



<b>Report Title:</b>	<b>Public Service Act Amendments – Cabinet paper and Bill for lodging</b>		
<b>Report No:</b>	<b>MoSR 2025-0582</b>		
<b>Date:</b>	<b>10 July 2025</b>		
<b>To:</b>	<b>Hon Judith Collins KC, Minister for the Public Service</b>		
<b>Action Sought:</b>	<b>Agree</b> to lodge the attached Cabinet paper and Public Service Amendment Bill on 17 July for consideration at Cabinet Legislation Committee on 24 July	<b>Due Date</b>	16 July 2025
<b>Contact</b>	<b>Callum Butler, Manager – Strategy, Policy and Integrity</b>		
<b>Contact No:</b>	9(2)(a) privacy		
<b>Encl:</b>	<ul style="list-style-type: none"><li>Cabinet paper for Cabinet Legislation Committee</li><li>Public Service Amendment Bill v15</li><li>Departmental Disclosure Statement</li></ul>	<b>Priority</b>	High
<b>Security Level:</b>	<b>IN CONFIDENCE</b>		

### **Purpose of this report**

1. This report attaches a revised paper for Cabinet Legislation Committee (and associated documents) seeking approval to introduce the Public Service Amendment Bill (the Bill). We recommend you lodge this paper, the Bill, and the Departmental Disclosure Statement on 17 July for consideration at the Committee on 24 July.

### **Background**

2. On 31 March 2025, Cabinet agreed with your proposed reforms to the Public Service Act 2020 (the Act), noting you would report back to Cabinet in July 2025 with a draft Bill and timeline for the parliamentary process [CAB-25-Min-0085 refers]. On 11 June, we briefed you with a draft Cabinet legislation paper, timeline, and version of the Bill, which you agreed to release for departmental and ministerial consultation [MoSR 2025-0506 refers].

### **Feedback from consultation and revised paper**

3. Consultation closed on Friday 27 June. A revised version of the Cabinet paper and Bill are attached to this report.

#### *Ministerial feedback*

4. We understand your office did not receive any feedback from ministerial consultation.

*Minor and technical feedback from departments*

5. We received mostly minor or technical feedback from departments and have made a small number of changes to the paper and the Bill as a result. The largest share of comments related to the power for the Commissioner to restrict or prohibit the use of a particular vendor, product or service by public service agencies and those covered by the Protective Security Requirements in order to manage risks to national security or national interest.
6. The main change we have made in the Bill in response to these comments is to clarify that the notification provided to vendors when such a direction is issued is focused on the **manufacturer or developer** of a product, not the full range of actors in the supply chain for such products. This is to ensure the provisions do not raise impractical expectations of notification by anyone affected or associated with a product (such as retailers or component suppliers).

*Changes in response to DPMC feedback on business continuity management*

7. The Department of Prime Minister and Cabinet (DPMC) has raised concerns about how well existing legislation provides for the continued functioning of the public service in the event of significant disruption.
8. Currently, provisions sitting in the Civil Defence Emergency Management Act 2002 (CDEMA) require public service agencies to ensure they can function to the fullest extent possible during and after an emergency and require them to provide a plan for such functioning to the Director of Civil Defence and Emergency Management (the Director) if requested. These provisions are based on the concept of an emergency as defined under the CDEMA (which is focused on situations that could cause loss of life or injury or endanger public safety).
9. We agree these provisions do not reflect the broader, modern concept of business continuity management, which contemplates the public service having systems in place to ensure delivery of critical functions and services during **any** significant disruption (whether this amounts to an emergency under CDEMA or not). We also accept that the Director of Civil Defence and Emergency Management does not have the levers and mandate to ensure whole-of-service compliance with this objective.
10. Given that a core reason for your Amendment Bill is to ensure the public service can continue to meet the needs of New Zealanders, we propose to lift and shift these provisions from the CDEMA into the Public Service Act and modernise the language to reflect the broader concept of 'disruption'. The substantive obligation would be for agencies to ensure they have business continuity management in place, and plans for functioning during a disruption (including but not limited to an emergency under CDEMA) would be provided to the Public Service Commissioner on request.
11. The Commissioner will need to rely on advice from the Director and the Secretary for DPMC when considering the sufficiency of agency's systems, but will be better positioned to drive performance against these objectives.
12. We have added text to your draft Cabinet paper explaining the issue and seeking Cabinet confirmation of this amendment.

