

YOUTH INCOME SUPPORT BILL

AS REPORTED FROM THE LABOUR COMMITTEE

COMMENTARY

Recommendation

The Labour Committee has examined the Youth Income Support Bill and recommends that it be passed with the amendments shown in the bill.

Conduct of the examination

The Youth Income Support Bill was referred to the Social Services Committee on 23 November 1995, following its first reading. On 21 February 1996, the House rescinded this resolution and the bill was referred to the Labour Committee. The closing date for submissions was 1 March 1996. The committee received and considered 27 submissions from various polytechnics, students' associations, beneficiary groups and other interested organisations and individuals. Eight submissions were heard orally. Approximately two hours were spent hearing evidence, and approximately three hours were spent considering the bill.

Advice was received from the Department of Social Welfare, the Ministry of Education and the Inland Revenue Department.

This commentary sets out the details of our consideration of the bill and the major issues we addressed.

Background

The Youth Income Support Bill is part of the Government's youth employment strategy, based on the Employment Task Force recommendations and announced in December 1995, which aims to redesign the family and income support system. The bill:

- increases family support for 16 and 17 year olds;
- aligns the age of eligibility for unemployment, sickness and training benefits;
- replaces the unemployment benefit with the young job seekers' allowance for a young person's first 13 weeks of unemployment;
- abolishes the job search allowance; and
- amends the eligibility criteria for the independent youth benefit to reflect changes in other benefits.

No. 130—2

Part I—Amendments to the Social Security Act 1964

Sickness benefit

Clause 3 increases the age of eligibility for a sickness benefit from 16 to 18 years. Those people aged 16 and 17 years who are legally married with a dependent child or children will continue to have entitlement to the benefit provided all other qualifying criteria are met. Raising the age of eligibility brings the benefit into line with the qualification age for the unemployment benefit, training benefit and student allowance. The independent youth benefit will serve as a safety net for those 16 and 17 year olds who are deemed sick but who are unable to be supported by their parents due to family breakdown. Those people under 18 years and in receipt of a sickness benefit on the date on which this change comes into force will have their entitlement grandparented.

Job seekers' allowance

Clause 4 provides for an amendment consequential to the creation of the young job seekers' allowance (clauses 5, 10 and 11 of the bill). Those people aged 18 to 24 years will not be entitled to the unemployment benefit unless they have been in receipt of the new young job seekers' allowance for 13 weeks. Subclause (4) provides that those people under 25 years and in receipt of an unemployment benefit on the date on which this change comes into force will have their entitlement grandparented.

Clauses 5, 10 and 11 introduce the young job seekers' allowance, which will provide payment to people between the ages of 18 and 25 years who are seeking work. It replaces the unemployment benefit for the first 13 weeks of job search, after which time applicants will be entitled to claim the unemployment benefit. The rate of allowance payable is the same as the youth rate of the unemployment benefit. Those people aged 16 or 17 years who are legally married with a dependent child or children are entitled to the new allowance, provided they meet all other qualifying criteria.

Training benefit

Clauses 6 and 7 propose to increase the age of entitlement to the training benefit from 16 to 18 years, bringing the age of eligibility in line with the age of qualification for the unemployment benefit, sickness benefit and student allowance. People aged 16 and 17 years who are legally married with a dependent child or children will continue to have entitlement to the training benefit, provided they meet all other qualifying criteria. The independent youth benefit provides a safety net for 16 and 17 year olds who are in training but who cannot be supported by their parents due to family breakdown.

Job search allowance

Clauses 8, 10 and 11 propose to abolish the job search allowance presently available to 16 and 17 year olds for a period of 13 weeks while they seek work. The abolition of the allowance is consistent with the Government's aim to remove payment of income support to people under the age of 18 years and, in doing so, encourage parents to provide financial support. Again, the independent youth benefit provides a financial safety net for 16 and 17 year old people who cannot be supported by their parents due to family breakdown. People receiving a job search allowance on the date this change comes into force will have their entitlement grandparented.

Independent youth benefit

Clause 9 proposes to amend the eligibility criteria for the independent youth benefit to ensure consistency with the key principles of the Government's wider youth income support package. These principles are that parents should

financially support their children until they reach 18 years of age, and that young people should remain in some form of education until they are 18, unless they manage to find employment.

Accordingly, the bill aims to provide for new qualifying criteria for the independent youth benefit where young people are unable to be financially supported by their parents; in cases where a young person is temporarily incapacitated for work through accident or sickness, or where a young person is engaged in a work-related training course.

Part II—Amendments to the Income Tax Act 1964

Family support

The bill aims to provide for an increased rate of family support payable in respect of 16 and 17 year olds. The rate of family support in the bill as introduced was to be \$55 per child per week. Under the Government's subsequent tax reduction and social policy programme, all family support rates increased by \$2.50 from 1 July 1996 and will increase a further \$2.50 from July 1997. The family support provisions of the bill have therefore been amended to reflect these increases.

Future changes not included in the bill

In addition to those provisions contained in the Youth Income Support Bill, several additional changes are planned by the Government, all of which reinforce the policy initiatives in the bill.

The age of eligibility for a student allowance is to be increased from 16 to 18 years, keeping in line with the training benefit. Secondary school students would qualify for a student allowance from their eighteenth birthday. Those students who are 16 or 17 and have a dependent child or children will continue to be eligible for student allowances, providing the qualifying criteria are met. Similarly, 16 or 17 year old tertiary students who received a student allowance in 1996 will continue to receive the allowance providing the qualifying criteria are met. Those people aged 16 or 17 who are single and can neither live at home nor rely on the financial support of their parents because of exceptional circumstances will remain eligible for the independent circumstances allowance, providing all qualifying criteria are met. These changes require amendment to the Student Allowance Regulations and do not require legislative change.

An away from home allowance is to be introduced on 1 January 1997, its aim being to assist low income families with 16 or 17 year old children who are living away from home and are undertaking full-time tertiary study or employment-related training courses. This measure recognises that, because the student allowance and training benefit will no longer be available to people in this age group, some low-income families may have difficulties meeting the additional costs associated with children living away from home.

The amount of allowance payable will be assessed on the basis of the accommodation costs of the young person, and payment will be conditional on the parents of the young person being eligible for family support. It is estimated that 700 children aged 16 and 17 years are living away from home while undertaking full-time study or employment-related training courses. Of this group, the families of approximately 560 children will be eligible for the allowance.

The Government also plans to amend the Education Act 1989 so that the minimum school leaving age is raised to 17 years with effect from 1 January 1998. The necessary legislation to effect this amendment has yet to be introduced to Parliament.

Other provisions of the youth income support package include the availability of emergency benefits for young pregnant women, and for alcohol and drug

dependent people in residential rehabilitation centres, to ensure that an adequate safety net is in place for “at-risk” 16 and 17 year olds.

