

# **Social Assistance (Future Focus) Bill**

Government Bill

As reported from the Social Services  
Committee

## **Commentary**

### **Recommendation**

The Social Services Committee has examined the Social Assistance (Future Focus) Bill and recommends by majority that it be passed with the amendments shown.

### **Introduction**

This bill seeks to amend the Children, Young Persons, and Their Families Act 1989, the Education Act 1989, the Income Tax Act 1976, the Income Tax Act 1994, the Income Tax Act 2004, the Income Tax Act 2007, the Social Security Act 1964, and the War Pensions Act 1954. The bill is intended to make a number of changes to social welfare legislation, and is underpinned by two principles—fairness and an unrelenting focus on work. The bill would not reduce the amount beneficiaries receive, but would place more stringent obligations on those in receipt of State welfare.

### **Title of the bill**

The majority of us recommend that the title of the bill be changed to the Social Assistance (New Work Tests, Incentives, and Obligations) Amendment Bill. We are aware of concern about the vagueness of many of the titles given to New Zealand legislation, and agree that legislation should be titled to refer specifically to its intent. We hope a more specific title will clarify the bill's intent for those working with social welfare legislation.

### **Domestic purposes benefit work test start date**

The majority of us recommend inserting new clause 27A to repeal section 103 of the Social Security Act. If the bill is enacted, the effect of section 103 would be to delay the application of the work test requirements to parents on the domestic purposes benefit by four weeks after the youngest child's sixth birthday. If the bill as introduced became law, a parent whose child was aged 6 years or older would be work-tested immediately. However, a parent whose child was younger than 6 at the time of enactment would benefit from this four-week grace period when their youngest child turned 6 years old. The majority of us consider this differing treatment depending on the age of the child at enactment is unfair, and would dilute the bill's focus on work. We have been advised that a sole parent receiving the domestic purposes benefit would be advised in writing of the work test obligations four weeks in advance of their youngest child's sixth birthday by their Work and Income case manager, so would be well aware of their obligations in advance.

### **Unemployment benefit expiry notification**

The majority of us recommend amending clause 25 so that the chief executive would not be required to notify a beneficiary before the expiry of their benefit if the benefit had been suspended temporarily. Most of the people affected would have their benefits suspended because they were in temporary work. We believe it would be preferable for the reapplication and comprehensive work assessment to be carried out if and when the people concerned needed to return to the unemployment benefit. We think it unnecessary to require people to make an appointment for reapplication and a comprehensive work assessment while they are working and the department is aware of

their circumstances. This proposed change would not affect people still in receipt of a benefit; they would still receive notice of the requirement to reapply and be subject to the assessment 20 working days before the expiry date of their benefit.

The majority of us also recommend replacing the term “anniversary date” with “expiry date” to refer to the date on which unemployment beneficiaries would have to reapply for their benefit. The word “anniversary” has connotations of commemoration and continuance, and we believe the term “expiry” is more appropriate and reflects the intent of the bill more accurately.

The bill as introduced is unclear as to whether the reapplication requirement would apply to both the applicant and their partner or just to the applicant. We recommend that clause 25 make it clear the comprehensive work assessment requirement for a re-grant of the benefit would also apply to the work-tested spouse or partner of an applicant.

The majority of us also recommend amending clause 25 to move some of the provisions currently in new section 99AA into a separate new section 99AB.

### **Requirement to carrying out budgeting activities**

The majority of us recommend amending clauses 23 and 37 to give the chief executive of the Ministry of Social Development the power to require a person applying for an advance payment of their benefit to undertake budgeting activities. We consider that it would be more appropriate for powers that may affect people’s financial circumstances (such as access to advance benefit payments) to be included in primary legislation, rather than in regulations as the bill currently provides. At the same time, we recommend that details of the required budgeting activities remain in regulations, for the sake of flexibility.

### **Appeals to a medical Appeal Board**

The majority of us recommend that the consequential amendment to section 53A(1) of the Social Security Act (contained in Schedule 2) be amended, so that all decisions by the chief executive about a sickness beneficiary’s ability to look for part-time work could be appealed to a medical Appeal Board. Under the bill as introduced, only the initial decision to require a sickness beneficiary to comply

with a work test could be appealed and not subsequent decisions to confirm the requirement.

### **Non-compliance with work test activities**

The bill seeks to restructure the penalties for people who fail to comply with their work test obligations. Beneficiaries who did not meet work test requirements for a first time would incur a 50 percent reduction of their main benefit until the obligations were met. (Any supplementary assistance a person might be receiving, such as the accommodation supplement, would not be affected by the sanction). The majority of us recommend that clause 31 be amended so that if a person did not re-comply with their work test obligations within four weeks of the initial penalty, then a further 50 percent reduction would be applied, until the person met their obligations. This would prevent people from choosing to live indefinitely on a reduced benefit rather than comply with their work test requirements. In the case of beneficiaries with young children, existing protections limiting sanctions to a 50 percent reduction would remain.

### **Recognition of nurse practitioners**

We recommend including a definition of “health practitioner” in clause 13, and inserting new clause 14A, in order to allow a wider range of health professionals (specified in regulations) to sign sickness benefit medical certificates. Currently medical certificates can be signed by medical practitioners, midwives, or dentists. Given the increasing role of nurse practitioners in primary health care, we believe it would be sensible for the bill to be amended to allow other health practitioners specified in regulations to sign sickness benefit medical certificates.

### **Consumers price index adjustments**

The bill legislates for benefits to be adjusted annually in line with upward movements in the consumers price index—all groups (CPI). We recommend amending clauses 4, 6, and 22 of the bill and inserting new clause 37A, to replace consumers price index—all groups with the consumers price index—all groups excluding cigarettes and other tobacco products subgroup for the next three years. This is because of the legislated increases on excise duty on tobacco and cigarettes

during the next three years. Our proposed clause 37A would apply this change to CPI adjustments to the income-from-assets exemption in relation to long-term residential care.

### **Technical and consequential amendments**

The majority of us recommend a number of technical and consequential amendments to the bill.

The majority of us recommend inserting new clauses 48A and 48B, to amend the Social Security (Application of Work Test Obligations) Regulations 2007. This amendment would make it clear that the work test obligations, set out in clause 27 (new section 102A(1)(f) of the Social Security Act), would apply on every day of the week.

Currently the partners of people in receipt of the emergency benefit may be liable to work test requirements, even if they are aged 65 or older. As emergency benefit recipients aged 65 and older are not subject to work testing, we do not believe their partners should be either. The majority of us recommend inserting clauses 13(10A) and 20A so that partners of people on the emergency benefit would be treated consistently, and would be required to undergo work testing only if it were appropriate and reasonable to do so.

The majority of us also recommend amending Schedule 1 to include consequential amendments to the Social Security (Application of the Work Test Obligations) Regulations 1998 and the Social Security (Childcare Assistance) Regulations 2004. These amendments reflect changes to work test obligations and the repeal of sections relating to job seeker agreements and job seeker development activities.

The bill would increase the threshold for the disability allowance by \$14 so that couples did not become ineligible for the allowance as a result of the higher income threshold introduced on 1 April 2010. However the bill as introduced lists the pre-April rate, before the allowance's amendment by the Social Security (Rates of Benefits and Allowances) Order 2010. We recommend that clause 39 be amended to increase the rate from \$791.53 to \$807.04 to correct this error.

We recommend inserting new Part 1AA into Schedule 1 of the bill to make a consequential amendment to the Social Security Act. This would increase the abatement threshold for a totally blind invalid's beneficiary from \$312.20 to \$332.20 per week and bring the abatement levels into line with the increases set out in clause 13(3)(a) of

the bill. For cross-referencing purposes we also recommend amending clause 40(1).

We recommend amending Schedule 3 to reflect recent changes made by the Social Security (Rates of Benefits and Allowances) Order 2010 to the rates of childcare assistance.

We recommend that all references in the bill to “the Department of Statistics” be changed to “Statistics New Zealand”, to reflect the correct name of the department.

## **Minority views**

### **New Zealand Labour**

While there are some provisions of the Social Assistance (Future Focus) Amendment Bill that Labour supports, such as increasing benefit abatement income thresholds and the annual CPI adjustment of certain benefits, it is fundamentally opposed to the provisions on work testing, and the discriminatory nature of the Bill. Also of considerable concern is the Minister’s inability to adequately define welfare dependency, which is the underlying reason for this bill.

Labour agrees with the overwhelming majority of the submitters who believed that many of the provisions of the Bill are unwarranted. Many submitters believed that the amendments were a modern form of “beneficiary bashing” such as had been seen in the policies of previous Governments. One reputable submitter, a researcher, believed that the Bill was so flawed that it had no redeeming features and should be withdrawn. The Law Commission was also critical of the Bill believing that the primary Bill was in need of a major rewrite and should state citizen’s rights clearly.

Labour has serious concerns regarding the proposed changes to the sickness benefit and the invalid’s benefit. Setting the limit on work hours at fifteen hours per week is an arbitrary distinction that will disadvantage many beneficiaries. For example, someone who is judged by a medical professional to be able to work slightly less than fifteen hours per week would be eligible for the invalid’s benefit. Another person who was judged able to work slightly more than fifteen hours per week, however, would only be eligible to receive the sickness benefit and thus would have a much lower income. Given the minimal difference in capability to work between the two examples, the proposed system would be obviously unfair.

The proposed changes would also mean that someone with a newly acquired disability would be more likely to receive the sickness benefit than the invalid's benefit, and with it face an increased pressure to work. For someone struggling to deal with significant changes in their life, who may or may not yet have access to necessary equipment (such as a wheelchair) that would enable them to work, eligibility to receive the invalid's benefit would allow them to put their focus where it needs to be—adapting to life with a disability. To be forced onto the sickness benefit rather than the invalid's benefit would be an unnecessary hardship.

