

## SOCIAL SECURITY AMENDMENT BILL (NO. 2)

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### EXPLANATORY NOTE

THIS Bill amends the Social Security Act 1964.

*Clause 1, subclause (1)* relates to the Short Title.

*Subclause (2)* provides that *clauses 8 to 12* are to come into force on the date on which the Bill (when passed) receives the Governor-General's assent, and are to apply in respect of persons dying on or after that date.

*Subclause (3)* provides that the existing provisions relating to benefits on death are to continue to apply in respect of persons dying before that date.

*Clause 2* rewrites section 10 (6) of the principal Act which provides for applicants and beneficiaries to apply to the Social Security Commission for a review of any decision made by a person exercising the Commission's powers under a delegation.

The ambit of that provision is extended to include decisions against which a liable parent has a right of appeal under section 12j (1) of the principal Act.

*Clause 3* amends section 27i of the principal Act.

The amendment provides that for the purpose of the liable parent scheme the term "employer" includes the Accident Compensation Corporation and the term "salary or wages" includes earnings related compensation.

*Clause 4* amends section 27j of the principal Act.

That section provides for the suspension of a maintenance order or maintenance agreement while a domestic purposes benefit is being paid. The payment of maintenance must resume if the benefit is cancelled.

The amendment provides that payment of maintenance in respect of a child is to resume if the child ceases to be in the care of the beneficiary.

*Clause 5* amends section 27zc of the principal Act to correct a drafting error.

*Clause 6* amends section 36 of the principal Act relating to advance payments of family benefit.

The amendment provides for family benefit to be paid in advance in respect of all or any of the children of a multiple birth.

*Clause 7* amends section 61B (3) of the principal Act. The amendment is a consequential one which should have been included in the Social Security Amendment Act 1980.

*Clause 8* amends section 61D of the principal Act.

Certain lump sum payments are made under section 61DC of the principal Act to children of deceased persons. The amendment provides that those payments are also to be made to a child on the death of the person who was caring for the child on a continuous basis.

In addition, a payment is to be made to a child in respect of whom an orphan's benefit was payable on the date of death of the person who was caring for the child.

*Clause 9* amends section 61DC of the principal Act which relates to the payment of a lump sum on death subject to an income and means test.

Paragraph (a) provides that only the spouse's and children's share of the deceased person's estate is to be taken into account in applying the means test.

Paragraph (b) increases the value of that share above which a lump sum is not payable from \$6,000 to \$10,000.

Paragraph (c) increases the maximum sum payable to the surviving spouse of a deceased person from \$1,000 to \$1,200.

Paragraph (d) increases the sum payable in respect of each surviving child from \$500 to \$600.

*Clause 10* amends section 61DD of the principal Act which provides for the payment of a lump sum not exceeding \$500 to meet the funeral expenses of a person who dies without leaving a spouse or child.

Paragraph (a) increases the maximum amount from \$500 to \$600.

Paragraph (b) provides for the deduction of administration expenses before determining whether funeral costs can be met from the deceased person's estate.

*Clause 11* repeals section 61DE of the principal Act, which relates to the payment, subject to an income and means test, of a lump sum on the death of a child, and substitutes a new section.

The new section makes the following changes:

(a) The ambit of the section is extended to include children in respect of whom an orphan's benefit was payable:

(b) The amount payable is increased from \$500 to \$600:

(c) The person or persons to receive payment is specified as the person or persons whom the Social Security Commission in each case determines was caring for the deceased child on the date of death. (At present the parents or guardian is specified):

(d) The value of the assets of the prospective recipient above which the lump sum is not payable is increased from \$6,000 to \$10,000.

*Clause 12* repeals section 61DG of the principal Act and thus removes the time limit of 6 months on applications for lump sum payments after death.

*Clause 13* makes 2 amendments to section 61H of the principal Act, under which the rates of benefits may be altered by Order in Council, as follows:

(a) The rates of disability allowances and handicapped children's allowances may now be increased by Order in Council:

(b) The "hospital" rate of benefit set out in the new Twenty-second Schedule (see *clause 25*) may be increased by Order in Council.

