

House of Representatives

Supplementary Order Paper

Wednesday, 4 July 2018

Social Security Legislation Rewrite Bill

Proposed amendments to SOP No 25

Hon Carmel Sepuloni, in Committee, to move the following amendments:

Clause 402

After *clause 402(2)* (page 231), insert:

- (3) For the purposes of regulations made under **subsection (1)(f)**, the following must be treated as \$1 a week of income:
 - (a) every \$100 of cash assets over \$5,400 held by—
 - (i) a person who is in a relationship; or
 - (ii) a single person who has a dependent child or children; and
 - (b) every \$100 of cash assets over \$2,700 held by any other person.

In *clause 402*, compare note, after “61E,” (page 231), insert “61EC(2),”.

Clause 421

Delete *clause 421(2)(a), (3), and (4)* (pages 248 and 249).

Replace *clause 421(2)(f)* (page 248) with:

- (f) provide for apportionment, between a beneficiary and spouse or partner, of all or any of the following (other than benefits specified in **subsection (5)**):
 - (i) a benefit payable at a rate prescribed for a person who is in a relationship (a **couple rate**):
 - (ii) any other benefits payable under this Act:

Clause 431

After *clause 431(2)(a)* (page 256), insert:

- (aa) **section 402(3)(a) and (b)** (cash assets treated as income for required income-based reductions to the assessed base rate amount of accommodation supplement):

In *clause 431(3)(a)*, after “cash assets test,” (page 257), insert “the cash assets thresholds specified in **section 402(3)(a) and (b)**”.

Schedule 2

In *Schedule 2*, definition of **income**, before *paragraph (a)* (page 338), insert:

- (aaa) **section 402(3)**, which requires specified amounts of cash assets to be treated as specified amounts of income for the purposes of regulations made under **section 402(1)(f)**, providing for required income-based reductions to the assessed base rate amount of accommodation supplement:
- (aab) regulations made under **section 403(2)(d)**, defining the kinds of income, benefits, credits, and receipts to be treated as income for the purposes of **subpart 10 of Part 2** (child-care assistance):

Schedule 12

In *Schedule 12, Part A*, item relating to section 61EC, after “65,” (page 457), insert “402.”

In *Schedule 12, Part C*, item relating to *clause 402*, after “61E,” (page 479), insert “61EC(2).”

Explanatory note

This Supplementary Order Paper sets out 3 amendments to the Social Security Legislation Rewrite Bill.

Clause 402(1)(f) authorises regulations that provide for required income-based reductions to the assessed base rate amount of accommodation supplement. *New clause 402(3)*, to continue the effect of section 61EC(2) of the Social Security Act 1964, requires certain amounts of cash assets to be treated as income for the purposes of those regulations. Related clarifying and consequential changes are also made to *clause 431 and Schedules 2 and 12*.

Clause 421(2)(a), (3), and (4) is deleted as unnecessary. *Clause 318(1)(a), (b), and (c)*, which re-enacts section 82(3) of the Social Security Act 1964, provides adequately for redirection.

New clause 421(2)(f) ensures apportionment regulations can provide for apportionment of the same benefits as can be apportioned under section 83 of the Social Security Act 1964.

Departmental disclosure statement

The Ministry of Social Development considers that a departmental disclosure statement is not required to be prepared for this Supplementary Order Paper.