In their submission, IHC expressed their concern that people with intellectual disabilities, particularly young school leavers who are unable to find suitable employment, will find it more difficult to qualify for an invalid's benefit. They may instead find themselves on a sickness benefit and face unrealistic expectations about finding work. Many intellectually disabled people who can work need the invalid's benefit as a "safety net" as they transition in and out of work. Changing the criteria for re-applying for this benefit will discriminate against intellectually disabled people, and place undue financial and psychological stress upon them.

Several of the major social service agencies who presented submissions to the Select Committee viewed most of the provisions of this Bill as unnecessary. They believed that the Government's concern about growing welfare dependency was not based on any evidence and that the current system was working well. Labour, along with some of the submitters to this Bill, also believes that it makes little sense continuing with the changes proposed in this Bill before the Government's Welfare Working Group on welfare dependency has reported back with their recommendations for reform.

Not one of the major agencies that work with domestic purposes beneficiaries and with those on unemployment benefits supports the underlying assumptions in the Bill that the changes will "create a fairer benefit system with an unrelenting focus on beneficiaries entering or returning to employment". Rather they believe the Bill will make matters worse for those on benefits and will drive even greater numbers to seek assistance from food banks and other voluntary service support organisations.

Labour believes that the provisions on work testing solo parents are fundamentally flawed. They show little appreciation of the demands

of the parenting role on single parents and limit the ability of case workers to seriously consider individual circumstances on a case by case basis. It shows little appreciation of the effect of having job responsibilities for single parents even when their children are at school. Labour believes these pressures are not reduced because child care responsibilities on single parents are demanding and often require full time attention. Single parents are compared to the model of a two parent household and on that basis the proposals in this Bill reflect the presumption that all single parents with school-age children should be expected to take on employment. Labour believes the current provision of section 154(4) of the Social Security Act are sufficient to signal the importance of work if it can be reasonably factored into the care responsibilities of single parents.

Labour agrees with submitters that the proposals in this Bill do not focus sufficiently on enabling single parents to prepare for the job market while they are single parents. There is evidence that when single parents are able to use the time they have full-time parenting responsibilities to also prepare for the job market by taking up educational opportunities they are able to come off the benefit and enter into sustainable and permanent jobs on reasonable pay. The effect of repealing the current provisions for a personal development and employment plan is that educational opportunities will no longer be considered. Labour is concerned that DPB recipients will only be supported if they choose to take on study at levels 1–3. The changes to the Training Incentive Allowance already set about disadvantaging DPB recipients who opt to take on level 4 or higher qualifications and now this bill will further disadvantage the recipients by acting as deterrent to their enrolling in tertiary education programmes at levels 4 or higher. This will also have a negative impact on the children of DPB recipients.

Furthermore, Labour is concerned that there is no recognition of voluntary work undertaken by some beneficiaries. In many cases this unpaid work provides a valuable service to schools and communities.

Labour believes that these provisions demonstrate that the Government's approach to single parents in this Bill is punitive. No evidence has been presented on the Government's belief that an unrelenting focus on work without taking into account the real demands of parenting will produce better outcomes for children and for parents.



Labour agrees with submitters who were concerned about the amount of power and discretion that is being placed in the hands of case managers. The backgrounds of many beneficiaries are complicated and include abuse, violence, addictions and poverty. The Bill only talks about an unrelenting focus on work and this ideology potentially empowers case managers to pay little attention on other factors and therefore could place the interests of beneficiaries at risk.

Labour is concerned that the select committee did not address the fundamental rights issues raised by the Human Rights Commission and child advocates like Child Poverty Action group. There are breaches of New Zealand's domestic human rights legislation, as well as the UN Convention on the Rights of the Child. This is a discriminatory piece of legislation and has been identified as such by the Attorney-General.

Labour believes that the Government's not having any targets for reducing the number on benefits through the provisions in this Bill shows that it is proceeding from an ideological base rather than one based on good evidence and a real desire to improve the lives of children in single parent households and to enable single parents to prepare for a well-paying job when they enter the labour market.

### **Green Party**

The Green Party believes that this Bill will hurt New Zealand's most vulnerable families, increase their housing and food insecurity, encourage discrimination against beneficiary families, and exacerbate the growing gap between wealthy and poor families.

Of the 71 submissions to the Social Services Select Committee on the Bill, only four were in support of it proceeding. The Green Party shares the concerns of many of the submitters that the Bill is ideologically inspired faith-based legislation that lacks evidential support for its most significant provisions.

That concern is also reflected in comment in the Ministry of Social Development's Regulatory Impact Statement on the Bill:

“There is no research currently available which accurately quantifies the size of the behavioural response from these changes in policies. This prevents estimates, with the degree of accuracy required, from being made of the number of people who will move from benefit to work over a year, as a result of the proposed changes.”

The Green Party does not share the “Work First” ideology that underpins this Bill. The ideology—that any paid work, however menial and at whatever conditions and pay rates, is better than no paid work—risks causing real financial and social harm to some of New Zealand’s most vulnerable citizens and fails to recognise the value of the unpaid work that beneficiaries undertake caring for children or disabled and elderly adults and providing voluntary contributions to their communities.

*Work testing domestic purposes benefit*

The Green Party believes that parents themselves are the people best qualified to make the decision as to how, or if, they balance their childcare responsibilities with paid employment. The Bill will deny parents that choice if they are in receipt of a domestic purposes benefit and their youngest child is aged 6 or over. They will be required to work 15 hours a week, if such work is available, whether or not they consider this is in the interest of their children.

Many parents will find it difficult to obtain quality and affordable childcare, particularly during school holidays when they will still be expected to be working but their children will not be at school. There are significant risks to child welfare of children being left “home alone” under the policy that were identified in a 2002 evaluation of the 1999 reforms that previously imposed a work test on sole parent beneficiaries. That evaluation recommended that further research be undertaken on this risk, but no such further research was done.

The “Work First” approach, coupled with the abolition of the Training Incentive Allowance for tertiary education, risks parents being moved off domestic purposes benefit into lowly paid, temporary, and/or casual employment to satisfy the work test. The Green Party fears this is likely to increase labour market churn, with negative implications for both employers and the individuals concerned who are forced into such employment.

The Green Party also asserts that there is no evidence from the previous occasion when domestic purposes benefit was work tested subsequent to the 1999 reforms that supports the view that a work testing regime has any significant impact in moving domestic purposes beneficiaries into paid work. This is exacerbated by limited availability of part-time work during a recession.

*Benefit abatement*

Prior to the 2008 election the National Party pledged to relax the income tests for benefits so that all income less than \$100 a week was exempt from income testing. That was a proposal that the Green Party supported. However, the Bill retains the current income testing threshold of \$80 for unemployment and sickness beneficiaries. The result is that all unemployment beneficiaries who earn \$100 a week or more will be \$14 a week worse off than if the Government had fully implemented the National Party's pre-election pledge in this regard. This will not only impact negatively on the personal finances of unemployment and sickness beneficiaries who work part-time, but will act as a disincentive for them to undertake additional part-time work.

*Work testing sickness benefit*

The proposals in the Bill to work test sickness beneficiaries appears to be a knee-jerk response to increasing numbers of sickness beneficiaries, but the Green Party is concerned that the Social Services Committee was provided with no evidence that it is likely to be successful in stopping the growth in sickness benefit numbers.

Several submitters referred to a similar approach, taken in Australia in 2006, to an evaluation of that policy that revealed that it was spectacularly unsuccessful in reducing Australian disability support pension numbers, and to comments earlier this year from Australian Minister for Families and Community Services, Jenny Macklin, that "The big stick approach had no impact on the number of people on disability support pensions. In fact, the numbers kept going up. It was a simplistic approach to a complex problem."

The Green Party believes the Australian experience would suggest that work testing sickness beneficiaries is unlikely to achieve its objective of reducing the growth in sickness benefit numbers.

Furthermore, the Green Party is concerned work-testing of sickness beneficiaries could have significant negative impacts, including the added stress of an expectation to look for work, under threat of sanctions such as reduction or loss of benefit, being likely to be detrimental to the health of beneficiaries, particularly those suffering from mental illness.

The Green Party is also concerned that there will be reluctance among employers to employ people with poor employment records due to ill health or disability. Many of those who are employed are likely to get only casual and/or temporary work, so their work test obligations, and the stress they cause, will be ongoing.

## **Appendix**

### **Committee process**

The Social Assistance (Future Focus) Bill was referred to us on 30 March 2010. The closing date for submissions was 14 May 2010. We received and considered 71 submissions from interested groups and individuals. We heard 33 submissions.

We received advice from the Ministry of Social Development.

### **Committee membership**

Katrina Shanks (Chairperson)

Chester Borrows

Hon Annette King (until 21 July 2010)

Tim Macindoe

Todd McClay

Hekia Parata

Dr Rajen Prasad

Carmel Sepuloni (from 21 July 2010)

Su'a William Sio

Metiria Turei

Carmel Sepuloni replaced Su'a William Sio for this item of business until she became a member of the committee on 21 July 2010.

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**Social Assistance (~~Future Focus~~ New  
Work Tests, Incentives, and Obligations)  
Amendment Bill**

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**Key to symbols used in reprinted bill**

**As reported from a select committee**

text inserted by a majority

text deleted by a majority

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*Hon Paula Bennett*

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New Work Tests, Incentives, and  
Obligations) Amendment Bill**

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**The Parliament of New Zealand enacts as follows:**

**1 Title**

This Act is the Social Assistance (~~Future Focus~~ New Work Tests, Incentives, and Obligations) Amendment Act **2010**.