*Clause 14* amends section 62 of the principal Act. The amendment is a consequential one which should have been included in the Social Security Amendment Act 1982.

*Clause 15*, which is deemed to come into force on 6 November 1985, amends section 69C of the principal Act relating to disability allowances.

The effect of the first amendment is to remove the requirement that sickness and unemployment beneficiaries must have been receiving the sickness or unemployment benefit for at least 26 weeks before becoming entitled to a disability allowance.

The second amendment relates to the special disability allowance payable to the spouse of a hospital patient where the hospital patient is receiving a reduced benefit. The amendment provides for the amount of the allowance to be specified in the Nineteenth Schedule rather than in the section itself.

*Clause 16* amends section 70 of the principal Act, which relates to the reduction of benefits where an overseas benefit or pension is payable.

The first amendment makes it clear that the section is to apply where a beneficiary receives an overseas benefit or pension in respect of the beneficiary's spouse, and where the beneficiary's spouse receives an overseas benefit or pension, whether or not the spouse is dependent on the beneficiary.

The second amendment makes it clear that any compensation from an overseas country which is similar to compensation for injury or death under the Accident Compensation Act 1982 is to be treated in the same manner, for social security purposes, as New Zealand accident compensation payments.

*Clause 17* amends section 75 of the principal Act which relates to the rates of benefits payable to long-term hospital patients.

The amendment provides for the "hospital" rate of benefit to be specified in the new Twenty-second Schedule (see *clause 25*) rather than in the section itself.

*Clause 18* repeals section 79 of the principal Act, which provides that persons liable for New Zealand income tax on earnings while employed overseas are deemed to be resident in New Zealand for the purpose of satisfying any residential qualification, and substitutes a new section.

The present section also applies to a wife overseas with her earning husband.

The new section extends the benefit of the provision to a husband overseas with his earning wife.

*Clause 19* amends section 82 of the principal Act to include the Public Service Investment Society Limited as an organisation with which a beneficiary may have an account into which a benefit may be paid by the Social Security Commission.

*Clause 20* amends section 86 of the principal Act, which provides for the recovery of money paid to any person not entitled to it.

The amendment extends the operation of the section to payments of money by way of a grant of special assistance under an approved welfare programme.

*Clause 21* amends section 86L of the principal Act which relates to the renewal of family care grants.

At present a grant can be renewed for a period not exceeding 28 weeks. The amendment provides for a grant to be renewed for such period as the Commission determines.

*Clause 22* amends the Sixth Schedule to the principal Act which sets out the rates of invalids' benefits.

The amendment provides that, in computing the income of such a beneficiary, the Commission is to disregard that part of the beneficiary's income (but not exceeding \$20 a week) earned by the beneficiary's own efforts.

*Clause 23* increases the following allowances on and after 6 November 1985:

- (a) Handicapped child's allowance, from \$14.50 to \$19 a week;
- (b) Maximum rate of disability allowance, from \$14.50 to \$26 a week;
- (c) Rate of special disability allowance payable to the spouse of a hospital patient where the hospital patient is receiving a reduced benefit, from \$10 to \$15 a week.

*Clause 24* repeals the Twentieth Schedule to the principal Act, relating to the rates of contributions by liable parents to the cost of domestic purposes benefit, and substitutes a new Schedule.

The new Schedule makes the following changes:

- (a) The allowance for personal expenses of a liable parent is increased from \$70 to \$100 a week (from \$40 to \$55 a week for those boarding);
- (b) The maximum amount of accommodation expenses which can be claimed is increased by \$40 to \$110 a week;
- (c) The maximum amount which can be claimed for travel expenses to and from work is increased by \$20 to \$40 a week;
- (d) The maximum amount which can be claimed for an adult who is dependent on the liable parent is increased by \$30 to \$100 a week.

*Clause 25* adds a new Twenty-second Schedule to the principal Act.

The new Schedule specifies the rates of benefits payable to long-term hospital patients under section 75 of the principal Act.