Issues of concern

General policy issues

A number of submissioners took the view that the overall policy underpinning the bill, encouraging parental responsibility for young people until the age of 18 years, will serve only to create an unacceptable level of dependence on parents and families. We share this concern. While we acknowledge that the objective of encouraging parental responsibility is supported by the increased rate of family support and the development of the away from home allowance, we believe the bill does not provide sufficient support for low income families.

Several submissions expressed a view that some young people will continue to leave school irrespective of public policy initiatives. The withdrawal of income support would leave such people with no source of income unless they were to find employment. However, we believe that the current system of income support is inequitable in that support is available to young people who leave school to train, but not to people who stay at secondary school to complete their formal education.

The bill provides that all income support is available to individuals from the age of 18 years, therefore promoting a “seamless” principle across all activities. There will be no financial incentive to undertake one kind of activity over all others. For those young people who leave school prior to turning 18 years and do not find employment, parental assistance should prevail, with the independent youth benefit as a safety net for those people for whom parental support is unavailable.

Sickness benefit

Several submissioners raised the concern that raising the age of eligibility for the sickness benefit to 18 years will discourage 16 and 17 year olds from taking up work or employment related training as there would be no safety net if they were to become ill. One submissioner suggested that an adequate safety net for these people could be achieved through the introduction of a category for the reimbursement of health expenses for 16 and 17 year olds in the special needs grants welfare programme.

We see these points as valid concerns, but are confident that the bill does make enough provision for the support of young people who become ill. It provides for a higher rate of family support for dependent 16 and 17 year olds, and provides for the independent youth benefit to be paid to 16 and 17 year olds who are sick and cannot rely on financial support from their parents. As part of the wider youth income support package, young pregnant women and alcohol and drug dependent people will have access to an emergency benefit. An adequate safety net is therefore provided for “at-risk” 16 and 17 year olds.

Given these provisions, we do not consider that a special needs grant category for the reimbursement of health expenses for young people is necessary.

Training benefit

Many submissioners expressed the view that increasing the age of eligibility for the training benefit to 18 years will deny young people access to training options other than secondary school. This will in turn put pressure on schools to cope with reluctant students.

The present situation, whereby income support is available to young people who leave school to train, but not to those who stay at secondary school to finish their education, is inequitable, and may create strong incentives for young people to leave the education system before they have maximised their educational

opportunities. We acknowledge the fact that not all young people are suited to academic type education, and have been assured that many secondary schools are undertaking curriculum development to include more vocationally-oriented courses to cater for those people seeking this type of education or training.

Several regional polytechnics were concerned that if the age of eligibility for the training benefit is raised to 18 years, they will face a reduction in the number of 16 and 17 year olds attending polytechnics, and so will be financially disadvantaged by the bill. However, training benefit ineligibility would not, on its own, preclude young people from attending polytechnics. Increased family support, the away from home allowance and student loans will be available to assist with costs. In saying this, however, we believe that low income families will still struggle to meet all the costs associated with a tertiary education.

Independent youth benefit amendments

Current legislation provides that a young person who has left home and moved to an area where there are better employment or training opportunities, or who has not lived with and been financially supported by his or her parents during the six months prior to application and has been in employment during all of that time, can make an application for the independent youth benefit.

The bill abolishes these existing criteria, and instead provides two new qualifying criteria for the independent youth benefit where young people are unable to be financially supported by their parents. In cases where a young person is temporarily incapacitated for work through accident or sickness, or where a young person is engaged in a work related training course, these criteria will apply. These new criteria fall within the scope of the Government's youth income support package, while at the same time they provide a chance through which 16 and 17 year olds can access income support, should other means of financial support be unavailable.

Several submissioners were concerned that the removal of the independent youth benefit provisions for six months' independence and moving away from home to seek employment or training will discourage people from actively seeking employment opportunities outside their local area. We believe that the current provision for six months' independence leaves young people vulnerable to becoming long-term beneficiaries as the type of work they are likely to obtain is low skilled and insecure.

Introduction of young job seekers' allowance

Two submissions questioned the point of the young job seekers' allowance, which replaces the unemployment benefit for the first 13 weeks of a job search. A 13 week allowance for 18 to 24 year olds seeking employment was recommended by the Employment Task Force as a way of positively signalling the appropriate activity for young people searching for employment. It is also indicative of the fact that young people are most likely to obtain work in the first three months of a job search. Recipients of the young job seekers allowance will be included in unemployment statistics.

Family support amendments

While many submissioners thought the new rate of family support for 16 and 17 year olds is positive, there was nevertheless a strong feeling that the rate is not sufficient to compensate for the loss of other entitlements. However, the new rate of family support is not intended to directly compensate young people for the possible loss of other entitlements. Instead, the new rate of family support recognises that there will be an increased financial cost to parents who will, in the majority of cases, be responsible for the financial support of their children.

However, in saying this, we wish to reiterate our concern that the bill does not provide sufficient support for low income families.

Legal issues

The Human Rights Commission submitted that there are inconsistencies between the bill and the International Covenant on Economic, Social and Cultural Rights as it relates to discrimination in the provision of a right. The commission argued that the bill provides for a reduction in the realisation of the right to social security by raising the age of eligibility to benefits, and so may be at odds with article 2.1 of the covenant, which provides for the progressive realisation of rights.

However, we are of the view that the bill is not inconsistent with the covenant to the extent that State funding is redistributed, as opposed to reduced. The bill provides that parents of 16 and 17 year olds receive State assistance instead of the young people themselves, as is presently the case.

The Human Rights Commission also submitted that the bill is in conflict with the Human Rights Act 1993, in that certain provisions contained in the bill constitute differential treatment for some age groups.

These matters are being considered within the review of legislation, policies and practice that is required to be made under the Human Rights Act by 1999 as to consistency with that Act. Until such matters have been considered, inconsistency in approach should not in itself prevent the passage of the bill.

Technical issues

The Legislation Advisory Committee submitted that the paragraphing of section 54 (1) (a) and (b) relating to the sickness benefit, and section 59A (a) and (b) relating to the new young job seekers' allowance is inconsistent. The bill has been amended accordingly.

Indirectly related issues

Several submissioners felt that increasing the age of eligibility for a student allowance from 16 to 18 years of age will place many students and their families in financial difficulty. Students may be unable to enrol in some courses, particularly those courses which are not Government funded and provider subsidised. Aligning the age of eligibility for student allowances to 18 years will eliminate eligibility for approximately 1600 16 and 17 year old tertiary students. However, the alignment will in turn provide allowances for an extra 8300 secondary students from their eighteenth birthday. Further, for most 16 and 17 year old tertiary students who will not be eligible for a student allowance, family support will be payable to their parents, and if those students live away from home, they will be eligible for a living away from home allowance from the Department of Social Welfare.

Conclusion

The Government and United members of the committee support the bill, but it is opposed by the Labour members. Although the Labour members support the principle behind the legislation, they are concerned that the measures contained in the bill could penalise some families financially. The Labour members agree that young people should be encouraged to remain at school, but are concerned that schools are not as well equipped as tertiary institutions to provide the range of courses that would give good effect to this policy.

