Social Assistance

Chronology

1844–2023

A historical summary of

social security benefits, war pensions,

retirement pensions, taxation measures, family assistance, housing assistance, student support and labour market programmes

(at 30 September 2023)

**Foreword**

The Social Assistance Chronology has been developed and is maintained by Alex McKenzie, Policy Manager at the Ministry of Social Development. It started out as a historical list of policy changes to the social security system. Over time, it has expanded to include changes to social security benefits, war pensions, retirement pensions, taxation measures, family assistance, child welfare, housing, student support and labour market programmes.

It covers the period from 1844 to the present day and lists policy changes, legislation and key documents such as reports from Commissions of Inquiry and Ministerial Inquiries, government convened working parties, public discussion documents and Government policy statements. It also details administrative and service delivery arrangements. The source of the information is primarily files held by the Ministry of Social Development (including those of its predecessor organisations) papers held by the National Archives and historic legislation. Some of the material has also been obtained from secondary sources (published books and articles) while other material resulted from the author's own involvement in policy development beginning in the early 1990s.

The Social Assistance Chronology is not an official record of social assistance policy and programmes in New Zealand; rather it is a guide from which researchers can progress to primary sources of information (legislation, departmental publications, Cabinet submissions and government policy statements). While the chronology is undoubtedly incomplete and may contain some inaccuracies and omissions (particularly for the earlier period), it is intended only as a quick reference or starting point for those who are researching or who have an interest in the growth and development of social assistance programmes in New Zealand. It was intended that the chronology would simply record changes and developments in social assistance programmes and that it would not attempt to interpret or make judgements about specific policy changes. In some places, however, the chronology may have gone beyond this and any interpretation or judgement remains solely that of the author.

The *Social Assistance Chronology* was launched at the same time as the Ministry of Social Development history *Social Developments*. To assist the researcher, we have broken the chronology up into historical eras that broadly align with the chapters in *Social Developments*. It is important to note, however, that the *Chronology* has a much broader ambit than *Social Developments*. The focus of the *Chronology* is on social assistance policies and programmes. Many of these programmes are not delivered by the Ministry of Social Development.

The Ministry of Social Development intends to update the *Social Assistance Chronology* to record future developments in social assistance programmes and to correct errors or omissions. Suggested corrections and additions can be forwarded to [alex.mckenzie001@msd.govt.nz](mailto:alex.mckenzie001@msd.govt.nz).

Access the MSD history *Social Developments* at:

<http://www.msd.govt.nz/about-msd-and-our-work/about-msd/history/social-developments-organisational-history.html>

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## Part I: Colonial welfare, 1844 - 1924