### *Ministry of Justice feedback on human rights*

13. While it was not raised during the policy development phase in February and March, the Ministry of Justice expressed a view that the revised purpose statement for the public service should also include an explicit reference to the public service upholding human rights. This change would be outside the mandate you received from Cabinet and require significant further analysis and decisions in the paper for Cabinet Legislation Committee. We do not think such a reference is necessary given that:
  - the Human Rights Act 1993 binds the Crown (including the public service);
  - your proposed purpose statement for the public service already includes adherence to the law; and
  - the existing public service values in the Act include ‘impartiality’ (defined as treating all people fairly, without personal favour or bias) and ‘respectfulness’ (defined as treating people with dignity and compassion and acting with humility).
14. Including such a reference would also go against your desire for a more focused purpose statement, and for all of these reasons we have not instructed this change.

### **Bill of Rights Act vetting**

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15. At the time of writing, the Ministry of Justice’s assessment of the Bill’s consistency with the New Zealand Bill of Rights Act (NZBORA) is in progress. Advice on NZBORA consistency will be provided to Hon Paul Goldsmith (in the capacity of acting Attorney-General) since you are the lead Minister for the Bill. The Ministry of Justice signalled that they would raise any concerns with us if any arise, and none have been raised so far. We will continue to seek confirmation of this prior to lodging.

### **Departmental Disclosure Statement**

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16. Consistent with Cabinet Circular requirements, we have also attached our final draft Departmental Disclosure Statement on the Bill for your information. The statement is embedded in the Explanatory Note to the Bill, and highlights the preparation process for the Bill, its consistency with key frameworks (such as international obligations, privacy principles, or the New Zealand Bill of Rights Act), and any significant or unusual features of the Bill that may be of interest to Parliament or the public.
17. Our substantive responses to the questions about significant features highlight the national security direction power, our consideration of privacy principles in developing the provisions for reporting of misconduct investigations, and the clarifications to immunity from civil proceedings for public service chief executives. The draft Cabinet paper expresses our view that the Bill is not inconsistent with international standards and obligations relating to the principles of equal pay and equality of opportunity and treatment.

### **Next steps**

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18. As previously briefed, we recommend the following timeline for Cabinet consideration and introduction of the Bill:

- 17 July - Papers lodged for Cabinet Legislation Committee
  - 24 July - Cabinet Legislation Committee
  - 28 July - Cabinet confirmation and introduction of the Bill
19. Note that PCO will provide the version of the Bill for lodgement to your office directly.
20. We will brief you again on Thursday 17 July with suggested talking points for Cabinet Legislation Committee and Cabinet, a draft of your *First Reading* speech, and a draft *Legislative Statement* for you to consider presenting in the House, should you wish to use this to inform debate on your First Reading motion.

*Public communications material*

21. We will also revise our communications plan for introduction of the Bill, providing you with a draft press release and reactive questions and answers for media or public enquiries following introduction. Consistent with our approach immediately following your announcement of Cabinet policy decisions, the Commission will notify key stakeholders such as unions, including the Public Service Association.
22. We will also align this material and the draft speech you are scheduled to give to Hāpai Public (the Institute of Public Administration New Zealand) on the evening of Monday 28 July.

*Timeline for the Bill*

23. As previously briefed, the proposed timeline for the Bill's passage (which we understand you have discussed with the Leader of the House) is as follows:

<b>28 July</b>	Cabinet confirmation and introduction of Bill
<b>31 July</b>	First reading
<b>1 December</b>	Proposed date of report back from select committee <i>[Scrutiny Week 1-5 December]</i>
<b>9 to 18 December</b> (last 6 sitting days of 2025)	Second reading, Committee of the Whole and Third reading <i>[Timing dependent upon Committee stage &amp; House agenda]</i>
<b>Within 7 days of 3<sup>rd</sup> reading</b>	Royal assent and commencement

**Recommended Action**

We recommend you note the contents of this report, and:

- a) agree to lodge the paper seeking approval to introduce the Public Service Amendment Bill, and the Bill itself, for the Cabinet Legislation Committee meeting on 24 July.

*Agree/disagree*

Hon Judith Collins KC  
**Minister for the Public Service**