KEY TO SYMBOLS USED IN REPRINTED BILL
AS REPORTED FROM A SELECT COMMITTEE

Struck Out (Majority)

Subject to this Act,

Text struck out by a majority

New (Majority)

Subject to this Act,

Text inserted by a majority

<Subject to this Act,>

Words struck out by a majority

<Subject to this Act,>

Words inserted by a majority

Hon. Peter Gresham

YOUTH INCOME SUPPORT

ANALYSIS

Title	
1. Short Title	PART II
	CHILD SUPPORT ACT 1991
	11a. This Part to be read with Child Support Act 1991
	11c. Interpretation
	PART III
	INCOME TAX ACT 1994
	12. This Part to be read with Income Tax Act 1994
	13. Definitions
	14. Transitional rates for interim instalments during period 1 July 1996 to 31 December 1996
	15. Provisions coming into force on 1 January 1997
	<i>Provisions Coming into Force on 1 January 1997</i>
	32a. Commencement
	32b. Family credit of tax
	32c. Transitional rates for interim instalments during period 1 January 1997 to 30 June 1997
	16. Family credit of tax
	17. Rates for interim instalments for period beginning on or after 1 July 1997
	18. Family credit of tax Schedules

A BILL INTITULED

An Act to provide for various matters relating to youth income support

BE IT ENACTED by the Parliament of New Zealand as follows:

- 5 **1. Short Title**—This Act may be cited as the Youth Income Support Act 1995.

PART I

SOCIAL SECURITY ACT 1964

2. This Part to be read with Social Security Act 1964—

(1) This Part of this Act and the *<Schedule>* *<First to Third Schedules>* to this Act shall be read together with and deemed part of the Social Security Act 1964* (in this Part of this Act referred to as the principal Act). 5

(2) *<This>* *<Except as provided in section 11A (7) of this Act, this>* Part of this Act *<and the First Schedule to this Act>* shall come into force on *<a date to be fixed by the Governor-General by Order in Council>* *<the 1st day of January 1997>*. 10

3. Sickness benefits—(1) Section 54 of the principal Act is hereby amended by repealing subsection (1), and substituting the following subsection:

“(1) Subject to the provisions of this Part of this Act, every person who *<is>*— 15

“(a) *<Is of>* *<Of>* or over the age of 18 years; or

“(b) *<Is of>* *<Of>* or over the age of 16 years and is married with a dependent child or dependent children— 20

and who has resided continuously in New Zealand for not less than 12 months at any time, shall be entitled to receive a sickness benefit under this Part of this Act if the Director-General is satisfied that the person is temporarily incapacitated, or will for an indefinite period be incapacitated, for work through sickness or accident, and that for that reason he or she has suffered a loss of salary, wages, or other earnings.” 25

(2) The following enactments are hereby consequentially repealed:

(a) Section 14 of the Social Security Amendment Act 1972:

(b) Section 8 of the Social Security Amendment Act (No. 2) 1991. 30

(3) Notwithstanding the provisions of **subsections (1) and (2)** of this section, the Director-General shall continue to pay a sickness benefit to any person aged 16 years or 17 years who was in receipt of a sickness benefit under section 54 of the principal Act immediately before the commencement of this section, while that person remains eligible for it under that section, as if those subsections had not been enacted. 35

4. Unemployment benefits—(1) Section 58 (1) of the principal Act (as amended by section 14 (1) of the Social Security Amendment Act (No. 2) 1990) is hereby amended by 40

*R.S. Vol. 32, p. 625

Amendments: 1994, No. 86; 1994, No. 142

omitting the words “of or over the age of 18 years or who is of or over the age of 16 years and is married with a dependent child or dependent children”, and substituting the words “of or over the age of 25 years”.

5 (2) Section 58 of the principal Act is hereby amended by adding the following subsections:

“(3) Every person who—

“(a) Is qualified to receive a young job seeker’s allowance under section ~~59A~~ ~~59B~~ of this Act; and

10 “(b) Has received that allowance for a period of not less than 13 weeks after the person applied for it (whether or not that period has been broken by a period of temporary employment or training); and

“(c) Is otherwise qualified to receive an unemployment benefit under subsection (1) of this section,—
15 shall be entitled instead to receive an unemployment benefit under this Part of this Act.

“(4) Nothing in subsection (3) of this section entitles a person under the age of 25 years to apply for an unemployment benefit if an unemployment benefit being paid to that person under that subsection, or pursuant to section 4 (4) of the Youth Income Support Act 1995, is cancelled.”

(3) Section 14 (1) of the Social Security Amendment Act (No. 2) 1990 is hereby consequentially repealed.

25 (4) Notwithstanding the provisions of subsections (1) and (3) of this section, the Director-General shall continue to pay an unemployment benefit to any person under the age of 25 years who was in receipt of an unemployment benefit under section 58 of the principal Act immediately before the commencement of this section, while that person remains eligible for it under that section, as if those subsections had not
30 been enacted.

35 **5. New sections inserted**—The principal Act is hereby amended by inserting, after section ~~59~~ ~~59A~~ (as inserted by section 11 of the Social Security Amendment Act 1996), the following heading and sections:

“Young Job Seekers’ Allowances

“~~59A~~~~59B~~. **Young job seekers’ allowances**—Every person under the age of 25 years who is—

40 “(a) Of or over the age of 18 years; or

“(b) Of or over the age of 16 years and married with a dependent child or dependent children—

shall be entitled to a young job seeker's allowance under this Part of this Act if the Director-General is satisfied that the person—

“(c) Is unemployed (other than because of a strike either by the person or by fellow members of the same union at the same place of employment); and 5

“(d) Is not a full-time student; and

“(e) Is capable of undertaking and is willing to undertake suitable work; and

“(f) Has taken reasonable steps to obtain suitable work; and 10

“(g) Has resided continuously in New Zealand for not less than 12 months at any time.

“~~59B~~~~59C~~. **Rates of young job seekers' allowances—**

(1) Except as provided in section 60L of this Act, the rate of the young job seeker's allowance payable to any beneficiary shall be the appropriate rate specified in the Ninth Schedule to this Act. 15

“(2) Where no payment is made under this section in respect of a spouse of a beneficiary, the Director-General, in the Director-General's discretion, may increase the rate of the young job seeker's allowance payable to the beneficiary by an amount not exceeding the amount specified in clause 2 of the Ninth Schedule to this Act in respect of any person who for the time being has the care of the home of the beneficiary. 20

“~~59C~~~~59D~~. **Period for which young job seeker's allowance payable—**(1) A young job seeker's allowance shall be payable for a period not exceeding 13 weeks from the date the applicant became entitled to receive it (whether or not that period has been broken by a period of temporary employment or training). 25 30

“(2) Every person still qualified to receive a young job seeker's allowance on the expiration of that period shall be entitled instead to receive an unemployment benefit under section 53 (3) of this Act.”

Struck Out (Majority)

35

6. Training benefits—(1) Section 60A (2) (b) of the principal Act (as substituted by section 10 of the Social Welfare Reform Act 1995) is hereby amended by omitting the expression “16”, and substituting the expression “18”.