**2 Commencement**

- (1) **Sections 1 to 3, 4(1), 7 to 12, 13(1), 21, 24, 36, and 37** 5  
come into force on the day after the date on which this Act receives the Royal assent.
- (2) **Sections 13(11) to (14) and 16 and Schedule 2** come into force on **2 May 2011**.
- (3) The rest of this Act comes into force on **27 September 2010**. 10

**Part 1**

**Amendments to Children, Young Persons,  
and Their Families Act 1989**

**3 Principal Act amended**

**This Part** amends the Children, Young Persons, and Their Families Act 1989. 15

**4 Payment to person or organisation providing care**

- (1) Section 363 is amended by adding the following subsection:

- “(4) Subsections (1) to (3) do not apply, and must be treated as never having applied, in respect of a child’s or young person’s placement with his or her parent (before or after the commencement of this subsection) if—
- “(a) the child or young person is or was a child or young person to whom section 361 applies or applied; and
  - “(b) under section 362, the child or young person is or was placed in the charge of the parent.”
- (2) Section 363 is further amended by adding the following subsections:
- “(5) The minimum rates of payment determined under subsection (1) in respect of the board and lodgings of children and young persons must be adjusted, by Order in Council, as at 1 April each year so that in each case the new rate is the rate as at that date adjusted by any percentage movement upwards in the CPI between the CPI for the quarter ended with 31 December 1 year before the immediately preceding 31 December and the CPI for the quarter ended with the immediately preceding 31 December.
- “(5A) The adjustments (by any percentage movement upwards in the CPI) required under **subsection (5)** as at 1 April 2011, 1 April 2012, and 1 April 2013 must, despite **subsections (5) and (8)**, be calculated,—
- “(a) if, and insofar as, they relate to movements during quarters that end before 29 April 2010, using index numbers for those quarters of the consumers price index-all groups published by Statistics New Zealand; and
  - “(b) if, and insofar as, they relate to movements during quarters that end after 28 April 2010, using index numbers for those quarters of the consumers price index-all groups excluding cigarettes and other tobacco products published by Statistics New Zealand.
- “(6) An adjustment under **subsection (5)** must not reduce the weekly amounts payable under subsection (1) in respect of the board and lodgings of children and young persons.
- “(7) Every Order in Council made under **subsection (5)** comes into force or is considered to have come into force on 1 April of the calendar year in which it is made, and applies to the rates

payable in respect of the board and lodgings of children and young persons on and after that date.

“(8) In this section, **CPI** means the consumers price index-all groups published by ~~the Department of Statistics~~ Statistics New Zealand.”

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## **Part 2 Amendment to Education Act 1989**

### **5 Principal Act amended**

**This Part** amends the Education Act 1989.

### **6 Student allowances**

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Section 303 is amended by inserting the following subsections after subsection (3A):

“(3B) The rates of student allowances set under this section (except the rates of allowances provided in respect of accommodation expenses) must be adjusted, by regulations made under subsection (1), as at 1 April each year so that in each case the new rate (after the deduction of standard tax) is the rate at that date (after the deduction of standard tax and before the adjustment under this section is made) adjusted by an amount equal to the percentage movement upwards in the CPI between the CPI for the quarter ended with 31 December 1 year before the immediately preceding 31 December and the CPI for the quarter ended with the immediately preceding 31 December.

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“(3BA) The adjustments (by any percentage movement upwards in the CPI) required under **subsection (3B)** as at 1 April 2011, 1 April 2012, and 1 April 2013 must, despite **subsections (3B) and (3E)**, be calculated,—

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“(a) if, and insofar as, they relate to movements during quarters that end before 29 April 2010, using index numbers for those quarters of the consumers price index-all groups published by Statistics New Zealand; and

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“(b) if, and insofar as, they relate to movements during quarters that end after 28 April 2010, using index numbers for those quarters of the consumers price index-all groups excluding cigarettes and other tobacco products published by Statistics New Zealand.

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- “(3C) An adjustment under **subsection (3B)** must not reduce the weekly amounts of student allowances payable.
- “(3D) Every adjustment made under **subsection (3B)** comes into force, or is considered to have come into force, on 1 April of the calendar year in which it is made, and applies to student allowances payable on and after that date. 5
- “(3E) In this section,—
- “**CPI** means the consumers price index-all groups published by ~~the Department of Statistics~~ Statistics New Zealand
- “**standard tax** means the amount of tax reckoned on a weekly basis that would be withholdable in accordance with tax code ‘M’ stated in section 24B of the Tax Administration Act 1994.” 10

**Part 3**  
**Amendments to Income Tax Act 1976,  
Income Tax Act 1994, Income Tax Act  
2004, and Income Tax Act 2007** 15

**7 Purpose**

The purpose of **this Part** is to make amendments to the definitions of **dependent child** in the Income Tax Act 1976, Income Tax Act 1994, Income Tax Act 2004, and Income Tax Act 2007. 20

*Amendment to Income Tax Act 1976*

**8 Interpretation**

- (1) In section 374A, in the definition of **dependent child**, the following is inserted after paragraph (d): 25
- “(da) despite paragraph (d), who is a child or a young person (as defined in section 2(1) of the Children, Young Persons, and Their Families Act 1989)—
- “(i) of whom the person is a parent within the meaning of that Act; and 30
- “(ii) to whom section 361 of that Act applies; and
- “(iii) who, under section 362 of that Act, is placed in the charge of the person; and”.
- (2) **Subsection (1)** applies for the 1991–92 and subsequent income years and only for the purpose of validating payments 35

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of family support credits of tax made under Part 11A of the Income Tax Act 1976 in relation to any of those income years.

*Amendment to Income Tax Act 1994*

**9 Definitions**

- (1) In section OB 1, in the definition of **dependent child**, the following is inserted after paragraph (d): 5
- “(da) despite paragraph (d), who is a child or a young person (as defined in section 2(1) of the Children, Young Persons, and Their Families Act 1989)—
- “(i) of whom the person is a parent within the meaning of that Act; and 10
- “(ii) to whom section 361 of that Act applies; and
- “(iii) who, under section 362 of that Act, is placed in the charge of the person; and”.
- (2) **Subsection (1)** applies for the 1995–96 and subsequent income years and only for the purpose of validating payments of any credits of tax made under subpart KD of the Income Tax Act 1994 in relation to any of those income years. 15

*Amendment to Income Tax Act 2004*

**10 Definitions**

- (1) In section OB 1, in the definition of **dependent child**, the following is inserted after paragraph (d): 20
- “(da) despite paragraph (d), who is a child or a young person (as defined in section 2(1) of the Children, Young Persons, and Their Families Act 1989)— 25
- “(i) of whom the person is a parent within the meaning of that Act; and
- “(ii) to whom section 361 of that Act applies; and
- “(iii) who, under section 362 of that Act, is placed in the charge of the person; and”.
- (2) **Subsection (1)** applies for the 2005–06 and later income years and only for the purpose of validating payments of credits of tax made under subpart KD of the Income Tax Act 2004 made in relation to any of those income years. 30



*Amendment to Income Tax Act 2007*

**11 Definitions**

- (1) In section YA 1, the definition of **dependent child** is replaced by the following:

- “**dependent child**, for a child and a person,— 5
- “(a) means a child—
- “(i) whose care is primarily the responsibility of the person; and
- “(ii) who is maintained as a member of that person’s family; and 10
- “(iii) who is financially dependent on that person:
- “(b) does not include a child in relation to whom—
- “(i) a payment is made under section 363 of the Children, Young Persons, and Their Families Act 1989: 15
- “(ii) a benefit is being paid under section 28 or 29 of the Social Security Act 1964:
- “(c) despite **paragraph (b)(i)**, includes a child or a young person, as defined in section 2(1) of the Children, Young Persons, and Their Families Act 1989,— 20
- “(i) of whom the person is a parent within the meaning of that Act; and
- “(ii) to whom section 361 of that Act applies; and
- “(iii) who, under section 362 of that Act, is placed in the charge of the person”. 25

- (2) **Subsection (1)** applies for the 2008–09 and later income years.

**Part 4**

**Amendments to Social Security Act 1964**

- 12 Principal Act amended** 30  
**This Part** amends the Social Security Act 1964.

**13 Interpretation**

- (1) The definition of **dependent child** in section 3(1) is repealed and the following definition substituted:

- “**dependent child**, in relation to any person,— 35
- “(a) means a child—

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- “(i) whose care is primarily the responsibility of the person; and  
“(ii) who is being maintained as a member of that person’s family; and  
“(iii) who is financially dependent on that person: 5  
“(b) does not include a child in respect of whom payments are being made under section 363 of the Children, Young Persons, and Their Families Act 1989:  
“(c) despite **paragraph (b)**, includes a child or a young person (as defined in section 2(1) of the Children, Young Persons, and Their Families Act 1989)— 10  
“(i) of whom the person is a parent within the meaning of that Act; and  
“(ii) to whom section 361 of that Act applies; and  
“(iii) who, under section 362 of that Act, is placed in 15  
the charge of the person:  
“(d) for the purposes only of Schedules 3, 6, 9, 16, 17, and 18 of this Act, does not include a child in respect of whom an orphan’s benefit or an unsupported child’s benefit is being paid”. 20
- (2) Section 3(1) is amended by inserting the following definitions in their appropriate alphabetical order:  
“**employment plan** has the meaning specified in section 600  
“**health practitioner** means a person who is, or is deemed to be, registered with an authority as a practitioner of a particular health profession under the Health Practitioners Competence Assurance Act 2003 25  
“**work-tested domestic purposes beneficiary** means a person—  
“(a) who has been granted a domestic purposes benefit under section 27B; and 30  
“(b) whose youngest dependent child is aged 6 years or older, but under 18 years, or is aged 18 years and is a child in respect of whom that benefit is paid, or continues to be paid, under section 63A”. 35
- (3) The definition of **Income Test 1** in section 3(1) is amended by—  
(a) omitting “\$80” and substituting “\$100”:

- (b) omitting “\$180” in each place where it appears and substituting in each case “\$200”.
- (4) The definition of **Income Test 2** in section 3(1) is amended—
- (a) by omitting “\$80” and substituting “\$100”:
- (b) by omitting “\$180” in each place where it appears and substituting in each case “\$200”. 5
- (5) The definition of **Income Test 3** in section 3(1) is repealed and the following definition substituted:
- “**Income Test 3** means that the applicable rate of benefit must be reduced by 70 cents for every \$1 of total income of the beneficiary and his or her spouse or partner which is more than,—
- 10
- “(a) if the rate of benefit is a rate of New Zealand superannuation stated in clause 2 of Schedule 1 of the New Zealand Superannuation and Retirement Income Act 2001, \$100 a week; or
- 15
- “(b) in any other case, \$80 a week”.
- (6) The definition of **Income Test 5** in section 3(1) is repealed.
- (7) Paragraph (a) of the definition of **part-time work-tested beneficiary** in section 3(1) is amended by inserting “or a work-tested domestic purposes beneficiary” after “work-tested spouse or partner”. 20
- (8) The definition of **personal development and employment plan** in section 3(1) is repealed.
- (9) The definition of **work-tested beneficiary** in section 3(1) is amended by adding the following paragraph: 25
- “(f) a work-tested domestic purposes beneficiary”.
- (10) The definition of **work-tested benefit** in section 3(1) is amended by repealing paragraph (e) and substituting the following paragraphs: 30
- “(e) in relation to a work-tested spouse or partner—
- “(i) a sickness benefit; or
- “(ii) an emergency benefit; or
- “(iii) an invalid’s benefit; or
- “(f) in relation to a work-tested domestic purposes beneficiary, a domestic purposes benefit under section 27B”. 35
- (10A) Paragraph (b) of the definition of **work-tested spouse or partner** in section 3(1) is amended by omitting “either”.