| **Date** | **Change** | **Description** |
| --- | --- | --- |
| 1844 | **Work for the destitute** | Governor Fitzroy instructed the *Superintendent of Works* in Auckland to try to employ the destitute and those who had no means of support. This represented the beginning of the concept of public works as means of assistance. |
| 26 October 1846 | **Destitute Persons Ordinance 1846** | The *Ordinance for the Support of Destitute Families and Illegitimate Children*, like the *Poor Law* in Britain, emphasised family responsibility for the support of the sick, the unemployed, the aged, deserted wives and unmarried mothers. The Ordinance placed the responsibility for the care of the destitute on “near relatives”. At the time, however, as there was no authority for collecting maintenance (the law merely giving claimants the right to take legal action to secure it) the Ordinance had little practical effect. |
| 24 August 1849 | **Pensions Ordinance 1849** | The *Pensions Ordinance 1846* provided for a limited pension for volunteers and others who were disabled or seriously wounded while acting with or in aid of the Crown forces in the suppression of the rebellion in the far north of New Zealand in 1845/46.  Applications had to be made in writing to the *Colonial Secretary* on or before 1 January 1851 and applications were considered by the *Executive Council*, who were authorised to appoint a *Board of Medical Examiners* to report on the extent and nature of the injuries received.  The amount of the pension could not exceed double the pension in a like case awarded to a person of corresponding rank in Her Majesty’s regular forces.  Pensions were paid monthly out of general revenue. |
| 1852 | **(Imperial) Constitution Act 1852** | The *Constitution Act 1852* provided the colony of New Zealand with a settler Parliament and six *Provincial Councils*. Under the legislation, responsibility for the needy poor was given to the Provinces.  The Provinces discharged this by establishing or subsidising voluntary institutions and providing them with a modest level of funding. In the 1860s, the *Provincial Councils* reluctantly began to establish measures drawn from British models. Auckland and Canterbury employed relieving officers to distribute relief while Canterbury and Otago established industrial schools for problematic children.  Up until 1876 (the abolition of the *Provincial Councils*) the colonial government saw itself as having only a minor role in this area. |
| 7 May 1856 | **Pensions Act 1856** | In 1856, New Zealand effectively became self-governing in most domestic matters with the *Executive Council* having the support of the majority of the members of the *House of Representatives*. The positions of *Colonial Secretary*, *Attorney General* and *Colonial Treasurer* became political offices.  The *Pensions Act 1856* provided a retirement pension for the three individuals who occupied of the offices of *Colonial Secretary*, *Attorney General* and *Colonial Treasurer*, at the time that these offices became political appointments.  If the former office holders accepted a position under the British or any colonial government or provincial governments of New Zealand and their remuneration equalled or exceeded the amount of their pension, then their pension ceased or if their remuneration was less than their pension, then their pension was reduced by the amount of their remuneration.  The Act also provided that within 12 months of the passing of the Act, the *Governor* of the Colony could convert the pension to a lump sum – the amount set out in the schedule to the Act.  The three pensions were funded from the general revenue of the Colony. |
| 10 August 1858 | **Civil Service Superannuation Act 1858**  **Superannuation Allowance**  **Allowance for widows and children** | The *Civil Service Superannuation Act 1858* provided a discretionary *Superannuation Allowance* to retired civil servants. For Officers placed on the *Retired List*, the amount of the *Superannuation Allowance* was:   * for 10-16 years of service, an annual allowance of 3/12ths of the average salary of the office held by him during the three years prior to retirement; * for 17 to 44 years of service, an annual allowance of 4/12ths of the average salary of the office held by him during the three years prior to retirement, plus 1/84th of annual salary for each complete year of service over 17 years; and * for 45 years of service and upwards, an annual allowance of 8/12ths of the average salary of the office held by him during the three years prior to retirement.   For Officers who had not served 30 years or more, a certificate signed by two medical practitioners was required to state that by reason of age, bad health or other infirmity the officer was no longer capable of performing his duties.  For Officers who had died while in the service of the Government, a widow or children or other relative could receive a lump sum, up to a maximum payment of one year’s salary that the Officer was drawing immediately before his death.  A *Superannuation Allowance* was only granted to officers who had discharged their duties with diligence and fidelity, to the satisfaction of the *Head Officer* of his Department. |
| 6 September 1861 | **Changes to Civil Service Superannuation Allowances** | The *Civil Service Amendment Act 1861* made several changes to the *Superannuation Allowance* for *Civil Officers*.  It provided that any person who entered the *Civil Service* of the Colony before 10 August 1858 and who at the time of their retirement was aged 50 or more and who had served for 15 years or more, could on cessation of service receive a *Superannuation Allowance* without a medical certificate.  For a person who had entered the *Civil Service* of the Colony before 10 August 1858, the amount of *Superannuation Allowance* was:   * for 14-16 years of service, and who was aged 50 or more at the time of retirement, an annual allowance of 4/12ths of the average salary of the office held by him during the three years prior to retirement; * for 17 to 30 years of service, an annual allowance of 6/12ths of the average salary of the office held by him during the three years prior to retirement, plus 1/84th of annual salary for each complete year of service over 17 years; and * for 31 years of service and upwards, an annual allowance of 8/12ths of the average salary of the office held by him during the three years prior to retirement.   The *Civil Service Act 1866* instituted a new scheme of *Superannuation Allowances* for Civil Servants employed by the Colonial Government. |
| 6 September  1866 | **Military Pensions Act 1866 made provision for widows of soldiers** | The *Military Pensions Act 1866* made provision for pensions and lump sum payments for officers and men of the *Colonial Forces* who had been killed or wounded on active service in the Māori wars of the 1840s (1843-1847) and 1860s (1860-1872). Payments were higher for European than Native members of the *Colonial Forces* and were determined in relation to rank, and the level of disability.  Provision was also made for widows of a soldier who had been killed in action or had died of his wounds. These pensions were payable on a discretionary basis. Pensions for widows were only conferred on deserving persons. They were not granted to widows left in wealthy circumstances and were discontinued altogether in case of any misconduct on the part of the individuals receiving them. In all cases on a widow re-marrying, her pension was suspended from the date of her re-marriage.  Special allowances could also be provided to relatives (widows, children and other relatives) in respect of soldiers of the European race who were killed in action or had died of their wounds. |
| 8 October 1866 | **Civil Service Act 1866**  **Retirement at age 60**  **Superannuation Allowance**  **Retirement before age 60 on medical grounds**  **Allowances for incapacity**  **Allowances for widows and children** | The *Civil Service Act 1866* classified and organised the *Civil Service*. It regulated salaries, established an equitable and uniform system of appointment, promotion and dismissal and provided for leave of absence. It also regulated retiring and other allowances.  The Act also provided that upon attaining the age sixty years civil servants shall thereupon retire from active service upon a *Superannuation Allowance*. It pprovided retiring civil servants employed by the colonial government with a pension, relative to their length of service:   * for 10 years of service, an annual allowance of 10/60th of the average salary of the office held by him during the three years prior to retirement; * for 11 years of service, an annual allowance of 11/60ths of the average salary of the office held by him during the three years prior to retirement; and * and in a like manner, an additional 1/60th of average salary for each additional year of service, up to the full term of service of forty years (the total amount of any superannuation allowance could not exceed 40/60ths of the salary upon which the allowance was computed).   There was provision to pay a *Superannuation Allowance* to an officer who had not attained the age of 60 years, on the basis of satisfactory medical evidence that he was incapable of performing his duties.  If an officer was incapacitated without his own fault and in the performance of his duties, he could be granted an allowance, not exceeding his then rate of salary.  If an officer was killed or died without his own fault in the active discharge of his public duties there was discretion to grant his widow, children or another relative and allowance not exceeding one year’s salary (average salary the officer was receiving in the two years preceding his death).  The *Civil Service Superannuation Act 1858* and the *Civil Service Superannuation Amendment Act 1861* were repealed.  The *Superannuation Allowances* provided in the *Civil Service Act 1866* were repealed in 1871. |
| 1867 | **Otago Provincial Council: Neglected and Criminal Children’s Ordinance 1867** | The *Otago Provincial Council* passed the *Neglected and Criminal Children’s Ordinance*. Modelled on British legislation, Otago became the first province in New Zealand to authorise public institutional care for children.  The Ordinance was declared *ultra vires* by the *Colonial Government*. The *Neglected and Criminal Children Act 1867* passed later in the year by the *Colonial Government* (see below), was, however, virtually identical to the Otago Ordinance. |
| 10 October 1867 | **Neglected and Criminal Children Act 1867**  **Establishment of Industrial Schools**  **Penalties for absconding**  **Parents to contribute**  **First industrial schools** | The *Neglected and Criminal Children Act 1867* provided institutionalised care in industrial schools for the children of impoverished or irresponsible parents, and training to enable children to work to support themselves at sea, on farms or as domestic servants from the age of 12-13 onwards.  The Act enabled the *Superintendent* of a Province to establish industrial schools to which neglected, indigent or delinquent children could be committed by the Courts. The main function of the schools was to provide vocational training as well as education. A child could be held until the age of 21 and could be committed for a relatively minor offence or for reasons such as “begging”, “wandering about”, being “homeless:” or “associating with persons of low repute”. To encourage charitable aid, industrial schools were allowed to be established by private contributions, subsidised by Provincial funds.  If any inmate of any industrial school absconded or wilfully destroyed or damaged any real or personal property belonging to the school or wilfully neglected or refused to obey or conform to any such regulation a male inmate was upon conviction before two or more Justices, liable, at the discretion the Justices, to be privately whipped and if he had absconded, be ordered to be sent back to the school from which he shall have so absconded and to be there detained until he reaches the age of 15 years, or for such shorter period as the justices shall seemed reasonable.  The parent or step-parent of every such child inmate was required (if the parent has sufficient ability so to do) to contribute to the support of the child while the child so detained at an industrial school. Any constable or the master of the industrial school could apply to a justice for a summons to be served on the alleged parent or step-parent of such inmate for the purpose of obtaining such contribution.  The first industrial school was opened at Caversham (Dunedin) in 1867. In February 1874, the *Canterbury Provincial Council* established an industrial school at Burnham. With the abolition of the Provincial Councils in 1876 the industrial schools were transferred to the *Colonial Government* and placed under the control of the *Justice Department*. Responsibility was transferred to the *Education Department* in 1880. |
| 14 November 1871 | **Civil Service Superannuation Allowances repealed.** | The *Civil Service Amendment Act 1871* amended the *Civil Service Act 1866* by repealing the provisions relating to *Superannuation Allowances*. The repeal did not affect the rights of persons appointed before the passing of the Amendment Act and provisions for officers disabled or killed in the active performance of their duty remained. |
| 10 December 1877 | **Destitute Persons Act 1877** | The expectation that immigrants would provide for themselves and their family members, rather than rely on the community acting through the State, was enshrined in the *Destitute Persons Act of 1877*. The Act repealed but reinforced the 1846 *Ordinance for the Support of Destitute Families and Illegitimate Children* Ordinance and extended responsibility to more distant relatives. The Act provided for the support of paupers by their relatives and of illegitimate children by their fathers. *Justices of the Peace* were given the power to order the relatives (which included the father, stepfather, grandfather, mother, stepmother, grandmother, children other than stepchildren, brother and unmarried sister) of any destitute person to contribute any sum not exceeding 20s per week towards the support of such person.  The discretionary power of a *Justice of the Peace* in affiliation cases was also increased so as to allow an order of up to 10s per week for the support of children, including half-caste children. The father was able to require the *Justice of the Peace* to capitalise his contributions, and they were able to fix a certain amount (of not less than £10 or more than £100), to be paid as a lump sum, to ease him of all further liability.  Provision was also made which enabled illegitimate children under 14 to apply for maintenance out of the estate of deceased parents.  While re-enacted a number of times, the approach in the original *Destitute Persons Act* remained on the statute books in New Zealand until 1968. The operative provision of the *Destitute Persons Act 1910* provided:  *Every near relative of a destitute person, if that relative is of sufficient ability, is liable for the maintenance of that destitute person in manner hereinafter provided.* |
| 1882-1883 | **Proposals for a social insurance scheme** | The *Colonial Treasurer* (Harry Albert Atkinson) advocated a scheme of social insurance and put forward proposals for insurance against sickness, accident, old age, widowhood and orphanhood on an actuarial insurance basis.  The ‘Atkinson Scheme’ provided for compulsory contributions to create a pension fund. Benefits would include sick pay until age 65, a pension after 65, a widowhood benefit and an orphanhood benefit. It was proposed to maintain all the existing indigent people aged 65 or over out of the consolidated fund.  Atkinson’s proposal came before the *House of Representatives* in 1882 and 1883 but was not taken seriously. It was argued that the proposed scheme would encourage idleness, thriftlessness, undermine the self-reliance of the people and break up families.  [*Note: A social insurance scheme was introduced in Germany between 1883 and 1889*.] |
| 22 September 1885 | **Hospital and Charitable Institutions Act 1885**  **Department of Hospitals and Charitable Institutions** | The *Hospital and Charitable Institutions Act* *1885* systematised disparate local arrangements for poor relief into a national framework. A national system of Hospital and Charitable Aid Boards was created with funding from a combination of local body rates, voluntary donations and central government subsidies. This framework provided a means by which approved voluntary organisations could be incorporated and provided with public funding. The Act came into force on 1 October 1885.  In the days of the *Provincial Councils*, the hospitals were maintained chiefly out of provincial revenues. With the abolition of provincial government in 1876, the central Government resumed responsibility for the hospitals, and for the next 10 years they remained under the management of local committees with the Government bearing most of the cost.  The Act brought with it the arrival of the central welfare bureaucracy in New Zealand, albeit a small one. From 1885, the *Department of Hospitals and Charitable Institutions* consisted only of its General Inspector, Duncan MacGregor and a single clerk. In 1895 Grace Neil was transferred from the *Department of Labour*. These two individuals had a significant role in shaping the charitable aid system and central government attitudes to welfare. MacGregor was described as a ‘social Darwinist’ and was vocal in his disdain for the ‘unorganisable residuum in society’ who he frequently likened to ‘swarms of parasites’.  The sick and injured were treated at public hospitals, free of charge, if they did not have the means to pay. Those who were mentally afflicted were placed in mental hospitals and orphans and children of destitute parents were looked after in special homes and industrial schools. This system of public relief was further helped by private benevolence, and all donations to hospitals were subsidised by the Government, from general revenue to the extent of £1 4s per £1. Voluntary contributions were however never as high as expected so most funding for general hospital care and charitable aid come from local or central government taxation.  The *Hospitals and Charitable Institutions Act* *1885* set the pattern for our hospital system which in the main has continued up to the present. The country was divided into 28 hospital districts, each controlled by a board whose members were appointed annually by the local authorities of the district. The hospitals were to be financed by patients' fees, and, it was hoped, by voluntary contributions from the charitably minded, the balance being supplied by local rates with a government subsidy. A number of “separate institutions”, which also received money from the rates as well as Government subsidies, continued in independent existence so that in effect there were two separate systems existing together. A new Act was passed in 1909 under which board members were to be elected by the electors of their district, and to hold office for three years. All the separate institutions which could not operate without assistance from the local ratepayers were taken over by the hospital boards, and the number of hospital districts was increased to 36. |
| 25 September 1891 | **Coal Miners’ Relief Fund** | As part of the *Coal Mines Act 1891*, a levy was imposed on coal production to provide limited assistance to coal miners who were injured or to the families of those that were killed.  The owner of every coal-mine, whether situated on private lands or on Crown lands, was required to contribute to a fund for the relief of coal-miners who were injured whilst working in coal-mines, and for the relief of the families of coal-miners who were killed.  In months of January, April, July, and October the mine owner was required to pay a sum equivalent to one halfpenny per ton on the output of the bituminous coal and one farthing per ton on lignite in any coal-mine sold during the preceding three months. The money was paid to the *Post-Office Savings-Bank* which was nearest to the mine to the credit of an account called *The Sick and Accident Fund* in connection with the *Miners' Association* of the district.  The *Coal Miners’ Relief Fund* was operated by the *Miners’ Association* of the district, in accordance with regulations from time to time made by the Governor.  These provisions were superseded by the state-funded *Miner’s Pension* in 1915. |
| 26 June 1894 – 27 September 1894 | **Select Committee appointed to consider old age pensions** | A Select Committee (Old-Age Pensions Committee) of ten members of the House of Representatives was appointed to examine into and report on the question of making provision for old age. The Committee was chaired by William Hutchison M.H.R and considered a number of proposals for pension schemes and overseas pensions schemes, including the Danish scheme established in 1891.  The Committee did not advocate any particular scheme but suggested a Royal Commission of Inquiry into the question. The Committee suggested that a Royal Commission could take evidence as to the numbers and condition of the aged in the colony; the probable increase in such numbers; and the wages earned by persons earning less than £300 per annum and the amount that would be required to fund a pension.  The resolutions of the Committee included:   * that provision of pensions for the old of both sexes should be established by the State, if a practical method of funding could be devised; * that it would not be within scope of practical finance to fix eligibility to pensions at less than 65 years; * that all applicants for a pension must have resided in the Colony for at least 20 years immediately previous to their application; * no pension may be granted to any applicant who had been convicted of an indictable offence, unless he or she had been granted a free pardon from the Governor, or to anyone convicted of drunkenness three times during the past seven years prior to their application; and * that every male and female pensioner should be entitled to a weekly sum of 8s, and in the case of a husband and wife the joint allowance should be 15s per week.   The Committee presented its report on 27 September 1894. |
| 18 October 1894 | **Government Advances to Settlers Office established** | The *Government Advances to Settlers Act 1894* established the *Government Advances to Settlers Office* and the *Government Advances to Settlers Board*. Its original purpose was to provide cheap mortgage finance to farmers during a period of falling prices for agricultural exports and at a time when the Government believed that high mortgage rates were creating and excessive burden and retarding growth. Its role was extended to providing low-cost finance to workers in towns and to Local Authorities. Its name was subsequently changed to the *State Advances Department* and in 1935 its functions were taken over by the newly established *Mortgage Corporation*. In 1936, it became the *State Advances Corporation*. |
| 1896 | **First Old Age Pensions Bill** | Prior to the 1896 election, the Premier, R. J. Seddon introduced the first *Old Age Pensions Bill*. The Bill provided for a pension of 10s per week for all people over 65 years of age, whose income, excluding earnings and pension was not more than £50 per year.  In the face of demand for abolition of the means test, Seddon abandoned the Bill.  Old age pensions became one of the main issues of the 1896 General Election. |
| 17 October 1896 | **Old Age Pensions: Registration of Peoples’ Claims Act 1896** | In order to ascertain what claims there might be for an old age pension without a means test, the *Registration of Peoples’ Claims Act 1896* was passed. Not everyone registered, but 8,010, including a large proportion of women paid the 2s 6d fee and registered their claims. The main occupational classes were labourers, miners, farmers, gardeners, shoemakers, nurses and a few professional men. Only about one in twenty had proof of age and of the 8,010 claims, only 5,584 established proof of identity. |
| 1897 | **Second Old Age Pensions Bill** | Following the 1896 General Election, a second *Old Age Pensions Bill* was introduced proposing a pension of 6s 11d per week at 65 years of age to all whose earnings were not more than £39 per year. This would be funded from general revenue.  The proposal was not as generous as that in the 1896 Bill and objections were raised on the grounds that it might result in higher taxation. The opposition considered that workers should contribute to the scheme.  The Bill passed its second reading by a large majority, but the House in Committee decided against the means-test. The Premier threatened to drop the Bill, but this was not necessary as it was rejected by the *Legislative Council* on its second reading. |
| July –November 1898 | **Third Old Age Pensions Bill/Old Age Pensions Act 1898** | In July 1898, the Liberal Government once again introduced an *Old Age Pensions Bill*. In the face of considerable opposition, it was finally passed and received the Royal Assent on 1 November 1898.  During the debate on the Bill, the Premier signalled an intention to introduce additional legislation providing for a contributory insurance-based scheme. Thus, all classes would be covered. The better off by the contributory scheme, the deserving poor by the *Old Age Pension* and the undeserving poor by charitable aid. |
| 1 November 1898 | **Old Age Pension**  **Old Age Pensions Office** | The *Old Age Pensions Act 1898* that provided non-contributory pensions was the first statutory provision made by any British country for old-age pensions. [*The first country to introduce non-contributory old-age pension was Denmark in 1891 (a means-tested old age allowance granted to those ‘worthily in need who had reached the age of 69), followed by New Zealand in 1898. A social insurance scheme was introduced in Germany between 1883 and 1889. Iceland introduced a law on old-age allowances in 1890, although this was mostly a modernisation of its Poor Relief Act, rather than the introduction of an old-age pension system*.]  The *Old Age Pension* was payable at **£18 per year** (about a third of a working man’s wage) at age 65 years. Subject to a residency test (25 years), income and property test. The income exemption was £34 per year and the pension was reduced by £1 for each £1 in excess of this and by £1 for each £15 of accumulated property over £50.  Māori receiving money under the *Civil List Act 1873*, aliens, naturalised subjects who had been naturalised for less than five years, Chinese and other Asiatics (whether British subjects or not) were excluded from the pension.  To distinguish between the deserving and undeserving poor the following people were not entitled to a pension:   * those imprisoned for 4 months during the past 12 years or for 5 years during the past 25 years; * those who had deserted a wife, husband or children at any time for 6 months or more; and * those who had not led a sober and reputable life for the past five years and those who had deprived themselves of property to qualify for a pension.   The inclusion of shares in Māori land for the property test meant that most Māori received less than the full rate. Slightly more than one third of the population aged 65 or over-qualified for the pension.  Until 1913, applicants had to present their pension claim in open court. This was an attempt to make both individuals and the system accountable to the wider public. Pension applicants had to substantiate their age and length of residence in the Colony, and their good character. Often cases would be deferred until proof was available. The register which documented all claims was open for inspection from the public. These processes were likely to have deterred a number of applicants. For others, particularly Māori, providing proof of date of birth was problematic.  The *Old Age Pensions Office* was established within the *Colonial Treasurer’s Department* to administer the *Old Age Pension*. It was initially headed by a single Registrar (Edward Mason and from 1902 James Eman Smith). In December 1898, 72 pension districts were created, with a Deputy Registrar appointed in each district. In most cases these were existing staff (such as clerks of courts or police officers) who received the additional work with no remuneration. The Deputy Registrars arranged for applicants to appear before a Magistrate in open court with the authority for approving applications given to existing district Stipendiary Magistrates. Applications were decided on evidence given at the hearing, without verification of answers given.  After two to three years it was found that many pensions had been obtained through misrepresentation. The system was changed so that applicants had to appear before a Deputy Registrar and information given was verified, after which the applicants appeared before a Stipendiary Magistrate. |
| 18 October 1900 | **Workers Compensation for Accidents Act 1900** | International development of workers compensation schemes (eg Germany from 1884) and the Brunner Mine disaster of 1896 contributed to the debate on workers’ compensation. The *Workers Compensation for Accidents Act 1900* established a limited compensation scheme for workers who had suffered injuries where there was no directly responsible party. Employers in dangerous trades were required to insure their workers against injury or death. Private insurers administered the claims. |
| 20 October 1900 | **Military Pensions Act extended to Boer War veterans** | The *Military Pensions Extension to Contingents Act 1900* amended the *Military Pensions Act 1866* to extend the availability of *Military Pensions* to contingents assembled by the New Zealand Government who served in the South African (Boer) war.  Allowances available to relatives could only be made to the widow, child or mother of an Officer, Non-commissioned Officer or Private. |
| 1 October 1902 | **Eligibility to Old Age Pensions: Transfer of a home to the Public Trustee** | The *Old Age Pensions Amendment Act 1902* made provision to enable older persons with their own home but with limited resources to obtain an *Old Age Pension*. If a pensioner wished to do so, they could transfer a home valued at not more than £300 to the *Public Trustee*. Any property transferred on this basis was excluded from the accumulated property of the pensioner, who was allowed to reside in the property rent free for life (though responsible for repairs, rates and other charges in respect of the property). On the death of the pensioner, a surviving husband or wife eligible for a pension could carry on the occupancy under the same conditions.  On the death of the pensioner, or survivor, or where the pensioner was no longer eligible for a pension, the *Public Trustee* sold the property and refunded the Treasury the amount of the pension paid since the transfer together with interest of four percent. Any balance was paid to the person entitled to it.  If a pensioner wanted the property returned, this was done on payment by the pensioner of the additional pension, commission and interest. The property would once again be charged as accumulated property and the pension adjusted accordingly.  In 1908, the limit of value of the home property which could be transferred was increased to £650 and in 1909 the limit was removed altogether. |
| 1904-1909 | **Old Age Pensions Department established** | The *Old Age Pensions Office* became an independent Department: The *Old Age Pensions Department*. The Department was headed by James Eman Smith who had replaced Edward Mason as *Registrar of Pensions* in 1902. While the role of the Department was initially confined to supervising and reporting on pensions, its role gradually expanded, and it had considerable influence over the payment of pensions, usually in a restrictive way. |
| 30 October 1905 | **Workers’ Dwellings Act 1905** | The purpose of the *Workers’ Dwellings Act 1905* was to provide urban workers with low-cost suburban housing, far removed from city slums and grasping landlords. The Act provided for the setting apart of land and the building of houses for workers (landless persons earning less than £156 per annum). Workers could either rent their home (a 50-year lease with right of renewal) or buy it outright, on the condition that it was returned to the state on the owner's death. Houses were soon constructed on the outskirts of the four main cities; the first were completed in Petone, Wellington, in 1906. Yet the scheme failed to prosper. High rents, and the cost of commuting to city jobs, priced the houses above the reach of most workers. The Reform Government finally ended the programme in 1919 (superseded by the *Housing Act 1919*), by which time only 648 dwellings had been constructed. |
| 31 October 1905 | **Workers Compensation for Accidents: Minimum weekly compensation and lump sums** | The *Workers Compensation for Accidents Act 1905* set a minimum weekly amount of compensation for total or partial disablement of £1 per week in every case where the worker’s pay for the work he was employed in at the time of the accident was not less than 30s per week.  The compensation payable in any case of total or permanent partial incapacity could be a lump sum, in lieu of weekly payments. The amount of the lump sum could be agreed on at any time by the parties, or the *Arbitration Court*, on the application of either party. |
| 1905 | **Proposal to extend pensions to invalids rejected** | The Government refused a demand to extend pensions to invalids, arguing that the provision of state assistance to the old was not to be regarded as establishing a general principle for other groups. The support of invalids was seen as the natural obligation of their families and local institutions. |
| 29 October 1906 | **Government Advances to Workers Act 1906** | The *Government Advances to Workers Act 1906* allowed urban landowners to borrow up to £450 from the Government at a low interest rate to build their own houses. This scheme proved to be more popular than the provision of housing for workers under the *Workers’ Dwellings Act 1905*. |
| 1 May 1909-1912 | **Administration of Old Age Pensions** | In a cost-cutting move, the *Old Age Pensions Department* lost its departmental status. During this period pensions were administered by the *Post and Telegraph Department* (administration of pensions was established as section of the Accountant’s Branch of the *General Post Office*). The number of officers in head office was reduced from 14 to 7 and at the district level, postal officers took over many of the duties previously performed by registrars. |
| 24 December 1909 | **Compulsory Military Training** | *Compulsory Military Training* was first introduced in New Zealand under the [*Defence Act 1909*](http://en.wikipedia.org/w/index.php?title=Defence_Act_of_1909&action=edit&redlink=1). It applied to all males from 12 to 30 years of age throughout New Zealand, who had resided in New Zealand for at least six months and who were British subjects. The training requirements were:   * from 12 to 14 years of age, or to the date of leaving school, whichever was the later, in the *Junior Cadets*; * from 14 years of age or the date of leaving school, to the age of 18 years, in the *Senior Cadets*; * from 18 years, or from any later date on which they cease to attend secondary school to 21 years of age, in the *General Training Section*; and * from 21 years to 30 years of age, in the *Reserve*.   The *Minister of Education* was responsible for the *Junior Cadets*. People who were deemed to be physically unfit by a medical practitioner were exempt from training.  *Compulsory Military Training* was abolished in 1932 due to the economic impact of the *Great Depression*. |