Struck Out (Majority)

(2) **Section 60A** of the principal Act (as so substituted) is hereby amended by inserting, after subsection (2), the following subsection:

New (Majority)

6. Training benefits—(1) Section 60A of the principal Act (as inserted by section 33 (1) of the Finance Act 1989) is hereby amended by omitting the expression “16”, and substituting the expression “18”.

(2) Section 60A of the principal Act (as so inserted) is hereby amended by inserting, after subsection (1), the following subsection:

“~~(2A)~~~~(1A)~~ Every married person who is aged 16 or 17 years with a dependent child or dependent children and who would, but for his or her age, qualify for a training benefit under the provisions of this section, shall be entitled to a training benefit under this Part of this Act.”

(3) Notwithstanding the provisions of subsection (1) of this section, the Director-General shall continue to pay a training benefit to any person aged 16 years or 17 years who was in receipt of a training benefit under section 60A of the principal Act immediately before the commencement of this section, while that person remains eligible for it under that section, as if that subsection had not been enacted.

7. Rates of training benefit—Section 60B of the principal Act (as inserted by section 33 (1) of the Finance Act 1989) is hereby amended by repealing subsections (3) and (4).

8. Abolition of job search allowance—(1) The principal Act is hereby amended by repealing sections 60D and 60E (as inserted by section 17 (1) of the Social Security Amendment Act (No. 2) 1990).

(2) Notwithstanding the provisions of subsection (1) of this section, the Director-General shall continue to pay a job search allowance to any person aged 16 years or 17 years who was in receipt of a job search allowance under section 60D of the principal Act immediately before the commencement of this

section, while that person remains eligible for it under that section, as if that subsection had not been enacted.

Struck Out (Majority)

9. Independent youth benefit—(1) Section 60F(1) of the principal Act (as substituted by section 12(1) of the Social Welfare Reform Act 1995) is hereby amended by repealing paragraphs (c) to (f), and substituting the following paragraph: 5

“(c) Has resided continuously in New Zealand for not less than 12 months at any time and is either—

“(i) Temporarily incapacitated, or will for an indefinite period be incapacitated, for work through sickness or accident; or 10

“(ii) Unemployed (other than because of a strike either by the applicant or by fellow members of the same union at the same place of employment) and— 15

“(A) Is not enrolled in a full-time course within the meaning of paragraph (b) of the definition of that term in clause 2(1) of the Student Allowances Regulations 1991 (S.R. 1991/295); and 20

“(B) Is capable of undertaking and is willing to undertake suitable work or is enrolled in a full-time course of secondary instruction; or 25

“(iii) Engaged full-time in an employment-related training programme approved by the Director-General for the purposes of this section.”

(2) Section 60F(3)(c) of the principal Act (as so substituted) is hereby amended by repealing subparagraphs (iii) and (iv). 30

New (Majority)

9. Independent youth benefit—(1) Section 60F(1)(b) of the principal Act (as inserted by section 17(1) of the Social Security Amendment Act (No. 2) 1990) is hereby amended by repealing subparagraphs (iii) and (iv). 35

(2) Section 60F(1) of the principal Act (as so inserted) is hereby amended by repealing paragraph (c), and substituting the following paragraph:

New (Majority)

“(c) The applicant has resided continuously in New Zealand for not less than 12 months at any time and is either—

5 “(i) Temporarily incapacitated, or will for an indefinite period be incapacitated, for work through sickness or accident; or

10 “(ii) Unemployed (other than because of a strike either by the applicant or by fellow members of the same union at the same place of employment) and—

15 “(A) Is not enrolled in a full-time course within the meaning of paragraph (b) of the definition of that term in clause 2 (1) of the Student Allowances Regulations 1991 (S.R. 1991/295); and

20 “(B) Is capable of undertaking and is willing to undertake suitable work or is enrolled in a full-time course of secondary instruction; or

“(iii) Engaged full-time in an employment-related training programme approved by the Director-General for the purposes of this section.”

25 (3) Section 60F of the principal Act (as so *<substituted>* *<inserted>*) is hereby amended by adding the following subsection:

30 “~~(7)~~~~(4)~~ Section 56 of this Act shall apply in respect of every application for an independent youth benefit on the ground specified in **subsection (1) (c) (i)** of this section, and to every person in receipt of that benefit on that ground, as if references in that section to a sickness benefit were references to an independent youth benefit.”

35 (4) Notwithstanding the provisions of **subsections (1) and (2)** of this section, the Director-General shall continue to pay an independent youth benefit to any person who was in receipt of an independent youth benefit under section 60F of the principal Act immediately before the commencement of this section, while that person remains eligible for it under that section, as if those subsections had not been enacted.

New (Majority)

(5) Section 8 of the Social Security Amendment Act (No. 3) 1993 is hereby consequentially repealed.

10. Interpretation—(1) Section 61E of the principal Act (as substituted by section 10 (1) of the Social Security Amendment Act (No. 3) 1993) is hereby amended by omitting from paragraph (a) of the definition of the term “beneficiary” the words “job search allowance”, and substituting the words “young job seeker’s allowance”.

(2) For the purposes of assessing entitlement to an accommodation supplement under sections 61E and 61EA of the principal Act, the term “beneficiary” includes any person aged 16 or 17 years who is being paid a job search allowance pursuant to **section 8 (2)** of this Act.

11. Amendments consequential on introduction of young job seeker’s allowance and abolition of job search allowance, etc.—The principal Act is hereby amended in the manner specified in the **<First>** Schedule to this Act.

New (Majority)

11A. Amendments consequential on passing of Social Security Amendment Act 1996 and Social Security Amendment Act (No. 2) 1996—(1) The principal Act is hereby amended by inserting, after **section 59D** (as inserted by **section 5** of this Act), the following section:

“59E. Further provisions applying to young job seeker’s allowance—The following provisions shall apply to a young job seeker’s allowance as if a reference in those provisions to an unemployment benefit was a reference to a young job seeker’s allowance:

“(a) Section 59 (1A) to (1C) of this Act:

“(b) Section 59A of this Act.”

(2) The principal Act is hereby amended in the manner specified in the **Second** Schedule to this Act.

(3) The **First** Schedule to this Act is hereby amended in the manner specified in the **Third** Schedule to this Act.

