

The Treasury

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Cabinet Document Details

Title: **Cabinet Minute CAB-20-MIN-0328.15: COVID-19 Response and Recovery Fund (CRRF) July Package: Vote Labour Market**

Date: **6 July 2020**

Creator: Cabinet Office

Information Withheld

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act).

Where this is the case, the relevant sections of the Act that would apply have been identified.

Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to sections of the Act under which information has been withheld:

- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
- [2] 6(b)(i) - to avoid prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by the Government of any other country or any agency of such a Government
- [4] 6(c) - to avoid prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [11] 6(e)(vi) - to prevent serious damage to the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the entering into of overseas trade agreements
- [23] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [25] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [26] 9(2)(ba)(i) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied
- [27] 9(2)(ba)(ii) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
- [29] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand

- [31] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting collective and individual ministerial responsibility
- [33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [36] 9(2)(h) - to maintain legal professional privilege
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [40] not in scope
- [41] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment
- [42] 18(d) - information is already publicly available or will be publicly available soon.

Where information has been withheld, a numbered reference to the applicable section of the Act has been made, as listed above. For example, a [23] appearing where information has been withheld in a release document refers to section 9(2)(a).

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Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

COVID-19 Response and Recovery Fund (CRRF) July Package: Vote Labour Market

On 6 July 2020, Cabinet:

- 1 **approved** the attached initiatives for the above Vote for inclusion in the COVID-19 Response and Recovery Fund (CRRF) July package;
- 2 **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
- 3 **approved** changes to appropriations and/or capital injections to the administering department (where applicable) to implement the initiatives, as set out in the attached initiative documents;
- 4 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
- 5 **authorised** the Minister of Finance and relevant Appropriation Ministers to approve jointly any other changes to appropriations and/or capital injections, and the establishment of new appropriations where necessary, to give effect to the policy decisions outlined in the submission under CAB-20-SUB-0328;
- 6 **authorised** the Minister of Finance and the Appropriation Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified prior to finalising the 2020/21 Supplementary Estimates;
- 7 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in this minute to inform the chair and/or chief executive of a Crown entity, on an in-confidence-until-announcement basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent;
- 8 **agreed** that any and all underspends related to the initiatives approved in this package be returned to the CRRF, until it ceases to exist, at which point they be returned to the centre;
- 9 **agreed** that the changes to appropriations and/or capital injections for 2020/21 in the attached initiative documents be included in the 2020/21 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;
- 10 **agreed** that the expenses incurred under the attached initiative documents be charged against the COVID-19 Response and Recovery Fund established as part of Budget 2020;

- 15 **noted** that all communications relating to the CRRF and any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office.

Michael Webster
Secretary of the Cabinet

Vote: Labour Market

Title: Additional Resource for Skills and Employment Policy Team to Meet Increased Demand for Employment Policy Advice

Description: This initiative will increase the capacity of the Skills and Employment Policy team within the Ministry of Business, Innovation and Employment by providing for additional full-time equivalent (FTE) staff for the next two years. The policy advice function within the Employment Portfolio has been under significant pressure over the last year, and this is expected to continue as the government focuses on the COVID-19 Pandemic recovery. Initiatives such as Social Insurance and the Employment Strategy are likely to create ongoing demand for policy advice. In addition, the long-term economic and labour market impacts resulting from COVID-19 are likely to drive future demand for policy advice in this space beyond the medium-term recovery period. Bringing on additional FTE will help to ensure that the increased demand is met.

Appropriation changes

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24
Operating Balance Impact	-	0.320	0.640	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.320	0.640	-	-

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24
Multi-Category Expenses and Capital Expenditure:					
Policy Advice and Related Services to Ministers (MCA)					
<i>Departmental Output Expenses:</i>					
Policy Advice and Related Services to Ministers - Employment (funded by revenue Crown)	-	0.320	0.640	-	-
Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Related Services to Ministers (MCA)	-	0.320	0.640	-	-
Total Operating	-	0.320	0.640	-	-
Total Capital	-	-	-	-	-

Additional recommendation

16 **noted** that there is an associated initiative in Vote Business, Science and Innovation (Initiative 13021), which includes the associated capital injection and associated debt impacts of staff-related overhead costs;

Initiative No: 12874

Vote: Labour Market

Title: Addressing Temporary Migrant Worker Exploitation

Description: This initiative will implement an end-to-end package of regulatory, policy and operational changes to reduce temporary migrant worker exploitation. This includes increased investigation and enforcement capacity for the Labour Inspectorate and Immigration New Zealand to address the increased vulnerability of migrant workers caused by the COVID-19 pandemic.

Appropriation changes

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Operating Balance Impact	-	9.334	13.289	14.088	14.088
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	9.334	13.289	14.088	14.088

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Departmental Output Expense:					
Workplace Relations and Safety - Employment Relations Services (funded by revenue Crown)	-	5.594	6.358	5.951	6.085
Multi-Category Expenses and Capital Expenditure:					
Immigration Services (MCA)					
<i>Departmental Output Expenses:</i>					
Assessment and Processing Services (funded by revenue Crown)	-	1.743	2.033	2.033	2.033
Integrity and Security of the New Zealand Immigration System (funded by revenue Crown)	-	1.997	4.898	6.104	5.970
Total Multi-Category Expenses and Capital Expenditure: Immigration Services (MCA)	-	3.740	6.931	8.137	8.003
Total Operating	-	9.334	13.289	14.088	14.088
Total Capital	-	-	-	-	-

Additional recommendations

- 17 **noted** that there is an associated initiative in Vote Business, Science and Innovation (Initiative 13019), which includes the associated capital injection and associated debt impacts;
- 18 **noted** that in March 2020, the Cabinet Economic Development Committee approved a corresponding package of policy proposals [CAB-20-MIN-0100].