| 24 December 1909 | **Military Pensions**  **Medical Board**  **Pensions for Officers, NCOs and Privates**  **Pensions for widows**  **Special Allowances for relatives** | The *Defence Act 1909* instituted new provisions for *Military Pensions*.  A *Medical Board* was established to inquire into every claim for a pension, gratuity or allowance. A pension, gratuity or allowance could only be granted upon unanimous recommendation of the Board.  The Act provided pensions for officers, non-commissioned officers and privates in the *New Zealand Forces* who were wounded in action or injured in the actual performance of military duty whilst on active service.  Pensions were provided for widows where the husband was killed in action or died of wounds within 12 months of being wounded. There was also a special pension if the husband died from illness brought on by fatigue, privation or exposure to active operations before and enemy, within 12 months of having been removed from duty on account of the illness. The amount of the pension for the widow was dependent on her husband’s rank.  If an officer, non-commissioned officer or private was killed in action or died of wounds and left a widow or children, or both, a gratuity of one year’s pay could be given to the widow in addition to her pension, and one-third of the amount of the gratuity to each of his children, who were under-age and unmarried.  If an officer, non-commissioned officer or private left no widow or children, an annual allowance could be granted to his mother, provided that she was a widow and in distressed circumstances and was mainly dependent on the deceased serviceman for support. If the mother was in receipt of a pension from the Government, no allowance could be granted unless she relinquished the Government pension. Any allowance that was granted, ceased if the mother remarried. The allowance could be paid to a mother who was not a widow in cases where her husband was incapable through infirmity or incapacity for earning his livelihood.  Annual allowances could be given to children in cases in which the widow would be entitled to a pension, if it was shown that the children had no other allowance/pension or provision from the Government and that the financial circumstances of themselves and their families were limited. Allowances granted to sons could continue until they reached the age of 18 years or were otherwise provided for. For daughters, allowances could be continued until they married or attained the age of 21 years, whichever occurred first. In special cases allowances could continue beyond these ages for sons and daughters, if they were afflicted with mental or physical infirmity rendering them incapable of supporting themselves and that they remained in distressed circumstances. |
| 1909 | **Department of Hospitals and Charitable Institutions amalgamated with the Department of Public Health.** | Over time the *Pensions Department* grew to replace charitable aid as the lead in matters of social assistance. In 1906 Duncan Macgregor died and Grace Neil retired. Their successors dedicated more of their time to responsibilities associated with the administration of hospitals.  Charitable aid assumed an even lower profile within the *Department of Public Health*. From 1920 charitable aid became a lesser responsibility of one of seven divisions within the *Department of Public Health*. While the depression of the 1930s saw resurgence in demand for charitable aid, this all but disappeared following the implementation, in 1939, of the *Social Security Act 1938.* |
| 21 November 1910 | **Destitute Persons Act 1910** | The *Destitute Persons Act 1910* created a statutory means by which women could seek maintenance orders against the fathers of their children. In an attempt to enforce maintenance liabilities, the Act introduced the concept of attachment orders on wages. Single mothers were treated differently than sole mothers who were previously married. Single mothers could obtain affiliation orders for their child’s maintenance but could not claim maintenance for themselves.  This Act underpinned the introduction of the *Emergency Benefit* in 1939, which was paid on a discretionary basis to those that could prove hardship. Many separated women, however, were not eligible for an *Emergency Benefit* as it was conditional on obtaining a maintenance order. Private maintenance, enforced by the judicial system, remained the basis of support for separated and divorced sole mothers until the introduction of the *Domestic Purposes Benefit* in 1973.  The Act came into force on 1 January 1911. |
| 21 November 1910 | **Old Age Pension: Amendment to the property test** | The *Old Age Pensions Amendment Act 1910* exempted all home property (home and furniture) up to £340 per year. The exemption was increased to £390 in 1920 and £520 in 1924. Restrictions on the value of home property were removed in 1925. |
| 21 November 1910 | **National Provident Fund established** | The *National Provident Fund* *Act 1910* established the *National Provident Fund*. The scheme commenced on 1 January 1911 and the benefits under the Act were guaranteed by the Government.  This was a voluntary social insurance scheme, subsidised by the Government, to encourage individual responsibility for sickness, widowhood, orphanage and old age.  The Fund was vested in the *Public Trustee* and administered by the *National Provident Fund Board* (*Minster of Finance* and four other members appointed by the Governor). The Fund consisted of:   * contributions of members; * subsidy from the *Consolidated Fund* (equal to a quarter of the total contributions paid by members to the *Fund* over the preceding year); and * interest accrued from investments.   The scheme was initially designed for people of moderate means. A person could become a contributor if they were a resident of New Zealand, over 16 years of age and under 45 years of age, and in receipt of an income not exceeding £200 per year.  Contributions to the *Fund* were required at a rate sufficient to secure for the contributor when he attained the age of sixty years, a weekly pension of ten shillings, twenty shillings, thirty shillings, or forty shillings, as the case may be; and on attaining the age of sixty years he shall be entitled, without making any further contribution, to receive for the rest of his life a pension of this amount.  A fixed level premium was paid which received a 25 percent subsidy from the Government.  The scheme provided a modest pension at age 60, a maternity benefit and ancillary benefits on death or incapacity if there were children.  Despite wide advertising, only a small proportion of the workforce joined the scheme and many who did join left it over time. The popularity of the scheme varied according to such factors as economic conditions, social security provisions, limited promotion and development of superannuation in the private sector. The failure of this voluntary scheme, heightened calls for a compulsory social insurance scheme. The Fund was finally closed to new members from 31 March 1991. |
| 3 December 1910 | **Goldminers’ Relief Fund** | The *Mining Amendment Act 1910* established a relief fund for gold miners who were injured or killed, which was drawn from the duty on gold paid by the industry.  In addition to *Duty* paid under the *Gold Duty Act 1908,* an additional duty (of threepence per ounce troy weight of gold of the fineness of twenty carats and upwards, and so in proportion for any less quantity and quality) was levied on all gold exported. The Duty was paid into the *Public Trustee’s* Account.  The *Goldminers' Relief Fund* was administered by the *Public Trustee* in accordance with Regulations for the relief of miners who were injured while working, and for the relief of the families of miners who were killed or injured while working.  Any money paid out of the *Goldminers' Relief Fund* in respect of the death or injury of any miner was not deducted from any compensation payable under the *Workers' Compensation Act, 1908*, in respect of the accident that caused the death or injury.  In 1915, these provisions were superseded by the state-funded *Miners’ Pension*. |
| 21 October 1911 | **Old Age Pension: Qualifying age for people with dependent children** | The *Old Age Pensions Amendment Act 1911* provided that the qualifying age for parents who had to maintain two or more children under the age of 14 years was reduced to 55 years for women and 60 years for men. In such cases the pension was increased by £13 per year. |
| 28 October 1911 | **Widows Pension Act 1911** | The *Widows Pension Act 1911* came into force on 1 January 1912. It provided a pension of £12 per year to widows (woman whose husband had died) with one child under 14, increased by £6 for each additional child, up to maximum of £30 per year. (Note that this was less generous than the *Old Age Pension* which at this time was £26 per annum). Eligibility for the *Widows Pension* was subject to a residency test (ten years or child born in NZ), income test and property test, though a widow could retain her own home and earn up to £100 per year. Aliens and Asiatics were ineligible and the moral criterion for conduct (being of sober habits and good moral character) was similar to that for the *Old Age Pension*.  In terms of a qualifying child, the *Widows Pension* did not apply in respect of a child:   * over the age of 14 years; * an illegitimate child, unless legitimated by the subsequent marriage of the parents; * an adopted child; * a child born outside of New Zealand; or * a child born in New Zealand unless its mother was resident in New Zealand for not less than six months before its birth.   Some women chose to remain on charitable aid rather than take up the *Widows Pension* in the hope of gaining a more generous allowance. At the same time, despite the relatively low level of the *Widows Pension*, the Charitable Aid Boards of Otago and Southland voted to discontinue their aid to widows and their families. |
| 28 October 1911 | **Military Pensions in lieu of an Old Age Pension (“one pension principle”)** | The *Military Pensions Act 1911* provided a *Military Pension* in lieu of an *Old Age Pension* to any ex-soldier who had served in any war under the Crown and who was entitled to a pension under the *Old Age Pensions Act* 1908. The *Military Pension* was paid at the same rate and same conditions as the *Old Age Pension (*£36 per year). |
| 7 November 1912 | **Orphan’s Pension: Child whose mother was receiving a Widows Pension at the time of her death** | Provision was made in the *Widows Pension Amendment Act of 1912* to pay the *Widows Pension* in respect of an orphan of a pensioner. The pension was available in respect of a child under the age of 14 years whose mother was in receipt of a *Widows Pension* on the date of her death. Payment to the guardian or other person caring for the widow’s child or children was available in respect of a child born in New Zealand or who had ten years residence. Paid at rate of £6 per year. |
| 7 November 1912 | **Widows Pension: Eligibility expanded** | From this time, the term ‘*widow’* included a wife of a mental patient under the *Mental Defectives Act 1911* certified as incurable for at least 12 months from the date of grant. |
| 7 November 1912 | **Military Pensions: Restricted to veterans who served under the Crown in the New Zealand Wars**  **Subsequent developments** | The *Military Pensions Act 1912* repealed the *Military Pensions Act 1911*. *Military Pensions* were restricted to a person who served under the Crown in any of the New Zealand Wars and had been awarded a *Service Medal* for active service.  Only 10 years residence in New Zealand was required, compared with 25 years for the *Old Age Pension*. There were income and property qualifications comparable to the *Old Age Pension* (income limit of £70 per year).  The *Military Pension* was paid at a rate of £36 per year, reduced by:   * £1 for every complete £1 of income in excess of £34; * £1 for every complete £10 of the value of property (home, furniture and personal effects) in excess of £340; and * £1 for every complete £10 of the value of other property in excess of £50.   If the applicant was married and living with his wife, the value of his property was deemed to be half the total value of the property of the husband and wife and the amount of the pension along with the income of the husband and wife could not exceed £100 per year.  To qualify for a *Military Pension* and applicant had to also meet the following criteria:   * that during the ten years prior to his application they had not been imprisoned for any offence punishable by imprisonment for two years or upwards; * that during the ten years prior to his application he had not deserted or failed to provide for his wife and children; and * that he is of good moral character and sober habits.   A *Commissioner of Military Pensions* was appointed to administer the Act.  In 1913, the means test was removed and the *Military Pension* was incorporated within the *Pensions Act 1913*.  The rate of pension was increased to £49 per year in 1920, £58 10s in 1936. By 1938 in had reached £78 per year and it was increased subsequently by steps to £117 per year by 1948.  Relatively few men qualified for this pension and grants were only made to 1,698 veterans from the inception of the scheme, though the number of pensions being claimed increased from 700 in 1912 to 1,400 in 1915. The last grant was made in 1931 and 20 of these pensions remained in existence in 1938.  Provision for these pensions was included in the *Social Security Act 1938* and from 1 April 1939 they were known as *Māori War Benefits*.  In 1948, the scheme came to an end, with the death of the last surviving veteran. |
| 1912 | **Pensions Department reinstated** | The *Pensions Department* was reinstated as an independent Department. The *Pensions Department* was in existence from 1912 through to 1939. It was headed by Commissioners George Fache (1912-1928) and John Boyes (1929-1936). |
| June 1913 | **Old Age Pensions: Reciprocity with Australia**  **Agreement ratified by New Zealand**  **Agreement not ratified by Australia** | In June 1913, an Agreement between Rt Hon Andrew Fisher (Prime Minister of Australia) and Francis Marion Bates Fisher (Minister of Customs for New Zealand) provided for reciprocity between Australia and New Zealand for the payment of the *Old Age Pension*. The *Agreement* provided that:   * residence for any period in New Zealand by an applicant for an Australian Old Age Pension, who had been resident in Australia for at least 12 months preceding the date of application, was counted as equivalent resident in Australia; and * residence for any period in Australia by an applicant for n New Zealand Old Age Pension, who had been resident in New Zealand for at least 12 months preceding the date of application, was counted as equivalent resident in New Zealand.   The Agreement provided that a separate account was to be kept by the Pensions Departments of Australia and New Zealand showing the amount of each pension paid in respect of the *Agreement.* The amount of all pensions paid under the Agreement was to be contributed by both countries in proportion to their population at the end of each calendar year.  The Agreementwas not binding, unless ratified by the Parliaments of Australia and New Zealand.  On 28 August 1913, the *New Zealand Parliament* ratified the Agreement. The Agreement was contained in a schedule to the *Old-age Pensions Reciprocity Act 1913* and it was ratified in so far as it related to the payment of *Old Age Pensions* in New Zealand.  The Agreement was never ratified by Australia.  [*Note that in 1943, reciprocity with Australia was established for Age Benefit and the Invalids Benefit. This was extended to other benefits in 1949*.] |
| 11 October 1913 | **Pensions Act 1913**  **Pensions Department**  **Old Age Pension: Qualifying criteria**  **Old Age Pension: Qualifying age for women reduced**  **Additional Old Age Pension for those with two or more dependent children**  **Old Age Pension: System for investigating claims**  **Military Pension: Means test removed**  **Widows Pension (qualifying child)**  **Rates of Pensions**  **Forfeiture of pensions**  **Coverage of pensions** | The *Pensions Act 1913* consolidated the eight existing statutes relating old age, widows and military pensions. The *Old Age Pensions Act 1908*, *Widows Pensions Act 1911* and *Military Pensions Act 1912* and their amending acts were repealed.  The Act combined responsibility for administering *Old Age Pension*, *Widows Pension* and *Military Pensions* into the *Pensions Department*. The Act provided for the appointment of a *Commissioner for Pensions* and district registrars to administer the Act. The *Commissioner* appointed under the *Old Age Pensions Act* *1908* was deemed to have been appointed *Commissioner* under the new Act.  The qualifying criteria for the *Old Age Pension* included:   * residence in New Zealand on the date that a claim was established (date of claim); * 25 years residence in New Zealand immediately preceding the date of claim (occasional absence of up to two years permitted); * during the 12 years preceding the date of claim, the applicant had not been imprisoned for four months or on four occasions for any offence punishable by imprisonment for 12 months or more and dishonouring him in the public estimation; * during the 25 years preceding the date of claim, the applicant had not been imprisoned for more than five years, with or without hard labour, for any offence dishonouring him in the public estimation; * during the 12 years preceding the date of claim, for a period of six months or more, if a husband deserted his wife or without good cause failed to provide her with adequate maintenance or neglected to maintain children under the age of 14 years, or a wife deserted her husband or children under the age of 14 years; * that the applicant was of good moral character and has for one year preceding the date of the claim been leading a sober and reputable life; * that yearly income did not amount to £60 or more; * that the value of accumulated property did not amount to £260 or more; * that the applicant had not directly or indirectly deprived himself of property or income in order to qualify for a pension.   The qualifying age for women for the *Old Age Pension* was reduced to 60 years, though the amount of the pension was reduced by £1 per year for each year that the applicant is under 65 years.  For a pensioner with two or more children under the age of 14 years, a male could receive the *Old Age Pension* from age 60 and a female from age 55 (the pension was not paid at a reduced rate in these cases). [*This provision had been introduced in October 1911*]  For those with two or more dependent children under the age of 14, an additional *Old Age Pension* of up to £13 per year was payable, at the discretion of the Magistrate considering the claim.  The system for investigating pension claims for the *Old Age Pension* in open court was abolished, making it mandatory for claims to be investigated in chambers. When the Magistrate was satisfied as to the claim, a *Pension Certificate* was issued in respect of the year’s pension to which the person was entitled. For the purpose of fixing the rate of pension for each subsequent year, the pension income and accumulated property for the year ended, were deemed to be his income and property for that year. The increasing number of pensions meant that the Magistrate’s ability to have any real discretionary involvement had diminished significantly.  The means test for the *Military Pension* was removed.  The *Widows Pension* did not apply in respect of a child:   * over the age of 14 years; * an illegitimate child, unless after the birth the child its parents had intermarried; * any child born outside of New Zealand, unless the mother was temporarily absent from New Zealand at the time of its birth, or the mother had continuously resided in New Zealand not less than ten years preceding the date of application for the pension.   The maximum amount of pensions payable were:   * *Old Age Pension* **£26 per year**; * *Widows Pension* (1 child) **£12 per year;** * *Widows Pension* (2 children) **£18 per year;** * *Widows Pension* (3 children) **£24 per year;** * *Widows Pension* (4+ children) **£30 per year; and** * *Military Pension* **£36 per year.**   Pensions were not payable in the following situations:   * in the case of an *Old Age Pension*, during any period when the pensioner was in prison or out of New Zealand; * in the case of a *Widows Pension*, during any period while the pensioner was out of New Zealand, or if she marries; and * in the case of a *Military Pension*, during any period where the pensioner was in prison, was an inmate of an institution under the *Mental Defectives Act 1911*, or was out of New Zealand.   The Act contained the following restrictions (i.e. it did not apply to):   * Māori who were receiving money appropriated for Native purposes under the *Civil List Act 1908* were not eligible for an *Old Age Pension* or a *Widows Pension*; * aliens; and * Chinese and other Asiatics, whether naturalised or not, and whether British subjects by birth or not.   While the *Pensions Act 1913* applied to Māori, investigation of a claim for an *Old Age Pension* required an applicant’s age to be corroborated to the satisfaction of a Magistrate. This effectively excluded many Māori from the *Old Age Pension*. |
| 3 November 1914 | **Widows Pension: Eligibility expanded** | The wife of a mental patient was termed a *widow* irrespective of the length of time her husband may be in a mental hospital. |
| 1914 | **National Provident Fund: Schemes for Local Authorities** | The *National Provident Fund* was empowered to provide superannuation schemes for local authorities. The schemes were broadly along the lines of those provided for other employees, except that the retiring age was 65 (as opposed to age 60).  The employees’ rates of contribution were lower with some restrictions on the level of salary which attracted contributions.  It was entirely a matter of choice as to whether a local authority participated or not. Once a local authority had joined the scheme, membership was compulsory for all new employees, although current staff had the opportunity to opt out.  A change in 1926, required all *Hospital Boards* to contribute for their permanent nursing and clerical staff. |
| 11 October 1915 | **Miner’s Phthisis Act 1915**  **Miners’ Pensions**  **Goldminers’ Relief Fund wound up** | The *Miner’s Phthisis Act 1915* transferred the responsibility for supporting miners suffering occupation-related illness from the mining industry to the State. A *Miners’ Pension* was provided to miners totally incapacitated by pneumoconiosis. For a married man or widower with children under 14 years the *Miners’ Pension* was £1 per week and for an unmarried man, 15s per week. The widow of a miner received a pension of 12s per week for two years (extended in 1919 to period of widowhood). A *Funeral Grant* of up to £20 was paid upon application within one year of death.  Eligibility to the *Miners’ Pension* was subject to the following requirements:   * that the applicant was a British subject or had been a British subject for at least one year; * that the applicant had been resident in New Zealand for at least five years; * that the applicant had been employed as a miner for a period of at least two and half years prior to the date of his application; * that during the past five years the applicant had not been convicted of any offence punishable by imprisonment for two years or more and had not deserted or failed to provide for his wife and children; and * that the applicant was of good moral character and sober habits.   There was no income or property test.  The *Gold Duty* payable under the *Mining Amendment Act of 1910* for the credit of the *Goldminers’ Relief Fund* was from this time, paid into the public account.  The *Miners Pension* was administered by the *Commissioner*, in the *Pensions Department*, under the *Pensions Act 1913*. |
| 5 August 1915 | **War Pensions Act 1915**  **War Pensions Boards** | The *War Pensions Act 1915* provided pensions and allowances for members of the first *New Zealand Expeditionary Force* and their dependants, if the soldier had been disabled or had died as a result of service in the current war (first world war).  The Act provided for the entitlement and grant of *War Pensions*, the quantum of pensions and the general administration of pensions. There was no income or asset testing for eligibility, except in the case of the *War Widows’ Pension.* (Note that from 1916, *War Widows’ Pensions* were paid without a means test).  Claims had to be made within seven years of service.  The Act created the *War Pensions Boards* to consider claims and in particular to consider the circumstances surrounding death or disablement and the rate of pension payable.  Pension rates were related to seniority and the rank of the soldier  The maximum base rate of the *War Pension for Disablement* was £1 15s per week, plus additional payments for a wife and dependent children. The *War Widows’ Pension* was paid at £1 5s per week plus 7s 6d for each child.  The Act provided for an *Attendant Allowance* where an attendant was indispensable to the member and the member could not pay for that service.  In the years that followed, the 1915 Act was extended by various amendments to cover the growing needs of disabled ex-servicemen and their dependants. |
| 10 June 1916 | **Conscription** | The *Military Services Act 1916* introduced conscription. Initially conscription applied only to Pakeha, but in June 1917 it was extended to Māori. Nearly 30,000 conscripts had joined the *New Zealand Expeditionary Force* by the end of the war. |
| 7 August 1916 | **War Pensions: Exempt income** | *War Pensions* were not counted as income for determining eligibility for the *Old Age Pension* or the *Widows Pension*. |
| 1 September 1917 – 1 November 1919 | **Widows Pension: War Bonus** | An additional war bonus of £6 per annum was payable in respect of each child of a woman receiving the *Widows Pension*. |
| 1 January 1918 | **War Pensions expanded** | The *War Pensions Amendment Act 1917* introduced a schedule of disabilities to assist in assigning pension percentages (for the *War Disablement Pension*) and provided the power to grant both temporary as well as permanent pensions.  *War Pensions Boards* were required to consider the standard of living that the veteran’s household enjoyed before the war, and to compare this with the standard of living after service. If the standard of living after the war was judged to be worse, the Board could pay a supplementary pension to the veteran or his widow of not more than £1 per week.  The maximum *War Disablement Pension* was increased to £2 per week and the *War Widows’ Pension* to £1 10s per week.  The changes resulted in an increase in the number of pension applications to 17,000 in 1918/1919 year. |
| 1918 | **Epidemic Allowance (Epidemic Pension)** | The *Epidemic Allowance (Epidemic Pension)* was introduced as an immediate response to the sudden deaths during the influenza epidemic of 1918. The Allowance provided for widows whose husbands had died in the epidemic and for the support of children of widowers through the employment of housekeepers.  The *Epidemic Allowance* was the least formally organised of the early pensions and more generous than the standard *Widows Pension*.  The *Epidemic Allowance* was initially paid by the Health Department. In 1920, its administration was transferred to the *Pensions Department*. |
| 1 November 1919 | **Widows Pension: Residency requirement reduced** | The New Zealand residency requirement for the *Widows Pension* was reduced from ten years (or children born in New Zealand) to three years (or children born in New Zealand). |
| 5 November 1919 | **Housing Act 1919** | The *Housing Act 1919* replaced the *Workers’ Dwelling Act 1905*.  The *Housing Act 1909* empowered the state to build a better class of home for those earning up to £300 per annum, with an additional income allowance of £20 in respect of each child or other person dependent on him, in excess of two dependants. The house could be bought, rented or paid off in instalments.  A *Housing Board* was established to administer the Act, responsible to the *Minister of Labour*. The Act provided that Crown land could be set aside for dwellings and that the Board could purchase land, erect dwellings and dispose of dwellings by way of sale or lease. For dwellings sold, there was provision to pay the Board a deposit of £10, with the balance in instalments over a period not exceeding 30 years (wooden dwelling) and 36 ½ years for any other dwelling.  The Act was introduced due to a housing shortage that had become acute with the return of soldiers, a scarcity of labour and a rise in the cost of building materials. The Scheme operated for only three years during which time 800 houses were built.  The Act also made provision for special settlements for public servants and for loans to employers for workers dwellings. |
| 1920 | **War Pensions Medical Appeal Board** | An independent *War Pensions Medical Appeal Board* was created to provide a further level of accountability. There were two grounds of appeal:   * the attributability of conditions; and * the amount of pension.   In 1922, following strong disapproval from the *Returned Services’ Association* regarding what it considered to be a narrow and ungenerous approach by the *War Pensions Medical Appeal Board*, the Government suspended the working of the Board. |
| 1920-1924 | **Pensions Department: Role expanded** | During the early 1920s the following additional responsibilities were added to the *Pensions Department*:   * control of nearly 1,000 *Epidemic Pensions* from the *Health Department* (1920); * 2,000 *Imperial Pensions* from the Treasury (1921); * functions from Defence, including the rehabilitation and medical treatment of ex-members of the *New Zealand Expeditionary Force* and responsibility for an artificial limb factory (1922); * *Boer War Pensions*, *Civil Service Act Pensions* and other miscellaneous pensions and *Special Annuities* were added to the Department’s workload (1923); and * responsibility for pensions for the blind (1924). |
| 1922 | **Royal Commission of Inquiry into War Pensions**  **(Bartholomew Commission)** | As a result of pressure from the *Returned Services Association*, a *Royal Commission of Inquiry* was established to examine *War Pensions*.  The Commission found that *War Pensions* had two purposes:   * to provide compensation for physical injury and financial loss suffered through war service; and * to provide economic maintenance to veterans in financial need.   The Commission reported positively on the administration of war pensions, but found that the legislation was lacking, with too much emphasis placed on compensation and not enough on income maintenance to those in need. It recommended further supplementary economic pensions to ensure that veteran’s incomes were maintained.  The Commission did not consider that the basis of appeals to the *War Pensions Medical Appeal Board* should be widened and thought that the appellant should first satisfy a magistrate that the case warranted a hearing before being allowed to proceed to appeal. |
| 1923 | **Housing Branch of the Department of Labour merged with the State Advances Department.** | The Housing Branch of the *Department of Labour* was merged with the *State Advances Department*. |
| 1923 | **War Economic Pensions**  **War Pensions Appeal Board** | In response to the recommendations of the *Bartholomew Commission,* the *War Pensions Amendment Act 1923* introduced the *War Economic Pension* at a maximum rate of £1 10s per week. This could be claimed in addition to the *War Disablement Pension* or *War Widows’ Pension*. The *War Pension Boards* were required to look at the employability of veterans, their personal income and property, the general cost of living and other relevant factors.  The legislation also created the *War Pensions Appeal Board*. The grounds of appeal were confined to the attributability of death or disability (i.e. the veteran’s condition was caused or aggravated by service) and the amount of pension granted. |
| 1923 | **Special Annuities** | *Special Annuities* were approved by the Government (Cabinet) for various reasons and were not covered by legislation. Cabinet approval was required on a case-by-case basis.  *Special Annuities* were initially awarded to deserving people who did not qualify for the *Old Age Pension* or a *Public Service Pension*. Subsequently, they were granted in rare cases to deserving servicemen who were disabled while on leave and therefore not entitled to a *War Pension*.  In the 1940s, 1950s and 1960s, *Special Annuities* became a mechanism for granting an on-going payment (and/or a lump sum payment) to people in special circumstances who would not ordinarily be entitled to a *Social Security Benefit* a *War Pension* or an allowance from the *Government Superannuation Fund* and who were considered to be deserving cases. For example, they were granted to widows of ex-members of Parliament and of the *Legislative Council* and children injured playing with unexploded shells.  In 1939, the practice of including the list of annuitants in the *Estimates of Expenditure* was discontinued. Instead, each year, the *Public Accounts Committee* of the *House of Representatives* was supplied with a list of annuitants and a memorandum stetting out the reason for payments and the length of time for which they had been paid.  Cabinet guidelines for the granting of *Special Annuities* were issued in 1950.  *Special Annuities* could be paid at an equivalent rate to the relevant benefit or pension that would ordinarily be granted under the pensions legislation, had the person been entitled to such a benefit or pension. Alternatively, *Special Annuities* could be set at a fixed rate by Cabinet. *Special Annuities* were non-taxable and generally paid until the death of the recipient. In some cases, Cabinet approved that a *Special Annuity* could continue to be paid to a spouse following the death of a recipient. *Special Annuities* were initially paid from the *War Pensions* budget, subsequently the social security budget.  A number of notable New Zealanders received a *Special Annuity.*  The number of *Special Annuities* being paid were:   * 25 February 1952: 77; * 31 March 1964: 58: * 31March 1967: 58; * 31 March 1971: 40; * 31 March 1976: 28; * 31 March 1980: 25; * 1 April 1985: 24 and * 1 April 1999: 11.   As 31 March 1964, 58 *Special Annuities* were being paid under the following categories:   * ex members of the Legislative Council (3); * widows of ex-Ministers (7); * widows of ex-members of Parliament (7); * ex-members of Parliament (4); * equivalent of a *War Widows Pension* (10); * equivalent of a *War Disability Pension* (6); * equivalent of a *Wife’s War Pension* (3); * equivalent of a *War Disability Pension* (injured as a child) (2); * equivalent of a *War Servicemen’s Dependant’s Allowance* (2); * widows of public servants (2); * widows of men whose services Government wished to recognise (2); * in recognition of services rendered (3); * equivalent of *Government Superannuation* (3); * to supplement *Government Superannuation* (1); * annuities payable under section 51 of the *Finance Act 1950* (1); * in-lieu of compensation (1); and * equivalent of a *War Veteran’s Gratuity Allowance* (1). |
| 29 October 1924 | **Additional pensions for old age pensioners who had no income or property**  **Supplementary old age pension for South African servicemen** | The *Pensions Amendment Act 1924* provided an additional pension for old age pensioners who had no income or property. The additional pension of 2s 6d per week was withdrawn in 1925 when the rate of the pension was increased.  A supplementary *Old Age Pension* not exceeding 5s per week was granted to old age pensioners who saw service in the South African War (1899-1902) as members of the New Zealand contingent, provided their total income and pension did not exceed £19 per year. |
| 29 October 1924 | **Blind Pensions and Blind Subsidy introduced** | *The Pensions Amendment Act 1924* established the *Blind Pension* for people becoming blind in New Zealand. The value of the pension was £39 per year (single person) subject to a residence and means test (income exemption £143 per year).  In order to encourage employment, an additional bonus amount of 25 percent of any wages earned was offered, provided that income from all sources did not exceed £182 per year. (known as the *Blind Subsidy*)  These pensions marked the first government recognition of a physical illness which was not caused by work or war and was justification for an inability to work and a condition deserving of state aid. The *Blind Pension* was only available to those who were completely and permanently incapacitated by blindness. This effectively restricted eligibility to a small number of people (by 1929 there were only 282 blind pensioners).  In 1925, the provisions were extended to people living in New Zealand who had lost their sight outside of New Zealand. |
| 29 September 1925 | **Old Age Pension and Widows Pension: Restrictions on home property removed** | The *Pensions Amendment Act 1925* removed restrictions on the value of home property for the *Old Age Pension* and the *Widows Pension*.  The total value of home property (including furniture in the possession of the pensioner) was exempted for pension purposes. |
| 1925 | **Proposal for a Family Allowances Scheme** | The *Minister of Pensions* suggested that a contributory *Family Allowances Scheme* be introduced and this was included in the *Reform Party’s* 1925 election manifesto. The proposal was, however, seen as evidence that the Government intended to cut all men’s wages by 7s 6d per week. In response, the new *Reform Party* leader (J. G. Coates) reacted to political pressure and announced that the allowances would be non-contributory and paid for out of general revenue. |