(4) The Social Security Amendment Act 1996 is hereby amended—

New (Majority)

- (a) By repealing section 14:
- (b) By inserting in section 21 (4), after the word “allowance,” the words “a young job seeker’s allowance,”:
- 5 (c) By omitting from section 33 (1) the words “(as substituted by section 19 (1) of the Social Security Amendment Act (No. 2) 1991)”, and substituting the words “(as substituted by section 2 (1) of the Social Security Amendment Act (No. 2) 1996)”:
- 10 (d) By omitting from section 33 (2) the words “(as so substituted)”:
- (e) By inserting in section 33 (2), after the expression “subsection (3)”, the words “(as so substituted)”.
- (5) The Social Security Amendment Act (No. 2) 1996 is hereby amended by repealing so much of section 2 (1) as relates to section 77 (3) of the principal Act.
- 15 (6) **Subsection (4) (a)** of this section shall come into force on the 1st day of January 1997.
- (7) Except as provided in **subsection (6)** of this section, this section and the **Second and Third Schedules** to this Act shall come into force on the 1st day of April 1997.
- 20

PART II

CHILD SUPPORT ACT 1991

- 11B. This Part to be read with Child Support Act 1991—**
- 25 (1) This Part of this Act shall be read together with and deemed part of the Child Support Act 1991 (in this Part of this Act referred to as the principal Act).
- (2) This Part of this Act shall come into force on the 1st day of January 1997.
- 30 **11c. Interpretation—**Section 2 (1) of the principal Act is hereby amended by adding to paragraph (c) of the definition of the term “social security benefit” the following subparagraph:
- “(v) A young job seeker’s allowance granted under **section 59B** of that Act:”.

Struck Out (Majority)

PART II

INCOME TAX ACT 1994

12. This Part to be read with Income Tax Act 1994—
 This Part of this Act shall be read together with and deemed
 part of the Income Tax Act 1994* (in this Part of this Act
 referred to as the principal Act).

5

*1994, No. 164

Amendments: 1995, No. 18; 1995, No. 21; 1996

13. Family support credit of tax—(1) Section KD 2 (1) of
 the principal Act is hereby amended by repealing item y, and
 substituting the following item:

10

“y is an amount equal to the aggregate of—

“(i) In respect of the eldest dependent child—

“(A) Who is under the age of 13 years, \$2,184;
 and

“(B) Who is 13, 14, or 15 years of age, \$2,184;
 and

15

“(C) Who is 16, 17, or 18 years of age, \$2,860:

“(ii) In respect of any additional dependant child,
 not being the eldest dependent child,—

“(A) Who is under the age of 13 years, \$1,404;
 and

20

“(B) Who is 13, 14, or 15 years of age, \$1,820;
 and

“(C) Who is 16, 17, or 18 years of age, \$2,860—
 being in each case a dependent child in respect of
 whom the person is a principal caregiver throughout
 the eligible period, diminished by—

25

“(iii) Nil, where the specified income of the person
 in relation to the specified period does not exceed
 \$20,000:

30

“(iv) Where the specified income of the person in
 relation to the specified period exceeds \$20,000 but
 does not exceed \$27,000, 18 cents for every
 complete dollar of that excess:

“(v) Where the specified income of the person in
 relation to the specified period exceeds \$27,000, the
 amount of \$1,260 increased by 30 cents for every
 complete dollar of the excess; and ”.

35

Struck Out (Majority)

(2) Section KD 2 (2) of the principal Act is hereby amended by repealing item y, and substituting the following item:

“y is an amount equal to the aggregate of—

5

“(i) In respect of the eldest dependent child—

“(A) Who is under the age of 13 years, \$2,184;
and

“(B) Who is 13, 14, or 15 years of age, \$2,184;
and

10

“(C) Who is 16, 17, or 18 years of age, \$2,860:

“(ii) In respect of any additional dependant child,
not being the eldest dependent child,—

“(A) Who is under the age of 13 years, \$1,404;
and

15

“(B) Who is 13, 14, or 15 years of age, \$1,820;
and

“(C) Who is 16, 17, or 18 years of age, \$2,860—
being in each case a dependent child in respect of
whom the person is a principal caregiver throughout
the eligible period, diminished by—

20

“(iii) Nil, where the specified income of the
eligible person, or the specified income of the other
person, or the aggregate of those specified incomes,
as the case may be, in relation to the specified
period does not exceed \$20,000:

25

“(iv) Where the specified income of the eligible
person, or the specified income of the other person,
or the aggregate of those specified incomes, as the
case may be, in relation to the specified period
exceeds \$20,000 but does not exceed \$27,000,
18 cents for every complete dollar of that excess:

30

“(v) Where the specified income of the eligible
person, or the specified income of the other person,
or the aggregate of those specified incomes, as the
case may be, in relation to the specified period
exceeds \$27,000, the amount of \$1,260 increased
by 30 cents for every complete dollar of the excess;
and”.

35

40

(3) Notwithstanding anything in the principal Act,
subsections (1) and (2) of section KD 2 of the principal Act (as
amended by subsections (1) and (2) of this section) shall be read in
respect of the tax on income derived in the 1995-96 income

Struck Out (Majority)

year as if the reference to the sum of \$2,860 in subparagraphs (i)(C) and (ii)(C) of item y in each of those subsections were instead—

- (a) In respect of a dependent child who is 16, 17, or 18 years of age and who is the eldest dependent child, the sum of \$2,353 or such other amount as may be specified by the Governor-General by Order in Council; and 5
 - (b) In respect of each dependent child who is 16, 17, or 18 years of age and who is not the eldest dependent child, the sum of \$2,080 or such other amount as may be specified by the Governor-General by Order in Council. 10
- (4) For the purposes of the calculation required by section KD 5 (6)(c) of the principal Act, the reference to section KD 2 of the principal Act shall apply as if,— 15
- (a) For certificates issued in terms of section KD 5 (4) of the principal Act in respect of the period commencing on 1 April 1995 and ending with 31 December 1995, or such other period as may be specified by the Governor-General by Order in Council, subsections (1) to (3) of this section had not been enacted; and 20
 - (b) For certificates issued in terms of section KD 5 (4) of the principal Act in respect of the period commencing on 1 January 1996 and ending with 31 March 1996, or such other period as may be specified by the Governor-General by Order in Council, subsection (3) of this section had not been enacted. 25
- (5) The Income Tax Amendment Act (No. 2) 1994 is hereby consequentially repealed.
- (6) This section shall apply with respect to tax on income derived in the 1995–96 income year and subsequent years. 30

14. Definitions—(1) Section OB 1 of the principal Act is hereby amended by inserting in the definition of the term “income-tested benefit”, after the words “widow’s benefit”, the words “young job seeker’s allowance,”. 35

(2) This section shall come into force on a date to be fixed by the Governor-General by Order in Council.

New (Majority)

PART III

INCOME TAX ACT 1994

12. This Part to be read with Income Tax Act 1994—

5 This Part of this Act shall be read together with and deemed part of the Income Tax Act 1994* (in this Part of this Act referred to as the principal Act).

*1994, No. 164

Amendments: 1995, Nos. 18, 21, 71, 73, 79, 82; 1996, No. 17

10 **13. Definitions—**(1) Section OB 1 of the principal Act is hereby amended by inserting in the definition of the term “income-tested benefit”, after the words “widow’s benefit”, the words “young job seeker’s allowance”.

(2) This section shall come into force on 1 January 1997.

14. Transitional rates for interim instalments during period 1 July 1996 to 31 December 1996—

15 Section 23 of the Income Tax Act 1994 Amendment Act 1996 is amended by omitting from section KD 5A (1) the expression “30 June 1997”, and substituting the expression “31 December 1996”.