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- (10B) Paragraph (c) of the definition of **work-tested spouse or partner** in section 3(1) is amended by omitting “or an emergency benefit”.
- (10C) The definition of **work-tested spouse or partner** in section 3(1) is amended by inserting the following paragraph after paragraph (c): 5
- “(ca) the spouse or partner of a person granted an emergency benefit at a work-tested married rate if the chief executive has, under **section 61A(1A)**, required that spouse or partner to comply with the work test; or”. 10
- (11) Section 3(1) is amended by inserting the following definition in its appropriate alphabetical order:
- “**work-tested sickness beneficiary** means a person granted a sickness benefit who is required under **section 54DA(1)** to comply with the work test”. 15
- (12) Section 3(1) is amended by repealing the definition of **part-time work-tested beneficiary** and substituting the following definition:
- “**part-time work-tested beneficiary** means—
- “(a) a person with a youngest dependent child aged 6 or older, but under 18 years, and who is— 20
- “(i) a work-tested spouse or partner; or
- “(ii) a work-tested domestic purposes beneficiary; or
- “(b) a person who is a work-tested sickness beneficiary”.
- (13) The definition of **work-tested beneficiary** in section 3(1) is amended by adding “; or” and also by adding the following paragraph: 25
- “(g) a work-tested sickness beneficiary”.
- (14) The definition of **work-tested benefit** in section 3(1) is amended by adding “; or” and also by adding the following paragraph: 30
- “(g) in relation to a work-tested sickness beneficiary, a sickness benefit”.
- 14 Domestic purposes benefits for solo parents**
- Section 27B is amended by repealing subsection (2A) and substituting the following subsection: 35
- “(2A) A person who receives a benefit under this section must—

- “(a) comply with—
  - “(i) a requirement under section 60Q; and
  - “(ii) any other obligation arising under any of sections 60Q to 60S; or
- “(b) comply with the work test if that person is a work-tested domestic purposes beneficiary.” 5

**14A Sickness benefit: medical examinations**

Section 54B(1) is amended by adding “; or” and also by adding the following paragraph:

- “(d) a health practitioner of a kind specified in regulations made under section 132 (in respect of a condition within the ambit of his or her scope of practice).” 10

**15 Rates of sickness benefit**

- (1) Section 54D(1) is amended by omitting “, unless subsection (2) applies”. 15
- (2) Section 54D(2) is repealed.

**16 New section 54DA inserted**

- (1) The following section is inserted after section 54D:

**“54DA Sickness beneficiary may be required to comply with work test”** 20

- “(1) The chief executive may, by notice in writing, require a person who is granted a sickness benefit under section 54 to comply with the work test from a date specified in the notice if the chief executive, having regard to the certificate and any report obtained under section 54B, is satisfied that the person has, while receiving that benefit, the capacity to seek, undertake, and be available for part-time work. 25
- “(2) The date specified in a notice under **subsection (1)**,—
  - “(a) in the case of a new grant of the benefit, may be the date on which the benefit is first paid; but 30
  - “(b) in any case, must not be a date before the date on which the chief executive reasonably considers the person will receive the notice.

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“(3) The chief executive may at any time, whether on the application of the person or otherwise, review a requirement under **subsection (1)** and may confirm or revoke it.”

(2) The principal Act is consequentially amended in the manner set out in **Schedule 2** of this Act. 5

**17 Independent youth benefits: obligations**

(1) Section 60GAB(2)(a) is amended by omitting “the person has previously agreed in writing to undertake”.

(2) Section 60GAB(2)(b) is amended by inserting “when required by the chief executive,” before “to be”. 10

**18 Interpretation**

(1) The definition of **personal development and employment plan** or **plan** in section 60O is repealed.

(2) Section 60O is amended by inserting the following definition in its appropriate alphabetical order: 15

“**employment plan** means a plan that—

“(a) has goals to assist the beneficiary to move towards employment:

“(b) sets out a plan of action designed to meet the goals referred to in **paragraph (a)**, including the activities that will be undertaken by the beneficiary to facilitate the achievement of those goals: 20

“(c) includes a statement of the information the department will provide to assist the beneficiary to do 1 or more of the following: 25

“(i) achieve the goals referred to in **paragraph (a)**:

“(ii) improve his or her employment capabilities:

“(iii) obtain employment:

“(d) includes, if agreed to by the chief executive, a statement of the assistance that the department will provide to assist the beneficiary to do 1 or more of the things described in **paragraph (c)(i) to (iii)**”. 30

- 19 Purpose of sections 60Q to 60Z**  
Section 60P(a) is amended by inserting “(other than work-tested domestic purposes beneficiaries)” after “domestic purposes beneficiaries”.
- 20 Personal development and employment plans** 5  
Section 60Q(6)(a) is amended by repealing subparagraph (ii) and substituting the following subparagraph:  
“(ii) a benefit under section 27B (the domestic purposes benefit for solo parents) if the recipient has a dependent child under the age of 6 years; or” 10
- 20A Obligations of spouse or partner of person granted emergency benefit**  
Section 61A is amended by inserting the following subsection after subsection (1):  
“(1A) The chief executive may, by notice in writing, require the spouse or partner of a person granted an emergency benefit at a work-test married rate to comply with the work test if the chief executive is satisfied that it is appropriate and reasonable to require that spouse or partner to seek, undertake, and be available for— 15  
“(a) part-time work, in the case of a spouse or partner whose youngest dependent child is aged 6 or older but under 18 years; or 20  
“(b) full-time employment, in any other case.”
- 21 Interpretation** 25  
(1) The definition of **accommodation costs** in section 61E(1) is amended by repealing paragraph (a) and substituting the following paragraph:  
“(a) in relation to premises rented by the person, the amount payable by the person for rent of the premises, excluding any service costs included in that rent and any arrears:” 30  
(2) Paragraph (b) of the definition of **accommodation costs** in section 61E(1) is amended by inserting “any service costs and” after “excluding”. 35

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- (3) Section 61E(1) is amended by inserting the following definition in its appropriate alphabetical order:

“**service costs**, in relation to any premises,—

“(a) means the cost as reasonably determined by the chief executive of any services (for example, electricity supply, gas supply, telephone network connection, or broadband Internet connection) provided to or in connection with the premises for consumption or use by the occupants of the premises; but

“(b) does not include the cost of water supplied to the premises”.

**22 New section 61HA inserted**

The following section is inserted after section 61H:

“**61HA Annual CPI adjustment of rates of certain benefits**

“(1) In this section, **CPI** means the consumers price index-all groups published by ~~the Department of Statistics~~ Statistics New Zealand.

“(2) The rates of benefits set out in Schedules 3, 4, 6, 9, 16, 17, and 26, and in clause 1 of Schedule 22 must be adjusted, by Order in Council, as at 1 April each year so that in each case the new rate is the rate at that date adjusted by any percentage movement upwards in the CPI between the CPI for the quarter ended with 31 December 1 year before the immediately preceding 31 December and the CPI for the quarter ended with the immediately preceding 31 December.

“(2A) The adjustments (by any percentage movement upwards in the CPI) required under **subsection (2)** as at 1 April 2011, 1 April 2012, and 1 April 2013 must, despite **subsections (1) and (2)**, be calculated,—

“(a) if, and insofar as, they relate to movements during quarters that end before 29 April 2010, using index numbers for those quarters of the consumers price index-all groups published by Statistics New Zealand; and

“(b) if, and insofar as, they relate to movements during quarters that end after 28 April 2010, using index numbers for those quarters of the consumers price index-all groups excluding cigarettes and other tobacco products published by Statistics New Zealand.



- “(3) An adjustment under **subsection (2)** must not reduce the weekly amounts of benefits payable under those schedules.
- “(4) Every Order in Council made under **subsection (2)** comes into force or is considered to come into force on 1 April of the calendar year in which it is made, and applies to benefits payable on and after that date. 5
- “(5) Section 61H(3) to (6) apply to every Order in Council made under **subsection (2)** as if that order were made under that section.”