**Part II: Command and control, 1926 - 1972**

| **Date** | **Change** | **Description** |
| --- | --- | --- |
| 1 April 1926 | **Child Welfare Act 1925 came into force** | The *Child Welfare Act 1925* aimed to make better provision for the maintenance, care and control of children under the protection of the state and to provide generally for neglected or delinquent children. The act led to the appointment of child welfare officers and established separate courts (*Children’s Courts*) for hearing charges against young people.  The Act also established a separate branch within the *Department of Education* (known as the *Child Welfare Branch*). This was the first semi-autonomous section of a government department devoted exclusively to welfare matters. In 1948 the name was changed to the *Child Welfare Division* and this remained with the *Department of Education* until 1972, when the *Department of Social Welfare* was established.  The Superintendent of the *Child Welfare Branch* was given guardianship of all children placed in his care. In most cases, a young person was deemed to have been discharged from care upon reaching the age of 21 years. If the Superintendent considered that the young person was morally degenerate or an otherwise unfit person, a request could be made to a Magistrate to extend guardianship for up to a further four years and the provisions of the Act continued to apply to the young person during that period.  The Act provided that the Minister could establish homes and other institutions for the purpose of child welfare work. The responsibilities of the *Child Welfare Branch* included running the various special schools. Other responsibilities were to inquire confidentially into illegitimate births, enforce Maintenance Orders, handle applications for adoptions, oversee placement of children in foster homes and inspect registered private children’s homes.  The industrial schools legislation was repealed. |
| 1 January 1927 | **Consolidation of Pensions legislation**  **Widows Pension: Qualifying child**  **Rates of Pensions** | The *Pensions Act 1926* came into force. The new Act consolidated existing legislation relating to pensions.  The *Widows Pension* did not apply in respect of a child:   * over the age of 15 years; * an illegitimate child, unless after the birth the child its parents had intermarried; or * any child born outside of New Zealand, unless the mother was temporarily absent from New Zealand at the time of its birth, or unless both parents were resident in New Zealand for three years immediately preceding the date of the father’s death.   The amount of Pensions payable were:   * *Old Age Pension* **£45 10s per year**, reduced by £1 for every £1 of income in excess of £52 per year and reduced by £1 for every complete £10 of the net capital value of accumulated property; * *Widows Pension* (1 child) **£52 per year**, with the total income (pension and other income) of the widow and her children not to exceed £2 per week (plus 10s for each child) or a total of £5 10s per week, whichever was less; * *Widows Pension* (2 children) **£78 per year**; * *Widows Pension* (3 children) **£104 per year**; * *Widows Pension* (4+ children) **£130 per year**; * *Blind Pension* **£45 10s per year**, reduced by £1 for every £1 of income in excess of £52 per year and reduced by £1 for every complete £10 of the net capital value of accumulated property. Personal earnings of up to £2 15s per week were disregarded. * *Blind Subsidy of up to 25 percent of earnings, though total earnings (pension and earnings) could not* exceed £3 12s 6d per week. * *Miner’s Pension* (married or widower with children) **35s per week** * *Miner’s Pension* (single) **25s per week** * *Miner’s Funeral Grant,* up to **£20** * *Miner’s Widow Pension* **17s 6d per we**ek * *Military Pension* (Māori Wars) **£49 per year** * *Military Pension (South African War)* £**13 per year** in addition to the *Old Age Pension*, but total income (all sources) could not exceed £97 10s per year.   The *Pensions Act 1913* and its amendments were repealed. |
| 1 April 1927 | **Means tested Family Allowance to supplement the income of low paid workers with large families** | The *Family Allowances Act 1926* introduced the first fully state funded scheme of family allowances in the world.  A means tested *Family Allowance* of 2s per child per week was payable in respect of third and subsequent children aged under 15 years. If the child was incapacitated the allowance could be continued beyond 15 years.  Payable as long as family income did not exceed £4 per week. Assessed income included any earnings of the wife or children.  The *Family Allowance* was paid to the Mother of the family, but the application required the father’s signature.  Unmarried mothers, aliens, Asiatics and the morally disreputable were excluded. In reality, the scheme gave limited help to a relatively small number of families.  Family Allowances were administered by the *Pensions Department*. |
| 1927 | **Draft National Insurance Bill** | A *National Insurance Bill* (compulsory social insurance scheme) was drawn up for the Cabinet, but action was deferred. It was postponed again in 1928. Industrial leaders claimed that the burden on employers and workers would be too heavy in a declining economy with unemployment increasing. |
| 11 October 1930 | **Unemployment Act 1930**  **Registration of Males**  **Unemployment Fund/**  **Unemployment Levy**  **Sustenance Allowances** | The *Unemployment Act 1930* established the *Unemployment Board*, whose functions included:   * making arrangements with employers for employment of the unemployed; * promoting the growth of primary and secondary industries in New Zealand so that an increasing number of workers will be required in these industries; and * the payment of a *Sustenance Allowance* to unemployed men.   The *Board* was chaired by the Minister and included two ministerial appointees, one appointee from primary industry, one appointee from secondary industry, two appointees from workers’ organisations and one appointee from the *New Zealand Returned Soldiers’ Association*.  In carrying out its functions the *Board* had authority to establish labour-exchanges or co-operate in the management labour exchanges established by the *Department of Labour*, and to ensure co-operation between government departments, local authorities and other public bodies in carrying out public works so that employment could be evenly distributed throughout the year. The *Board* could assist unskilled or other workers by way of grants or loans to pursue courses of vocational training or study and to provide instructors, establish classes or training camps. The Board could also make grants to local authorities to carry out works that would provide employment.  All males aged 20 years and over were required within one month of the commencement of the Act to register with the *Post and Telegraph Department* and were issued with a certificate of registration. Failure to register was punishable by a fine of up to £50. It was also an offence for an employer to employ a person who was not registered or whose payment of the *Unemployment Levy* was in arrears.  The Act established the *Unemployment Fund* financed by an annual *Unemployment Levy* of 30s (payable if four equal instalments) which was payable by men over the age of 20 years, and a subsidy from the *Consolidated Fund*. The following situations men were exempt from paying the *Unemployment Levy:*   * receiving a *War Pension* in respect of total disablement; * receiving any pension under the *Pensions Act 1926*; * a native (provided that a native may elect to become a contributor and therefore become subject to the same obligations and benefits as other contributors); * an inmate of a public hospital or mental hospital or any public or private institution for the care of aged, needy or infirm persons; * an inmate of a prison, reformatory institution or Borstal; and * a student of a university, technical school, secondary school or other educational institution who is not in receipt of wages or salary.   A *Sustenance Allowance* was available to unemployed men participating in work schemes and participants received 21s per week, increased by 17s 6d per week for a wife and 4s for each dependent child. These rates were later lowered as the number of unemployed grew. Cash assistance was not always granted. There was a system of rationed work and benefits in kind.  A S*ustenance Allowance* was not payable to a man who was not a contributor to the *Unemployment Fund*, who had not been continuously resident in New Zealand for at least six months or in respect of unemployment that was due to his refusal to accept employment offered by the Board or failure to accept other employment that was considered suitable.  A *Sustenance Allowance* was not paid in respect of the first two weeks (14 days) of unemployment and no person could receive an Allowance for more than 13 consecutive weeks, unless upon recommendation of the *Board*. |
| 25 October 1930 | **Disabled Soldiers’ Civil Re-establishment Act 1930** | This *Disabled Soldiers’ Civil Re-establishment Act 1930* established local advisory committees and employment officers in Auckland, Wellington, Christchurch and Dunedin, and sub-committees in the smaller centres. The aim was to re-establish disabled ex-soldiers in employment. Ex-soldiers were classified and provided with vocational training and assisted in their search for suitable employment. There was provision to make payments to disabled soldiers to supplement their earnings from employment.  Due to the depression and the competition for jobs, the scheme had little success. The committees were eventually forced to establish their own work schemes (dedicated factories were established in Christchurch and Dunedin).  In 1931, the *Pensions Department* was made responsible for the rehabilitation of ex-soldiers, but in 1934 these activities were transferred to the *Soldiers Civil Re-establishment League* (subsequently known as the *Disabled Servicemen’s Re-establishment League*). |
| 1930 | **Work Schemes for unemployed men (Schemes 1, 2 & 3)** | The *Unemployment Board* established a number of schemes for providing work. Scheme 1 provided subsidies to *Local Authorities* for capital works or special maintenance and scheme 2 provided subsidies for approved work such as draining, fencing etc. Scheme 3 provided funding to *Local Authorities* to provide two days’ work over Christmas 1930. |
| 1930 | **Royal Commission of Inquiry into War Pensions (Barton Commission)** | A further *Royal Commission of Inquiry into War Pensions* was established with the purpose of examining the position of ex-service people who could not maintain themselves, and the adequacy of provisions for these veterans.  The Commission recommended:   * the establishment of the *Soldiers Civil Re-establishment League*; * that veterans be eligible for the Old Age Pension at 60 years, instead of 65 years; * the removal of the time-limit for applications for War Disablement Pensions and Widows’ Pensions; * that administration of *War Economic Pensions* be detached from War Pensions and transferred to the *Soldiers Civil Re-establishment League*; and * the abolition of the Appeal Board.   Due to the depression, the major recommendations of the Commission were not acted upon. |
| January 1931 | **Unemployment Relief: Rural Work Schemes (Scheme 4)** | The *Unemployment Board* provided subsidies for work on farms (scheme 4A) which assisted people working on their own farms; subsidised farm development work (scheme 4B) and subsidised farm labour (scheme 4F). Farmers provided work under this scheme in return for a payment from the *Unemployment Board* (15s per week for a single man and 25s for a married couple [later reduced to 10s and 20s respectively]). This payment was regarded as the unemployed man’s board and any additional payment had to be negotiated with the farmer.  Legislation (1932) provided for the settlement of unemployed men and their families on small leased holdings of ten acres or more in strategic positions where casual employment might be obtained on surrounding farms. |
| 9 February 1931 | **Unemployment Relief: Work Scheme 5 commenced** | Under this scheme, work of a national or local character was undertaken by *Local Authorities* which provided the materials, transport and supervision. The *Unemployment Board* provided the wages. Relief work had to be rationed so that all relief workers could be kept on the job. A single man could work for only two days per week, and a married man with two children four days per week. In April 1931, rates of relief pay were reduced, and rationed work was provided for only three weeks out of four. |
| 1 April 1931 | **Family Allowance: Income threshold reduced** | The *Family Allowance* income threshold was reduced to £3 12s per week. |
| 22 July 1931 | **Unemployment Relief**  **Unemployment Relief Tax/Emergency Unemployment Charge**  **Unemployment-Relief Stamps**  **Commissioner of Unemployment** | The *Unemployment Amendment Act 1931* provided increased funds for unemployment relief.  The *Unemployment Relief Tax* had two components:   * the annual *Unemployment Levy* payable by all males aged 20 years and over (unless exempt) was reduced from 30s to 20s *(payable in four instalments);* * a new *Emergency Unemployment Charge* on wages, salary and other income was payable by every person (irrespective of age or sex and whether or not liable for the general *Unemployment Levy*) at the rate of 1d for every 6s 8d of wages, salary or other income. The *Emergency Unemployment Charge* did not apply to the wages received by a woman or girl in respect of private domestic service or the wages of any worker in respect of employment on relief works where wages were funded by the *Unemployment Board*. The *Emergency Unemployment Charge* applied from 1 August 1931 to 31 July 1932, but was subsequently extended until 1 April 1939.   For the purpose of collecting the *Unemployment Relief Tax*, the Government issued and sold *Unemployment-Relief Stamps*. For wage and salary earners, the charge was deducted by the employer, who was required to affix to their wages sheet, the prescribed requirement of *Unemployment-Relief Stamps*.  A *Commissioner of Unemployment*, under the control of the *Unemployment Board*, was appointed to administer the Act. |
| 30 April 1932 | **Unemployment Tax increased**  **Other Amendments** | With the number of unemployed continuing to rise, the *Unemployment Relief Tax* was increased  The *Emergency Unemployment Charge* was increased from the rate of 1d for every 6s 8d of income to 1d for every 2s 8d of income and its collection was extended beyond 31 July 1932. The wages received by a person aged under 16 years were exempt from the *Emergency Unemployment Charge*.  The *Unemployment Act 1930* was amended to make provision for the settlement of unemployed workers and their families on areas of cultivatable land to provide the opportunity by cultivation of the land to provide in part for their own sustenance. The *Unemployment Board* was able to enter into agreements with the owners or occupiers of suitable land for it to be occupied and cultivated by unemployed workers. |
| 10 May 1932 | **Pensions: Rates reduced by ten percent** | The *National Expenditure Adjustment Act 1932* reduced the rates of pensions (*Old Age Pension, Widows Pension, Miners Pension, South African War Pension*) and *War Pensions (*other than a *War Economic Pension)*, by ten percent due to the financial strain of the depression. |
| 10 May 1932 | **Family Allowance: Income threshold reduced** | The *Family Allowance* income threshold was reduced from £3 12s to £3 5s per week. |
| 10 May 1932 | **Restriction on the right to receive two or more pensions** | From this time, no person in receipt of a pension under the *Pensions Act 1926,* other than an *Old Age Pension,* was eligible to be granted or continue to receive a pension under the *War Pensions Act 1915*. |
| 1932 | **Unemployment Relief: Camps for single unemployed men established in rural areas** | The *Unemployment Board* established camps for unemployed single men were employed in rural areas on scrub-cutting and drainage work. They were provided with food and shelter and between 7s 6d and 10s per week. |
| 1934 | **Unemployment Relief: Sustenance without work** | The *Unemployment Board* granted a *Sustenance Allowance* to unemployed men who were aged over the age of 50 years or unfit for manual work and who could not be placed on approved work schemes. No unemployed man received more by way of a *Sustenance Allowance* than he would have been eligible for as a relief worker. |
| October 1935 | **War Veterans’ Allowance introduced** | This *War Veterans’ Allowances Act 1935* introduced a new *War Veterans’ Allowance* for veterans not covered by the *War Economic Pension* paid to veterans who were permanently unfit for employment because of a physical or mental disability.  To qualify as a veteran, a member of the forces had to have had actual engagement with the enemy and become unfit for permanent employment.  The Allowance was paid at £1 per week, with additional payments where a man had a wife and children. It was subject to an income test and a total ceiling on the amount of all payments being received under the Act.  The Allowance was administered by the *Pensions Department*. |
| 1935 | **Mortgage Corporation established** | The *Mortgage Corporation of New Zealand* was established to provide low-interest housing loans. During the depression of the 1930s, the Government considered that the mass mortgage institution might better grapple with the crisis if it had new management and a private enterprise ingredient.  The *Mortgage Corporation of New Zealand* took over the functions of the *State Advances Department* with loan capital of £1 million subscribed equally by the Government and the public. |
| 26 October 1935 | **Housing Survey Act 1935** | The *Housing Survey Act 1935* provided the new Labour government with information from local authorities as to the extent of the housing shortage that had worsened during the 1920s and 1930s.  Housing surveys were required to include:   * the accommodation provided (number and sizes of rooms); * the physical condition of each dwelling; * the occupancy of each dwelling (age, sex and number of persons); * the owners and occupiers of dwellings and in the case of rented houses, the rentals charged; and * the extent of overcrowding.   For the purpose of completing the housing surveys, the Act provided authority to enter any dwelling house or other premises to make an examination for the purpose of the survey. Notice of 24 hours to the occupier was required.  About 225,000 dwellings were surveyed with information provided by 115 of the 119 *Local Authorities*. It was found that 27,214 (occupied by 64,405 people) were below a minimum standard. In addition, 9,835 dwellings were overcrowded, involving 14,761 residents. There was an estimated shortage of 20,000 houses.  This evidence was a key driver in the establishment of the *Department of Housing Construction* in 1936 and the commencement of the *State Housing Scheme*.  The Act provided a snapshot of housing quality, crowding and affordability. The Act was in force until 31 December 1936. |
| 1 April 1936 | **Family Allowance: Income threshold increased to its pre-1931 level** | The *Family Allowance* income threshold was restored to its pre-1931 level of £4 per week. |
| 11 June 1936 | **Fair Rents Act 1936** | The *Fair Rents Act 1936* provided for a temporary restriction on raising rents and a process whereby a *Magistrate* could determine the fair rent to be paid by the tenant. The Act applied to residential rental properties (excluded boarding situations, business premises and apartments).  For existing rental properties, the rent applicable at 1 May 1936 was deemed to be the basic rent and the provisions of the Act restricted any increase.  Either a tenant or a landlord could apply to a *Magistrate* for an order determining the fair rent for the premises.  It was an offence for landlord or other person who accepted any other payment in respect of the grant, renewal or continuation of a tenancy. Any such payment that was made by the tenant was regarded as a debt due to him by the landlord and the tenant could deduct this from their rent.  The Act also established in law the grounds upon which a tenant could be evicted. These were:   * + the tenant has failed to pay the rent at the agreed rate;   + the tenant has failed to take reasonable care of the premises;   + the tenant has been guilty of conduct is a nuisance or annoyance to neighbours;   + the premises are reasonably required by the landlord for his own occupation as a dwelling house;   + the premises are reasonably required by the landlord for occupation as a dwelling house by any person in the regular employment of the landlord;   + that an agreement for the sale of the premises has been entered into, to be completed within one month and the purchaser requires the premises for his own occupation as a dwelling house; or   + the tenant by subletting the dwelling house is making a profit which having regard to the rent paid is unreasonable.   The original Act was a temporary measure, set to expire on 30 September 1937. It was subsequently extended and in 1942 an amendment to the Act provided that the Act would remain in force until one year following the conclusion of the war. |
| 15 June 1936 | **State Advances Corporation established** | The *Mortgage Corporation* (established 1935) was nationalised (the Government acquired the private shares) and renamed the *State Advances Corporation*. The *State Advances Corporation* provided low-interest loans under a number of categories:   * rural loans (farm purchase and farm development); * urban loans (residential housing); and * industrial loans (business development).   The Corporation also took over the administration of the *Housing Act 1919*.  From 1937, the *State Advances Corporation* also managed the stock of state rental housing. |
| 1 July 1936 | **Old Age Pension: Age of eligibility reduced for women** | The age of eligibility for the *Old Age Pension* was reduced to 60 years for women. |
| 1 July 1936 | **Old Age Pension: Restrictions on aliens removed** | Restrictions on Asiatics and aliens were removed. When the *Old Age Pension* was introduced in 1898, aliens, naturalised subjects who had been naturalised for less than five years, ‘Chinese and other Asiatics’ (whether British subjects or not) were excluded from the pension.  The *Pensions Amendment Act 1936* increased the rate of the old-age pension and extended pension eligibility to invalids and deserted wives. The Act also provided that interests in Māori land could no longer be used to reduce payments. It also removed an explicit race bar from the pensions system with the repeal of the provision excluding “Chinese and other Asiatics” from eligibility |
| 1936 | **State Housing Scheme commenced** | In the 1936 Budget, the Government launched the state housing scheme. It was announced that 5,000 state houses would be built. The government intended not only to provide housing, but to stimulate jobs and manufacturing with the construction of the houses, which were to be built from New Zealand materials as far as possible.  The *Department of Housing Construction* was established as a branch of the *State Advances Corporation.* The Department was under the control of a Director who was not responsible to the Board of the *State Advances Corporation*, but instead to the *Minister in Charge of Housing*, acting for the *Minister of Finance*.  Between March 1937 and April 1975 77,231 dwelling units were completed and handed over to the *State Advances Corporation* for rental purposes. Of these, approximately 50 percent were completed during the 15 years ending 31 March 1952 and during this period state house completions represented around 20 percent of the annual rate of housing construction. |
| 4 September 1936 | **Widows Pension: Eligibility expanded** | *Deserted Wives*  Deserted wives with children became eligible for *Widows Pension* if they had taken maintenance proceedings against their husbands and were not divorced. *De facto* wives were not eligible for a *Widows Pension*. The *Pensions Department* was responsible for the enforcement and collection of maintenance for deserted wives, which was paid into the *Consolidated Account* to offset the cost of the benefit.  *Wife of a Mental Patient*  The term *widow* was expanded to include a wife of a man subject to a reception order under the *Mental Defectives Act* and not necessarily detained in an institution.  *Restrictions on Asiatics removed*  Asiatics and aliens became eligible for a *Widows Pension*. |
| 1936 | **Basic wage legislation** | The *Industrial Conciliation and Arbitration Amendment Act 1936* provided that the basic wage for adult males was to be fixed at such a rate as would, in the opinion of the *Arbitration Court*, be sufficient to “*enable a man in receipt thereof to maintain a wife and three children in a fair and reasonable standard of comfort”*.  This provision was superseded by the *Minimum Wage Act 1945*. |
| March 1937 | **Construction of state housing commenced** | The first tender from a private contractor was accepted for 52 houses at Miramar (Wellington). This was soon followed by other tenders at Lower Hutt, Wellington and Orakei (Auckland). The 5,000th state house was completed in 1939 and by March 1943, a total of 14,619 dwelling units for public rental had been completed, along with 273 units for other Government departments. Architects provided 400 different designs.  By 1950, 32,238 state houses had been constructed. In total, 77,231 state houses were constructed between 1937 and 1975. |
| 18 September 1937 | **First state house tenanted** | The first state house (12 Fife Lane, Miramar, Wellington) was tenanted. |
| 9 March 1938 | **National Health and Superannuation Select Committee established.** | A Parliamentary Select Committee was established to consider the government’s proposals:   * to establish a *National Health Service* to ensure that all persons ordinarily resident in New Zealand have access to adequate medical, surgical, pharmaceutical, dental, hospital, nursing and other treatment necessary to maintain sound physical and mental health and to assist recovery in the event of sickness; and * to establish a *National Superannuation Service* to ensure that provision is made for all persons ordinarily resident in New Zealand be assured of adequate income to maintain them when they become unable to support themselves by reason of old age, infirmity, sickness or other disability, or on account of widowhood or other special conditions.   The government proposed the following social security benefits:   * Invalidity Benefits; * Sickness Benefit; * Disability Benefit; * Sustenance Benefits (persons who are capable of work, but for whom work could not be found); * Widowed Mothers’ Benefits; * Widows’ Benefits; * Orphans’ Benefits; * Family Allowances; * Miner’s Phthisis; * War Veterans and War Pensions; and * State Superannuation.   The government proposed the following means of funding for the health and social security system:   * a social security contribution of one shilling in the pound on the wages and other income of all persons; * continuation of the present registration fee of £1 per annum for males over twenty years of age; and * a subsidy from the consolidated fund.   The Committee found itself in accord with government’s proposals for superannuation and social security benefits. Regarding the desirability of providing universal superannuation (without a means test) the Committee recommended that once the social security system had been implemented, the government then consider extension of the scheme to provide a gradual increase in the allowable income until universal superannuation was realised. The Committee also recommended provision for wives whose husbands were older and would qualify for superannuation.  The Committee was comfortable with the proposed financing of the scheme and recommended that contributions should become payable from 1 April 1939 from which time the benefits would be available.  The Committee recommended that a new Department of State be created, to be known as the *Social Security Department* to administer the cash benefits proposed. The technical supervision of the health services would remain under the *Health and Mental Hospitals Department*.  The Committee commenced sitting on 5 April 1938 and presented its report on 19 May 1938. |
| 15 March 1938 | **Residency Requirement for the Old Age Pension reduced** | The residency test for the *Old Age Pension* was reduced to 10 years if a person was in New Zealand on 15 March 1938. Otherwise it remained at 20 years. |
| 12 August 1938 | **Social Security Bill introduced** | The *Social Security Bill* was introduced to Parliament. This followed consideration by the *Parliamentary Select Committee on the Government’s National Health and Superannuation Proposals* and approval of the Bill by the Government caucus on 9 August 1938. |
| 14 September 1938 | **Social Security Act 1938** | The *Social Security Act 1938* was passed by Parliament. The legislation dramatically extended the welfare state through the provision of monetary and health benefits. The Act’s wide purpose was set out in the preamble to the legislation:  *“An Act to provide for the payment of Superannuation Benefits and other Benefits designed to safeguard the people of New Zealand from disabilities arising from age, sickness, widowhood, orphanhood, unemployment or other exceptional circumstances…and, further to provide other benefits as may be necessary to maintain and promote the health and general welfare of the community.”*  The underlying principle of the Act was that every citizen had a right to a reasonable standard of living and that it was a community responsibility to ensure that its members were safeguarded against the economic ills from which they could not protect themselves. The inspiration for the *Social Security Act 1938* was the determination to end poverty in New Zealand. A comprehensive system of benefits was thus established covering all the main economic hazards which in the past had been the cause of poverty. |
| 1 April 1939 | **Social Security Act 1938 came into force** | The *Social Security Act 1938* replaced existing legislation relating to pensions and unemployment relief. Cash and health benefits were provided. New cash benefits included, Sickness, Unemployment, Orphans, Superannuation and Emergency Benefits. The *Age Benefit*, *Invalids Benefit*, *Widows Benefit, Miners Benefit, Mäori War Benefit* and *Family Benefit* replaced the *Old Age Pension, Blind Pension, Widows Pension Miners Pension, Military Pension* and *Family Allowance* respectively. Other significant changes included a reduction in the qualifying age for the *Age Benefit* from men from 65 to 60 years, increase in the income exemption for *Family Allowances* to £5 per week and the extension of *Family Allowances* to include aliens, Asiatics and illegitimate children. |
| 1 April 1939 | **Hospital Benefits** | The introduction of hospital benefits under the *Social Security Act 1938* relieved patients of the payment of fees, while in 1946 the maximum rate of hospital board levy on local authorities was stabilised at one halfpenny per pound of the rateable capital valuation. This was still further gradually reduced over a period extending from 1951 to 1957, by which time the hospital income from local rates was entirely abolished, and the Government became responsible for all public hospital finance. |
| 1 April 1939 | **Social Security Fund established**  **Social Security Contribution/Social Security Tax introduced** | The *Social Security Fund* was established to finance the social security scheme (cash and health benefits). The fund was maintained from the following sources:   * a *Social Security Contribution* of 1s in the pound (5 percent) on the wages and other incomes of everybody in the community (in 1942 this was increased to 1s 6d (7.5 percent)); * a registration fee of 5s a year for males aged 16 to 20 years and for all women; * a registration fee of £1 a year for men over 20 years of age; and * a subsidy from the consolidated fund.   The registration fee was paid quarterly, with the first instalment due on 1 May 1939.  The *Social Security Contribution* was deducted from the salary or wages of employees and paid by the purchasing of social security stamps which the employer affixed to wage records. In respect of other income, the *Social Security Contribution* was paid quarterly, either through the purchase of stamps or by payment directly to the *Commissioner of Taxes*. |
| 1 April 1939 | **Emergency Unemployment Charge abolished** | With the establishment of the *Social Security Fund* and the *Social Security Contribution*, the *Emergency Unemployment Charge* of 8d for every £1 of income was abolished. The *Emergency Unemployment Charge* had been introduced in 1931 to fund the Government’s unemployment relief measures. |
| 1 April 1939 | **Social Security Department established** | The *Social Security* *Department* under the control of the *Social Security Commission* was established. It replaced the former *Pensions Department* and absorbed a major portion of the Employment Promotion Branch of the *Department of Labour*.  The *Social Security Commission*, comprising not more than three members, administered the monetary benefits provisions of the *Social Security Act 1938*, while the medical care benefits were administered by the *Department of Health*. The Commission also took over from Magistrates the granting of the *Age Benefit* and the *Widows Benefit*. |