In addition, the new Schedule increases the "hospital" rate of benefit from \$10 to \$15 a week on and after 6 November 1985.

*Clause 26* amends the Department of Social Welfare Act 1971 to provide for the appointment of one or more Deputy Directors-General of Social Welfare.

*Clause 27* amends the State Services Act 1962 to provide for the new position of Deputy Director-General of Social Welfare to be exempt from appeal.

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*Hon. Ann Hercus*

## SOCIAL SECURITY AMENDMENT (NO. 2)

### ANALYSIS

Title	
1. Short Title and commencement	14. Grant or renewal of benefit after death of applicant
2. Delegation of powers of Commission	15. Disability allowance
3. Deduction notices for earnings related compensation	16. Rate of benefits if overseas pension payable
4. Maintenance order or agreement suspended while benefit paid, etc.	17. Beneficiaries in hospital
5. Variation or discharge of deduction notice	18. Persons liable for income tax on earnings while employed overseas deemed to be resident in New Zealand
6. Advance payment of family benefit	19. Payment of benefits
7. Application of maintenance provisions to child supplement	20. Recovery of payments of welfare programme assistance grants in excess of entitlement
8. Interpretation	21. Renewal of family care grants
9. Payment of lump sum subject to income and means test	22. Income exemption for invalids' benefits
10. Payment of unmarried person's funeral expenses	23. Increasing rates of handicapped child's allowance and disability allowance on and after 6 November 1985
11. Payment of lump sum on death of child, subject to income and means test	24. New Twentieth Schedule substituted
12. Removing time limit on applications for lump sum payments after death	25. New Twenty-second Schedule added
13. Rates of benefits may be increased by Order in Council	26. Amending Department of Social Welfare Act 1971
	27. Amending State Services Act 1962 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 follows:

**1. Short Title and commencement**—(1) This Act may be cited as the Social Security Amendment Act (No. 2) 1985, 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

Amendments: 1983, No. 138; 1984, No. 8; 1984, No. 19; 1985, No. 11

(2) **Sections 8 to 12** of this Act shall come into force on the date on which this Act receives the Governor-General's assent, and shall apply in respect of persons dying on or after that date.

(3) The provisions of the principal Act shall continue to apply in respect of persons dying before the date on which this Act receives the Governor-General's assent as if **sections 8 to 12** of this Act had not been enacted. 5

**2. Delegation of powers of Commission**—(1) Section 10 of the principal Act is hereby amended by repealing subsection (6), and substituting the following subsection: 10

“(6) Any—

“(a) Applicant or beneficiary; or

“(b) Liable parent (as defined in section 271 (1) of this Act)—affected by any decision made by any person in the exercise of any powers conferred on the person by delegation under this section against which the applicant or beneficiary or liable parent has a right of appeal under section 12J of this Act may, within 3 months after receiving notification of the decision, apply for a review of the decision to the Commission.” 15 20

(2) Section 3 (1) of the Social Security Amendment Act 1973 is hereby consequentially repealed.

**3. Deduction notices for earnings related compensation**—(1) Section 271 (1) of the principal Act (as inserted by section 7 of the Social Security Amendment Act 1980) is hereby amended by repealing the definition of the term “employer” (as inserted by section 4 (1) of the Social Security Amendment Act 1983), and substituting the following definition: 25

“ ‘Employer’, in relation to a liable parent, includes— 30

“(a) A person by whom a retiring allowance or pension or other payment of a like nature is payable to the liable parent:

“(b) The Accident Compensation Corporation in respect of earnings related compensation payable to the liable parent.” 35

(2) The said section 271 (1) is hereby amended by repealing the definition of the term “salary or wages”, and substituting the following definition:

“ ‘Salary’ or ‘wages’, for the purposes of sections 27Y to 27ZF of this Act, includes—

“(a) A retiring allowance or pension or other payment of a like nature:

5 “(b) Earnings related compensation under the Accident Compensation Act 1972 or the Accident Compensation Act 1982.”

