	Introducing an Income Threshold for Unjustified Dismissal Strengthening consideration and accountability for the employee's behaviour in the personal grievance process	<b>Date to be published</b>	By 31 January 2025

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
November 2024	Introducing an Income Threshold for Unjustified Dismissal	Office of the Minister for Workplace Relations and Safety
20 November 2024	Introducing an Income Threshold for Unjustified Dismissal ECO-24-MIN-0265 Minute	Cabinet Office
12 November 2024	Regulatory Impact Statement: Introducing an income threshold for unjustified dismissal	MBIE
November 2024	Strengthening consideration and accountability for the employee's behaviour in the personal grievance process	Office of the Minister for Workplace Relations and Safety
20 November 2024	Strengthening consideration and accountability for the employee's behaviour in the personal grievance process ECO-24-MIN-0268 Minute	Cabinet Office
7 November 2024	Regulatory Impact Statement: Strengthening consideration and accountability for the employee's behaviour in personal grievance process	MBIE

### **Information redacted**

**YES / NO** (please select)

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

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



# Cabinet Economic Policy Committee

## Minute of Decision

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### Strengthening Consideration and Accountability for the Employee's Behaviour in the Personal Grievance Process

**Portfolio**                      **Workplace Relations and Safety**

On 20 November 2024, the Cabinet Economic Policy Committee:

- 1        **noted** that the National - ACT Coalition Agreement committed to considering simplifying personal grievances, in particular removing the eligibility for remedies if the employee is at-fault;
- 2        **agreed** to remove eligibility for all remedies when the Employment Relations Authority or Employment Court determines that the employee's behaviour that contributed to the issue that gave rise to the personal grievance amounts to 'serious misconduct';
- 3        **agreed** to remove eligibility to compensation for humiliation, loss of dignity, and injury to the feelings of the employee when the Employment Relations Authority or Employment Court determines that there is 'any contributory employee behaviour' that contributed to the issue that gave rise to the personal grievance;
- 4        **agreed** to remove eligibility to permanent reinstatement of the employee to their former position or the placement of the employee in a position no less advantageous to the employee when the Employment Relations Authority or Employment Court determines that there is 'any contributory employee behaviour' that contributed to the issue that gave rise to the personal grievance;
- 5        **agreed** to clarify that the Employment Relations Authority and Employment Court have the full spectrum of remedy reductions (up to 100 percent) available to them;
- 6        **agreed** to require the Employment Relations Authority and Employment Court to consider if an employee's behaviour obstructed the employer's ability to meet their fair and reasonable obligations when establishing a personal grievance;
- 7        **noted** that section 103A (5) of the Employment Relations Act 2000 requires that the Employment Relations Authority or Employment Court must not determine a dismissal or an action to be unjustifiable solely because of defects in the employer's process, if those defects were minor and did not result in the employee being treated unfairly;
- 8        **agreed** to remove the term 'minor' from the requirement referred to in paragraph 7 above;
- 9        **agreed** that the decisions under ECO-24-MIN-0268 be given effect through the Employment Relations Amendment Bill, which holds a category seven priority on the 2024 Legislation Programme (policy development to continue in or beyond 2024);

- 10 **invited** the Minister for Workplace Relations and Safety to issue drafting instructions to the Parliamentary Council Office to give effect to the policy changes referred to above;
- 11 **authorised** the Minister for Workplace Relations and Safety to make further decisions, consistent with the policy in the paper under ECO-24-SUB-0268, on any issues that may arise during the drafting and parliamentary process, including any transitional provisions.

Rachel Clarke  
Committee Secretary

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**Present:**

Rt Hon Christopher Luxon  
Rt Hon Winston Peters  
Hon David Seymour  
Hon Brooke van Velden  
Hon Chris Bishop (Chair)  
Hon Paul Goldsmith  
Hon Louise Upston  
Hon Mark Mitchell  
Hon Matt Doocey  
Hon Melissa Lee  
Hon Penny Simmonds  
Hon Chris Penk  
Hon Nicola Grigg  
Hon Mark Patterson

**Officials present from:**

Office of the Prime Minister  
Ministry of Business, Innovation and Employment  
Officials Committee for ECO