| 1 April 1939 | **Social Security Commission established** | The members of the *Social Security Commission*, not more than three in number, were the principal officers of the *Social Security Department*.  The Commission administered monetary benefits under Part I and Part III of the *Social Security Act 1938* and, in the exercise of its powers, was subject to the general direction and control of the *Minister of Social Security*, in who was vested the responsibility for the administration of the Act.  For the purposes of investigating any claim for a benefit or otherwise carrying out its functions, the Commission had all the powers of a commission of inquiry appointed under the *Commissions of Inquiry Act 1908*. Every claim for a benefit had to be investigated by the Commission or by an officer of the *Social Security Department*. All benefits granted under Part I of the Act had to be granted by the Commission. |
| 1 April 1939 | **Unemployment Benefit introduced** | An applicant for an *Unemployment Benefit* had to be 16 years or over, resident in New Zealand for at least 12 months, unemployed and capable and willing to undertake work. They must have taken reasonable steps to obtain employment, which from an administrative point of view required enrolment at the *Labour and Employment Department*.  The rates of *Unemployment Benefit* included in the *Social Security Act 1938* were 10s a week for women and men aged under 20 and without children and **£1 per week** for those aged 20 and over. The rate of benefit was increased by **15s a week where a beneficiary had a wife** and by **5s a week in respect of each dependent child**. The maximum payable was **£4 per week**, but could not exceed the loss of earnings from previous employment.  The maximum rate of £4 was available only to married men. Married women, who could only receive the *Unemployment Benefit* if their husband was unable to support them, were disqualified from the maximum married rate and the most they could receive was £1 per week.  Provision was made to reduce the rate of the *Unemployment Benefit* where an applicant or his wife received income or owns property. As far as the earnings of a husband and wife were concerned, the maximum weekly rate of benefit was reduced by 1s for every complete 1s of earnings. For all other income, a deduction of 1s a week was made for every 1s of income over 20s per week. The benefit was reduced by 1s per week for every complete £26 of accumulated property in excess of £500 for a single person and £1,000 in the case of a married person. In cases where income was earned from property, deductions were made either on account of income or property, whichever provides the greater reduction.  The *Unemployment Benefit* was not paid for the first seven days of unemployment, except in exceptional circumstances. There was provision to postpone the commencement of an *Unemployment Benefit* for a period of six weeks or to terminate a benefit for six weeks if an applicant had become voluntarily unemployed, had failed without good reason to accept an offer of suitable employment or had received earnings from seasonal employment considered to be sufficient for the maintenance of his family. |
| 1 April 1939 | **Sickness Benefit introduced** | The *Sickness Benefit* was subject to a means test and was payable in respect of temporary incapacity for work through sickness or accident but, in general, was not payable for the first seven days of incapacity. In order to qualify, an applicant must be not less than 16 years of age, must have suffered a loss of salary, wages, or other earnings, and have resided in New Zealand for at least 12 months. The rate of benefit could not exceed the loss of earnings through incapacity.  Every application for a *Sickness Benefit* was required to be supported by a certificate from a registered medical practitioner, containing such particulars as were required by the *Social Security Commission*. The *Social Security Commission* could at any time require any person who applied for or was in receipt of a *Sickness Benefit* to be examined by a registered medical practitioner, nominated by the Commission for that purpose.  A married woman could only receive a *Sickness Benefit* if it was considered that her husband was unable to maintain her.  The *Sickness Benefit* was not paid for the first seven days of incapacity.  For a person under 20 years and with dependants, the rate of benefit was 10s per week. In other cases, the rate of benefit was **£1 per week**, increased by **15s per week in respect of a wife** and by **5s per week in respect of each dependent child**. The maximum payable was **£4 per week**. |
| 1 April 1939 | **Invalids Benefit replaced the Blind Pension** | The *Invalids Benefit* replaced the *Blind Pension* that had been available since 1924. The benefit was provided to those who met a means test and a medical test (permanent incapacity for work or total blindness). An applicant had to be at least 16 years of age and not qualified to receive the *Age Benefit*. An applicant was residentially qualified whose incapacity arose in New Zealand or who was resident in New Zealand on 4 September 1936 and had lived in New Zealand for at least 10 years immediately preceding the date of application, otherwise 20 years' residence was required. There was a right of appeal to a Board of three registered medical practitioners against refusal of an application or cancellation of a benefit on medical grounds.  People who had previously received a *Blind Pension* (introduced in 1924) were included in the *Invalids Benefit*.  The *Social Security Commission* could, if it thought fit, require any applicant for an *Invalid's Benefit* or any recipient of the *Invalids Benefit* to be examined by a registered medical practitioner, to be nominated by the Commission for the purpose, who was required to certify whether or not in his opinion the applicant or beneficiary was permanently incapacitated for work or was totally blind.  If an *Invalids Benefit* was declined or cancelled on medical grounds, the applicant or beneficiary had three months following the communication of the decision during which they had the right to appeal to a Board of three medical practitioners appointed by the *Social Security Commission* for that purpose. On appeal, the *Social Security Commission* was bound by the decision of the Appeal Board.  The *Invalids Benefit* was paid at a rate of **£78 per year** to a married man or a man who had been married, and who had a child or children dependent on him, increased by **£26 per year in respect of a wife** and further **£26 in respect of each child**. For an unmarried applicant under the age of 21 years the *Invalids Benefit* was £52 per year and for an unmarried applicant over this age £78 per year. The maximum amount payable was £208 per year.  For a married man, or a man who had been married and had a dependent child, the *Invalids Benefit* was reduced by £1 for each £1 of income in excess of £78 per year. For a married woman, the *Invalids Benefit* was reduced by £1 for each £1 of income in excess of £104 per year. In every other case, the *Invalids Benefit* was reduced by £1 for each £1 of income in excess of £52 per year.  In applying the income test, the personal earnings of a blind person up to £143 per year were excluded.  A separate property test applied, with the benefit reduced by £1 for every £10 of the net capital value of accumulated property. |
| 1 April 1939 | **Emergency Benefit introduced** | The *Emergency Benefit* was available where refusal of an application for one or other of the main social security benefits would cause hardship. Experience in the administration of pensions legislation prior to 1939 had shown that many people were denied assistance because they did not fully meet the requirements of the existing law and so could not qualify for State aid. The bulk of the people concerned were those who were medically unfit for sustained work or were not available for gainful employment and unable to earn a sufficient livelihood. The *Social Security Act 1938* made provision for this wide and undefined class of person through the provision of an *Emergency Benefit*. In each case the amount of benefit and conditions attaching to the grant of benefit were determined by the *Social Security Commission*. The benefit was designed to cover any person who was not qualified to receive any other cash benefit under the Act but for reason of age, physical or mental disability, or for any other reason, was unable to earn a sufficient livelihood for himself and his dependants. |
| 1 April 1939 | **Age Benefit replaced the Old Age Pension**  **Special Allowance for South African veterans** | The *Age Benefit* replaced the *Old Age Pension* (introduced in 1898).  Compared to the *Old Age Pension* where eligibility had been 65 years (60 for women), eligibility for the *Age Benefit* was set at 60 years.  Residency of 20 years was required, unless an applicant was resident in New Zealand on 15/3/1938 (in which case it was 10 years).  If the applicant was a man who was or had been married, it was required that he had not for a period of 6 months or more during the preceding five years, deserted his wife or wilfully failed to provide her with adequate maintenance or wilfully failed to support any child or children under the age of 16 years. A similar provision applied to applicants who were married women.  An applicant for the *Age Benefit* was required to be of good moral character and sober habits.  The level of the *Age Benefit* was boosted to **30 shillings per week or £78 per year**. The benefit was reduced by £1 for each £1 in excess of £52 per year and by £1 for every complete £10 of the net capital value of accumulated property.  Beneficiaries who had a wife who was not eligible for the *Age Benefit* received a *Dependent Wife Allowance* (**£13 per year**). The under-age wife income limit was £156 per year.  In addition to the *Age Benefit*, there was a special allowance of **£13 per year** to a beneficiary who had served in South Africa as a member of the New Zealand contingent in connection with the South African war. This special allowance was not payable if the total income of the beneficiary (from all sources, including benefits in kind) exceeded £130 per year. |
| 1 April 1939 | **Miners Benefit replaced the Miners Pension** | The *Miners Benefit* replaced the *Miners Pension* (introduced in 1915). It was payable without an income test to miners (or a miner’s widow, where the husband had been receiving the *Miners Benefit* at the time of his death), with not less than 2½ years mining service and 5 years residence in New Zealand who had contacted miner’s phthisis or any other occupational or heart disease while engaged in mining. The *Miners Benefit* could not be paid while workers compensation was being received for the same disease. The *Miners Benefit* could continue to be paid while the person was overseas, for a period not exceeding two years in the aggregate.  The *Miners Benefit* was paid at **£78 per year, increased by £26 per year in respect of a wife and by a further £26 per year in respect of each dependent child under the age of 16 years**. The maximum rate of benefit payable could not exceed £**230 per year**.  Where the *Miners Benefit* was paid in respect of a dependent child, an income test applied, with the rate of benefit reduced by £1 for each complete £1 of income in excess of £104. Income included that received by the wife or any dependent child or children.  The number of people receiving a *Miners Benefit* peaked at 988 in 1940. |
| 1 April 1939 | **Widows Benefit replaced the Widows Pension** | The *Widows Benefit* replaced the *Widows Pension* (introduced in 1912).  Eligibility was expanded to include widows where a child was no longer dependent or widows who had never had a child.  *Widows whose child is no longer dependent:*   * eligible widows included those who had been married for at least 15 years, or the years of her marriage and later care of at least one child under 16 years, totalled not less than 15 years, or she fulfils the conditions required of a widow who has never had a child.   *Widows who had never had a child:*   * eligible widows included those who had been married at least five years and became a widow after the age of 50 years, or a widow who is aged 50, and became a widow after the age of 40, and her marriage had latest at least 10 years and it was at least 15 years since she was married.   The New Zealand residency requirement for the *Widows Benefit* was three years (or children born in New Zealand). A child born outside of New Zealand could be a qualifying child in the following situations:   * the mother of the child was only temporarily outside of New Zealand on the date of the birth: * both parents were resident in New Zealand for the three years immediately preceding the date of the father's death (in cases where the husband of the applicant was dead):   The *Social Security Commission* was also given discretion to regard any child as being a child of the applicant, if the child was being maintained by the applicant and was at any time maintained by the husband of the applicant.  Where an applicant had no dependent children, the rate of *Widows Benefit* was **£52 per year**. Where the applicant had a dependent child or children the rate of *Widows Benefit* was **£65 per year, increased by £26 per year for each child. The maximum rate payable was £234 per year**. |
| 1 April 1939 | **Māori War Benefit replaced the Military Pension** | The *Māori War Benefit* was payable under the *Social Security Act 1938.* It replaced the *Military Pension* payable under the *Military Pensions Act 1912*/*Pensions Act 1913/1926* to a veteran of the New Zealand Wars (1843 – 1872).  The *Māori War Benefit* was payable to a person who served the Crown in any of the New Zealand Wars and was awarded a medal for active service. They were required to fulfil the following conditions:   * had resided in New Zealand continuously for not less than ten years immediately preceding the date of their application; * during the five years preceding the date of application he had not deserted or wilfully failed to provide for his wife or children; and * that he was of good moral character and sober habits.   The rate of the *Māori War Benefit* was **£78 per year**. There was no income or property test.  Only 20 of these pensions remained in existence in 1938 (the last grant had been made in 1931) and the scheme came to an end in 1948 with the death of the last surviving veteran of the New Zealand Wars. |
| 1 April 1939 | **Means tested Family Allowance extended** | The means tested *Family Allowance* was increased to 4s per child per week payable in respect of third and subsequent children aged under 16 years. The income exemption was increased to £5 per week.  Aliens, Asiatics and illegitimates were now eligible. |
| 1 April 1939 | **Orphan’s Benefit replaced the Orphan’s Pension** | The *Orphan’s Benefit* replaced the *Orphan’s Pension* (introduced 1911). It provided a benefit in respect of orphans aged under 16 years. The *Orphan’s Benefit* could be continued for a further two years where the child was at school. Payable to an orphan where both parents were dead who was born in New Zealand, or whose last surviving parent had at been in New Zealand for at least three years. Paid at £39 per year. Any income was a direct deduction and a property test was applied at the discretion of the *Social Security Commission*. |
| 1 April 1939 | **Direct deduction of overseas state administered benefits and pensions from New Zealand social security benefits** | The *Social Security Commission* had the discretion to reduce the rate of benefit payable by the amount of any overseas government pension received by the beneficiary. [See section 65 of the *Social Security Act 1938*]  The amount of any overseas government benefit or pension received by a beneficiary reduced the New Zealand *Social Security Benefit* payable by that amount (i.e. the amount of the overseas benefit or pension was a direct deduction from the New Zealand social security benefit).  This shared the cost of providing *Social Security Benefits* with other countries in which the beneficiary had lived and reflected the general proposition that the position of a couple drawing on New Zealand benefits ought not to be less favourable than that of a couple drawing a benefit from both New Zealand and an overseas government. During the debate on the *1938 Social Security Bill*, the situation was described by the *Minister of Finance*:  *“There is one class of benefits that is of interest – pensions that are payable to people who come from the old country to New Zealand are not treated as ‘ordinary income. They are treated as an ordinary part of the pension, and that will mean that if there is a person receiving 7s a week from the United Kingdom, that amount will be made up to the maximum benefit – £1 5s or £1 10s, or whatever the amount may be payable under this Bill. That will provide that those who come from overseas will not receive better benefits than our own people.”* |
| 1 April 1939 | **Income Exemption (Sick Benefits from a Friendly or like Society)** | A special income exemption of £1 per week was available to recipients of the *Sickness Benefit* who received sick benefits/payments from a friendly or like society. |
| 15 May 1939 | **Maternity Benefits** | From this time, maternity work, including both antenatal and postnatal treatment were paid by the *Department of Health* under the *Social Security Act 1938*. Mothers had, free of charge, either public maternity hospital care or the services of an obstetric nurse during labour and for 14 days after childbirth.  Private maternity hospitals received the standard rate as part payment of their fees, with the balance paid by the patient. |
| 1 July 1939 | **Hospital Benefits** | For inpatients, *Hospital Benefits* paid under the *Social Security Act* *1938* commenced. Patients received free in-patient treatment in public hospitals, including State mental hospitals.  For people who arranged treatment in private hospitals, the health benefits normally covered only part of the charges, the balance being paid by the patient.  From this time, policy regarding payment of a *Social Security Benefit* to public hospital patients was:   * continuation of benefit at normal rate for one month; * after one month, reduction in payment to 25 percent of the benefit rate; and * any part of the benefit paid for a dependent wife or child was continued in full.   Prior to this the pension payment to a person in a public hospital was apportioned 75 percent to the hospital authority and 25 percent to the patient.  For patients in psychiatric hospitals, (the *Social Security Act 1938* provided free treatment in psychiatric hospitals), their *Social Security Benefit* was cancelled when they entered the hospital. *Family Allowances* were withdrawn in respect of child patients. |
| 1 April 1940 | **Superannuation Benefit introduced** | The *Superannuation Benefit* was available to people aged 65 years or over without a means test, who were not entitled to the *Age Benefit*. Residency required of 20 years, unless in NZ on 15/3/1938 (in which case 10 years residency was required).  For a couple, both a husband and wife needed to qualify in their own right. There was no provision to increase the rate of benefit payable to a man whose wife had not attained the age of 65 years.  The *Superannuation Benefit* was paid at **£10 per year**; with a promise that the payment would be gradually increased to eventually match the *Age Benefit* (this did not happen until 30 March 1960). |
| June 1940 | **Conscription** | Under the *National Service Emergency Regulations 1940*, conscription for the forces and civilian needs was introduced. Anyone aged between 18 and 46 became liable to be called up by ballot. The first ballot was held in September 1940. A volunteer system remained for Mäori. |
| 1 July 1940 | **Means tested Family Allowance extended** | The means-tested *Family Allowance* was extended to second and subsequent children aged under 16 years. |
| 1940 | **War Pensions extended** | The *War Pensions Extension Act 1940* (later amended to include members of the *Emergency Reserve Corps*) ensured that the existing legislation (*War Pensions Act 1915*) would be available to servicemen of World War Two.  Separate, but similar provision was made for members of the Mercantile Marine through the *War Pensions and Allowances (Mercantile Marine) Act 1940*.  The *Finance (No. 4) Act 1940* extended coverage of the *War Pensions Act 1915* for pension for death or disablement to veterans of the 2nd South African (Boer) War. |
| 1940 | **Emergency Benefit: Payment to dependants of prisoners** | From this time, the *Social Security Department* was able to pay an *Emergency Benefit* to dependants of prisoners. This replaced assistance formerly paid by the *Prisons Department*. |
| 1 March 1941 | **Out-patient Benefits** | For out-patients, *Hospital Benefits* paid under the *Social Security Act* *1938* commenced. Patients received free out-patient treatment in public hospitals.  Also, within scope of hospital out-patient benefits were artificial aids, including artificial limbs (including repairs to artificial limbs), hearing aids and contact lenses. |
| 5 May 1941 | **Pharmaceutical Benefits** | *Pharmaceutical Benefits* under the *Social Security Act 1938* commenced. They provided the free supply of medicines and drugs on prescription of any registered medical practitioner. The range of free pharmaceuticals was defined in a document known as the ‘drug tariff’ issued by the *Minister of Health*. The tariff imposed limits on the quantity of drugs which as a charge on the *Social Security Fund* could be issued on one prescription and set out the prices and fees payable from the Fund to contracted chemists. |
| 11 August 1941 | **Supplementary Health Benefits** | Supplementary health benefits under the *Social Security Act 1938* were progressively introduced from this time and included:   * x-ray and diagnostic services which free if provided by a public hospital and part paid if provided under specific conditions by radiologists in private practice; * free laboratory diagnostic services if provided by a public hospital or by a recognised private pathologist who accepted the fee from the *Social Security Fund* as full payment for his services; * physiotherapy treatment by a registered physiotherapist on the recommendation of a doctor; * a free district nursing service; * domestic assistance during incapacity for various reasons of a mother, or in cases of undue hardship. Regulations provided for payment of a subsidy to approved associations that were formed for the purpose of providing assistance in homes; and * dental benefit with free dental care provided by a registered dentist or State dental nurse to persons under 16 years of age. |
| 1 November 1941 | **General Medical Services Scheme commenced** | The *General Medical Services Scheme* under the *Social Security Act 1938* commenced. A doctor was paid from the *Social Security Fund* for each consultation at his surgery or at a patient’s home. Additional payments were made for night and Sunday calls and mileage fees.  A patient either paid the doctor his full normal fee and then claimed the appropriate refund from the *Social Security Fund*, or paid the doctor the balance of his or her fee above the *General Medical Services Benefit*, with the doctor claiming the appropriate amount from the *Social Security Fund*. Some doctors charged nothing to the patient and accepted the payment from the *Social Security Fund* as full payment. |
| 1941 | **Payment of benefits to beneficiaries in hospital** | From this time *Social Security Benefit* payments to married people or those with dependent children were continued without reduction while a beneficiary remained in a **public hospital**. For single people, benefits were reduced to the hospital rate (then £1 10s per month), except that no reduction was made for the months of admission and discharge. Where a benefit was paid weekly, it was continued in full for four weeks, then reduced to 5s weekly (25 percent of the rate of the *Unemployment Benefit* for a single person) from the beginning of the fifth week, and restored to the full rate from the beginning of the week of discharge.  For patients of a **psychiatric hospital** certain benefits were paid (at the rate of 4s per week) to provide comforts. The payment was subject to the medical superintendent recommending that the patient was capable of “appreciating” the allowance. |
| 1941 | **Needy Families Scheme** | A *Needy Families Scheme*, administered by the *Child Welfare Branch* of the *Department of Education* was established. This provided assistance, primarily by re-housing large or poor families to maintain the household unit. By 1946, the scheme had helped over 900 families and more than 5,000 children.  The scheme was established primarily in response to a serious shortage of adequate housing in inner-city areas and administered by a Committee comprised of representatives of the *State Advances Corporation*, *Social Security Department* and *Child Welfare Branch* (*Department of Education*).  The Committee soon discovered that the assistance was needed beyond rent subsidies and from 1942 it was authorised to approve other forms of assistance from a special supplementary fund. These included small grants for the purchase of basic supplies such as food, clothing and bedding.  In 1947 the *Child Welfare Branch* was made fully responsible for the scheme, extending the range of families coming under the ambit of the Branch to “needy” or “problem” families. |
| 1941-1945 | **Means tested Family Allowance extended** | The means tested *Family Allowance* was extended to all children of a family under 16 years. The maximum weekly rate was increased to 6s (1942), 7s 6d (1943) and to 10s in 1944. The weekly income exemption was also increased over this period and by this time had reached £6 10s per week. |
| June 1942 | **Māori War Effort Organisation established** | The *Māori War Effort Organisation* **(**MWEO) was the largest Māori organisation ever established. The main function was to assist with recruiting, but they also encouraged primary production and co-operated in the direction of Māori manpower. The country was divided into 21 zones, and 315 tribal committees were formed. As recruitment proceeded, the work of the organisation expanded. The committees encouraged food production, vital to wartime needs. **They also became involved in investigation of housing conditions and the alleged misuse of social security benefits**. Their broad functions often required them to consider education, vocational training and land use.  The government gave the tribal committees responsibility for the registration and control of Māori manpower. Committees had to list personnel - males between 18 and 59 years and females between 20 and 30. They could enforce registration and recommend the industry and locality for employment. With their intimate knowledge of local Māori, they were well able to judge in what capacity people should be directed. Although the committees worked closely with the manpower officers of the *National Service Department*, they followed essentially Māori practices. They dealt with a range of problems – employer employee relationships, identification of workers who sometimes used aliases to go from job to job, absenteeism, and other irregularities arising from the strain that industrial and urban life placed on Māori newly involved in the work force.  The MWEO represented a united Māori effort based on representative tribal leadership. As a result, the threat of conscription receded. |
| 1942 | **Social Security Fund contribution increased** | The *Social Security Contribution* of 1s in the pound (5 percent) on the wages and other incomes of everybody in the community was increased to 1s 6d (7.5 percent). |
| 1942 | **Compassionate Grants to widows of Government employees who died in service** | Cabinet approved the criteria for granting *Compassionate Grants* to the widows of officers who died before retiring from the Government service. The following scale, which had been used as a working basis for some considerable time, was approved:   * over ten years and up to 15 year’s service: three months pay; * over 15 year’s service and up to 25 year’s service; four months pay; * over 25 year’s service and up to 35 year’s service: five months pay; and * over 35 year’s service: six months pay.   This arrangement applied to employees in Government departments, the Railways, Post Office and the Police. A separate arrangement existed in respect of Service Personnel of the *Ministry of Defence*.  The Authority to make payments on this basis was delegated to the *Secretary of the Treasury*.  The payment included (i.e. was reduced by) any amount which may have been due as the equivalent of retiring leave. For example, the *Public Service Commission* could recommend a payment equivalent to the leave that might have been granted to a deceased officer had he retired from Government service on the date of his death. Payments in lieu of retiring leave were made on the following basis:   * under ten year’s service: no grant; * ten and under 20 year’s service: one month’s pay; and * 20 year’s service and over: six-weeks pay. |
| 26 November 1942 | **War Serviceman’s Dependants Allowance introduced** | The *War Serviceman’s Dependants Allowance* was introduced as an addition to the *Age Benefit* for parents of deceased servicemen. This provided £26 a year to an age beneficiary who was a dependent parent of a serviceman whose death was due to service with the armed forces. To qualify, the parent must have been partially or wholly dependent on the serviceman during the period of 12 months immediately preceding the date on which he became a member of the forces. See the *Social Security and Pensions Emergency Regulations 1942 Amendment No. 1 1942.*  In October 1945, the provision was extended to parents of a deceased serviceman receiving any *Social Security Benefit*. |
| 1 July 1943 | **Invalids Benefit: Special income exemption for the blind increased** | For recipients of the *Invalids Benefit* on account of blindness, the special income exemption was increased to £156 per year. |
| 1 July 1943 | **Widows Benefit: Eligibility extended** | The eligibility of deserted wives to the *Widows Benefit* was extended to deserted wives with children whose husband's whereabouts was known. |
| 1 July 1943 | **War Pensions Act 1943** | The *War Pensions Act of 1943* consolidated the amendments to the *War Pensions Act 1915* and generally improved rates and conditions of eligibility. |
| 1943 | **Social Security Agreement with Australia** | A *Social Security Agreement* with Australia was signed and enshrined in the *Age Benefits and Invalids Benefits (Reciprocity with Australia) Act 1943*. Reciprocity was established for *Age Benefit* and *Invalids Benefit* only. This was extended to other benefits in 1949. |
| 1943 | **Housing Division of the Ministry of Works established** | The *Department of Housing Construction* was separated from the *State Advances Corporation* and became the *Housing Division* of the newly constituted *Ministry of Works*.  The main reason for the change was that to obtain enough sections for the state housing building programme the state would have to acquire and develop new land. A close association with the *Ministry of Works* who carried out the development of new land was considered desirable.  The *Housing Division of the Ministry of Works* was responsible for land acquisition and development, for determining the locations, numbers and sizes of state houses, for letting the building contracts and preparing standard plans from which the builders worked.  The *Housing Division* was itself divided into three sections:   * administrative; * architectural (including community planning and quantity surveying sub-sections); and * land (including land purchase, land planning, landscape, and engineering sub-sections).   These changes heralded the era of the large-scale state housing developments and in the years following the second world war the Government was building around 10,000 state houses a year. For example, in 1948 engineering construction commenced at Porirua (Wellington) and construction continued on one block of land for over 20 years. Mass earthworks were employed to maximise the yield of residential sections and reserves.  The early 1950's brought change within the *Housing Division*. It developed prefabricated houses which were erected at central points and transported to their often rural sites. The housing needs of the elderly were seen to be urgent and an increase in housing construction for this group followed. The Division carried out more construction of housing for State public servants, especially the Air Force, Navy, Mäori Affairs and the State Hydro-Electricity Departments.  The *State Advances Corporation* retained administrative responsibility for rental units once they were completed and handed over for rental purposes. |
| December 1944 | **School leaving age increased** | The school leaving age was increased from 14 to 15 years. This change had been announced in June 1943. Combined with the post-war baby boom, the rolls of state secondary schools tripled from 39,000 in 1945 to 140,000 in 1960. |
| 1 October 1945 | **Family Benefit: For children of beneficiaries** | The children of beneficiaries were paid for separately by way of *Family Benefit* of 10s per week. |