**4. Maintenance order or agreement suspended while benefit paid, etc.**—(1) Section 27J of the principal Act (as  
10 inserted by section 7 of the Social Security Amendment Act 1980) is hereby amended by repealing subsection (1), and substituting the following subsection:

“(1) Notwithstanding anything in the Family Proceedings Act 1980 or any other enactment, any maintenance order or  
15 maintenance agreement that provides for the maintenance of a beneficiary, or any child in the care of the beneficiary, shall be suspended and unenforceable during the period commencing on the date on which a benefit is granted to the beneficiary and ending with—

20 “(a) The date on which the benefit is cancelled; or

“(b) In respect of a particular child, the date on which the child ceases to be in the care of the beneficiary—  
whichever first occurs, and no liability for, or rights to, maintenance under that order or agreement shall enure during  
25 any such period.”

(2) Section 3 (a) of the Social Security Amendment Act (No. 2) 1982 is hereby amended by omitting the words “from subsection (1), and also”.

30 (3) Section 3 (b) and (c) of the Social Security Amendment Act (No. 2) 1982 are hereby consequentially repealed.

**5. Variation or discharge of deduction notice**—Section 27zc (1) of the principal Act (as inserted by section 7 of the Social Security Amendment Act 1980) is hereby amended by  
35 omitting the words “employer of”, and substituting the words “employer or”.

**6. Advance payment of family benefit**—Section 36 (1) of the principal Act (as substituted by section 5 (1) of the Social Security Amendment Act 1974) is hereby amended by inserting, after paragraph (a), the following paragraph:

40 “(aa) If more than 1 child is born from the same gestation, all or any of those children, if application for such payment is made within 6 months from the date of birth of the last-born of those children; or”.

**7. Application of maintenance provisions to child supplement**—Section 61B (3) of the principal Act (as substituted by section 8 (1) of the Social Security Amendment Act 1979) is hereby amended by omitting the words “granted under section 27B of this Act”, and substituting the words “as defined in subsection (1) of that section”. 5

**8. Interpretation**—Section 61D (1) of the principal Act (as substituted by section 9 (1) of the Social Security Amendment Act 1982) is hereby amended by repealing the definition of the term “child”, and substituting the following definition: 10

“Child” means a child who, immediately before the death of a deceased person, was being cared for on a continuous basis by that person, and in respect of whom there was payable on the date of death—

“(a) A family benefit under section 32 of this Act; 15  
or

“(b) An orphan’s benefit under section 28 of this Act; or

“(c) A child’s war pension under the War Pensions Act 1954:” 20

**9. Payment of lump sum subject to income and means test**—Section 61DC (1) of the principal Act (as inserted by section 9 (1) of the Social Security Amendment Act 1982) is hereby amended—

(a) By inserting, after the words “net value”, the words “of the spouse’s and children’s share”: 25

(b) By omitting the expression “\$6,000”, and substituting the expression “\$10,000”:

(c) By omitting from paragraphs (a), (b)(i), and (d) the expression “\$1,000”, and substituting in each case the expression “\$1,200”: 30

(d) By omitting from paragraphs (b)(ii) and (c) the expression “\$500”, and substituting in each case the expression “\$600”.

**10. Payment of unmarried person’s funeral expenses**— 35  
Section 61DD of the principal Act (as inserted by section 9 (1) of the Social Security Amendment Act 1982) is hereby amended—

(a) By omitting the expression “\$500”, and substituting the expression “\$600”: 40

(b) By inserting, after the words “deceased’s estate”, the words “after the deduction of administration expenses but”.



**11. Payment of lump sum on death of child, subject to income and means test**—The principal Act is hereby amended by repealing section 61DE (as inserted by section 9 (1) of the Social Security Amendment Act 1982), and substituting  
5 the following section:

“61DE. On the death of a child in respect of whom there was payable, immediately before the date of death,—

“(a) A family benefit under section 32 of this Act; or

“(b) An orphan’s benefit under section 28 of this Act; or

10 “(c) A child’s war pension under the War Pensions Act 1954—  
the Commission may in its discretion pay the sum of \$600 to the person or persons whom the Commission in each case determines was caring for the child on the date of death, if—

15 “(d) Section 81 of the Accident Compensation Act 1982 does  
not apply in respect of the child; and

“(e) The annual income of that person or those persons is such that it would not prevent the payment of an invalid’s benefit to either of them if they were otherwise qualified to receive it; and

20 “(f) The assets of that person or those persons do not exceed  
\$10,000.”