15. Provisions coming into force on 1 January 1997—

20 The Income Tax Act 1994 Amendment Act 1996 is hereby amended by inserting, after section 32, the following subheading and sections:

“Provisions Coming into Force on 1 January 1997

25 **“32A. Commencement—**(1) This section and sections 32B and 32C of this Act shall come into force on 1 January 1997.

30 **“(2)** Notwithstanding subsection (1) of this section, the Commissioner of Inland Revenue may issue, before 1 January 1997, a certificate of entitlement under the principal Act for a period commencing on or after 1 January 1997 as if sections 32B and 32C of this Act had come into force on the date on which the Youth Income Support Act 1996 received the Royal assent.

“32B. Family credit of tax—Section KD 2 (2) of the principal Act (as substituted by section 20 (1) of this Act) is amended by repealing the definition of item ‘a’, and substituting the following definition:

35 ‘a is an amount equal to the sum of—

New (Majority)

(a) For the eldest dependent child of whom the person is a principal caregiver during the eligible period, one of the following:

(i) \$2,281.50, if the child is under the age of 13 years; 5

(ii) \$2,281.50, if the child is 13, 14, or 15 years of age;

(iii) \$2,450.50, if the child is 16 or more years of age; 10

(iv) A weighted average of the amounts in subparagraphs (i) and (ii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 13 years during the eligible period; 15

(v) A weighted average of the amounts in subparagraphs (ii) and (iii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 16 years during the eligible period; and 20

(b) For each dependent child of whom the person is a principal caregiver during the eligible period, other than the eldest dependent child, one of the following: 25

(i) \$1,501.50, if the child is under the age of 13 years;

(ii) \$1,917.50, if the child is 13, 14, or 15 years of age;

(iii) \$2,177.50, if the child is 16 or more years of age; 30

(iv) A weighted average of the amounts in subparagraphs (i) and (ii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 13 years during the eligible period; 35

(v) A weighted average of the amounts in subparagraphs (ii) and (iii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the 40

New (Majority)

child attains the age of 16 years during the eligible period; and’.

5 **“32c. Transitional rates for interim instalments during period 1 January 1997 to 30 June 1997—**(1) Section KD 5A (1) of the principal Act (as amended by section 14 of the Youth Income Support Act 1996) is amended by omitting the expression ‘1 July 1996 and ending on or before 31 December 1996’, and substituting the expression ‘1 January 1997 and ending on or before 30 June 1997’.

10 “(2) Section KD 5A (3) of the principal Act (as inserted by section 23 of this Act) is amended by repealing the definition of item ‘a’, and substituting the following definition:

15 ‘a is an amount equal to the sum of—

15 ‘(a) For the eldest dependent child of whom the person is a principal caregiver during the eligible period, one of the following:

20 ‘(i) \$2,314, if the child is under the age of 13 years;

20 ‘(ii) \$2,314, if the child is 13, 14, or 15 years of age;

20 ‘(iii) \$2,990, if the child is 16 or more years of age;

25 ‘(iv) A weighted average of the amounts in subparagraphs (i) and (ii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 13 years during the eligible period;

30 ‘(v) A weighted average of the amounts in subparagraphs (ii) and (iii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 16 years during the eligible period; and

35 ‘(b) For each dependent child of whom the person is a principal caregiver during the eligible period, other than the eldest dependent child, one of the following:

35 ‘(i) \$1,534, if the child is under the age of 13 years;

35 ‘(ii) \$1,950, if the child is 13, 14, or 15 years of age;

35 ‘(iii) \$2,990, if the child is 16 or more years of age;

40 ‘(iv) A weighted average of the amounts in subparagraphs (i) and (ii) that reflects the proportion of the eligible period that those

New (Majority)

subparagraphs apply to the child, if the child attains the age of 13 years during the eligible period;

- (v) A weighted average of the amounts in subparagraphs (ii) and (iii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 16 years during the eligible period; and’.” 5 10

16. Family credit of tax—Section 36 of the Income Tax Act 1994 Amendment Act 1996 is amended by repealing subsection (1), and substituting the following subsection:

“(1) Section KD 2 (2) of the principal Act (as amended by section 32a of this Act) is further amended by repealing the definition of item ‘a’, and substituting the following definition: 15

‘a is an amount equal to the sum of—

‘(a) For the eldest dependent child of whom the person is a principal caregiver during the eligible period, one of the following: 20

‘(i) \$2,411.50, if the child is under the age of 13 years;

‘(ii) \$2,411.50, if the child is 13, 14, or 15 years of age;

‘(iii) \$3,087.50, if the child is 16 or more years of age; 25

‘(iv) A weighted average of the amounts in subparagraphs (i) and (ii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 13 years during the eligible period; 30

‘(v) A weighted average of the amounts in subparagraphs (ii) and (iii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 16 years during the eligible period; and 35

‘(b) For each dependent child of whom the person is a principal caregiver during the eligible period, other than the eldest dependent child, one of the following: 40

New (Majority)

- (i) \$1,631.50, if the child is under the age of 13 years;
- (ii) \$2,047.50, if the child is 13, 14, or 15 years of age;
- (iii) \$3,087.50, if the child is 16 or more years of age;
- (iv) A weighted average of the amounts in subparagraphs (i) and (ii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 13 years during the eligible period;
- (v) A weighted average of the amounts in subparagraphs (ii) and (iii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 16 years during the eligible period; and’.”

17. Rates for interim instalments for period beginning on or after 1 July 1997—Section 42 of the Income Tax Act 1994 Amendment Act 1996 is amended by repealing the definition of item “a” in section KD 5B (3), and substituting the following definition:

“a is an amount equal to the sum of—

“(a) For the eldest dependent child of whom the person is a principal caregiver during the eligible period, one of the following:

- (i) \$2,444, if the child is under the age of 13 years;
- (ii) \$2,444, if the child is 13, 14, or 15 years of age;
- (iii) \$3,120, if the child is 16 or more years of age;
- (iv) A weighted average of the amounts in subparagraphs (i) and (ii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 13 years during the eligible period;
- (v) A weighted average of the amounts in subparagraphs (ii) and (iii) that reflects the propor-

New (Majority)

tion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 16 years during the eligible period; and

5

“(b) For each dependent child of whom the person is a principal caregiver during the eligible period, other than the eldest dependent child, one of the following:

“(i) \$1,664, if the child is under the age of 13 years;

10

“(ii) \$2,080, if the child is 13, 14, or 15 years of age;

“(iii) \$3,120, if the child is 16 or more years of age;

“(iv) A weighted average of the amounts in subparagraphs (i) and (ii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 13 years during the eligible period;

15

“(v) A weighted average of the amounts in subparagraphs (ii) and (iii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 16 years during the eligible period; and”.