| 1 October 1945 | **Dependent Wife Allowance for the Age Benefit made equal to the standard benefit** | The *Dependent Wife Allowance* for the *Age Benefit* was made equal to the standard benefit. All married recipients of the *Age Benefit* (regardless as to whether his wife was eligible in her own right) were eligible for the same maximum amount of the *Age Benefit*. |
| 1 October 1945 | **War Serviceman’s Dependants Allowance extended** | The *War Serviceman’s Dependants Allowance* was extended to parents of a deceased serviceman receiving any social security benefit. The allowance provided £26 a year to a beneficiary who was a dependent parent of a serviceman whose death was due to service with the armed forces.  Prior to this, the provision applied only to a parent receiving the *Age Benefit*. |
| 1 October 1945 | **Separated husbands and wives could be regarded as single.** | At the discretion of the *Social Security Commission*, separated husbands and wives could be regarded as unmarried for the purpose of determining eligibility to a *Social Security Benefit*. |
| 1945 | **Discrimination against Māori removed from the social security system** | Though registration had been required for social security purposes since September 1938, it was estimated at the time of the establishment of the MWEO in 1942 that forms had been filled in by only a quarter of the estimated Māori work force.  The *Māori Social and Economic Advancement Act 1945* (came into force on 1 April 1946) removed the possibility of discrimination from social security provisions. Māori had long been treated differently in their entitlement to *Pensions* and *Social Security Benefits* and the *Social Security Act 1938* had not changed this.  The tribal and executive committees that were established under the *Māori War Effort Organisation* were incorporated into the *Native Affairs Department*. The Act made provision for an allocation of government funds to the committees through subsidies equal to any money raised by the committees. The funds could be used for almost any purpose, because the Act left the widest scope for interpretation. |
| 24 November 1945 | **Housing Improvement Act 1945**  **(Standards of fitness for houses)**  **Housing Improvement Regulations 1947**  **(Regulations preventing overcrowding)**  **Powers and funding for urban renewal** | The *Housing Improvement Act 1945* provided for Regulations prescribing the standards of fitness for houses, including the:   * construction, condition, and situation of houses and the space about houses; * drainage, sanitation, ventilation, lighting and cleanliness of houses and of the land on which houses are situated; * repair of houses; * provision of supply of wholesome water, laundry, cooking and food storage facilities and sanitary conveniences; * protection of houses from damp; and * dimensions of rooms of houses.   The *Housing Improvement Regulations 1947* (10 December 1947) were administered by *Local Authorities* who could serve notices on owners to carry out repairs or to demolish the house. A *Local Authority* could make an advance to an owner for the purpose of enabling him to comply with the requirements of a notice.  The *Housing Improvement Regulations 1947* also provided for the prevention of overcrowding in houses. The Regulations prescribed the:   * number of persons permitted to reside in houses, having regard to the number of rooms etc; * provision of separate sleeping accommodation for males and females over 10 years old and not being persons living together as husband and wife; and * offences relating to overcrowding and fines.   These Regulations were administered by *Local Authorities* who had the power to acquire land where the house was considered unfit for habitation.  The Act also provided for cost sharing in urban renewal (reclamation of overcrowded areas) and powers for *Local Authorities* to undertake urban renewal. It included a Government contribution (subsidy) toward the cost of land acquisition and clearance and low-income finance (from the *State Advances Corporation*) at 3.5 percent for new residential buildings for public rental to be erected on the cleared land.  By 1960, loans at six percent were available for land acquisition and clearance and a subsidy of 75 percent of the net loss on these operations was available.  By the early 1960s, both central and local Government were raising concerns about the disappointing rate of progress. |
| 1 April 1946 | **Minimum Wage introduced** | The *Minimum Wage Act 1945* came into force. A minimum wage for workers aged 21 or over was introduced. The minimum wage was:  Males:   * 2s 9d per hour; * £5 2s per day; and * £5 5s per week.   The male minimum wage was approximately 83 percent of the average ordinary time weekly wage.  Females:   * 1s 8d per hour; * 13s 4d per day; and * £3 3s per week.   In cases where board or lodging was provided by an employer, the Act set out the maximum amount that could be deducted from the appropriate minimum wage.  The minimum wage did not apply to apprentices or people employed under contracts of service under which they are required to undergo any training, instruction, or examination for the purpose of becoming qualified for the occupation to which the contract of service related.  If an adult worker satisfied an *Inspector of Awards* that he was incapable of earning wages at the minimum, the Inspector could grant him a permit to accept wages at a lower rate.  While minimum wages were set by the government, the *Arbitration Court* retained for many years the role of making *General Wage Orders*, a system which applied alongside collective bargaining for awards and agreement. |
| 1 April 1946 | **Universal Family Benefit introduced** | The universal *Family Benefit* replaced the means-tested *Family Allowance*. For all families a benefit of 10s per child per week became payable until children reached the age of 16 years. The benefit continued until the end of the month in which a child died or reached 16 years. When a child remained at school or was physically or mentally incapable of earning a living the benefit could be paid until the end of the year in which the child turned 18 years.  The benefit was usually paid to the Mother and provision was made to pay the benefit directly to *Post Office Savings Bank* accounts or to the *Inland Revenue Department* to meet the tax obligations of the husband.  To qualify for the benefit the children must have been born in New Zealand or lived in New Zealand for not less than one year. |
| 1 April 1946 | **Mothers Allowance introduced** | The *Mothers Allowance* was a supplementary benefit paid to a woman receiving the *Widows Benefit* with dependent child ore children, under the age of 16 years. It was payable at a rate of £65 per year. Other sole mothers were expected to work and provided with the *Family Benefit* to supplement their income. |
| 1 November 1947 | **Benefit payments to psychiatric patients** | From this time, the provision to pay certain benefits at a reduced rate to provide comforts was withdrawn. The *Mental Hospitals Department* was allocated funding to provide ‘comforts’ for patients whether or not they were eligible for a *Social Security Benefit*. |
| 1 April 1948 | **Government Superannuation Fund established** | The *Government Superannuation Fund* was established by the *Superannuation Act 1947* to provide a way for state employees to save for their retirement.  The Fund amalgamated three separate funds for state employees:   * *Government Railways Superannuation Fund*; * *Teachers Superannuation Fund*; and * *Public Service Superannuation Fund* (which had absorbed the *Police Provident Fund* in 1910).   For about forty years (up to 31 December 1945) membership of the three schemes had been compulsory for all permanent employees. Since the introduction of the means tested *Age Benefit* in 1938, pressure had been growing for the abolition of compulsory membership as it was felt by many employees that they were depriving themselves of the means-tested *Age Benefit* for the rest of their lives.  Compulsory membership was retained for the following groups:   * permanent members of the armed forces; * Police and prison officers; * locally-recruited staff in Island Territories; * locally-recruited staff in the United Kingdom; and * permanent employees between the ages of 17 and 25 (with the exception of married women).   Contributors made regular contributions to the fund and on retirement received a defined level of income. The *Government Superannuation Board* was established to administer the scheme. The scheme was closed to new members from July 1992. |
| 1 December 1948 | **Social Security Agreement with the United Kingdom** | The first *Social Security Agreement* with the United Kingdom was signed. Initially reciprocity applied only to the *Family Benefit*. It was extended to main *Social Security Benefits* in 1956. The Agreement was ratified by Parliament in the *Family Benefits (Reciprocity with Great Britain) Act 1948* and the *Family Benefits (Reciprocity with Northern Ireland) Act 1948*. Under the 1948 Agreement a child born in Great Britain or Northern Ireland was treated as a child born in New Zealand and qualified for the *Family Benefit* immediately on arrival in New Zealand.  The Agreements with the United Kingdom and Australia followed the *Inter-Empire Conference on Reciprocity* in London in 1947, which accepted the principle that as a basis of a reciprocal agreement, a person transferring permanently from one country to another should accept the responsibilities of the country of his adoption and be entitled to benefits at the rates and conditions prescribed by that country. |
| 1948 | **Child Welfare Amendment Act 1948** | The *Child Welfare Division* within the *Education Department* became autonomous with its own Minister. The Amendment Act also separated the *Children’s Courts* more clearly from the *Magistrates Courts*. They were seen as “courts of adjustment” rather than “courts of judgement” for all but the most serious offences by young people aged less than 17 years. |
| 1 July 1949 | **Reciprocity with Australia extended** | The *Social Security (Reciprocity with Australia) Act 1948* came into force. It provided for reciprocity in relation to *Age Benefit, Invalids Benefit, Sickness Benefit, Unemployment Benefit, Widows Benefit* and *Family Benefit*. Prior to this, reciprocity with Australia had been limited to the *Age Benefit* and the *Invalids Benefit*. |
| 1 November 1949 | **War Serviceman’s Dependants Allowance extended** | The *Social Security Commission* was given discretion to increase by an amount not exceeding £26 a year the rate of benefit payable to a parent of a deceased serviceman. The beneficiary was deemed to be a parent if the deceased serviceman was a child, step-child, adopted child or if the child was maintained by the beneficiary or by the wife or husband of the beneficiary. A deceased serviceman was deemed to be:   * a deceased member of any of His Majesty's Forces established in New Zealand whose death was attributable to his service as a member of any such Force; * a deceased member of the New Zealand Mercantile Marine whose death was directly attributable to the Second World War; * a deceased member of any Forces established in any part of the British Commonwealth other than New Zealand who was domiciled in New Zealand at the commencement of any war in which His Majesty's Forces established in New Zealand were engaged and whose death was attributable to his service as a member of any such Force; or * a deceased member of the Mercantile Marine of any part of the British Commonwealth other than New Zealand who was domiciled in New Zealand at the commencement of the Second War and whose death was directly attributable to that war. |
| 1 January 1950 | **Unemployment and Sickness Benefit: Income exemption increased** | The income exemption for income other than earnings for the *Unemployment Benefit* and *Sickness Benefit* was increased to £1 10s per week. |
| 1 January 1950 | **Age Benefit, Widows Benefit and Invalids Benefit: Income exemption increased** | The income exemption for the *Age Benefit*, *Widows Benefit* and *Invalids Benefit* was increased to £78 per annum. |
| 1 August 1950 | **Sale of State Houses** | Legislation (later incorporated in section 16 the *Housing Act 1955*) gave the *State Advances Corporation* the authority to sell state housing land (which could include individual dwellings) with wide discretion as to the terms and conditions of sale.  This was based on a view that private home ownership provided greater personal freedom than renting. In wanting state tenants to experience the benefits of owning their own home, the government offered purchasers very generous terms: 5 percent deposit, a 3 percent mortgage rate, with a maximum purchase period of 40 years. The first sale was completed in December 1950 (Karori, Wellington). By 1957 13,300 houses had been sold (about 30% of the saleable stock). In 1957, the newly elected labour Government banned the promotion of state house sales. Sales resumed in the 1960s. Between 1957 and 1975 27,090 state houses were sold (of the 77,231 state houses built between 1937 and 1975), with the great majority sold to sitting tenants and a smaller number to Local Authorities and employers for employee housing.  From 1958, with the capitalisation of *Family Benefit*, it was possible for a tenant to buy a state house without any initial outlay of capital.  A restriction on the scheme was that dwellings that were sold had to have a separate title. This meant that most flats and multi-unit dwellings remained in state ownership. |
| 2 August 1950 | **Special Annuities: Cabinet guidelines** | Cabinet agreed that *Special Annuities* should be classified and dealt with in accordance with the following principles:  *Annuities granted for public service:*   * these would be granted without a means-test.   *Annuities granted equivalent to War Pensions:*   * annuities granted equivalent to a *War Disablement Pension*, *Special Allowances* and annuities equivalent to a basic dependants’ *War Pension* to be paid without a means-test; and * any grant supplementing an amount above and granted equivalent to an economic *War Pension* or *Dependants’ War Pension* to be subject to the means-test applicable to such a pension.   *Annuities granted to relatives of politicians or for civil service:*   * granted on an annual basis only after an examination into the financial circumstances of each applicant, undertaken by the *Social Security Department* in the same way as inquiries into applications for *Social Security Benefits;* * recipients would be advised that the amounts are subject to annual review and that they must supply the necessary information to enable the review to be undertaken.   *Special Annuities* had no statutory basis and were approved by Cabinet on a case-by-case basis. At February 1952, there were 77 *Special Annuities* being paid by the *Social Security Department* for a range of reasons. |
| 1950 | **State Housing: Qualifying test for applicants (upper income limit introduced)** | The new National Government was of the view that state rental housing should be limited to families who could neither afford to buy nor build their own homes. As a result, an upper income limit was imposed, as a qualifying test for state house applicants.  Apart from adjustments to the income limit, in recognition of changing income levels, the principle was observed until 1973. In 1970, the *Commission of Inquiry into Housing* reported that the income limit was $42 for a 40-hour week ($2,184 per annum). An upward adjustment was made in respect of families with four or more children.  Coupled with the other criteria (age, family size and housing circumstances), the income limit altered the pattern of access to state housing and altered the boundary between state housing and other housing accentuating a trend toward the development of low-income residential areas. |
| 1 October 1950 | **Age Benefit: Deferment concession** | The *Social Security Commission* was given the discretion to diminish the amount by which the basic rate of *Age Benefit* was reduced on account of other income and property, by an amount not exceeding £6 10s ($13) for every year that application for *Age Benefit* was deferred between ages 60 and 65. The maximum value of the deferment was £32 10s ($65) for 5 years deferment. Following parity between the *Age Benefit* and the *Superannuation Benefit* in 1960, the deferment was only of value to those who chose to remain on the *Age Benefit* after age 65. The change was introduced to encourage people to continue working. |
| 1 October 1950 | **Social Security Benefits: Earnings exemption for domestic work** | An income exemption of £78 per annum was introduced for women’s earnings from domestic employment in a private home, provided that total income from personal earnings did not exceed £156 per annum. The exemption was later (1955) extended to include nursing service in a private home. The concession was abolished in 1969 to coincide with an increase to the general income exemption. |
| 1 October 1950 | **Social Security Benefits: Property test relaxed** | The deduction on account of excess property for the *Age Benefit, Widows Benefit* and *Invalids Benefit* was amended from £1 for each £10, to £1 for each £15 of property in excess of £500. |
| October 1950 | **Commission of Inquiry into War Pensions (Lee Commission)**  **Hardship Scheme for War Pensioners**  **Changes to the War Pensions legislation** | As a result of demands for better and more adequate pensions, a *Commission of Inquiry* under the chairmanship of E. A. Lee, was set up to examine the justice and adequacy of existing war pension legislation. The *Commission of Inquiry* reported in July 1951.  The Commission’s overall assessment of the war pensions legislation was that the scheme was as generous as those in the other countries in terms of scope and rates and that in general the scheme was being effectively administered.  A majority on the *Commission* favoured merging economic pensions with the social security system.  The *Commission* rejected the proposition of the *New Zealand* *Returned Services’ Association* that the 1917 rate of pension should be given significance in terms of indexing and that pensions should be linked to wage rates.  The *Commission* recommended that different levels of pension in relation to rank should be removed.  A minority report of the *Commission of Inquiry* indicated that a number of war veterans were suffering financial hardship because of inadequate pensions. The minority report agreed with the findings of the majority report that the existing framework of standard war pensions made it difficult to five the individual help needed. The Government sought to solve the problem by establishing an emergency fund of £200,000 to be administered by the *War Pensions Board* to alleviate the hardship of any war pensioner in financial difficulty. This scheme can be seen as the forerunner to the *Supplementary Assistance Scheme* introduced in 1951.  As a result of the findings of this Commission, and in the face of widespread opposition to merging income-tested war pensions and *Social Security Benefits*, many improvements in rates and conditions were made and eventually incorporated in the *War Pensions Amendment Act of 1951*. Measures included:   * increasing the rates of the *War Disablement Pension*, *Dependant’s Pension*, *Attendant’s Allowance, Clothing Allowance and Economic Pension*; * expanding the criteria for the additional pension for serious disablement; * removing access to the universal *Superannuation Benefit* for recipients of the *War Veterans’ Allowance* aged 65 and over, and introducing an *Age Supplement* of 15s per week; and * expanding the service requirements for a *War Veterans’ Allowance* from “actual engagement with the enemy” to “overseas service of an arduous or dangerous nature”. |
| 1950 | **Compulsory military training re-introduced** | Following a referendum in August 1949, the *Compulsory Military Training Act 1949* reintroduced *Compulsory Military Training* (CMT). All men aged 18 and over were required to register with the [*Department of Labour*](http://en.wikipedia.org/wiki/Department_of_Labour_(New_Zealand)), and apart from those exempted for medical or compassionate reasons, all had to undergo 14 weeks intensive, full-time training, three years part-time service, followed by six years in the [Army Reserve](http://en.wikipedia.org/w/index.php?title=New_Zealand_Territorial_Force&action=edit&redlink=1). All trainees were allowed the option of serving with the [*Royal New Zealand Navy*](http://en.wikipedia.org/wiki/Royal_New_Zealand_Navy), [*Royal New Zealand Air Force*](http://en.wikipedia.org/wiki/Royal_New_Zealand_Air_Force) or the [*New Zealand Army*](http://en.wikipedia.org/wiki/New_Zealand_Army). A total of 63,033 men were trained under the CMT scheme before it was abolished by the [Labour Government](http://en.wikipedia.org/wiki/New_Zealand_Labour_Party) in 1958. [*National service was reinstated in 1962 and finally abolished in 1972*] |
| 25 June 1951 | **Revised criteria for Compassionate Grants to widows of Government employees** | Cabinet approved revised criteria for calculating *Compassionate Grants* to widows of Government employees who died while in service.  The establishment of the *Government Superannuation Fund* (GSF) in 1948 provided for widows to elect to receive to an annuity in lieu of a refund of the deceased husband’s contributions. The minimum annuity was £104 and a maximum of one-half of the husband’s retiring allowance, calculated on service as at the date of his death. As a result of this more generous provision the level of *Compassionate Grants* was reviewed to ensure that a widow did not receive undue benefits from a combination of the GSF annuity and the *Compassionate Grant.*  The criteria agreed in 1942 were replaced with:   * the deceased must have been living in a normal domestic relationship with his wife at the time of death; * the payment to the widow was not to form part of his estate; * the grant was based on complete years of continuous service, with a minimum period of one year; * the grant was inclusive of any payment in respect of retiring leave arising from the same continuous period of service; * the amount was based on the length of the last continuous period of Government employment and actual basic salary being received at the time of death; * the grant was calculated as 1/60th of actual base salary at the date of death for each complete year of service, with a maximum of one half of the annual basic salary (30/60ths); and * for judges the rate was 1/30th and for magistrates 1/40th.   This arrangement applied to employees in Government departments, the Railways, Post Office and the Police. A separate arrangement existed in respect of Service Personnel of the *Ministry of Defence*.  As had been the case since 1942, the approval of *Compassionate Grants* was delegated to the *Secretary of the Treasury*. |
| 1 October 1951 | **Superannuation Benefit: Increased and subject to taxation** | The *Superannuation Benefit* (non-means tested payment available from age 65) was doubled to £75 per year and became subject to income tax. The tax rules were however advantageous as the *Superannuation Benefit* was exempt from *Social Security Tax*.  This brought forward the date from which it was expected that the rate of *Superannuation Benefit* would reach parity with that of the *Age Benefit* (this finally occurred in March 1960). |
| 1951 | **Tax Committee**  **(Gibbs Report)** | In 1951, a tax committee chaired by Theodore Gibbs, a Wellington accountant and company director, recommended a lower overall tax take and reduction in the top income tax rates. The government and subsequent administrations largely ignored this advice. The National government was committed to the welfare state and that commitment had to be funded. This limited its ability to cut taxes. The overall tax burden as a percentage of GDP, however, did drop around two percent during the 1950s.  In April 1958, the introduction of PAYE was against the advice of the *1951 Gibbs Report*. It had warned, ‘*Deduction of taxes at the source tends to remove the full appreciation of liability. The taxpayer does not feel the direct weight of the tax*.’ |
| 30 November 1951 | **Supplementary Assistance Scheme introduced**  **Special Assistance Fund** | Following the establishment of the hardship scheme for war pensioners, the Government’s 1951 election platform proposed a special sum of £200,000 to help “*ageing spinsters and others who despite social security were not free from want*”.  In 1951 a *Special Assistance Scheme* (subsequently renamed the *Supplementary Assistance Scheme*) was inaugurated and applied to persons, whether recipients of statutory benefits or not.  The 1951 formulation stated that hardship existed where:   * *“in the opinion of the Commission, there are necessary commitments which cannot be met out of the basic benefit, applicants have insufficient other means available to them and there is no possibility of their helping themselves.”*   The Scheme sought to assist those whose special circumstances required a greater measure of financial assistance and it was the only form of assistance available to assist with on-going accommodation costs. Exceptional circumstances in certain cases demanded a greater measure of financial support, and this is given by means of supplementary allowances which have regard not only to the resources of applicants but also to financial needs. In general, there were two main types of grant. Where continuing commitments such as rent, food, and fuel are in excess of income, a continuing grant could be made to assist in meeting these recurring and necessary commitments. On the other hand, some non-recurring expenses were satisfied by the grant of a lump sum. Lump sum grants came to meet such requirements as clothing, bedding and blankets. The payments were not regarded as loans and were not taken into account in the assessment of any social security benefit.  Initially all grants were made by the *Social Security Commission*, but Registrars and District Agents would later be authorised to make grants.  Uniformity in the treatment of applications was sought by using a living costs formula which compared an applicant’s income and expenditure, though the formula was intended to be used as a guide, rather than applied in a rigid restrictive manner. Details of this formula were never made public.  The formula placed applicants into **three categories**:   * own home; * renting; or * boarding.   Assessed minimum weekly living costs (expected to cover food, clothing, power, fuel etc but not accommodation costs) were:   * single person £2.5.0; and * married couple £4.5.0, increased by 5/- for the first child and 2/6 for each additional child.   **For homeowners**, actual outgoings (mortgage interest, rates etc, but not repayments of mortgage principal) were ascertained and extraordinary expenditure (eg medical bills, special diet, nursing or domestic assistance) and the assessed minimum costs added. Actual income, including benefit was subtracted from the total and the balance used as an indicator of the additional assistance required.  **For those renting** the actual cost of the rent paid was included in actual outgoings. If the rent paid exceed 7/6 per week for a single person or £1.2.6 in the case of a married couple, grants could be made if the applicant had no other income than the benefit and provided there were no other resources or assets from which the applicant could meet his commitments.  **For boarders**, the actual cost of board and lodging was added to the weekly sums of 17/6 or £1.15.0 which were regarded as sufficient to cover normal living costs for single and married persons respectively.  In addition, the formula provided for the treatment of payments made by boarders living in the household:  For family members not receiving a benefit who were living at home a third of the members wages (up to £9 per week) was regarded as a fair contribution towards the household, and after subtracting 30/- weekly for assessed food costs, the balance was treated as a contribution towards the common expenses of the home. In the case of boarders not belonging to the family, actual amounts paid beyond 30/- per week by a person under 21 years of age became income; but where the boarder was older than 21 years, board was assessed at £2.10.0 or the actual amount of board paid – whichever was the greater and the excess over 30/- per week charged as income.  There was a limitation in payments of 15/- per week for single persons and 30/- a week for married couples. In exceptional circumstances the Commission could exceed this. As a general rule, grants were not made to liquidate past debts or meet the payments of any goods under hire purchase.  The formula had been initially constructed on the basis of British experience and then adjusted as alterations were made to basic benefit levels. Over the period 1951 to 1975 the “assessed living costs” increased from 86 percent to 97 percent of the single benefit rate and from 74 percent to 96 percent of the married rate of benefit.  The Scheme was funded from a *Special Assistance Fund*. Instead of costing £200,000 per year as envisaged in 1951 the scheme in its first full year of operation (year ended March 1953) cost only £21,287 from 1,708 grants. It was not until 1958 that the figure of £200,000 was reached (7,443 grants with 1,300 applications declined). 4,721 continuing grants were in force, worth £193,442, and 1,939 lump sum grants worth £23,615 were paid out.  In 1975, the *Supplementary Assistance Scheme* was replaced by the *Additional Benefit Scheme*. |
| 24 October 1952 | **Widows Benefit: Residence requirement increased** | The New Zealand residency requirement for the *Widows Benefit* was increased from three years (or children born in New Zealand) to either:   * widow or husband five years (or children born in New Zealand); or * widow and husband three years immediately preceding death (or children born in New Zealand). |
| 1952 | **Home-Help became part of the Supplementary Assistance Scheme** | The Government authorised the *Social Security Department* to operate as part of the *Supplementary Assistance Scheme* a home-help service for the elderly or infirm that could not care for themselves adequately in their own homes. The home-help could be employed privately or by the *Department of Social Security* which had a reserve of home helpers recruited from social security beneficiaries and others prepared to undertake part-time work. By 31 March 1971, the Department had 515 home helpers enrolled of whom 395 were actually employed (from *Royal Commission* Report 1972). |
| January 1953 | **Response to the Housing Shortage: Prefabricated State houses** | At this time there was a serious housing shortage in New Zealand. Many people were living in transit camps while on the waiting list for a state house. There was also a shortage of materials for building new houses.  In an attempt to solve these problems, the government commissioned 1,000 prefabricated state houses to be built, 500 in Auckland and 500 in Wellington (Titahi Bay). The houses were commissioned from *Thermal Insulation Limited* in England and *Thermobau Fertighäuser* of Vienna, Austria. The houses in Auckland were constructed by the English company and the Titahi Bay houses were constructed by the Austrian company.  The first prefabricated houses arrived in January 1953. A total of 194 tradesmen came from Austria in the 1950s on 18-month contracts to complete the houses in Titahi Bay. Many of these tradesmen remained in the area after their contracts ended.  These houses were anticipated to have a useful life of 20 years, though as late as 2017, many remained part of the state housing stock. |
| 4 August 1953 to 7 August 1953 | **National Housing Conference** | In response to the housing shortage, the *National Housing Conference* was held at Parliament. Apart from the shortage of housing which had been exacerbated by the depression and the second world war, the cost of housing was of significant concern to the Government. Alongside this, people were demanding more amenities and family size was declining (average number of people per dwelling was falling). Delegates were issued with a statement of problems as the Government saw them and had submitted in writing their views on the agenda items which had been collated and circulated.  The agenda included:   * statement of Government policy; * factors contributing to the high cost of houses and how these could be reduced; * the reasons for large differences in costs in different towns; * building a lower cost home of a good standard; * securing uniformity and modernisation of the building by-laws and other regulations affecting house building; * developing a house that can be added to, to meet the progressively growing needs of a family; * methods of financing home building; * encouraging the building of more houses by Local Authorities, building organisations and Government; * provision of multi-storey flats by Local Authorities or private enterprise; * examination of the *Tenancy Act* with a view to making better use of existing houses and encouraging the building of houses for rental; * assisting those who wish to do their own home building; * encouraging rural housing; * building and price controls; * overcoming the shortage of land for housing; * reducing or spreading the land development costs with a view to reducing the burden on purchasers of sections; * formation of an organisation to carry on the objects of the Conference; and * the number of homes required and capable of being built in the future and who is capable of providing them.   The Government envisaged that a wide range of organisations would need to play a role in responding to the housing shortage (i.e. it was not just up to the Government to respond). The Government believed that private enterprise should be building houses for private people to own and that the basic objective was to build as many as possible. The Government recognised its role in providing specialised housing (for people on lower incomes and public servants).  The Conference debated the statement on Government policy and made 24 resolutions (for action by Government, the *National Housing Council* and other organisations). The Conference set the following housing targets:   * 17,000 in the current year; * 18,000 over the next year; and * 206,000 over the next ten years. |