**12. Removing time limit on applications for lump sum payments after death**—Section 61DG of the principal Act (as inserted by section 9 (1) of the Social Security Amendment Act  
25 1982) is hereby repealed.

**13. Rates of benefits may be increased by Order in Council**—(1) Section 61H of the principal Act (as inserted by section 10 of the Social Security Amendment Act 1983) is hereby amended by repealing subsection (1), and substituting  
30 the following subsection:

“(1) The Governor-General may from time to time, by Order in Council, amend the Third to Ninth, Twelfth, Fourteenth, Sixteenth, Seventeenth, Nineteenth, and **Twenty-second**  
35 Schedules to this Act by increasing the rate of any benefit or  
allowance set out in those Schedules.”

(2) Section 61H(2) of the principal Act (as so inserted) is hereby amended by inserting, after the word “benefits”, the words “or allowances”.

**14. Grant or renewal of benefit after death of applicant**—Section 62 of the principal Act is hereby amended  
40 by omitting the expression “section 85”, and substituting the expression “sections 61D and 61DA to 61DF”.

**15. Disability allowance**—(1) Section 69c of the principal Act (as inserted by section 12 (1) of the Social Security Amendment Act 1975) is hereby amended by repealing subsection (1), and substituting the following subsection:

“(1) Subject to subsections (2) to (4) of this section, the Commission may, in its discretion, grant a disability allowance at a rate not exceeding the amount specified in the Nineteenth Schedule to this Act, to or on account of— 5

“(a) Any person who is in receipt of a sickness, invalid’s widow’s, domestic purposes, or unemployment benefit, or a related emergency benefit payable under section 61 of this Act; or 10

“(b) Any person who is in receipt of a war pension or allowance granted under the War Pensions Act 1954 which, in the opinion of the Commission, is analogous to any one of the benefits referred to in paragraph (a) of this subsection; or 15

“(c) Any person whose income, including the income of the person’s spouse, is such that it would not prevent the payment of any one of the benefits referred to in paragraph (a) of this subsection; or 20

“(d) The dependent spouse or dependent child of any person referred to in paragraphs (a) to (c) of this subsection.”

(2) Section 69c (5) of the principal Act (as added by section 11 (2) of the Social Security Amendment Act 1982) is hereby amended by omitting the words “of \$10 a week”, and substituting the words “at the rate specified in the Nineteenth Schedule to this Act”. 25

(3) The following enactments are hereby consequentially repealed: 30

(a) Section 19 of the Social Security Amendment Act 1976:

(b) Section 4 of the Social Security Amendment Act (No. 2) 1980:

(c) Section 10 of the Social Security Amendment Act 1981:

(d) Section 11 (1) of the Social Security Amendment Act 1982. 35

(4) This section shall be deemed to have come into force on the 6th day of November 1985.

**16. Rate of benefits if overseas pension payable—**

(1) Section 70 (1) of the principal Act (as substituted by section 13 (1) of the Social Security Amendment Act 1975) is hereby amended by repealing paragraph (a), and substituting the following paragraph: 40

5 “(a) Any person qualified to receive a benefit under this Part of this Act is entitled to receive or receives, in respect of that person or of that person’s spouse or of that person’s dependants, or if that person’s spouse or any of that person’s dependants is entitled to receive or receives, a benefit, pension, or periodical allowance granted elsewhere than in New Zealand; and”.