**23 Payment of benefits** 10

Section 82 is amended by inserting the following subsections after subsection (6):

- “(6A) Despite subsection (3), if the immediate needs of the beneficiary relate to the supply of any goods or services to the beneficiary or a member of the beneficiary’s family, the chief executive may pay the whole or any part of an advance payment of a benefit under subsection (6) to the supplier of the goods or services. 15
- “(6AB) The chief executive may, in circumstances prescribed by regulations made under **section 132K**, require a beneficiary who applies for an advance payment of a benefit under subsection (6), or the beneficiary’s spouse or partner, or both, to undertake to the satisfaction of the chief executive a budgeting activity of a kind specified in regulations made under **section 132K**. 20 25
- “(6B) **Subsection (6C)** applies in respect of an applicant for an advance payment of a benefit under subsection (6) if the chief executive is satisfied that—
- “(a) the applicant or the applicant’s spouse or partner has failed to take reasonable steps to reduce his or her costs or increase his or her income or better manage his or her finances; or 30
- “(b) the applicant or the applicant’s spouse or partner has failed to take all necessary steps to obtain any assistance towards his or her costs from any other source from which he or she may be entitled to assistance; or 35

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“(c) the applicant or the applicant’s spouse or partner has failed to comply with any requirement of the chief executive to undertake a budgeting activity under ~~regulations made under section 432K subsection (6AB).~~

“(6C) If this subsection applies, the chief executive may refuse to make an advance payment of a benefit under subsection (6), or any subsequent advance payment of a benefit, to or in respect of the applicant.” 5

**24 New section 86K inserted**

The following section is inserted after section 86J: 10

**“86K Validation of benefit payments and other payments in respect of certain children in care**

“(1) This section applies to any payment before the commencement of this section of a benefit or other assistance under this Act to a person in respect of a child who is a dependent child within the meaning of **paragraph (c)** of the definition of that term in section 3(1) (as that definition was substituted by **section 13(1)** of the Social Assistance (Future Focus New Work Tests, Incentives, and Obligations) Amendment Act **2010**). 15

“(2) The payment must be taken to be, and to always have been, as valid and authorised as if that definition were in force, and applied in respect of the payment, when it was made.” 20

**25 New section sections 99AA and 99AB inserted**

The following ~~section is~~ sections are inserted after section 99:

**“99AA Unemployment benefit: expiry ~~and requirements for re-grant~~** 25

“(1) If it has not ceased earlier, an unemployment beneficiary’s entitlement to the unemployment benefit ceases on the ~~beneficiary’s anniversary date~~ expiry date for that benefit (as defined in **subsection (9)**), and the benefit expires on that date; ~~but the~~ (but an unemployment benefit may be re-granted under section 99AB if the beneficiary reapplies for the benefit in accordance with ~~**subsection (3)**~~ that section. 30

“(2) The chief executive must, not less than 20 working days before the expiry date for an unemployment beneficiary’s anniversary date ~~benefit~~, give notice to the beneficiary stating— 35

- “(a) that entitlement to the benefit will cease unless the beneficiary reapplies for the benefit and it is re-granted; and
- “(b) the date on which entitlement to the benefit will cease; and
- “(c) what the beneficiary must do to reapply for the benefit and the time within which he or she must do so. 5
- “(2A) **Subsection (2)** does not apply if, at the time the chief executive is required to give notice under that subsection, the unemployment benefit—
- “(a) is suspended because the beneficiary is undertaking temporary employment; or 10
- “(b) is not for the time being payable under this Act (for example, under section 76 or 77); or
- “(c) is suspended under any provision of this Act other than section 117. 15
- “(2B) However, if at any time before the expiry date for the benefit any of the circumstances described in **subsection (2A)** no longer exist, then the chief executive must, as soon as practicable, take reasonable steps to advise the beneficiary of the matters set out in **paragraphs (a) to (c) of subsection (2).** 20
- ~~“(3) No unemployment benefit may be re-granted under this section unless—~~
- ~~“(a) the department has received—~~
- ~~“(i) a reapplication form (provided by the chief executive for the purpose) completed by or on behalf of the beneficiary and his or her spouse or partner (if any) to the chief executive’s satisfaction; and~~ 25
- ~~“(ii) any supporting evidence reasonably required by the chief executive; and~~ 30
- ~~“(b) the beneficiary has participated, to the satisfaction of the chief executive, in a comprehensive work assessment of a kind specified by the chief executive.~~
- ~~“(4) If, in relation to a person, the requirements of **subsection (3)** are completed on or before the anniversary date, —~~ 35
- ~~“(a) the chief executive must re-grant the person’s unemployment benefit if the chief executive is satisfied that the person meets or continues to meet the eligibility criteria for the benefit set out in section 89.~~

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- ~~“(b) if re-granted, the benefit commences on the person’s anniversary date.~~
- ~~“(5) If, in relation to a person, the requirements of **subsection (3)** are completed after, but within 20 working days after, the person’s anniversary date and the chief executive is satisfied that there were exceptional circumstances why those requirements could not have been completed on or before that date,—~~
- ~~“(a) the chief executive must re-grant the person’s unemployment benefit if the chief executive is satisfied that—~~
- ~~“(i) the person meets the eligibility criteria for the benefit set out in section 89; and~~
- ~~“(ii) after the person’s anniversary date, and unless exceptional circumstances prevented the person from doing so, the person continued to—~~
- ~~“(A) seek, and be available for, full-time employment; and~~
- ~~“(B) be willing and able to undertake it; and~~
- ~~“(C) take reasonable steps to find it.~~
- ~~“(b) if re-granted, the benefit commences on the person’s anniversary date.~~
- ~~“(6) If a person intending to reapply for an unemployment benefit contacts the department on or before the person’s anniversary date,—~~
- ~~“(a) the chief executive may set a time (not later than 10 working days after the person’s anniversary date) for completing the requirements of **subsection (3)**; and~~
- ~~“(b) if those requirements are completed within that time, the chief executive may re-grant the benefit under **subsection (5)**.~~
- ~~“(7) **Subsections (4) to (6)** override section 11D(1).~~
- ~~“(8) An unemployment benefit must not be re-granted under this section to a person, and any reapplication form received from or on behalf of the person must be treated as an application form for the purposes of section 11D(2), if the requirements of **subsection (3)**—~~
- ~~“(a) are not completed within 20 working days after the person’s anniversary date; or~~
- ~~“(b) were completed within that time but after the person’s anniversary date, and the chief executive is satisfied that~~

~~there were no exceptional circumstances why those re-  
quirements could not have been completed on or before  
that anniversary date.~~

~~“(9) In this section, **anniversary date**, in relation to a person to  
whom this section applies, means the day that is the 12-month  
anniversary of the date on which the person’s unemployment  
benefit commenced.~~ 5

“(9) In this section and in **section 99AB**,—  
“**expiry date**, in relation to an unemployment benefit, means  
the day that is the 12-month anniversary of the date on which  
the benefit commenced or last commenced, as the case may be  
“**unemployment beneficiary** means—  
“(a) a person who has been granted an unemployment bene-  
fit under section 89; or  
“(b) a person who has been re-granted an unemployment  
benefit under **section 99AB**. 15

“**99AB Unemployment benefit: requirements for re-grant**

“(1) No unemployment benefit may be re-granted under this sec-  
tion to a person to whom **section 99AA** applies unless—  
“(a) the department has received— 20  
    “(i) a reapplication form (provided by the chief ex-  
ecutive for the purpose) completed by or on be-  
half of the beneficiary and his or her spouse or  
partner (if any) to the chief executive’s satisfac-  
tion; and 25  
    “(ii) any supporting evidence reasonably required by  
the chief executive; and  
“(b) the beneficiary and the beneficiary’s work-tested spouse  
or partner (if any) have participated, to the satisfaction  
of the chief executive, in a comprehensive work assess-  
ment of a kind specified by the chief executive. 30

“(2) **Subsection (1)(b)** is subject to **subsection (8)**.

“(3) If, in relation to a person, the requirements of **subsection (1)**  
are completed on or before the expiry date for the person’s  
unemployment benefit,— 35  
“(a) the chief executive must re-grant the person’s unem-  
ployment benefit if the chief executive is satisfied that

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- the person meets or continues to meet the eligibility criteria for the benefit set out in section 89:
- “(b) if re-granted, the benefit commences on that expiry date.
- “(4) If, in relation to a person, the requirements of **subsection (1)** are completed after, but within 20 working days after, the expiry date for the person’s unemployment benefit, and the chief executive is satisfied that there were exceptional circumstances why those requirements could not have been completed on or before that date,— 5
- “(a) the chief executive must re-grant the person’s unemployment benefit if the chief executive is satisfied that— 10
- “(i) the person meets the eligibility criteria for the benefit set out in section 89; and
- “(ii) after that expiry date, and unless exceptional circumstances prevented the person from doing so, the person continued to— 15
- “(A) seek, and be available for, full-time employment; and
- “(B) be willing and able to undertake it; and
- “(C) take reasonable steps to find it:” 20
- “(b) if re-granted, the benefit commences on that expiry date.
- “(5) If a person intending to reapply for an unemployment benefit contacts the department on or before the expiry date for the person’s unemployment benefit,—
- “(a) the chief executive may set a time (not later than 10 working days after that expiry date) for completing the requirements of **subsection (1)**; and 25
- “(b) if those requirements are completed within that time, the chief executive may re-grant the benefit under **subsection (4)**. 30
- “(6) **Subsections (1) to (5)** override section 11D(1).
- “(7) An unemployment benefit must not be re-granted under this section to a person, and any reapplication form received from or on behalf of that person must be treated as an application form for the purposes of section 11D(2), if the requirements of **subsection (1)**— 35
- “(a) are not completed within 20 working days after the expiry date for the person’s unemployment benefit; or

- “(b) were completed within that time but after that expiry date, and the chief executive is satisfied that there were no exceptional circumstances why those requirements could not have been completed on or before that expiry date.” 5
- “(8) For the purposes of this section, a failure of a beneficiary’s work-tested spouse or partner to participate in a comprehensive work assessment in accordance with **subsection (1)(b)**—
- “(a) must not be treated as a failure to complete the requirements of **subsection (1)**; but 10
- “(b) must be treated as a failure by that spouse or partner to comply with his or her work test obligations.”
- 26 New section 101 inserted**
- The following section is inserted before section 102: 15
- “101 Purpose of sections 102 to 123D**
- The purpose of sections **102** to 123D is—
- “(a) to ensure that work-tested beneficiaries maintain an unrelenting focus on entering, or returning to, employment: 20
- “(b) to reinforce the continuing obligation of work-tested beneficiaries to take reasonable steps to support themselves and their families:
- “(c) to identify the activities that work-tested beneficiaries may be required to undertake to meet their obligations arising from work-tested benefits being paid in respect of them: 25
- “(d) to provide a work test structure applying to all work-tested beneficiaries that is sufficiently flexible to take account of an individual beneficiary’s circumstances.” 30
- 27 New sections 102 and 102A substituted**
- Section 102 is repealed and the following sections are substituted:
- “102 Application of work test**
- “(1) The work test applies to a person while he or she is a work-tested beneficiary, and unless **subsection (2)** applies, the person is subject to the obligations of the work test set out in **sec-** 35

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**tion 102A** from the date on which the work-tested benefit is first paid.