| November 1953 | **National Housing Council of New Zealand established** | The *National Housing Council of New Zealand* was established to carry out the resolutions of the *National Housing Conference* and to maintain contact between Government, the public and the building industry. Its specific purpose was to:   * stimulate the building of houses; * keep the public in touch with housing developments; * keep the industry in touch with public demands; and * maintain contact with the Government.   The *National Housing Council* reported directly to a Government Minister and had a small permanent secretariat. It was funded by all the organisations represented at the 1953 Conference.  In 1974, the work of the *National Housing Council* was taken over by the newly established *Housing Corporation of New Zealand.* |
| 1953 | **Supplementary Payment for War Veterans** | A *War Service Supplementary Gratuity Payment* of up to £200 could be paid to veterans of World War Two or the Korean War who were in receipt of a *War Disablement Pension*. |
| 1953 | **Group Building Scheme commenced** | The *Group Building Scheme* was introduced to encourage private effort in the field of housing. Sections were developed and made available by the Crown, to builders approved by the *State Advances Corporation*. To encourage low-cost housing development at a time of acute shortage, the price of the house and section was of a fixed maximum (according to locality) and the plans, specifications and standard of construction were subject to the requirements of the *State Advances Corporation*. The Scheme included an agreement whereby the *State Advances Corporation* undertook to buy the house(s) at a specified pre-construction price if the builder was unable to find a purchaser upon completion. At the peak of the Scheme in the mid-1950s, about 2,000 sections per year were sold to individuals and builders. |
| 23 July 1954 | **Special Committee on Moral Delinquency in Children and Adolescents appointed** | In June 1954, Juliet Hulme and Pauline Parker of Christchurch were convicted of killing Parker's mother. Around the same time, Hutt College students were discovered to be having sex in darkened picture theatres and on the banks of the Hutt River. In the second week of July 1954 various newspapers throughout New Zealand featured reports of proceedings in the Magistrate's Court at Lower Hutt against youths charged with indecent assault upon, or carnal knowledge of, girls under 16 years of age. The prosecuting officer was reported as saying that:  *The police investigations revealed a shocking degree of immoral conduct which spread into sexual orgies perpetrated in several private homes during the absence of parents, and in several second-rate Hutt Valley theatres, where familiarity between youths and girls was rife and commonplace…. in many cases the children came from excellent homes.*  After an outbreak of moral panic among the public and the media the Government instituted a *Ministerial Inquiry,* and a *Special Committee* was appointed to inquire into moral delinquency in children and adolescents. The Committee had the following Terms of Reference:  *To inquire into and to report upon conditions and influences that tend to undermine standards of sexual morality of children and adolescents in New Zealand, and the extent to which such conditions and influences are operative, and to make recommendations to the Government for positive action by both public and private agencies, or otherwise.*  The *Special Committee* was chaired by Queen’s Counsel Dr Oswald Mazengarb. The Committee members were:   * Mrs Rhoda Alice Bloodworth, J.P. (Children's Court); * Mr James Leggat, Headmaster, Christchurch Boys' High School; * Dr Gordon Logie McLeod, Director, Division of Child Hygiene, Department of Health; * Mrs Lucy Veronica O'Brien, Vice-President of Women's Auxiliary of Inter-Church Council on Public Affairs: Arch-Diocesan President, Catholic Women's League; * Rev. John Spenser Somerville, Chairman of the Inter-Church Council on Public Affairs; and * Mr Francis Nigel Stace, President, N.Z. Junior Chamber of Commerce.   The Committee, did not have the powers of a *Commission of Inquiry*, so could not summon witnesses before it. All officers of the Crown, and all public agencies from whom information was sought, were reportedly helpful, but much of the evidence, however, was secondary or hearsay evidence.  The Committee began work four days after it was appointed and began hearing evidence on 3 August 1954 and completed hearings on 10 September 1954. Ten days later, on 20 September 1954 the Committee reported. |
| 1 August 1954 | **Widows Benefit: Eligibility for a deserted wife who divorced** | From this time, deserted wives receiving a *Widows Benefit* could, at the discretion of the *Social Security Commission* continue to receive the benefit if they divorced. |
| 20 September 1954 | **Report of the Special Committee on Moral Delinquency in Children and Adolescents**  **Mazengarb Report** | The report of the *Special Committee on Moral Delinquency in Children and Adolescents* was released*.* The report blamed lack of parental supervision for juvenile delinquency and advocated a return to Christianity and traditional values. The conclusions and recommendations included:   * noting that immorality had been organized and that it was unfair that authorities could charge boys for indecent conduct, but not girls; * urging a tightening of censorship laws; * discounting the contribution that co-educational schools had made to sexual delinquency; * urging tighter administration of the school-leaving age; * recommended notifying school principals of children under government care; * that school is not the proper place for fully instructing children about sex; * new housing developments contained large number of young children without good modelling of older people and organisations (an apparent criticism of the state housing scheme); * placing some blame on parents for allowing consumption of alcohol at juvenile parties; * that parental neglect left children feeling unloved and this was conducive to delinquent acts; * that high wages of the time discouraged the careful use of money and therefore discourage self-reliance; * blaming “new concepts” coming about due to the destabilising effects of world wars, contraceptives, divorce liberalisation and increasing popularity of sexual relations before marriage; * recommendation that minors should not have access to contraceptives; * urging Government to take more preventive measures in the field of child welfare; and * recommended that child welfare should become an autonomous service under the *Minister of Social Welfare*.   On September 28 1954, Parliament appointed a special *Select Committee* to respond to the report. The *Juvenile Delinquency Committee* reported in October 1955.  The report provided a basis for new legislation. Dr Mazengarb assisted with the drafting of three acts recommended by the committee in its report: the *Indecent Publications Amendment Act 1954*, which widened the definition of ‘obscene’ and ‘indecent’; the *Child Welfare Amendment Act (No 2) 1954*, which enabled the Children’s Courts to treat children engaging in sexual behaviour as delinquent; and the *Police Offences Amendment Act 1954*, which made it an offence to sell contraceptives to children under 16 years of age.  In November 1954, the resulting 'morals report' was distributed free to all New Zealand's 300,000 families receiving the *Family Benefit*. |
| 30 September 1954 | **War Pensions Act 1954** | The *War Pension* legislation was consolidated in the *War Pensions Act 1954* which, with its subsequent amendments, remained until 2014, the legislative authority for the payment of *War Pensions* and allowances, and of pensions for members of peacetime armed forces, and others.  The power to grant pensions and allowances was vested in a *War Pensions Board* of three members, one of whom was a registered medical practitioner, and another a representative of members of the forces appointed by the *Minister in Charge of War Pensions* on the nomination of the *New Zealand Returned Services' Association*. The legislation was administered, subject to the general direction and control of the *Minister in Charge of War Pensions*, by the *Secretary of War Pensions* who was an officer of the *Social Security Department*.  *War Pensions* and allowances continued to be paid out of revenue from general taxation. |
| 1 August 1955 | **Age Benefit: Eligibility extended to some women aged 55 or over** | The *Age Benefit* was extended to unmarried females aged 55 years and over who were unable to undertake regular work. |
| 1 August 1955 | **Benefit rates for married couples adjusted** | The rate of a *Social Security Benefit* payable to a married couple became less than twice the single rate. This recognised that the costs of living for a married couple were less than twice those of a single person living alone. |
| 20 October 1955 | **Direct deduction of overseas government pensions: Inclusion of overseas pensions paid to the wife or husband of a beneficiary** | Since the *Social Security Act 1938* came into force, the *Social Security Commission* had the discretion to reduce the rate of benefit payable by the amount of any overseas government pension received by the beneficiary.  The legislation was amended to clarify that the discretion included any overseas government pension received in respect of the wife or husband of the beneficiary and any benefit payable in respect of the wife or husband of the beneficiary.  The clarification reflected practice (since 1939) and was prompted by a claim made on behalf of a married woman that she ought to be able to receive both her *Superannuation Benefit* and her entitlement under a *Canadian War Disablement Pension* paid to her husband (and which included a ‘wife’s element). The amendment reflected the general proposition that the position of a couple drawing on New Zealand benefits ought not to be less favourable than that of a couple drawing benefits from both New Zealand and an overseas government.  This change was included in the *Social Security Amendment Act (No. 2) 1955*. |
| 21 October 1955 | **Housing Act 1955**  **Acquisition and development of land for State housing**  **Sale of State housing land and dwellings**  **State housing rents** | The *Housing Act 1955* consolidated and amended the *Housing Act 1919*, and other legislation relating to state housing construction. The powers of the *Minister of Housing* were also consolidated, enabling the Minister to determine what land should be acquired and how its development should take place. The Minister was also given power to decide the number and class of state homes to be built.  The *Housing Act 1955* enabled the *Minister of Housing* to authorise the acquisition and development of land for state housing purposes, and to “determine ... any other matters of state housing policy”.  *‘The Minister may from time to time determine either generally or in any particular case what land or classes of land may be acquired for State housing purposes and the general scheme of development thereof, the number and classes of dwellings and ancillary commercial buildings to be constructed, and any other matters of State housing policy.’*  Land could be taken under the *Public Works Act 1928* for State housing purposes, provided that no Māori land was taken without the consent of the *Minister of Māori Affairs*. The *Housing Act 1955* focused narrowly on building houses. It did not encompass the concept of creating total communities, which included the provision of appropriate and necessary amenities and services.  The Act also provided for that State housing land and any buildings or chattels held for State housing purposes may be disposed of by way of sale, lease or tenancy by the *Board* of the *State Advances Corporation*. Subject to direction from the *Minister of Housing*, State housing land could be sold for cash or under an agreement for sale in such a manner, at a price, and on such terms and conditions as the *Board* thought fit. Without limiting the power of the *Board,* the Act provided that the *Board* could:   * allow discount at a rate it thinks fit on any money paid in excess of a minimum deposit; * allow remission of part or whole unpaid balance of the selling price on the death of a purchaser or any other person whom the *Board* considers to be the wage earner of the purchasers’ household before the purchaser of specified person attains a specific age; * make the sale conditional on the land not being sold within a fixed period without it being offered to the Crown; * make the sale conditional on the purchaser remaining the sole owner for a specified period and on the purchaser residing and making his home in a dwelling erected on the land; * allow a reduction of the rate of interest on the whole or any part of the purchase price; and * allow remission of part of the purchase price if terms and conditions are complied for a period as fixed by the *Board*.   The Act gave the *State Advances Corporation* the power to set rents as it saw fit, subject to the general direction of the *Minister of Housing*. State house rental rates were fixed by the ‘fair rent’ provisions of the *Tenancy Act 1955* to reflect the capital cost of the house and the outgoings on it (rates, insurance etc). The *State Advances Corporation* could adjust the rent to reflect a tenant’s circumstances, but rents for state houses were not allowed to exceed the “fair rent”. While ‘fair rents’ increased over the years, the rental was rebated according to the family's income and size (i.e. higher income tenants paid more), but the rent could not exceed the ‘fair rent’. A tenant could apply to the *Magistrates Court* if he wanted to challenge the assessment of the ‘fair rent’ by the *State Advances Corporation*.  In 1970, the *Commission of Inquiry into Housing* reported that the *State Advances Corporation* rebated the ‘fair rent’ for social reasons and that around 1/5th of weekly income was regarded as ‘rough and ready’ guide as to what may be appropriately spent on rent.  By the 1980s the ‘fair rent’ for a state property was about half the market rent for an equivalent privately-owned property. In 1984, state house rents were set at 25 percent of income – defined as the sum of the principal earner’s and their spouse’s income. |
| December 1955 | **Committee to investigate co-ordination of government social welfare activities** | A specially constituted interdepartmental committee was established to investigate the co-ordination of government social welfare activities and to report to the *Minister for Social Security*. The Committee included representatives from Child Welfare Division, Health, Internal Affairs, Justice, Labour, Māori Affairs and Social Security Departments, State Advances Corporation, Treasury and the Public Service Commission.  In December 1956, Professor W.G. Minn from Victoria University assumed the Chairmanship and in February 1957 a revised terms of reference was approved by the Cabinet. The Committee was to:   * enquire into and prepare a report with recommendations as to what steps, if any, should be taken to improve coordination of policy and administration so far as government social welfare activities are concerned; * enquire into and report on the following matters so that the views of Government Departments can be clarified and if necessary, reconciled prior to discussions involving Government Departments and outside bodies; and * whether the welfare committees which the *National Conference on the Care of the Aged* recommended be set up in towns where *District Welfare Committees* or *Old People’s Welfare Councils* have not yet been established, should be committees restricted to the welfare of old people, or whether they should be concerned with the welfare of all groups, regardless of age; and * whether Government funds should be made available to *Old People’s Welfare Councils* or *District Welfare Committees* to carry out welfare work themselves, or whether such councils and committees should be coordinating bodies to promote welfare activity through other organisations.   The Committee presented its report in September 1958. The report reviewed the origins Government welfare activities and the existing pattern of social welfare administration including assistance in cash, kind and services. It commented on the overseas trend towards placing welfare activities under one department but also acknowledged that the amalgamation of welfare activities was open to argument.  “*Here this was an opportunity to overhaul and revitalise a disorganised area of public policy, but owing to prolonged bickering about Departmental representation and the delegation of authority, the committee was unable to take advantage of it. Instead, it merely summarised the arguments for and against the establishment of a Department of Social Welfare, with the recommendation that the report and its supporting evidence be passed on to the Public Service Commission for its consideration*.” Simonsen, E. N., *The Supplementary Assistance Scheme: A Short History*, A paper prepared for the Department of Social Security, January 1969.  In August 1959, the Government referred the report to the *Public Service Commission* and as a result the *Social Welfare Advisory Board* was established to co-ordinate State welfare activities and to report on the feasibility of establishing a department of social welfare. |
| 1956 | **Reciprocity with the United Kingdom extended** | The *Social Security (Reciprocity with the United Kingdom) Act 1956* provided reciprocity in the field of national insurance benefits and pensions and *Social Security Benefits*. Prior to this, there was reciprocity only with the *Family Benefit*. |
| 13 February 1957 | **Minister of Housing to co-ordinate Government activity in housing** | Following the *National Housing Conference* in 1953, the new portfolio of *Minister of Housing* was created.  The first *Minister of Housing*, Dean Jack Eyre held office from 13 February 1957 to 26 September 1957.  The *Minister of Housing* was responsible for coordinating all Government activity in housing to ensure that resources were used as economically as possible and construction of houses completed as speedily as possible.  The actual construction of state rental homes remained the responsibility of the *Housing Division, Ministry of Works*, with the administration of state rental houses following construction remaining with the *State Advances Corporation*. (The functions of both of these agencies were coordinated by the *Minister of Housing*.) |
| April 1957 | **Special Assistance Fund abolished** | The separate *Special Assistance Fund* was abolished. From this time, supplementary assistance was paid from the notional “*Social Security Fund*”, which itself was abolished in 1964. |
| 1 September 1957 | **Invalids Benefit: Income exemption increased** | The income exemption for the *Invalids Benefit* was increased to £520 per year. |
| 1 September 1957 | **Unemployment and**  **Sickness Benefit: Income exemption increased** | The income exemption for the *Unemployment Benefit* and *Sickness Benefit*, for income other than earnings, was increased to £2 per week. |
| 1957 | **Social Security Department: Appointment of social workers** | The *Social Security Commission*, aware of similar trends overseas, appointed a nucleus of social workers to operate in Auckland, Wellington, Christchurch and Dunedin to work more closely with those in need. It was considered that financial problems were often the earliest indication of social problems and meeting a person’s financial needs also allowed the *Social Security Department* to come in contact with and to help overcome some of these problems. |
| 1 April 1958 | **PAYE introduced: Income tax combined with Social Security Tax** | *Pay As You Earn* (PAYE) was introduced and the separate *Social Security Tax* was combined with income tax in the PAYE tax tables. Provision for this was made in the *Income Tax Assessment Act 1957*.  Previously income tax had been calculated on gross earnings for the year and this was then due in a lump sum the following year.  For the collection of social security contributions, the Government had previously issued and sold *Social Security Stamps*. For wage and salary earners, the charge was deducted by the employer, who was required to affix to their wages sheet, the prescribed requirement of *Social Security Stamps*. |
| 1 April 1958 | **Taxation of Dividends** | The 1958 Budget introduced taxation of dividends, on top of direct taxation of companies. Company income was double-taxed until the introduction of imputation credits during the 1980s tax reforms (an imputation credit was a tax credit given to a company for tax it has already paid on its profits, which helped prevent shareholders being taxed twice, first on company profits, and then on dividends paid out of profits). |
| 1 October 1958 | **Invalids Benefit: Earnings Exemption for Blind** | The means test in respect of earned income for the *Invalids Benefit* was abolished for those who received the benefit on account of blindness. Earned income of a spouse continued to be taken into account. |
| 1 October 1958 | **Family Benefit increased and provision for advance payment introduced** | The *Family Benefit* was increased to 15s per child per week.  Provision was made for the advance payment of up to 52 weeks upon the birth of the first child or upon a child beginning their first year of post-primary education. An application for a lump sum payment had to be made within three months of the birth of the first child or within three months of a child commencing post-primary education. |
| 1 October 1958 | **Property Exemption for Social Security benefits increased** | The property exemption for social security benefits was increased from £500 to £750.  For the *Unemployment Benefit*, the benefit was reduced by 1s per week for each £39 of property in excess of £750. For a married beneficiary, the exemption was £1,500.  For the *Invalids Benefit* the benefit was reduced by £1 per annum for every £15 of property in excess of £750. |
| 1 October 1958 | **Advances for Major Repairs to Homes Scheme introduced** | The *Advances for Major Repairs to Homes Scheme* was introduced. Loans of up to £200were made available to social security beneficiaries and war pensioners to enable them to carry out repairs to their home. No beneficiary could have total advances in excess of £200 at any one time.  Advances were secured by a charge registered against the land under the *Statutory Land Registration Act 1928*. Interest was charged at five percent, reduced to three percent if paid six-monthly. The loan was normally repayable upon the death of the beneficiary or earlier if the property was sold, transferred, let or ceased to be occupied by the beneficiary or his dependants, or if he gained enough money to allow repayment or his *Social Security Benefit* was cancelled. |
| 1 October 1958 | **Payment of Benefits: Four-weekly** | The *Social Security Amendment Act 1958*, provided for four-weekly payment of benefits instead of monthly.  *Unemployment Benefit*, *Sickness Benefit*, and related *Emergency Benefits* and some supplementary assistance remained payable weekly, by postal warrant.  Other benefit payments were made by order book at four-weekly intervals. Order books usually contained 13 orders and new books were issued each 12 months. The amending legislation provided that the amount of a four-weekly instalment of a benefit that was payable at an annual rate was ascertained by dividing the annual rate of the benefit by thirteen. The assignment of benefit orders was prohibited.  Recipients of the *Family Benefit* had the option of payment of the full benefit to a *Post Office Savings Bank* account, with credits being made at eight-weekly intervals.  The only other variation was that, at the beneficiary’s request, part or whole of the benefit could be paid to the *State Advances Corporation* or the *Māori and Island Affairs Department*. |
| 1958 | **Home Loans – Modest Income Scheme** | The *Modest Income Scheme* was introduced by the *State Advances Corporation*. The scheme provided first-home loans to modest income families at below market interest rates, with the interest rate charged related to borrowers’ incomes. The scheme remained the main plank of the State Advances Corporation/Housing Corporation lending operations until the 1990s. |
| 1 April 1959 | **Family Benefit: Capitalisation for housing introduced** | The combination of legislation that allowed for the sale of state houses to tenants (*Housing Act 1955*) and the capitalisation of *Family Benefit* for housing, meant that many families were able to purchase a house from the state without any initial outlay of capital.  The *Family Benefit* could be capitalised for the purpose of acquiring a new home, making essential additions to an existing home, or reducing or repaying a mortgage or other debt incurred before 1 January 1959 in the acquisition of a home. Capitalisation was not allowed on the first year of the life of a child or in respect of any period beyond the age of 16 years. The maximum capitalised value of benefit from the age of one year until the age of 16 was £473 16s. Application could be made to capitalise the benefit for any number of children in a family, but in no case could the capitalised amount exceed £1,000 or be less than £200. The purposes for which capitalisation may be approved were: to erect or purchase a new home; to repay, under certain conditions, mortgages or debts owing on the family home at 1 January 1959; or to meet the cost of alterations or additions to a home already owned in order to provide essential living accommodation for the family; to purchase land from the Crown with a dwelling thereon.  The *Family Benefit* could only be capitalised if the beneficiary (usually the mother) was the sole owner of the property or if the property is settled jointly in the names of husband and wife. In general, the advance was automatically cleared when the child whose benefit had been capitalised reached the age of 16 years, provided the property had continued to be used as a family home. If, however, circumstances arose whereby the benefit, if it had not been capitalised, would cease to be payable and the property ceases to be used as a family home (e.g. sold or let), reimbursement of the advance was required.  If the child died within one year of the date of capitalisation, the advance remains as a charge on the property until such time as reimbursement may be required, but if the child died more than one year after the date of capitalisation, reimbursement was not required. Applicants for capitalisation were required to satisfy two main considerations -(a) need of a home, (b) need of financial assistance to help to meet the cost of a home.  In conjunction with capitalisation of the *Family Benefit*, many homeowners obtained mortgages at a concessionary rate (three percent) through the *State Advances Corporation*. |
| 30 March 1960 | **Age Benefit and Superannuation Benefit parity** | The rate of universal *Superannuation Benefit* payable to people over 65 years reached the rate of the means tested *Age Benefit* payable at 60 years (£208 per annum). Many people over the age of 65 years who would otherwise qualify for the universal *Superannuation Benefit* chose to remain on the *Age Benefit* for financial reasons. The *Age Benefit* was not taxable whereas *Superannuation Benefit* was taxable income. A lump sum equivalent to quarter of the annual rate was paid on the death of an age beneficiary to the surviving spouse, whereas *Superannuation Benefit* ceased on death. An additional benefit of £26 per year was paid to age beneficiaries who had lost a son through war service. Married people receiving the *Superannuation Benefit* received no allowance for an underage wife and received a lower rate (half the married rate) than a single beneficiary received. Like other social security benefits, a recipient of the *Age Benefit* could include an underage wife in their benefit and receive a higher payment rate. |
| 12 October 1960 | **Property test for social security benefits abolished** | Property was no longer taken into account in determining eligibility to a main social security benefit. Income from property continued to be counted. |
| 12 October 1960 | **Unemployment and Sickness Benefit income exemption increased** | For the *Unemployment Benefit*, the income exemption for income other than earnings was increased from £2 to £3 per week. Personal earnings were a direct deduction from the benefit.  For the *Sickness Benefit*, the income exemption was increased from £2 to £3 per week. |
| 12 October 1960 | **Changes to the Age Benefit** | The property test for the *Age Benefit* was abolished.  The income exemption was increased from £104 to £156 per annum.  The *Age Benefit* was continued for three months after the death of a beneficiary leaving a widow, widower or a dependent child. |
| 12 October 1960 | **Income exemptions for other benefits increased** | For the *Widows Benefit* and the *Invalids Benefit*, the income exemption was increased from £104 to £156 per annum. |
| 12 October 1960 | **Orphans Benefit income exemption introduced** | An income exemption of £52 per annum was introduced for the *Orphans Benefit*. Prior to this, any income was treated as a direct deduction.  The property test was abolished. |
| 1 April 1961 | **Government Service Equal Pay Act** | The *Government Service Equal Pay Act 1960* came into force. It introduced equal pay legislation into the public sector, covering all government employees and also those whose salaries were paid out from money appropriated by Parliament. Under this Act, women were to be paid the same salaries as men for doing equal work under equal conditions. Going further than contemporary overseas legislation, this Act also recognised the need to introduce equal pay in occupations performed exclusively or principally by women.  It wasn’t until April 1973 that the *Equal Pay Act 1972* extended these provisions to the private sector. |
| 5 July 1961 | **Social Welfare Advisory Board** | The *Social Welfare Advisory Board* was established by the *Public Services Commission* to co-ordinate State welfare activities and to report on the feasibility of establishing a *Department of Social Welfare*. The Board, comprising representatives of the Departments of Education, Health, Justice, Labour Māori Affairs, Social Security and the *Child Welfare Division* held its first meeting on 5 July 1961 under the chairmanship of the *Public Services Commission*.  Because of the inquiry by the *Royal Commission on the State Services*, the Board held over its report on the transfer of departmental activities and the formation of a department of social welfare. |
| July 1961 | **Royal Commission on the State Services** | In July 1961, a *Royal Commission of Inquiry* was appointed to investigate the State services, including the organisation, co-ordination, and control of departments of State and Government agencies and any redistribution of functions. The Commission was chaired by Justice Thaddeus McCarthy, assisted by top businessmen and unionists.  The Commission reported in February 1962. The 5,524-page final report contained 131 recommendations, notably establishment of a *State Services Commission* (SSC). The *State Services Act 1962* created this new body that would essentially become a government inspectorate on departmental efficiency.  The Government rejected the Commission’s recommendation that the reporting line for the SSC be directly to the Prime Minister and for a sole Commissioner (rather than the eventual four). It also rejected the recommendation that the SSC gain oversight of trading departments. The Commission’s role was to advise on administration, staffing, auditing, industrial relations and pay-fixing across the core Public Service.  Evidence was presented to the *Royal Commission* on the means of achieving better co-ordination of Government social welfare activities. The Commission reported that the subject needed far more detailed study that it could undertake. It noted that the *Social Welfare Advisory Board* had been established to report on the rationalisation of State social work and the desirability of establishing a social welfare department and commented that the *State Services Commission* had a responsibility for overall efficiency and hence for recommending to Government integration of welfare services if that seemed desirable. |
