## SOCIAL SECURITY AMENDMENT BILL (NO. 2)

### EXPLANATORY NOTE

Clause 1 relates to the Short Title.

#### PART I

#### MONETARY BENEFITS

*Clause 2* amends section 36 of the principal Act to provide for advances of family benefit to be made available for the purchase, on or after 1 September 1984, of approved child restraints for use in motor vehicles.

An advance may be made more than once in respect of the same child.

*Clause 3, subclause (1)* repeals the Eighteenth Schedule to the principal Act, and substitutes a new Eighteenth Schedule setting out the rates and method of assessment of accommodation benefits. The changes contained in the new Schedule are as follows:

- (a) The maximum grant of accommodation benefit is increased from \$32 to \$36 a week:
- (b) The lowest accommodation costs (i.e. rent or outgoings on a home) for which accommodation benefit can be paid is increased from \$26 to \$30 a week.

Subclause (2) provides for consequential repeals.

Subclause (3) gives the Social Security Commission authority to continue an existing grant of accommodation benefit as if the changes effected by subclause (1) had not been made.

Subclause (4) provides that any accommodation benefit continued under subclause (3) is to be reassessed under the new Eighteenth Schedule from the date the grant is first renewed or reviewed.

Subclause (5) provides for the clause to take effect on and after 7 November 1984.

*Clause 4, subclause (1)* repeals the Nineteenth Schedule to the principal Act, and substitutes a new Nineteenth Schedule increasing the maximum rate of a disability allowance and a handicapped child's allowance from \$14 to \$14.50 a week.

Subclause (2) provides for consequential repeals.

Subclause (3) gives the Social Security Commission authority to continue an existing grant of disability allowance as if the change effected by subclause (1) had not been made.

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Subclause (4) provides that any disability allowance continued under subclause (3) is to be reassessed under the new Nineteenth Schedule from the date the allowance is first renewed or reviewed.

Subclause (5) provides for the clause to take effect on and after 7 November 1984.

### PART II

### MEDICAL AND HOSPITAL BENEFITS AND OTHER RELATED BENEFITS

*Clause 5* amends section 88 (1) of the principal Act by substituting new definitions of "hospital patient" and "hospital treatment" for existing definitions.

The amendments are intended to make it clear that persons who are being maintained in hospital but who are not receiving medical or surgical treatment or nursing care are not receiving "hospital treatment".

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Hon. Ann Hercus

# SOCIAL SECURITY AMENDMENT (NO. 2)

ANALYSIS

Title 1. Short Title

### PART I

MONETARY BENEFITS 2. Advance payment of family benefit 3. Accommodation benefit  Increasing rates of handicapped child's allowance and disability allowance on and after 7 November 1984

PART II

MEDICAL AND HOSPITAL BENEFITS AND OTHER RELATED BENEFITS

5. Interpretation Schedules

## A BILL INTITULED

# An Act to amend the Social Security Act 1964

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as 5 follows:

1. Short Title—This Act may be cited as the Social Security Amendment Act (No. 2) 1984, and shall be read together with and deemed part of the Social Security Act 1964\* (hereinafter referred to as the principal Act).

> \*R.S. Vol. 13, p. 403 Amendment: 1983, No. 138

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## PART I

### **MONETARY BENEFITS**

2. Advance payment of family benefit—(1) Section 36 (1) (c) of the principal Act (as substituted by section 8 of the Social Security Amendment Act 1978) is hereby amended by adding 5 the word "; or".

(2) Section 36 (1) of the principal Act is hereby amended by adding the following paragraph:

"(d) A child for whom a child restraint approved under

section 77B of the Transport Act 1962 is to be or 10 has been purchased on or after the 1st day of September 1984."

(3) Section 36 of the principal Act is hereby amended by repealing subsection (3), and substituting the following subsection:

"(3) A lump sum payment under paragraph (c) or paragraph (d) of subsection (1) of this section may be made more than once in respect of the same child:

"Provided that the aggregate of payments made under the said paragraph (c) shall not exceed the equivalent of 52 weeks' 20 family benefit payable in respect of the child."

**3. Accommodation benefit**—(1) The principal Act is hereby amended by repealing the Eighteenth Schedule (as substituted by section 13 (1) of the Social Security Amendment Act 1983), and substituting the Eighteenth Schedule set out in the First 25 Schedule to this Act.

(2) Section 13 of, and the Third Schedule to, the Social Security Amendment Act 1983 are hereby consequentially repealed.

(3) Notwithstanding the provisions of subsections (1) and (2) of 30 this section, if any person was, immediately before the commencement of this section, in receipt of an accommodation benefit under section 61E of the principal Act, the Commission shall continue to assess and pay the benefit as if this section had not been enacted. 35

(4) The rate of any accommodation benefit continued under subsection (3) of this section shall be reassessed in accordance with the provisions of the Eighteenth Schedule to the principal Act (as substituted by subsection (1) of this section) from the date the benefit is first renewed under section 80 (4) of the 40 principal Act or is first reviewed under section 81 (1) of that Act, whichever is sooner.

