

The Treasury

Proactive release of Treasury advice related to the increase to the EQC Residential Building Cap

October 2021

This document has been proactively released by **Minister Responsible for the Earthquake Commission (Hon Dr David Clark)** on the Treasury website at

<https://www.treasury.govt.nz/publications/information-release/proactive-release-treasury-advice-related-increase-eqc-residential-building-cap>

Cabinet Document Details

Title: **Cabinet Minute: LEG-21-MIN-0151: Earthquake Commission (Building Cover Cap and Premium) Amendment Regulations 2021**

Date: **23 September 2021**

Creator: Cabinet Office

No information has been withheld

Copyright and Licensing

Cabinet material and advice to Ministers from the Treasury and other public service departments are © **Crown copyright** but are licensed for re-use under **Creative Commons Attribution 4.0 International (CC BY 4.0)** [<https://creativecommons.org/licenses/by/4.0/>].

For material created by other parties, copyright is held by them and they must be consulted on the licensing terms that they apply to their material.

Accessibility

The Treasury can provide an alternate HTML version of this material if requested. Please cite this document's title or PDF file name when you email a request to information@treasury.govt.nz.



Cabinet Legislation Committee

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.

Earthquake Commission (Building Cover Cap and Premium) Amendment Regulations 2021

Portfolio **Earthquake Commission**

On 23 September 2021, the Cabinet Legislation Committee:

- 1 **noted** that on 7 July 2021, the Cabinet Economic Development Committee agreed to increase the monetary cap on Earthquake Commission building cover from \$150,000 (plus GST) to \$300,000 (plus GST) per dwelling, and to set the EQC premium rate at 16 cents (plus GST) per \$100 of EQC building cover, up to a maximum of \$552 (including GST) effective for all insurance policies from 1 October 2022 [DEV-21-MIN-0150];
- 2 **noted** that the proposed transitional arrangements mean that the new EQC Cap and premium rate will apply to all new insurance policies that enter force after 1 October 2022, and to all existing policies on their next anniversary after that date;
- 3 **noted** that the Earthquake Commission (Building Cover Cap and Premium) Amendment Regulations 2021 give effect to the decision referred to in paragraphs 1 and 2 above;
- 4 **authorised** the submission to the Executive Council of the Earthquake Commission (Building Cover Cap and Premium) Amendment Regulations 2021 [PCO 24019/5.0];
- 5 **noted** that the Amendment Regulations come into force on 1 October 2022.

Rebecca Davies
Committee Secretary

Present:

Hon Grant Robertson
Hon Chris Hipkins (Chair)
Hon David Parker
Hon Poto Williams
Hon Damien O'Connor
Hon Stuart Nash
Hon Kris Faafoi
Hon Willie Jackson
Hon Michael Wood
Hon Kiri Allan
Hon Dr David Clark
Hon Ayesha Verrall
Hon James Shaw
Keiran McNulty, MP (Senior Government Whip)

Officials present from:

Office of the Prime Minister
Officials Committee for LEG