



COVERSHEET

Minister	Hon Carmel Sepuloni	Portfolio	ACC
Title of Cabinet paper	Supplementary Order Paper to the Accident Compensation (Maternal Birth Injury and Other Matters) Amendment Bill: Approval for Printing	Date to be published	12 September 2022

List of documents that have been proactively released

Date	Title	Author
July 2022	Supplementary Order Paper to the Accident Compensation (Maternal Birth Injury and Other Matters) Amendment Bill: Approval for Printing	Office of the Minister for ACC
28 July 2022	Accident Compensation (Maternal Birth Injury and Other Matters) Amendment Bill: Supplementary Order Paper LEG-22-MIN-0120 Minute	Cabinet Office

Information redacted: NO

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.

In Confidence

Office of the Minister for ACC

Chair, Cabinet Legislation Committee

Supplementary Order Paper to the Accident Compensation (Maternal Birth Injury and Other Matters) Amendment Bill: Approval for Printing

Proposal

- 1 On 20 May 2022, Cabinet agreed to amend the Accident Compensation (Maternal Birth Injury and Other Matters) Bill through a Supplementary Order Paper. This was to implement the Budget 2022 bid “Align the timing of increases to the minimum and LOPE rates of weekly compensation with increases to the minimum wage” [SWC-22-MIN-0088 Minute refers].
- 2 I now seek Cabinet’s approval to print the Supplementary Order Paper (SOP) to the Accident Compensation (Maternal Birth Injury and Other Matters) Amendment Bill (AC Amendment Bill) to the House of Representatives.

Policy

Background on the AC Amendment Bill

- 3 The AC Amendment Bill was introduced to the House in December 2021. It amends the Accident Compensation Act 2001 (the AC Act), primarily to extend cover to maternal birth injuries suffered by birthing parents during childbirth. While the main aim of the Bill is to extend ACC cover to maternal birth injuries, the Bill also contains other relatively non-controversial changes with minimal financial implications to both Government and levy payers.
- 4 On 28 June 2022, the Education and Workforce Committee reported the AC Amendment Bill back to the House of Representatives. Its second reading is scheduled on 27 July 2022.

Need for legislation

- 5 On 20 May 2022, Cabinet agreed to amend the AC Amendment Bill through a Supplementary Order Paper (SOP), to implement the Budget 2022 bid “Align the timing of increases to the minimum and LOPE rates of weekly compensation with increases to the minimum wage”.
- 6 The change adjusts the timing of changes to ACC’s minimum full-time weekly compensation rate so that it aligns with changes made under the annual Minimum Wage Order. This is a change from the current timing, which adjusts the compensation rates on 1 July of a given year, which, as the minimum wage typically changes on 1 April, results in a three month lag before claimants receive increased rates of compensation.

Possible contentious aspect of the SOP

7 I have not identified any issues in the SOP that are likely to be contentious.

Impact analysis

8 The Treasury's Regulatory Impact Analysis team has determined that the proposal to align changes to the ACC minimum weekly compensation and LOPE rates with minimum wage changes is exempt from the requirement to provide a Regulatory Impact Statement on the grounds that it has no or only minor impacts on businesses, individuals, and not-for-profit entities.

Compliance

9 The SOP complies with the following:

- 9.1 the principles of the Treaty of Waitangi;
- 9.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;
- 9.3 the disclosure statement requirements, as set out in Cabinet Office Circular CO 13(3): *Disclosure Requirements for Government Legislation*. A full disclosure statement has been prepared for this SOP.
- 9.4 the principles and guidelines set out in the Privacy Act 2020;
- 9.5 relevant international standards and obligations; and
- 9.6 the Legislation Guidelines (2021 edition), which are maintained by the Legislation Design and Advisory Committee.

Consultation

10 In preparing this paper, the Ministry of Business, Innovation and Employment has consulted with the Accident Compensation Corporation and the Parliamentary Counsel Office.

11 The Department of the Prime Minister and Cabinet and the Ministry of Social Development have been informed about this proposal.

Binding on the Crown

12 The SOP amends the AC Amendment Bill, which, if passed by Parliament, would bind the Crown.

Creating new agencies or amending law relating to existing agencies

13 The SOP does not create any new agencies.

Allocation of decision making powers

- 14 The SOP does not involve the allocation of decision-making powers between the executive, the courts or tribunals.

Associated regulations

- 15 The SOP does not require any amendments to regulations or any new regulations to bring it into operation.

Other instruments

- 16 The SOP does not include provisions empowering the making of other deemed legislative instruments or disallowable instruments.

Definition of Minister or department

- 17 The SOP does not contain a definition of a Minister, department, or chief executive or any equivalent positions.

Commencement of legislation

- 18 The changes proposed in the SOP would commence 30 days after the date on which the AC Amendment Bill receives Royal assent.

Parliamentary stages

- 19 I propose that the SOP be printed for the House of Representatives prior to the Committee of the whole House Stage of the AC Amendment Bill.

Proactive Release

- 20 I intend to proactively release this Cabinet paper on the Ministry of Business, Innovation, and Employment's website, subject to any appropriate withholding of information that would be justified under the Official information Act 1982.

Recommendations

The Minister for ACC recommends that the Cabinet Legislation Committee:

- 1 **note** that the Accident Compensation (Maternal Birth Injury and Other Matters) Bill holds a category 2 priority on the 2022 Legislation Programme (must be passed in the year).
- 2 **note** that on 20 May 2022, Cabinet agreed to amend the Accident Compensation (Maternal Birth Injury and Other Matters) Bill through a Supplementary Order Paper, to implement the Budget 2022 bid "Align the timing of increases to the minimum and LOPE rates of weekly compensation with increases to the minimum wage" [SWC-22-MIN-0088 Minute refers].
- 3 **note** that the Accident Compensation (Maternal Birth Injury and Other Matters) Bill is currently scheduled to have its second reading on 27 July 2022.

IN CONFIDENCE

- 4 **approve** the Supplementary Order Paper for release for the Committee of the Whole House stage of the Accident Compensation (Maternal Birth Injury and Other Matters) Bill; and
- 5 **note** that the policy change in the Supplementary Order Paper will commence 30 days after the date on which the Accident Compensation (Maternal Birth Injury and Other Matters) Bill receives Royal assent, which is aligned with most provisions in the Accident Compensation (Maternal Birth Injury and Other Matters) Bill.

Authorised for lodgement

Hon Carmel Sepuloni

Minister for ACC