20

25

18. Family credit of tax—Section 50 of the Income Tax Act 1994 Amendment Act 1996 is amended by repealing subsection (1), and substituting the following subsection:

“(1) Section KD 2 (2) of the principal Act is further amended by repealing the definition of item ‘a’ (as substituted by section 36 (1) of this Act), and substituting the following definition:

30

‘a’ is an amount equal to the sum of—

‘(a) For the eldest dependent child of whom the person is a principal caregiver during the eligible period, one of the following:

35

‘(i) \$2,444, if the child is under the age of 13 years;

‘(ii) \$2,444, if the child is 13, 14, or 15 years of age;

‘(iii) \$3,120, if the child is 16 or more years of age;

‘(iv) A weighted average of the amounts in subparagraphs (i) and (ii) that reflects the proportion of the eligible period that those

40

New (Majority)

subparagraphs apply to the child, if the child attains the age of 13 years during the eligible period;

5 ‘(v) A weighted average of the amounts in subparagraphs (ii) and (iii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 16 years during the eligible period; and

10 ‘(b) For each dependent child of whom the person is a principal caregiver during the eligible period, other than the eldest dependent child, one of the following:

15 ‘(i) \$1,664, if the child is under the age of 13 years;

 ‘(ii) \$2,080, if the child is 13, 14, or 15 years of age;

 ‘(iii) \$3,120, if the child is 16 or more years of age;

 ‘(iv) A weighted average of the amounts in subparagraphs (i) and (ii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 13 years during the eligible period;

20 ‘(v) A weighted average of the amounts in subparagraphs (ii) and (iii) that reflects the proportion of the eligible period that those subparagraphs apply to the child, if the child attains the age of 16 years during the eligible period; and’.”

25

SCHEDULE<S>

Section 11

<FIRST SCHEDULE>

CONSEQUENTIAL AMENDMENTS TO SOCIAL SECURITY ACT 1964

<Effective on and after 1 January 1997>

Provision Amended	Amendment
Section 3 (1)	By repealing subparagraph (b) (v) of the definition of the term "benefit" (as substituted by section 2 (1) of the Social Security Amendment Act (No. 2) 1990), and substituting the following subparagraph: "(v) A young job seeker's allowance payable under section <59A> <59B> of this Act."
Section 60 (1) (as substituted by section 15 (1) of the Social Security Amendment Act 1991)	By omitting the words "job search allowance under section 60D of this Act", and substituting the words "young job seeker's allowance under section <59A> <59B> of this Act".
Section 60H (1) (as inserted by section 16 of the Social Security Amendment Act 1991)	By omitting the words "job search allowance under section 60D of this Act", and substituting the words "young job seeker's allowance under section <59A> <59B> of this Act".
Section 60L (as so inserted)	By adding the following subsection: "(3) If an applicant for a young job seeker's allowance— "(a) Is unemployed; and "(b) Has a spouse who is unemployed but who is not entitled to a benefit because he or she is unemployed because of a strike (of the type referred to in section <59A> <59B> (c) of this Act) or because of section 60H or section 60J or section 60N of this Act— the rate of young job seeker's allowance the applicant shall be entitled to receive shall be the appropriate rate specified in clause 5 of the Ninth Schedule to this Act."
Section 60M (1) (a) (as inserted by section 15 of the Social Security Amendment Act (No. 2) 1991)	By inserting, after the words "unemployment benefit", the words "or a young job seeker's allowance".
Section 60N (1) (as so inserted)	By inserting, after the words "unemployment benefit", the words "or young job seeker's allowance".

⟨FIRST SCHEDULE⟩—continued

CONSEQUENTIAL AMENDMENTS TO SOCIAL SECURITY ACT 1964—continued

⟨Effective on and after 1 January 1997⟩—continued

Provision Amended	Amendment
Section 61 (1) (as amended by section 17 (b) of the Social Security Amendment Act 1991)	By omitting from the first and second provisos the words “job search allowance” wherever they occur, and substituting in each case the words “young job seeker’s allowance”.
Section 69c (1) (a) (as substituted by section 15 (1) of the Social Security Amendment Act (No. 2) 1985)	By inserting, after the words “unemployment benefit,”, the words “or a young job seeker’s allowance, or an independent youth benefit on the ground specified in section 60F (1) (c) (ii) of this Act,”.
Section 69c (5) (a) (as substituted by section 5 of the Social Welfare (Transitional Provisions) Amendment Act (No. 2) 1993)	By inserting, after the words “unemployment benefit”, the words “, or a young job seeker’s allowance,”.
<i>Struck Out (Majority)</i>	
Section 69D (1) (as inserted by section 15 of the Social Security Amendment Act 1986)	By inserting, after paragraph (da) (as inserted by section 35 (3) of the Finance Act 1989), the following paragraph: “(db) A young job seeker’s allowance.”.
Section 70A (1) (b) (as substituted by section 9 (1) of the Social Security Amendment Act (No. 5) 1991)	By inserting in subparagraph (v), after the word “Act”, the words “or payable pursuant to section 58 (3) of this Act”: By inserting, after subparagraph (v), the following subparagraph: “(va) A young job seeker’s allowance granted under section ⟨59A⟩ ⟨59B⟩ of this Act on an application made on or after the ⟨date on which the Youth Income Support Act 1995 comes into force⟩ ⟨1st day of January 1997⟩:”.
Section 71A (as inserted by section 21 (1) of the Social Security Amendment Act 1976)	By inserting in subsection (1) (a), after the words “this Act,”, the words “or an independent youth benefit on the ground specified in section 60F (1) (c) (ii) of this Act,”. By inserting in subsection (2), after the word “sickness,”, the words “independent youth,”.

⟨FIRST SCHEDULE⟩—continued

CONSEQUENTIAL AMENDMENTS TO SOCIAL SECURITY ACT 1964—continued

⟨Effective on and after 1 January 1997⟩—continued

Provision Amended	Amendment
Section 72 (b)	By inserting, after the words “sickness benefit”, the words “, or an independent youth benefit on the ground specified in section 60F (1) (c) (ii) of this Act,”.
Section 77 (2) (as substituted by ⟨section 35 (1) of the Social Welfare Reform Act 1995⟩ ⟨section 2 (1) of the Social Security Amendment Act (No. 2) 1996⟩)	By omitting the words “job search allowance”, and substituting the words “young job seeker’s allowance”.
Section 77 (3) (as so substituted)	By omitting the words “job search allowance”, and substituting the words “young job seeker’s allowance”.
Section 80 (8) (as substituted by section 32 (1) of the Social Security Amendment Act 1991)	By inserting in paragraph (a) of the proviso, after the words “unemployment benefit”, the words “or a young job seeker’s allowance,”.
Section 80B (as substituted by section 5 (1) of the Social Security Amendment Act (No. 4) 1992)	By omitting from subsection (1) (a) the words “job search allowance”, and substituting the words “young job seeker’s allowance”.
Eighth Schedule (as substituted by section 36 (1) of the Finance Act 1989)	By inserting in the definition of the term “income” in subsection (3), after the words “job search allowances”, the words “young job seekers’ allowances,”.
Ninth Schedule (as so substituted)	By repealing clause 1 (a).
	By omitting from the heading the words “JOB SEARCH ALLOWANCES”, and substituting the words “YOUNG JOB SEEKERS’ ALLOWANCES”.
	By repealing clause 4.
	By inserting in clause 5, after the words “unemployment benefit”, the words “or young job seeker’s allowance”.
	By inserting in clause 5, after the expression “60L (2)”, the words “or section 60L (3)”.