“(2) The work test does not apply to a work-tested beneficiary if the chief executive is satisfied that the beneficiary is undertaking employment of the kind required to satisfy the work test for that beneficiary. 5

“(3) A work test obligation set out in **section 102A** applies on—

“(a) a day that is a day between Monday and Friday (inclusive); or

“(b) a day of the week on which regulations under this Act provide (in relation to the obligation, obligations that include it, or all obligations) that it applies. 10

**“102A Work test obligations**

“(1) The work test obligations are—

“(a) to be available for, and take reasonable steps to obtain, suitable employment; and 15

“(b) to accept any offer of suitable employment, including temporary employment or employment that is seasonal or subsidised; and

“(c) to attend and participate in an interview for any opportunity of suitable employment to which the beneficiary is referred by the chief executive; and 20

“(d) when required by the chief executive, to attend and participate in any interview with an officer of the department or other person on behalf of the chief executive; and 25

“(e) when required by the chief executive, to undertake planning for employment; and

“(f) when required by the chief executive, to participate in or, as the case requires, undertake any of the following activities that the chief executive considers suitable for the beneficiary to improve the beneficiary’s work-readiness or prospects for employment: 30

“(i) any work assessment specified by the chief executive: 35

“(ii) any programme or seminar specified by the chief executive to increase particular skills or enhance motivation:



- “(iii) a work experience or work exploration activity specified by the chief executive:
- “(iv) employment-related training specified by the chief executive:
- “(v) any other activity specified by the chief executive (including rehabilitation but not medical treatment); and 5
- “(g) to report to the department on his or her compliance with his or her work test obligations as often, and in the manner, as the chief executive from time to time reasonably requires; and 10
- “(h) in the case of a person in respect of whom a job seeker agreement was in force immediately before the commencement of **section 29** of the Social Assistance (~~Future Focus~~ New Work Tests, Incentives, and Obligations) Amendment Act **2010**, and until directed otherwise by the chief executive,— 15
- “(i) to undertake the job-search activities set out in the agreement; and
- “(ii) to undertake and complete any job seeker development activity or recognised community activity described in the agreement (subject to the chief executive’s taking reasonable steps to arrange for the person to undertake the activity); and 20
- “(iii) to undertake and complete any other activities set out in the agreement.” 25
- “(2) **Subsection (1)(f)** applies whether or not a beneficiary is subject to a sanction for failing to comply with the work test.
- “(3) A person cannot be required under **subsection (1)** to undertake activity in the community (whether or not it is included in a job seeker agreement that continues to apply to him or her under **subsection (1)(h)**). 30
- “(4) The failure by a beneficiary to undertake or complete a recognised community activity or activity in the community, as set out in a job seeker agreement that continues to apply to him or her, is not a failure to comply with a work test obligation for the purpose of section 115(1)(a). 35

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Amendment Bill**

Part 4 cl 27A

“(5) If the chief executive requires a beneficiary to undertake an activity under **subsection (1)(f)**, the chief executive must take reasonable steps to arrange for the beneficiary to undertake that activity.”

**27A Section 103 repealed** 5  
Section 103 is repealed.

**28 Exemption from obligations**

(1) Section 105(1) is amended by omitting “the work test” and substituting “some or all of his or her work test obligations”.

(2) Section 105(5) is amended by omitting “the work test” and substituting “all of his or her work test obligations”. 10

**29 Sections 105A, 105B, and 105D and heading above section 105A repealed**

Sections 105A, 105B, and 105D and the heading above section 105A are repealed. 15

**30 Section 110 and heading above section 110 repealed**

Section 110 and the heading above section 110 are repealed.

**31 Sanctions that may be imposed for failures**

(1) Section 117(1) is amended by repealing paragraph (a) and substituting the following paragraph: 20

~~“(a) for a first failure, the person’s benefit must be reduced by 50% until the person complies:~~

“(a) for a first failure,—

“(i) the person’s benefit must be reduced by 50% until the person complies; and 25

“(ii) if the person has not complied within 4 weeks after the date on which the reduction took effect, the person’s benefit must be reduced by a further 50% (so that the total reduction is 100%) until the person complies:”. 30

(2) Section 117 is amended by adding the following subsection:

“(4) If a person’s unemployment benefit is reduced or suspended under subsection (1) and the person is re-granted an unem-

ployment benefit under **section 99AA 99AB**, the reduction or suspension continues to apply to the re-granted unemployment benefit on and after its commencement until the person recomplies.”

- 32 Calculation of failure rate** 5
- (1) Section 119(1)(a) is amended by omitting “but” and substituting “and”.
- (2) Section 119(1) is amended by inserting the following paragraph after paragraph (a):
- “(ab) if the benefit being paid in respect of the beneficiary is a work-tested benefit (**benefit A**), may count applicable failures incurred while another work-tested benefit was earlier paid in respect of the beneficiary (**benefit B**) if benefit A and benefit B have been paid continuously in respect of the beneficiary; but” 10 15
- (3) Section 119 is amended by inserting the following subsection after subsection (3):
- “(3A) For the purpose of subsection (1)(a), the chief executive must treat an unemployment benefit that expires under **section 99AA**, and any unemployment benefit re-granted to the beneficiary under ~~that section~~ **section 99AB**, as the same benefit.” 20
- (4) Section 119(5) is amended by omitting “subsection (2)” and substituting “subsection (3)”.
- 33 Modified effect in some cases of sanctions on rate of benefit for people married or in civil union or de facto relationship** 25
- (1) Section 120(1) is amended by omitting “suspension” and substituting “reduction, suspension,”.
- (2) Section 120 is amended by inserting the following subsection after subsection (1): 30
- “(1A) If the reduction, suspension, or cancellation under section 117 of a benefit payable at a work-test married rate results from failures of both spouses or partners to comply with work test obligations, and they have no dependent children,—
- “(a) the reduction, suspension, or cancellation in respect of each spouse or partner applies only to 50% of the ap- 35

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Amendment Bill**

Part 4 cl 34

- plicable rate of the benefit before abatement on account of income payable in respect of that spouse or partner; and
- “(b) any amount of the benefit payable to the spouses or partners after that reduction, suspension, or cancellation is applied is subject to the appropriate income test but at half the abatement rate under that test.” 5
- (3) Section 120(2) is amended by—
- (a) omitting “under section” and substituting “under section 60H or”: 10
- (b) inserting “section 60H(3) applying to both work-tested spouses or partners or” after “from”.
- 34 Meaning of recompliance**
- Section 122 is amended by repealing paragraph (a) and substituting the following paragraph: 15
- “(a) in the case of a work-tested beneficiary, an activity that is the same as, or substantially similar to, the activity that the person failed to comply with under the applicable work test obligation; or”.
- 35 Regulations** 20
- Section 123D(a) is amended by omitting “the work test” and substituting “some or all of their work test obligations”.
- 36 Regulations relating to childcare assistance**
- Section 132AC(2) to (4) are repealed.
- 37 New section 132K inserted** 25
- The following section is inserted after section 132J:
- “132K Regulations relating to advance payments of benefit**
- “(1) The Governor-General may, by Order in Council, make regulations for the purpose of section 82(6) (which relates to advance payments of a benefit), including, without limitation, provisions that— 30
- “(a) specify the manner and form in which an application for advance payments of a benefit may be made under that section, which may differ depending on the number of

times the beneficiary has applied for advance payments of a benefit under that section, or for special assistance under section 124(1)(d), or for both:

- ~~“(b) authorise the chief executive to require a beneficiary who applies for an advance payment of a benefit, or the beneficiary’s spouse or partner, or both, to undertake to the satisfaction of the chief executive a budgeting activity of a kind specified in regulations made under this section.”~~ 5
- “(c) define the kinds of budgeting activities that the chief executive may require a person to undertake under **paragraph (b) section 82(6AB)** and the terms and conditions of those activities: 10
- “(d) prescribe the circumstances in which the power referred to in **paragraph (b) section 82(6AB)** may be exercised. 15

“(2) Nothing in **subsection (1)** limits section 132.”

**37A Regulations relating to this Part**

Section 155 is amended by inserting the following subsection after subsection (2): 20

- “(2A) The adjustments (by any percentage movement in the All Groups index number of the New Zealand Consumers Price Index) required under subsection (2) as at 1 July 2011, 1 July 2012, and 1 July 2013 must, despite that subsection, be calculated,— 25
- “(a) if, and insofar as, they relate to movements during quarters that end before 29 April 2010, using, for those quarters, the All Groups index numbers of the New Zealand Consumers Price Index published by Statistics New Zealand; and 30
- “(b) if, and insofar as, they relate to movements during quarters that end after 28 April 2010, using, for those quarters, the All Groups excluding cigarettes and other tobacco products index numbers of the New Zealand Consumers Price Index published by Statistics New Zealand.” 35

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Amendment Bill**

Part 4 cl 38

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- 38 Schedule 8 repealed**  
Schedule 8 is repealed.
- 39 Schedule 31 amended**  
Clause 12 of Schedule 31 is amended by omitting “~~\$791.53~~  
807.04” and substituting “\$821.04”. 5
- 40 Consequential amendments**  
(1) The principal Act is amended in the manner indicated in **Parts 1AA to 7 of Schedule 1** of this Act.  
(2) The regulations specified in **Part 8 of Schedule 1** of this Act are amended in the manner indicated in that Part. 10