10 (2) The said section 70 (1) (as so substituted) is hereby amended by repealing the proviso, and substituting the following proviso:

“Provided that if the Commission determines that the overseas benefit, pension, or periodical allowance, or any part of it, is in the nature of, and is paid for similar purposes as,—

15 “(a) Compensation for injury or death for which payment could be made under the Accident Compensation Act 1972 or the Accident Compensation Act 1982 if the injury or death had occurred in New Zealand after the commencement of either of those Acts; or

20 “(b) A war pension or allowance granted under the War Pensions Act 1954 of a type which would not affect any recipient’s entitlement to a benefit in accordance with section 72 of this Act; or

25 “(c) A disability allowance granted under this Part of this Act—

such overseas benefit, pension, or periodical allowance, or part of it, as the case may be, shall be treated as if it were in fact such compensation, war pension or allowance, or disability allowance.”

30 (3) Section 20 of the Social Security Amendment Act 1976 is hereby consequentially repealed.

**17. Beneficiaries in hospital**—(1) Section 75 of the principal Act (as substituted by section 12 (1) of the Social Security Amendment Act 1982) is hereby amended by repealing subsection (3), and substituting the following subsection:

35 “(3) If a person to whom subsection (2) of this section applies is a patient in a hospital for more than 13 weeks, the rate of benefit payable on and after the commencement of the 14th week of hospitalisation, subject to subsection (4) of this section, shall be the rate specified in the **Twenty-second** Schedule to this Act.”

(2) Section 75 (4) of the principal Act is hereby amended—

45 (a) By omitting from paragraph (a) the words “\$10 a week”, and substituting the words “the rate specified in the **Twenty-second** Schedule to this Act”:

(b) By omitting from paragraph (b) the words “\$10 a week”, and substituting the words “the rate so specified”.

(3) This section shall be deemed to have come into force on the 6th day of November 1985.

**18. Persons liable for income tax on earnings while employed overseas deemed to be resident in New Zealand**—The principal Act is hereby amended by repealing section 79, and substituting the following section: 5

“79. (1) Where any person has been employed outside New Zealand and while so employed was liable for the payment of income tax on earnings from that employment, then, for the purposes of satisfying the residential qualification for any benefit after the return to New Zealand of that person or the spouse or any child of that person,— 10

“(a) That person shall be deemed to have been resident in New Zealand during the period of such employment outside New Zealand: 15

“(b) If the spouse or any child of that person was with the person during that period or any part of it, the spouse or child shall be deemed to have been resident in New Zealand during that period or that part of it, as the case may be: 20

“(c) Any child of that person born out of New Zealand during that period shall be deemed to have been born in New Zealand. 25

“(2) Nothing in subsection (1) of this section shall be construed to derogate from the provisions of section 77 of this Act.”

**19. Payment of benefits**—Section 82 (7) (a) of the principal Act (as added by section 14 (1) of the Social Security Amendment Act 1982) is hereby amended by inserting, after the words “a trustee savings bank,”, the words “the Public Service Investment Society Limited,”. 30

**20. Recovery of payments of welfare programme assistance grants in excess of entitlement**—Section 86 of the principal Act is hereby amended by inserting, after subsection (1B), the following subsection: 35

“(1C) If a person has obtained payment of, or has received credit for, any money payable as a grant of special assistance under any welfare programme approved by the Minister of Social Welfare under section 124 (1) (d) of this Act to which that person is not entitled, the sum of that money shall constitute a debt due to the Crown and may be recovered at 40

the suit of any member of the Commission, or the Commission may recover that debt by deduction from any benefit or any payment of a grant of special assistance thereafter payable to or on account of that person.”

5     **21. Renewal of family care grants**—Section 86L (1) of the principal Act (as inserted by section 9 of the Social Security Amendment Act 1984) is hereby amended by omitting the words “a period not exceeding 28 weeks”, and substituting the words “such period as the Commission determines”.

10    **22. Income exemption for invalids’ benefits**—Clause 1 of the Sixth Schedule to the principal Act (as substituted by section 12 (1) of the Social Security Amendment Act 1983) is hereby amended by repealing the second proviso, and substituting the following proviso:

15    “Provided also that, in computing the income of any beneficiary for the purposes of this clause, the Commission shall—

20       “(a) Disregard that part of the beneficiary’s income (but not exceeding \$20 a week) earned by the beneficiary’s own efforts:

      “(b) Disregard all of the income of a totally blind beneficiary earned by the beneficiary’s own efforts:”.