(5) This section and the First Schedule to this Act shall come into force on the 7th day of November 1984.

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4. Increasing rates of handicapped child's allowance and disability allowance on and after 7 November 1984—(1) The principal Act is hereby amended by repealing the Nineteenth Schedule (as substituted by section 14 (1) of the Social Security

Amendment Act 1983), and substituting the Nineteenth Schedule set out in the **Second** Schedule to this Act. (2) Section 14 of, and the Fourth Schedule to, the Social

(2) Section 14 of, and the Fourth Schedule to, the Social Security Amendment Act 1983 are hereby consequentially repealed.

10 (3) Notwithstanding the provisions of subsections (1) and (2) of this section, if any person was, immediately before the commencement of this section, in receipt of a disability allowance under section 69c of the principal Act, the Commission shall continue to assess and pay the allowance as 15 if this section had not been enacted.

(4) The rate of any disability allowance continued under **subsection (3)** of this section shall be reassessed in accordance with the provisions of the Nineteenth Schedule to the principal Act (as substituted by **subsection (1)** of this section) from the

20 date the allowance is first renewed under section 80 (4) of the principal Act or is first reviewed under section 81 (1) of that Act, whichever is sooner.

(5) This section and the **Second** Schedule to this Act shall come into force on the 7th day of November 1984.

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## PART II

## MEDICAL AND HOSPITAL BENEFITS AND OTHER RELATED BENEFITS

5. Interpretation—(1) Section 88 (1) of the principal Act is hereby amended by repealing the definitions of the terms
30 "hospital patient" and "hospital treatment", and substituting the following definitions:

" 'Hospital patient' means a person for the time being maintained in a hospital for the purpose of receiving hospital treatment:

" 'Hospital treatment' means all medical and surgical treatment, and nursing care, afforded in any hospital to a patient; and includes the maintenance in the hospital of any such patient:".

(2) Section 7 (1) of the Social Security Amendment Act 196740 is hereby consequentially repealed.

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## **SCHEDULES**

### FIRST SCHEDULE

Section 3 (1)

### NEW EIGHTEENTH SCHEDULE TO PRINCIPAL ACT

### "EIGHTEENTH SCHEDULE

Sections 61F, 61F

### (Effective on and after 7 November 1984)

#### **R**ATES OF ACCOMMODATION BENEFIT

- 1. To any unmarried person without a dependent child or children
- 2. To any married couple or solo parent with a dependent child or children
- Two-thirds of the amount (but not exceeding \$36 a week) by which the applicant's weekly rent or weekly outgoings on any property, occupied by him as a home, exceeds \$30 a week, or by which his weekly board payments exceed \$35 a week, diminished by \$1 a week in respect of each complete \$1 of the applicant's weekly income in excess of \$8 a week.
- Two-thirds of the amount (but not exceeding \$36 a week) by which the couple's or solo parent's weekly rent or weekly outgoings on any property, occupied by the couple or solo parent as a home, exceeds \$30 a week, or by which the couple's or solo parent's weekly board payments exceed \$58 a week, diminished by \$1 a week in respect of each complete \$1 of the couple's or solo parent's weekly income in excess of \$12 a week.

3. For the purposes of clauses 1 and 2 of this Schedule, an applicant's or couple's or solo parent's weekly income shall be deemed to be the applicant's or couple's or solo parent's actual income (other than that derived from cash assets) plus \$1 a week for each \$100 of the applicant's or couple's or solo parent's cash assets.

4. In computing for the purposes of this Schedule the income of a solo parent receiving a widow's or domestic purposes benefit, the Commission may, in its discretion, disregard as income some or all of that part of the beneficiary's personal earnings (not exceeding \$20 a week) used to meet the cost of placing a dependent child or children of the beneficiary in a day care centre registered under the Child Care Centre Regulations 1960, or in any other day care facility approved by the Commission for the purpose.

5. After computing, in accordance with this Schedule, the amount of accommodation benefit payable, that amount may be rounded up to the next complete 50 cents."

## SECOND SCHEDULE

### Section 4 (1)

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# NEW NINETEENTH SCHEDULE TO PRINCIPAL ACT

(Effective on and after 7 November 1984)

## "NINETEENTH SCHEDULE

Sections 39A, 69C

RATES OF HANDICAPPED CHILD'S ALLOWANCE AND DISABILITY ALLOWANCE.

 Rate of handicapped child's \$14.50 a week. allowance
 Maximum rate of disability allowance—

 (a) If section 69c
 (b) In any other case
 \$14.50 a week."

> WELLINGTON, NEW ZEALAND: Printed under the authority of the New Zealand Government by P. D. HASSELBERG, Government Printer—1984 19219A—84PT/MT