New (Majority)

SECOND SCHEDULE Section 11A (2)	
CONSEQUENTIAL AMENDMENTS TO SOCIAL SECURITY ACT 1964	
<i>Effective on and after 1 April 1997</i>	
Provision Amended	Amendment
Section 3 (1)	<p>By omitting from paragraph (a) of the definition of the term "work-tested beneficiary" (as inserted by section 2 (6) of the Social Security Amendment Act 1996) the words "job search allowance", and substituting the words "young job seeker's allowance".</p> <p>By omitting from paragraph (a) of the definition of the term "work-tested benefit" (as so inserted) the words "job search allowance", and substituting the words "young job seeker's allowance".</p> <p>By inserting in the definition of "work-tested spouse" (as so inserted), after the words "unemployment benefit", the words "or a young job seeker's allowance".</p>
Section 3 (5) (as added by section 2 (7) of the Social Security Amendment Act 1996)	By inserting, after the words "unemployment benefit", the words "or a young job seeker's allowance".
Section 59B (as inserted by section 5 of this Act)	<p>By adding the following subsection:</p> <p>"(2) It is a condition of a benefit under this section that the person granted the benefit shall comply with section 60HC of this Act (which relates to work testing)."</p>
Section 59C (1) (as so inserted)	By inserting, after the words "provided in", the words "section 59E or".
Section 60GA (b) (ii) (as inserted by section 16 of the Social Security Amendment Act 1996)	By inserting, after the words "unemployment benefit", the words "or a young job seeker's allowance".
Section 60H (1) (as substituted by section 17 of the Social Security Amendment Act 1996)	By omitting from paragraph (b) of the definition of the term "employment" the words "job search allowance", and substituting the words "young job seeker's allowance".
Section 60H (2) (c) (as so substituted)	By inserting, after the words "unemployment benefit", the words "or a young job seeker's allowance".

New (Majority)

SECOND SCHEDULE—*continued*CONSEQUENTIAL AMENDMENTS TO SOCIAL SECURITY ACT 1964—*continued**Effective on and after 1 April 1997—continued*

Provision Amended	Amendment
Section 60HA (1) (a) (ii) (as inserted by section 18 of the Social Security Amendment Act 1996) Section 60HA (as so inserted)	By inserting, after the words “unemployment benefit”, the words “or young job seeker’s allowance”. By adding the following subsection: “(4) For the purposes of subsection (3) of this section, where, under section 58 (3) of this Act, an unemployment benefit is granted to a person in receipt of a young job seeker’s allowance,— “(a) That unemployment benefit and that young job seeker’s allowance shall be considered to be the same benefit; and “(b) The grant of that benefit shall be considered to have occurred on the date the young job seeker’s allowance was granted.”
Section 60HD (1) (b) (as so inserted)	By inserting, after the words “unemployment benefit”, the words “or a young job seeker’s allowance”.
Section 60HF (as so inserted)	By inserting, after the words “unemployment benefit” wherever they occur, the words “or young job seeker’s allowance”.
Section 60JA (4) (as inserted by section 20 of the Social Security Amendment Act 1996)	By inserting, after the words “unemployment benefit”, the words “or a young job seeker’s allowance”.
Section 60JA (5) (as so inserted)	By inserting in paragraph (b), after the words “unemployment benefit”, the words “or a young job seeker’s allowance”.
Section 60JA (10) (as so inserted)	By inserting in the definition of the term “benefit”, after the words “unemployment benefit”, the words “or a young job seeker’s allowance”.

New (Majority)

SECOND SCHEDULE— <i>continued</i>	
CONSEQUENTIAL AMENDMENTS TO SOCIAL SECURITY ACT 1964— <i>continued</i>	
<i>Effective on and after 1 April 1997—continued</i>	
Provision Amended	Amendment
Section 60L (as substituted by section 24 (1) of the Social Security Amendment Act 1996)	By inserting, after the words “unemployment benefit” where they first occur, the words “or a young job seeker’s allowance”. By omitting paragraph (b), and substituting the following paragraph: “(b) Has a spouse who is unemployed but who is not entitled to a benefit because of section 60H of this Act, or because he or she is unemployed because of a strike of the type referred to in— “(i) Paragraph (b) of the proviso to section 58 (1) of this Act; or “(ii) Section 59B (c) of this Act—”.
Section 60M (1) (a) (i) (as substituted by section 26 of the Social Security Amendment Act 1996)	By inserting, after the words “rate of unemployment benefit”, the words “or a young job seeker’s allowance”.
Section 77 (3) (as substituted by section 33 (2) of the Social Security Amendment Act 1996)	By inserting, after the words “unemployment benefit”, the words “or a young job seeker’s allowance”.
Section 80B (as substituted by section 35 of the Social Security Amendment Act 1996)	By omitting the words “job search allowance”, and substituting the words “young job seeker’s allowance”. By omitting paragraph (a) (vii) of the definition of the term “income”, and substituting the following subparagraph: “(vii) A job search allowance or a young job seeker’s allowance;”.
Section 80BD (3) (as inserted by section 35 of the Social Security Amendment Act 1996)	By inserting, after the words “unemployment benefit,”, the words “or a young job seeker’s allowance,”.

New (Majority)

SECOND SCHEDULE— <i>continued</i>	
CONSEQUENTIAL AMENDMENTS TO SOCIAL SECURITY ACT 1964— <i>continued</i>	
<i>Effective on and after 1 April 1997—continued</i>	
Provision Amended	Amendment
Ninth Schedule (as substituted by section 39 (1) of the Social Security Amendment Act 1996)	By inserting in clause 5, after the words “unemployment benefit”, the words “or young job seeker’s allowance”.

New (Majority)

THIRD SCHEDULE

Section 11A (3)

AMENDMENTS TO FIRST SCHEDULE TO THIS ACT

Effective on and after 1 April 1997

By omitting the item relating to section 60 (1) of the Social Security Act 1964.

By omitting the item relating to section 60H (1) of the Social Security Act 1964.

By omitting the item relating to section 60L of the Social Security Act 1964.

By omitting the item relating to section 60M (1) (a) of the Social Security Act 1964.

By omitting the item relating to section 60N (1) of the Social Security Act 1964.

By omitting the item relating to section 77 (3) of the Social Security Act 1964.

By omitting from the item relating to the Eighth Schedule the words “(as substituted by section 36 (1) of the Finance Act 1989)”, and substituting the words “(as substituted by section 39 of the Social Security Amendment Act 1996)”.

By omitting the second item relating to clause 5 of the Ninth Schedule.