**23. Increasing rates of handicapped child’s allowance and disability allowance on and after 6 November 1985—**

25 (1) The principal Act is hereby amended by repealing the Nineteenth Schedule (as substituted by section 4 (1) of the Social Security Amendment Act (No. 2) 1984), and substituting the Nineteenth Schedule set out in the **First** Schedule to this Act.

30 (2) Section 4 of, and the Second Schedule to, the Social Security Amendment Act (No. 2) 1984 are hereby consequentially repealed.

(3) This section and the **First** Schedule to this Act shall be deemed to have come into force on the 6th day of November 1985.

35    **24. New Twentieth Schedule substituted**—(1) The principal Act is hereby amended by repealing the Twentieth Schedule (as substituted by section 22 (1) of the Social Security Amendment Act 1982), and substituting the Twentieth Schedule set out in the **Second** Schedule to this Act.

(2) The following enactments are hereby consequentially repealed:

- (a) Section 22 of, and the Fifth Schedule to, the Social Security Amendment Act 1982:
- (b) Section 6 of the Social Security Amendment Act (No. 2) 1982. 5

**25. New Twenty-second Schedule added—**(1) The principal Act is hereby amended by adding the **Twenty-second** Schedule set out in the **Third** Schedule to this Act.

(2) This section and the **Third** Schedule to this Act shall be deemed to have come into force on the 6th day of November 1985. 10

**26. Amending Department of Social Welfare Act 1971—**The Department of Social Welfare Act 1971 is hereby amended by inserting, after section 6, the following section: 15

**“6A. Deputy Directors-General of Social Welfare—**There shall from time to time be appointed under the State Services Act 1962 one or more Deputy Directors-General of Social Welfare as may be necessary for the effective and efficient carrying out of the functions of the Department.” 20

**27. Amending State Services Act 1962—**The **Third** Schedule to the State Services Act 1962 (as substituted by section 10 (1) of the State Services Amendment Act 1978) is hereby amended by repealing the item relating to the Department of Social Welfare, and substituting the following item: 25

“Social Welfare . . . Director-General.  
Deputy Director-General.  
Assistant Director-General.”

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## SCHEDULES

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### FIRST SCHEDULE

Section 23 (1)

#### NEW NINETEENTH SCHEDULE TO PRINCIPAL ACT

*(Effective on and after 6 November 1985)*

#### “NINETEENTH SCHEDULE

Sections 39B, 69C

#### RATES OF HANDICAPPED CHILD'S ALLOWANCE AND DISABILITY ALLOWANCE

1. Rate of handicapped child's allowance \$19 a week.
2. Maximum rate of disability allowance under section 69C (1) \$26 a week.
3. Rate of special disability allowance under section 69C (5) \$15 a week.

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### SECOND SCHEDULE

Section 24 (1)

#### NEW TWENTIETH SCHEDULE TO PRINCIPAL ACT

#### “TWENTIETH SCHEDULE

Section 27N (1)

#### RATES OF CONTRIBUTIONS BY LIABLE PARENTS TO COST OF DOMESTIC PURPOSES BENEFIT

1. In this Schedule, unless the context otherwise requires,—
  - ‘Outgoings’, in relation to a dwellinghouse owned by the liable parent, means the aggregate weekly sum that, at the time of calculating the contribution, the liable parent is obliged to pay in respect of the dwellinghouse by way of—
    - (a) Mortgage payments (whether in respect of principal or interest); and
    - (b) Rates; and
    - (c) Insurance premiums:
  - ‘Rent’, in relation to a dwelling occupied by the liable parent or, as the case may require, the beneficiary, means the amount per week payable at the time of calculating the contribution for the tenancy of the dwelling:
  - ‘Weekly income’, in relation to a liable parent, means the liable parent's gross earnings in an income year divided by the number of weeks over which the liable parent derived that income during that year.
2. Subject to section 27K (1) of this Act, the weekly contribution required of a liable parent shall be the least of the following amounts:
  - (a) In respect of each of the beneficiary's dependent children whom the liable parent is liable in law to maintain, the sum of \$25, plus a further sum of \$25 where one or more of those children is or are under the age of 5 years; or
  - (b) The weekly amount of benefit payable to the beneficiary; or