*Transitional provisions*

- 41 Transitional provision relating to personal development and employment plans**  
Any personal development and employment plan made and in force immediately before the commencement of this Act is to be treated as an employment plan made under section 60Q of the principal Act (as amended by this Act). 15
- 42 Transitional provisions relating to job seeker agreements and job seeker development activities**  
(1) Despite the commencement of this Act, any job seeker agreement in force before the commencement of this Act continues in force for the purpose of **section 102A(1)(h)** of the principal Act until the chief executive directs otherwise under that paragraph. 20  
(2) Despite the commencement of this Act, any job seeker development activity defined, and any conditions of any job seeker development activity specified, under section 110 (before its repeal by this Act) continue in force for the purpose of **section 102A(1)(h)** of the principal Act . 25

- 43 Transitional provisions relating to sanctions under former section 117(1)(a)**
- (1) In this section, **former section 117(1)(a)** means section 117(1)(a) of the principal Act as it read before its repeal and substitution by this Act. 5
- (2) This section applies to a beneficiary who,—
- (a) on the commencement of this Act, is subject to a sanction of suspension of his or her benefit imposed under the former section 117(1)(a); or
- (b) before the commencement of this Act, has been given 10  
written notice under section 113(2) of the principal Act of the chief executive’s decision to impose a sanction of suspension of benefit under the former section 117(1)(a) that specifies that the sanction is to take effect on a date that is on or after the commencement of this Act. 15
- (3) For the purposes of completing or imposing the sanction referred to in **subsection (2)**, the former section 117(1)(a) continues to apply to a beneficiary to whom this section applies as if this Act had not been enacted.
- 44 Transitional provision relating to exemptions from the work test** 20
- Every exemption from the work test granted under section 105(1) of the principal Act before the commencement of this Act and in force on that commencement must, until the exemption is varied or revoked under subsection (6) of that section, 25  
be treated as an exemption from all work test obligations.
- Amendments to Social Security (Childcare Assistance) Regulations 2004*
- 45 Social Security (Childcare Assistance) Regulations 2004 amended** 30
- Sections 46 to 48** amend the Social Security (Childcare Assistance) Regulations 2004.
- 46 Rate of childcare subsidy**
- Regulation 18 is amended by revoking subclause (1) and substituting the following subclause: 35

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Amendment Bill**

Part 4 cl 47

- “(1) A childcare subsidy is payable,—
- “(a) until the close of **27 September 2013**, at the appropriate rate stated in **Schedule 2** to a person who was receiving childcare assistance on or at any time within the period of 12 months before the commencement of this subclause; or
  - “(b) if **paragraph (a)** does not apply to the person, at the appropriate rate stated in **Schedule 1**.”
- 47 New regulation 24 substituted** 10  
Regulation 24 is revoked and the following regulation substituted:
- “24 Rate of OSCAR subsidy**  
An OSCAR subsidy is payable,—
- “(a) until the close of **27 September 2013**, at the appropriate rate stated in **Schedule 2** to a person who was receiving childcare assistance on or at any time within the period of 12 months before the commencement of this subclause; or
  - “(b) if **paragraph (a)** does not apply to the person, at the appropriate rate stated in **Schedule 1**.” 20
- 48 New Schedules 1 and 2 substituted**  
The Schedule is revoked and the **Schedules 1** and **2** set out in **Schedule 3** of this Act are substituted.
- Amendment to Social Security (Application of  
Work Test Obligations) Regulations 2007* 25
- 48A Social Security (Application of Work Test Obligations) Regulations 2007 amended**  
**Section 48B** amends the Social Security (Application of Work Test Obligations) Regulations 2007.
- 48B Application of work test obligations** 30  
Regulation 4 is amended by inserting the following subclause after subclause (2):
- “(2A) The work test obligation set out in **section 102A(1)(f)** of the Act applies Monday to Sunday (inclusive).”**



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**Part 5**  
**Amendments to War Pensions Act 1954**

**49 Principal Act amended**

**This Part** amends the War Pensions Act 1954.

**50 Interpretation**

5

The definition of **Income Test 3** in section 67(1) is amended by omitting “\$80” and substituting “\$100”.

**51 Abatement**

(1) Section 74D(3)(a) and (4)(a) are amended by omitting “\$80” and substituting in each case “\$100”.

10

(2) Section 74D is amended by omitting “\$180” in each place where it appears and substituting in each case “\$200”.

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<b>Schedule 1</b>	<b>s 40</b>
<b>Consequential amendments to <del>Social Security Act 1964</del></b>	
<b><u>Part 1AA</u></b>	
<b><u>Amendment to Social Security Act 1964 consequential on amendments to definition of Income Test 1 in section 3(1)</u></b>	<b>5</b>
<b><u>Schedule 6</u></b>	
<b><u>Clause 2: omit “\$312.20” and substitute “\$332.20”.</u></b>	
<b><u>Part 1</u></b>	<b>10</b>
<b><u>Amendment to Social Security Act 1964 consequential on repeal of definition of Income Test 5 in section 3(1)</u></b>	
<b>Section 61H(1)(b)</b>	
Omit “Income Test 4, and Income Test 5” and substitute “and Income Test 4”.	15
<b><u>Part 2</u></b>	
<b><u>Amendment to Social Security Act 1964 consequential on amendments to section 60GAB</u></b>	<b>20</b>
<b>Section 60F(5)</b>	
Insert “educational course or” after “in an”.	
<b><u>Part 3</u></b>	
<b><u>Amendments to Social Security Act 1964 consequential on amendments to section 60O (definition of employment plan)</u></b>	<b>25</b>
<b>Heading to section 60Q</b>	
Omit “ <b>Personal development and employment</b> ” and substitute “ <b>Employment</b> ”.	

Part 3—*continued*

**Section 60Q(1)(ab)**

Omit “personal development and”.

**Section 60Q(1)(b)**

Omit “a personal development and” and substitute “an”.

**Section 60Q(1)(c) and (ca)**

Omit “personal development and”.

5

**Section 60Q(1)(d)**

Omit “plan” in each place where it appears and substitute in each case “employment plan”.

**Section 60Q(3)(a)**

Omit “a personal development and” and substitute “an”.

Omit “the plan” and substitute “the employment plan”.

10

**Section 60Q(3)(b)**

Omit “personal development and”.

Omit “a plan” and substitute “an employment plan”.

15

**Section 60Q(3)(c)**

Omit “a personal development and” and substitute “an”.

Omit “a plan” and substitute “an employment plan”.

**Section 60Q(3A) and (3B)**

Omit “personal development and” in each place where it appears.

20

**Section 60Q(4)**

Omit “A personal development and” and substitute “An”.

**Heading to section 60R**

Omit “personal development and”.

Part 3—*continued*

**Section 60R(1)**

Omit “A personal development and” and substitute “An”.

**Section 60R(2) and (3)**

Omit “a personal development and” and substitute in each case “an”.

**Section 60R(3) and (4)**

5

Omit “the plan” in each place where it appears and substitute in each case “the employment plan”.

**Section 60R(4)**

Omit “personal development and”.

**Heading to section 60S**

10

Omit “personal development and”.

**Section 60S(1)**

Omit “a personal development and” and substitute “an”.

**Section 60S(2) and (4)**

Omit “personal development and”.

15

**Section 60S(4)**

Omit “other plan” and substitute “other employment plan”.

**Section 60S(5)**

Omit “a personal development and” and substitute “an”.

Omit “the plan” in each place where it appears and substitute in each case “the employment plan”.

20

Omit “that plan” in each place where it appears and substitute in each case “that employment plan”.

**Section 60S(5A)**

Omit “plan” and substitute “employment plan”.

25

Part 3—*continued*

**Heading to section 60T**

Omit “personal development and”.

**Section 60T**

Omit “a personal development and” and substitute “an”.

**Section 60T(a) and (b)**

5

Omit “a plan” and substitute in each case “an employment plan”.

**Section 60T(c) to (e)**

Omit “plan” and substitute in each case “employment plan”.

**Heading to section 60U**

Omit “personal development and”.

10

**Section 60U(1)(b) and (2)(a)**

Omit “personal development and”.

**Section 60U(3) and (4)**

Omit “a personal development and” and substitute in each case “an”.

**Section 60U(3)(a) and (b)**

15

Omit “plan” in each place where it appears and substitute in each case “employment plan”.

**Section 60V(3)(c)**

Omit “personal development and”.

Insert “employment” after “new”.

20

**Section 60W**

Omit “personal development and” in each place where it appears.

Part 3—*continued*

**Section 60W(3)**

Omit “beneficiary’s plan” and substitute “beneficiary’s employment plan”.

**Heading to section 60Y**

Omit “personal development and” 5

**Section 60Y(4)(b)**

Omit “personal development and”.

**Section 77(4)(b)(i)**

Omit “personal development and”.

**Section 123C(1)(b)**

Omit “a personal development and” and substitute “an”. 10

Part 4

**Amendment to Social Security Act 1964  
consequential on insertion of new section  
61HA**

15

**Schedule 22: clause 2**

Omit “\$~~34.87~~35.55 a week” and substitute “the amount specified in clause 1”.

---

<b>Part 5</b> <b>Amendments to <u>Social Security Act 1964</u></b> <b>consequential on substitution of section 102</b> <b>and repeal of sections 105A, 105B, 105D,</b> <b>and 110</b>	5
<b>Section 3(1)</b> Definition of <b>employment required to satisfy the work test</b> : repeal and substitute: “ <b>employment required to satisfy the work test</b> means,— “(a) for a part-time work-tested beneficiary, part-time work: “(b) for any other work-tested beneficiary, full-time employ- ment”.	10
Definition of <b>work test</b> : omit “102(2)” and substitute “ <b>102A(1)</b> ”.	
<b>Section 12J(4)</b> Repeal.	15
<b>Section 88A</b> Definition of <b>job seeker agreement</b> : repeal. Definition of <b>job seeker development activity</b> : repeal.	
<b>Section 104A(2)(c)</b> Omit “included in a job seeker agreement signed by the beneficiary”.	20
<b>Section 105C</b> Omit “, before he or she signs a job seeker agreement,”. Paragraphs (b) and (d): repeal. Paragraph (e): omit “the job seeker agreement” and substitute “his or her work test obligations”.	25
<b>Section 111</b> Subsection (1): insert “(before its repeal and substitution by <b>sec- tion 27</b> of the Social Assistance ( <del>Future Focus</del> <u>New Work Tests, Incentives, and Obligations</u> ) <u>Amendment</u> Act <b>2010</b> )” after “section 102(2)(f)”.	30

Part 5—*continued*

**Section 111**—*continued*

Add:

“(5) This section applies only in respect of a beneficiary to whom **section 102A(1)(h)** for the time being applies.”

**Section 112**

Repeal.

5

**Section 115(2)**

Repeal.

**Section 115(3)**

Omit “in the beneficiary’s job seeker agreement”.

Paragraph (a): omit “in the person’s job seeker agreement” and substitute “by the department”.

10

Paragraph (b): omit “in the agreement” and substitute “by the department”.

**Section 115(4)**

Insert “activity required under **section 102A(1)(f)** or” after “completing any”.

15

Omit “in his or her job seeker agreement”.

**Section 123B(1)(b)(i)**

Omit “job seeker development activities” and substitute “activities of the kind referred to in **section 102A(1)(f)**”.

20

**Section 123C(1)(a)**

Omit “job seeker agreement” and substitute “work test obligations”.

Omit “job seeker activity” and substitute “job search activity”.



Part 6

Amendments to Social Security Act 1964  
consequential on substitution of section  
117(1)(a) (sanctions) and amendments to  
section 120

5

**Section 60H(5)**

Insert “120, 121,” after “sections”.

**Section 113(2)**

Insert “reduce or” after “must not”.

Paragraph (c): omit “suspending” and substitute “reducing, suspend- 10  
ing.”.

Paragraphs (d) and (e): omit “suspension” in each place where it  
appears and substitute in each case “reduction, suspension”.

Paragraph (f): insert “reduce or” after “the decision to”.

**Section 113(3)**

15

Omit “suspension” and substitute “reduction, suspension.”.

Part 7

Amendments to Social Security Act 1964  
consequential on repeal of Schedule 8

**Section 3(1)**

20

Paragraph (a) of the definition of **work-test married rate**: omit “8  
or”.

**Section 135(5)**

Omit “Schedule 8” and substitute “Schedule 9”.

Part 8

25

Consequential amendments to regulations

**Social Security (Application of Work Test Obligations)**  
**Regulations 2007 (SR 2007/230)**

Regulation 4(1): omit “102(2)(b), (c), and (g)(ii)” and substitute  
“102A(1)(b), (c), and (h)(ii)”.

30

**Social Assistance (~~Future Focus~~ New  
Work Tests, Incentives, and Obligations)  
Amendment Bill**

Part 8—continued

**Social Security (Application of Work Test Obligations)**  
**Regulations 2007 (SR 2007/230)—continued**

Regulation 4(3) and (4): omit “102(2)(g)(ii)” and substitute in each case “**102A(1)(h)(ii)**”.

Regulation 4(3)(a): insert “(before its repeal by **section 27** of the Social Assistance (New Work Tests, Incentives, and Obligations) Amendment Act **2010**)” after “Act”.

5

**Social Security (Childcare Assistance) Regulations 2004 (SR 2004/268)**

Definition of **job seeker agreement** in regulation 3(1): omit “of the kind described in section 105A of the principal Act” and substitute “continued in force by **section 42** of the Social Assistance (New Work Tests, Incentives, and Obligations) Amendment Act **2010**”.

10

Regulation 15(c): omit “or section 123B of the principal Act”.

Regulation 15: insert after paragraph (c):

“(ca) any activity specified in **section 102A(1)(f)** of the principal Act that the caregiver is required to undertake under that section or is undertaking under section 123B of the principal Act:”.

15

Regulation 21(b): omit “or section 123B of the principal Act”.

Regulation 21: insert after paragraph (b):

“(ba) any activity specified in **section 102A(1)(f)** of the principal Act that the caregiver is required to undertake under that section or is undertaking under section 123B of the principal Act:”.

20

**Schedule 2**

**s 16(2)**

**Consequential amendments to the Social  
Security Act 1964 relating to work-testing  
of sickness beneficiaries**

- Section 53A(1)** 5  
Insert the following ~~paragraph~~ paragraphs after paragraph (ba):  
“(bab) under **section 54DA(1)**, the chief executive requires  
a sickness beneficiary to comply with the work test; or  
“(bac) under **section 54DA(3)**, the chief executive confirms  
a requirement under **section 54DA(1)** (that a sickness  
beneficiary complies with the work test); or”. 10
- Section 54(7)**  
Insert “(other than a person required to comply with the work test  
under **section 54DA(1)**)” after “this section”.
- Section 60H(2)** 15  
Insert the following paragraph after paragraph (a):  
“(ab) a person who is an applicant for a sickness benefit if the  
chief executive would be able to require him or her to  
comply with the work test under **section 54DA(1)** from  
the date on which the benefit is first paid; or” 20
- Section 60P(ab)**  
Insert “(other than work-tested sickness beneficiaries)” after “sick-  
ness beneficiaries”.
- Section 60Q(6)(a)(v)** 25  
Insert “, unless the person is a work-tested sickness beneficiary” after  
“benefit”.
- Section 102(1) (as substituted by section 27 of this Act)**  
Repeal and substitute:  
“(1) The work test applies to a person while he or she is a work-  
tested beneficiary, and unless **subsection (2)** applies, the per- 30

**Social Assistance (~~Future Focus~~ New  
Work Tests, Incentives, and Obligations)  
Amendment Bill**

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Schedule 2

**Section 102(1) (as substituted by section 27 of this Act)**—*continued*

son is subject to the obligations of the work test set out in **section 102A** from,—

- “(a) in the case of a work-tested sickness beneficiary, the date specified in the chief executive’s notice under **section 54DA(1)**; or
- “(b) in any other case, the date on which the work-tested benefit is first paid.”

5

**Schedule 3**

**s 48**

**New Schedules 1 and 2 of Social Security  
(Childcare Assistance) Regulations 2004**

**Schedule 1**

rr 18, 24

**Rates of childcare and OSCAR subsidies**

5

- |   |   |  |
|---|---|--|
| 1 | For a principal caregiver with 1 dependent child where household income before the deduction of income tax is—            |  |
|   | (a) less than \$1,200 a week  | <del>\$3.63</del> <u>3.70</u> per hour |
|   | (b) \$1,200 or more but less than \$1,300 a week  | <del>\$2.52</del> <u>2.57</u> per hour |
|   | (c) \$1,300 or more but less than \$1,400 a week  | <del>\$1.40</del> <u>1.43</u> per hour |
|   | (d) \$1,400 or more a week  | Nil                                    |
| 2 | For a principal caregiver with 2 dependent children where household income before the deduction of income tax is—         |  |
|   | (a) less than \$1,380 a week  | <del>\$3.63</del> <u>3.70</u> per hour |
|   | (b) \$1,380 or more but less than \$1,490 a week  | <del>\$2.52</del> <u>2.57</u> per hour |
|   | (c) \$1,490 or more but less than \$1,600 a week  | <del>\$1.40</del> <u>1.43</u> per hour |
|   | (d) \$1,600 or more a week  | Nil                                    |
| 3 | For a principal caregiver with 3 or more dependent children where household income before the deduction of income tax is— |  |
|   | (a) less than \$1,540 a week  | <del>\$3.63</del> <u>3.70</u> per hour |
|   | (b) \$1,540 or more but less than \$1,670 a week  | <del>\$2.52</del> <u>2.57</u> per hour |
|   | (c) \$1,670 or more but less than \$1,800 a week  | <del>\$1.40</del> <u>1.43</u> per hour |
|   | (d) \$1,800 or more a week  | Nil                                    |
-

**Social Assistance (~~Future Focus~~ New  
Work Tests, Incentives, and Obligations)  
Amendment Bill**

Schedule 3

**Schedule 2**

rr 18, 24

**Rates of childcare and OSCAR subsidies  
applicable until close of 27 September  
2013 for persons receiving childcare  
assistance on 27 September 2010 or  
who received childcare assistance at any  
time within the 12-month period before  
27 September 2010**

5

- |   |   |  |
|---|---|--|
| 1 | For a principal caregiver with 1 dependent child where household income before the deduction of income tax is—            |  |
|   | (a) less than \$1,274 a week  | <del>\$3.63</del> <u>3.70</u> per hour |
|   | (b) \$1,274 or more but less than \$1,380 a week  | <del>\$2.52</del> <u>2.57</u> per hour |
|   | (c) \$1,380 or more but less than \$1,486 a week  | <del>\$1.40</del> <u>1.43</u> per hour |
|   | (d) \$1,486 or more a week  | Nil                                    |
| 2 | For a principal caregiver with 2 dependent children where household income before the deduction of income tax is—         |  |
|   | (a) less than \$1,465 a week  | <del>\$3.63</del> <u>3.70</u> per hour |
|   | (b) \$1,465 or more but less than \$1,581 a week  | <del>\$2.52</del> <u>2.57</u> per hour |
|   | (c) \$1,581 or more but less than \$1,698 a week  | <del>\$1.40</del> <u>1.43</u> per hour |
|   | (d) \$1,698 or more a week  | Nil                                    |
| 3 | For a principal caregiver with 3 or more dependent children where household income before the deduction of income tax is— |  |
|   | (a) less than \$1,634 a week  | <del>\$3.63</del> <u>3.70</u> per hour |
|   | (b) \$1,634 or more but less than \$1,772 a week  | <del>\$2.52</del> <u>2.57</u> per hour |
|   | (c) \$1,772 or more but less than \$1,910 a week  | <del>\$1.40</del> <u>1.43</u> per hour |
|   | (d) \$1,910 or more a week  | Nil                                    |
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**Social Assistance (~~Future Focus~~ New  
Work Tests, Incentives, and Obligations)  
Amendment Bill**

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**Legislative history**

23 March 2010	Introduction (Bill 125-1)
30 March 2010	First reading and referral to Social Services Committee

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