- (c) The amount of the liable parent's weekly income after deduction of the following:
- (i) Income tax pursuant to the tax code "A" (as specified in section 344 of the Income Tax Act 1976); and
  - (ii) Either—
    - (aa) In the case of a liable parent who is paying outgoings or rent in respect of a dwelling occupied by the liable parent, the amount of the outgoings or rent or \$110 (whichever is the lesser), plus \$100; or
    - (bb) In the case of a liable parent who is paying board, the weekly amount of the board or \$110 (whichever is the lesser), plus \$55; and
  - (iii) Either—
    - (aa) Where public transport is reasonably available to the liable parent between the liable parent's home and place of employment, an amount equal to the liable parent's actual weekly cost of travel between home and place of employment, or the amount that that travel would cost the liable parent if the liable parent used public transport, or \$40 a week, whichever is the least; or
    - (bb) Where public transport is not reasonably available to the liable parent between the liable parent's home and place of employment, an amount equal to the liable parent's actual weekly cost of travel between home and place of employment, or the amount calculated on the current vehicle mileage allowance prescribed for members of the Public Service, or \$40 a week, whichever is the least; and
  - (iv) For each child (other than a dependent child of the beneficiary) who is dependent on the liable parent,—
    - (aa) The sum of \$25 less the amount (if any) payable by any other person by way of maintenance for that child; or
    - (bb) The actual amount paid by the liable parent towards the maintenance of that child,—  
whichever is the lesser; and
  - (v) For each adult who is dependent on the liable parent,—
    - (aa) The sum of \$100 less the amount (if any) payable by any other person towards the upkeep of that adult; or
    - (bb) The actual amount paid by the liable parent towards the upkeep of that adult,—  
whichever is the lesser; and
  - (vi) Either—
    - (aa) Where the liable parent is paying rent in respect of a dwelling occupied by the beneficiary, the weekly amount of that rent; or
    - (bb) Where the liable parent is paying outgoings in respect of a dwelling occupied by the beneficiary, the outgoings or an amount calculated by dividing 8 percent of the capital value of the dwelling (as that value is disclosed in the current rolls of the Valuer-General) by 52, whichever is the lesser; or
- (d) An amount equal to one-third of the liable parent's weekly income after income tax is deducted pursuant to the tax code "A" (as specified in section 344 of the Income Tax Act 1976).



SECOND SCHEDULE—*continued*

3. Notwithstanding any of the foregoing provisions of this Schedule, where 2 liable parents are liable to contribute in respect of the same dependent child, the amount of each person's contribution attributable to the child shall be reduced by one half.

4. Notwithstanding any of the foregoing provisions of this Schedule, where 2 or more persons are liable to contribute towards the cost of the same benefit, the total amount payable by those persons shall not exceed the amount of the benefit; and, where necessary, the respective amounts payable by those persons shall abate proportionately.

5. After being calculated in accordance with this Schedule, the amount so calculated shall be rounded down to the complete dollar."

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THIRD SCHEDULE

Section 25 (1)

NEW TWENTY-SECOND SCHEDULE TO PRINCIPAL ACT

(Effective on and after 6 November 1985)

"TWENTY-SECOND SCHEDULE

Section 75 (3), (4)

RATES OF BENEFITS PAYABLE TO LONG-TERM HOSPITAL PATIENTS

1. To a married person with no dependent children, or an unmarried person, who is in receipt of a benefit (other than national superannuation, a family benefit, or an orphan's benefit) under Part I of this Act \$15 a week.
2. To a married person with no dependent children, or an unmarried person, who is in receipt of national superannuation under Part I of this Act An amount which, after income tax is deducted pursuant to tax code "G" (as specified in section 344 of the Income Tax Act 1976) is equal to \$15 a week."