| 13 September 1961 | **Direct deduction of overseas government pensions: Overseas pension paid to a child included** | Since the *Social Security Act 1938* came into force, the *Social Security Commission* had the discretion to reduce the rate of benefit payable by the amount of any overseas government pension received by the beneficiary or their husband or wife.  The legislation was amended to include any overseas pension payable to a child of a person in receipt of a social security benefit. The change was made to ensure that people receiving overseas child pensions were not in a better position than other New Zealanders and also to reflect that children form part of the ‘core family’ unit of assessment.  The change was included in the *Social Security Amendment Act 1961*. |
| 13 September 1961 | **Income Exemption: Sick benefits from a friendly or like society** | The provision applicable to the *Sickness Benefit* was extended to the *Invalids Benefit* and *Age Benefit*. Sick benefits received from a *Friendly Society* of up to £52 per year were exempt as income. |
| 13 September 1961 | **Family Benefit: Child overseas** | Provision was included in the *Social Security Amendment Act 1961* to allow the *Family Benefit* to be paid in respect of a child who was overseas for the purpose of furthering his education, as long as his parents (or parent) remained in New Zealand. |
| 13 September 1961 | **Income Exemption: Income from a former home property** | The *Social Security Amendment Act 1961* provided a special income exemption in cases where a beneficiary received income from the letting or sale of his former home. The *Social Security Commission* was given discretion to “set off' against that income any rent payable by the beneficiary in respect of the tenancy of another home, any interest payable by him on unpaid purchase money owing by him in respect of the purchase of another home or on money advanced to him for the purchase of another home, or any money payable by him in respect of his board or lodging or maintenance, whether in a private home or in any public or private institution. |
| 13 September 1961 | **Widows Benefit: Income exemption increased for widows with children** | The allowable income for a recipient of the *Widows Benefit* who had dependent children who were supported by her to the satisfaction of the *Social Security Commission* was increased from £156 to £260.  In other cases, the allowable income remained at £156 a year. |
| 13 September 1961 | **War Pensions:**  **War Widows Pension**  **Sick benefits received from a Friendly Society** | An amendment to the *War Pensions Act 1954* allowed a *Widows’ Pension* to be granted even where a veteran was not in receipt of a *War Disablement Pension* of at least 70 percent at the time of death, but where the *War Pensions Board* posthumously assessed the disablement of the veteran at 70 percent or more. This amendment provided legal sanction for a practice that was already occurring.  The provision applicable to a *Sickness Benefit* and *Invalids Benefit* was extended to the *War Pensions Ac 1954t*. Sick benefits received (by the claimant or their spouse) from a *Friendly Society* of up to £1 per week were exempt from any applicable income assessment that applied to a *War Pension*. |
| 1961 | **Rest Home Subsidy Scheme** | The *Rest Home Subsidy Scheme* was established in the *Auckland Hospital Board* area. Its aim was to free up urgently needed public hospital beds occupied by elderly long-term patients needing supervisory care, as opposed to specialist care provided by hospitals. It was considered that the care of these people would be more appropriately met in rest homes.  People who needed geriatric care were subsidised by the Hospital Board. The amount a person had to pay was determined by an income and asset test. The asset threshold was £100 for a single person and £200 for a couple. The £100 was considered the amount necessary to cover the cost of a funeral.  In July 1962, approval was given for the scheme to be extended and from 1966 it was progressively extended throughout New Zealand. |
| 6 December 1962 | **Age Benefit and Superannuation Benefit: Missionary service counted as New Zealand residence** | The *Social Security Amendment Act (No. 2) 1962* provided that a period of missionary service overseas could be regarded by the *Social Security Commission* as a period of residence in New Zealand for determining eligibility to the *Age Benefit* or the *Superannuation Benefit*.  It applied where an applicant (or the husband of an applicant) had been engaged in missionary work outside New Zealand as a member of, or on behalf of, any religious body. “Missionary work" was defined to include the advancement of religion or education and the maintenance, care, or relief of orphans, or the aged, infirm, sick, or needy.  The provision was only applicable to an applicant who was born in New Zealand or was ordinarily resident in New Zealand immediately before they (or their husband) left to undertake missionary work. |
| 1962-1972 | **Compulsory military training reinstated**  **(National Service)** | *Compulsory Military Training* (abolished in 1958) was reinstated. This time, however, it was called 'National Service'. Under the provisions of the *National Military Service Act 1961* all males were required to register on their 20th birthday with the [*Department of Labour*](http://en.wikipedia.org/wiki/New_Zealand_Department_of_Labour). Ballots, based upon dates of birth, were then conducted to decide who would undertake compulsory service. Those selected were required to complete three months initial full-time training, followed by an annual commitment of three weeks part-time training for another 3 years (Conscripts were not sent overseas; unlike Australians or Americans, who were sent to Vietnam). *National Serv*ice was finally abolished in 1972. |
| 17 July 1963 | **Applicants for Social Security Benefits had to be ordinarily resident** | The *Social Security Commission* was given the discretion to refuse, terminate or reduce a benefit in any case where it was satisfied that the applicant was not ordinarily resident in New Zealand. |
| 1963 | **Rates of War Pensions: Agreement with the Returned Services’ Association** | As a result of negotiation with the *New Zealand* *Returned Services’ Association*, the Government agreed that there had been certain points in time when rates of *War Pensions* had been fair – 1917, 1923 and 1951. The rates of *War Disablement Pension* and *War Widows’ Pension* were therefore increased to the rate equivalent to those past fixed points and the Government agreed to maintain the value of *War Pensions* through at least biennial indexation. |
| 1 January 1964 | **Benefit income exemption increased** | The income exemption for *Social Security Benefits* was increased to £4 per week or £208 per year. The income exemption for widows with children increased to £312 per year.  For the *Unemployment Benefit*, personal earnings remained a direct deduction. |
| 1 April 1964 | **Social Security Fund abolished** | The *Social Security Fund* was merged with the consolidated revenue account. Funding for social security was paid out of consolidated revenue, from money appropriated by Parliament. |
| 4 December 1964 | **Consolidation of Social Security Legislation: Social Security Act 1964 and Family Benefits (Home Ownership) Act 1964** | The *Social Security Act 1964* received the Royal Assent. This Act, consolidated changes to the *Social Security Scheme* that had been made since 1938. The consolidated Act came into force on 1 April 1965.  The rates of Benefits payable were:   * *Superannuation Benefit* **£249 12s** per year, with discretion for the *Social Security Commission* to increase the rate payable by **£26** per year where the beneficiary was an unmarried person; * *Age Benefit*:   + unmarried beneficiary **£275 12s** per year, reduced by £1 for every £1 of annual income in excess of £208 (with discretion for the *Social Security Commission* to reduce the rate payableby **£26 per year** where the beneficiary was sharing household expenses with another person);   + married beneficiary (whose wife or husband was granted an *Age Benefit* or an *Invalids Benefit* in their own right) **£249 12s per year,** reduced by 10s for every £1 of annual income of the couple in excess of £208;   + married male beneficiary whose wife is not granted a benefit in her own right, **£249 12s per year,** increased by **£249 12s per year** in respect of the wife,reduced by £1 for every £1 of annual income of the couple in excess of £208;   + any other married beneficiary **£249 12s per year,** reduced by £1 for every £1 of annual income of the couple, including any benefit payable under Part 1 of the *Social Security Act 1964* granted to the spouse of the beneficiary, in excess of £457.12 per year; and   + *Additional Age Benefit for South African War Veterans* **£26 per year**. * *Widows Benefit* (no children) **£275.12** per year, reduced by £1 for every £1 of annual income in excess of £208 (with discretion for the *Social Security Commission* to reduce the rate payable by £26 per year where the beneficiary was sharing household expenses with another person); * *Widows Benefit* (dependent child or children) **£275.12** per year reduced by £1 for every £1 of annual income in excess of £312, (with discretion for the *Social Security Commission* to reduce the rate payable by £26 per year where the beneficiary was sharing household expenses with another person) and discretion for the *Social Security Commission* to increase the rate payable by a *Mother’s Allowance* of: * *One child* **£184 12s per year**; * *Two children* **£210 12s per year**; * *Three children* **£236 12s per year**; * *Four children* **£262 12s per year**; * *Five children* **£288 12s per year**; and * *Six or more children* **£314 12s per year**. * *Orphans Benefit* **£137 16s** per year, reduced by £1 for every £1 of annual income of the orphan in excess of £52; * *Family Benefit* **15s** per child per week; * *Invalids Benefit*:   + unmarried beneficiary under the age of 20 years **£236 12s** per year, reduced by £1 for every £1 of annual income in excess of £208 (with discretion for the *Social Security Commission* to reduce the rate payableby **£26 per year** where the beneficiary was sharing household expenses with another person);   + unmarried beneficiary **£275 12s** per year, reduced by £1 for every £1 of annual income in excess of £208 (with discretion for the *Social Security Commission* to reduce the rate payableby **£26 per year** where the beneficiary was sharing household expenses with another person);   + married beneficiary (whose wife or husband was granted an *Age Benefit* or an *Invalids Benefit* in their own right) **£249 12s per year,** reduced by 10s for every £1 of annual income of the couple in excess of £208;   + married male beneficiary whose wife is not granted a benefit in her own right, **£249 12s per year,** increased by **£249 12s per year** in respect of the wife,reduced by £1 for every £1 of   + annual income of the couple in excess of £208; and   + any other married beneficiary **£249 12s per year,** reduced by £1 for every £1 of annual income of the couple, including any benefit payable under Part 1 of the *Social Security Act 1964* granted to the spouse of the beneficiary, in excess of £457.12 per year. * *Miners Benefit* and *Miners Widows Benefit*: * married beneficiary **£249 12s per year,** increased by **£249 12s per year** in respect of the wife; * unmarried beneficiary **£275 12s per year** (with discretion for the *Social Security Commission* to reduce the rate payableby **£26 per year** where the beneficiary was * sharing household expenses with another person); and * miner’s widow **£243 12s per year** (with discretion for the *Social Security Commission* to reduce the rate payableby **£26 per year** where the beneficiary was sharing household expenses with another person). * *Sickness Benefit*:   + unmarried beneficiary under the age of 20 years with dependants **£4 1s** per week, reduced by 1s for every 1s of weekly income in excess of £4 (with discretion for the *Social Security Commission* to reduce the rate payableby **£10s per week** where the beneficiary was sharing household expenses with another person);   + any other unmarried beneficiary **£5 6s** per week, reduced by 1s for every 1s of weekly income in excess of £4 (with discretion for the *Social Security Commission* to reduce the rate payableby **£10s per week** where the beneficiary was sharing household expenses with another person);   + married male beneficiary **£4 16s per week,** increased by **£4 16s per week** in respect of the wife, reduced by 1s for every 1s of weekly income of the couple in excess of £4; and   + married female beneficiary, **£4 16s per week,** reduced by 1s for every 1s of the total weekly income of the couple, including any benefit payable under Part 1 of the *Social Security Act 19*64 to the husband, in excess of **£8 16s per week**. * *Unemployment Benefit* (Maximum Rates):   + unmarried beneficiary under the age of 20 years without dependants **£4 1s** per week (with discretion for the *Social Security Commission* to reduce the rate payableby **£10s per week** where the beneficiary was sharing household expenses with another person);   + any other unmarried beneficiary **£5 6s** per week (with discretion for the *Social Security Commission* to reduce the rate payableby **£10s per week** where the beneficiary was sharing household expenses with another person); and   + married male beneficiary **£4 16s per week,** increased by **£4 16s per week** in respect of the wife   + married female beneficiary, **£4 16s per week.**   The *Social Security Commission* had the discretion to fix the rate of *Unemployment Benefit* having regard to any income received by the beneficiary and his wife. Policy at the time was apply the income test applicable to the *Sickness Benefit*, but with any income from personal earnings being a direct deduction]  The 1964 Act retained the so-called “morals clause”. The Commission could in its discretion refuse to grant any benefit, terminate any benefit granted or grant a benefit at a reduced rate where the Commission was satisfied:  “*that the applicant is not of good moral character and sober habits, or is living on a domestic basis as husband or wife with a person to whom he or she is not married….”* [This provision was removed in 1972]  The *Family Benefits (Home Ownership) Act 1964* consolidated changes to the *Family Benefit Capitalisation Scheme* that had been made since 1959. |
| 1 April 1965 | **Orphans Benefit: Cessation date** | The *Orphans Benefit* could be continued to the end of year that the orphan reached 18 years of age, if the orphan was totally incapacitated. |
| 1 April 1965 | **Provision for woman whose husband was in a mental hospital** | Provision was made for the *Social Security Commission* to grant “special benefits” to a woman whose husband had been in a mental hospital for six months or more. |
| 14 September 1966 | **Royal Commission to Inquire into and Report upon Workers’ Compensation** | A *Royal Commission of Inquiry* was established to report on complaints about the limitations of the *Workers’ Compensation for Accidents Act 1900*. This Act provided injured workers with weekly benefits, or in cases of workplace death, compensation for their dependants. However, the benefits were small and were paid for only six years. The Act also didn’t cover non-work injuries or motor accidents. Employers had to take out insurance to cover themselves, and workers could sue their employer for negligence.  The Commission was chaired by Hon Justice Owen Woodhouse. Its members were:   * H. L. Bockett; and * G. A. Parsons.   The *Royal Commission* was required to report by 30 June 1967. |
| 1966-1967 | **Tax Commission**  **(Ross report)** | In 1966, Auckland accountant Lewis Ross chaired another *Tax Commission*. Its report, released in 1967, proposed reducing income tax rates, abolishing land tax, and introducing a comprehensive tax on sales and services. New Zealand, the *Commission* found, collected 69.5 percent of its revenue through direct taxes – a very high rate compared to other countries such as the United Kingdom and Australia, which collected only about half their revenue in direct taxes. New Zealand’s use of indirect taxes to collect revenue was, conversely, low.  The *Commission* was also critical of tax incentives like those for exporters, saying they encouraged wasteful expenditure and were inequitable. Like the *1951 Gibbs Report*, the *Ross Report* was largely ignored by the Government. |
| 14 June 1967 | **Royal Commission: Reporting date extended.** | The reporting date for the *Royal Commission to Inquire into and Report upon Workers’ Compensation* was extended from 30 June 1967 to 31 December 1967. |
| 10 July 1967 | **Decimal Currency introduced** | Decimal currency was introduced in New Zealand. One shilling became 10 cents. A ten-shilling note became a $1.00 note, the £1 note became $2.00 etc. |
| 1967 | **Benefit assistance to full-time students** | From this time, it became policy to pay an *Emergency Benefit* to tertiary students over the long vacation, if hardship existed. The eligibility criteria included:   * an obligation to register for work with the *Department of Labour*; * the applicant’s income and assets, and those of their parents would be considered; * the benefit would not necessarily be paid for the whole vacation; * the applicant’s previous history of employment in vacations would be taken into account; and * the payment was conditional on the applicant’s efforts to seek and obtain work. |
| 1967 | **Unemployment Benefit: Treatment of a wife’s earnings** | From this time a wife’s earnings were treated as other income rather than personal earnings for the *Unemployment Benefit*. |
| 13 December 1967 | **Report of the Royal Commission to Inquire into and Report upon Workers’ Compensation** | *The* *Compensation for Personal Injury in New Zealand: Report of the Royal Commission of Inquiry* [*Woodhouse Report*] signalled a significant shift in how New Zealand dealt with the consequences of injury. It proposed a move away from a litigious, fault-based system, toward a completely new ‘no-fault’ approach to compensation for personal injury.  The report recommended a scheme that covered:   * all injuries to earners whether occurring at work or not, funded by a flat-rate levy on employers for the cost of all injuries to their employees. A levy on the self-employed to pay for injuries occurring at work or outside of work was also proposed; and * all motor vehicle injuries, funded by a levy on owners of motor vehicles and drivers.   Employers would have to pay a compulsory levy for injuries to employees, but they would also be protected from being sued for damages. The right to sue for motor vehicle injuries and non-work injuries to earners would also be removed.  The report recommended that the scheme be based on five basic principles:   1. Community responsibility 2. Comprehensive entitlement 3. Complete rehabilitation 4. Real compensation 5. Administrative efficiency.   In 1972, following the report of the *Royal Commission*, Parliament voted unanimously to pass the *Accident Compensation Bill* into law. The new Act covered injuries to earners (both work and non-work injuries) and motor vehicle injuries. The Labour Government came into power later that year, and in 1973 passed an Amendment to the Act providing cover for those not already covered by the 1972 Act (including students, non-earners and visitors to New Zealand).  The *Accident Compensation Scheme* commenced on 1 April 1974. |
| 7 August 1968 | **Family Maintenance Allowance introduced** | While widows and deserted wives received the *Mothers Allowance* to help with the costs of children, other parents receiving a social security benefit had only the universal *Family Benefit* which had not been increased since 1958.  As a temporary measure, pending a major review of social security, a *Family Maintenance Allowance* for age, invalid, sickness and unemployment beneficiaries (including related emergency beneficiaries) with dependent children was introduced.  For a married couple there was a payment of 50c a week for the second child and $1 per week for each additional child. For a sole parent there was a payment of $8.75 for the first child and $1 for each additional child.  The amount for first child of sole parent was adjusted along with the basic benefit. For other children, increases were made on ad hoc basis. Beneficiary families also received the universal *Family Benefit*. |
| 4 December 1968 | **Emergency Benefit: Sole parents and deserted wives**  **“Domestic Purposes Benefit”** | A legislative change extended coverage of the *Emergency Benefit* to provide a stable income for various categories of women, with and without dependent children, who had lost the support of their husbands, and for single women with dependent children. The *Emergency Benefit* was paid under the emergency provisions of section 61 of the *Social Security Act, 1964*. (Deserted wives had been eligible for a *Widows Pension/Benefit* since 1936.) The change provided for the *Department of Social Security* to advance an *Emergency Benefit* to sole mothers, subject to the pursuit of maintenance, and to enforce maintenance orders on the same basis as it did for deserted wives.  It was decided to group the categories of *Emergency Benefit* payable to women who had lost the regular support of their husbands and who qualify for an *Emergency Benefit* under the generic term “*Domestic Purposes Benefit*”. The categories covered were:   * women with dependent children who have lost the regular support of their husbands (including de-facto husbands) and those women with dependent children whose husbands are in prison; * women (including de-facto wives) without dependent children who have lost the support of their husbands and are unfit or unable to work; and * unmarried mothers with dependent children who have no other means of support.   As this support was payable under the provisions of the *Emergency Benefit*, it could only be granted on the grounds of hardship and taking into account individual circumstances. |
| 1968 | **State house rents increased** | State house rents were increased by $5 per week. A rent-rebate applied on the basis of income and family circumstances that limited the impact of the increase on low-income families. |
| 1968-1972 | **National Development Conferences**  **Social and Cultural Committee**  **A new Department of Social Welfare** | In the late 1960s and early 1970s, the government held a number of conferences involving industry, as part of a general move towards broad economic planning. The conferences were more than ‘talk-fests’. For example, at the *1972 National Development Conference*, importers and manufacturers forced the government to abandon a planned liberalisation of import licensing.  In response to the economic downturn of 1967-1968, the *1968 National Development Conference* recommended the Government adopt a more active labour market policy and develop an *Employment Service* that would not only place the unemployed, but also advise employers, assist disadvantaged groups and retrain the unemployed to meet the demands of industry.  The *1968 National Development Conference* established a *Social and Cultural Committee* which recognised the close inter-relationship between economic, fiscal, budgetary and social policies. It was emphasized that economic goals are in fact social goals, having to do with people’s living standards and enjoyment of life. Family assistance, health standards and education, being concerned with human resources, have economic as well as social significance. The Social and Cultural Committee brought the following matters to the attention of the *National Development Conference*:   * New Zealand was spending a high proportion of its national income on social services, raising the question of the burden of social services expenditure; and * some beneficiaries were getting more than they need while others were receiving too little.   Neither of these assertions was accepted by the 1972 findings of the *Royal Commission of Inquiry into Social Security*.  The *New Zealand Planning Council*, established in 1977, was also an indirect result of these conferences.  The *Social and Cultural Committee* also reported that social services were sometimes disjointed and uncoordinated and that the public might be better served by a government department responsible for all aspects of welfare. The Government accepted the *National Development Conference* recommendation and indicated its intention to bring together the *Social Security Department* and the *Child Welfare Division* of the *Department of Education* to form a new *Department of Social Welfare*. The Government also stated that it would give further consideration to bring other areas of State welfare into the new department.  The *Department of Social Welfare* was established with effect from 1 April 1972 by the *Department of Social Welfare Act 1971*. |
| 1 April 1969 | **Social Security Tax: Merged with income tax** | The *Social Security Tax* was absorbed into the composite progressive income tax for individuals and companies. From this time, *Social Security Benefits* were funded entirely from general taxation.  The social security fund and social security tax were established under the *Social Security Act 1938* and commenced from 1 April 1939. With the introduction of PAYE in 1958, income tax and the separate social security tax had been combined in the PAYE tables. The *Social Security Fund* itself was abolished in 1964. From this time, funding for social security had come from consolidated revenue, appropriated by Parliament. |
| 14 May 1969 | **Unemployment and Sickness Benefit: Income exemption increased** | The income exemption for the *Unemployment Benefit* and *Sickness Benefit*, for income other than personal earnings was increased from $8 to $11 per week. Personal earnings were a direct deduction from the benefit. |
| 14 May 1969 | **Age Benefit, Widows Benefit and Invalids Benefit: Income exemption increased** | The income exemption for the *Age Benefit*, *Widows Benefit* and *Invalids Benefit* was increased from $416 per annum to $572 per annum. For widows with children, the income exemption was increased from $624 per annum to $780 per annum. |
| 14 May 1969 | **Earnings exemption for domestic work abolished** | The earnings exemption for women undertaking domestic or nursing work in a private home was abolished. |
| 1 August 1969 | **Compassionate Grants to widows of deceased Government employees: Authority for approving grants delegated to Government Departments** | In June 1951, Cabinet had approved the criteria for the payment of *Compassionate Grants* to widows of Government employees who died in service or in office. The Authority for approving *Compassionate Grants* was delegated to the *Secretary of the Treasury*.  From 1 August 1969, the Authority for approving *Compassionate Grants* was delegated to Permanent Heads of Government Departments and to appropriate officers in the Railways, Post Office and the Police. A separate arrangement existed for Service Personnel of the *Ministry of Defence*.  The criteria for *Compassionate Grant* to be made to a widow of a deceased employee were:   * the deceased must have been living in a normal domestic relationship with his wife at the time of death; * the payment to the widow was not to form part of his estate; * should there be no widow, but dependent children, the circumstances should be submitted to the Treasury for consideration; * the grant was based on complete years of continuous service, with a minimum period of one year; * the grant was inclusive of retiring leave arising from the same continuous period of service; * where there was a prospect of workers’ compensation or damages being paid, the case should be submitted to the *Treasury* for consideration; * the amount was based on the length of the last continuous period of Government employment and actual basic salary being received at the time of death; * the grant was calculated as 1/60th of actual base salary at the date of death for each complete year of service, with a maximum of one half of the annual basic salary; * for judges the rate was 1/30th and for magistrates 1/40th; * where a teacher employed by an *Education Board* joined the *Education Department* after 30 June 1960, the grant was calculated as follows: * under 10 years’ service – nil; * 10 years and up to 20 years’ service 1/12th of annual salary; and * over 20 years’ service 1/8th of annual salary. * where a teacher had joined the *Education Department* prior to 30 June 1960, the normal 1/60th rule applied; and * all cases in which there was any doubt were to be referred to the Treasury for consideration. |
| 11 September 1969 | **Family Benefit Capitalisation for Home Ownership** | The *Family Benefits (Home Ownership) Amendment Act* 1969 extended the *Family Benefit* *Capitalisation Scheme* to include the purchase of existing homes.  In conjunction with capitalisation of the *Family Benefit*, many homeowners obtained mortgages through the *State Advances Corporation*. |
| 15 September 1969 | **Royal Commission of Inquiry into Social Security established** | A *Royal Commission of Inquiry* was established to examine the principles upon which the social security system was based and to ensure that resources were being used to the best advantage for the maintenance of adequate living and health standards.  The Royal Warrant required the Commission to investigate and report on the following matters:   * the principles upon which the present social security scheme of monetary benefits and supplementary assistance are based and their relevance in changing social and economic conditions; * any changes considered desirable in the structure, coverage and administration of monetary benefits and supplementary assistance; * the criteria which should be used for determining rates and qualifications for monetary benefits and supplementary assistance; * the extent (if any) to which monetary benefits should be subject to taxation; * the relationship between proposals or recommendations the Commission may make with any pensions or allowances paid under the *War Pensions Act 1954*, that would be affected by any such recommendations; * the relationship between social security monetary benefits, other allied social services and other schemes of income maintenance; * any changes considered desirable to the nature and extent of medical, specialist and pharmaceutical benefits, and the criteria for determining entitlement thereto; and * any associated matters that may be thought by the Commission to be relevant to the general objects of the inquiry.   Members of the *Royal Commission of Inquiry* were:   * Sir Thaddeus McCarthy, Judge of the Court of Appeal (Chairman); * Sir Alan Danks, Chairman of the University Grants Committee; * Dr John Mercer, medical practitioner (died before the Commission reported); * Mrs Mavis Tiller, married woman; and * Mr John Turnbull, company secretary.   The *Royal Commission of Inquiry* was required to report to the Governor-General not later than 31 December 1970. |
| 29 September 1969 | **Age Benefit and Superannuation Benefit: Residency rules** | Absence from New Zealand with *Volunteer Service Abroad* (VSA) was counted as residence for the *Age Benefit* and the *Superannuation Benefit*. |
| 1 January 1970 | **Domestic Proceedings Act 1968** | The *Domestic Proceedings Act 1968* which replaced the *Destitute Persons Act 1910* came into force. The new legislation stressed “need” as the basis for a maintenance claim, rather than the reason for that need. The availability of maintenance on a “no fault” basis made it possible for wives who were separated by mutual agreement and wives who had made their own decision to leave a marriage, to take the necessary maintenance proceedings in order to be able to claim an *Emergency Benefit*. It also placed a new maintenance liability on the father of an ex-nuptial child for the support of its mother at the time of birth and for up to five years thereafter. Responsibility for the collection and enforcement on maintenance was moved from the *Department of Justice* to the *Department of Social Security*. |
| 1 January 1970 | **Orphan’s Benefit: Children born out of wedlock** | By virtue of the *Status of Children Act 1969* (effective 1 January 1970) a child born out of wedlock could be considered for eligibility to an *Orphan’s Benefit* provided it was established that both parents were deceased. |
| 20 April 1970 | **Commission of Inquiry established to inquire into and report on Housing** | A *Commission of Inquiry* was appointed to inquire into and report upon the facilities and resources required to be provided by Government departments and agencies for the proper housing of the people of New Zealand, the adequacy of present housing legislation, the necessity to expand and amend housing legislation and other relevant matters.  The Commission was instructed to take into account the following factors:   * the preservation of social and cultural life; * demographic trends; * investment resources; * demand for land and houses; * supply of land and houses; * standards and costs; * social considerations; and * the respective roles of the private sector, local government and central government.   The Commission sat at Wellington, Auckland and Christchurch and visited the Bay of Islands (to investigate Māori housing) and Australia. Its members were:   * R. B. Cooke QC (Chairman); * H. J. Barrett; * A.M. Linton; * I.B. Reynolds; and * J.D. Walker.   On 18 May 1970 an additional member was appointed to the Commission:   * P.M. MacShane.   The *Commission of Inquiry* was scheduled to report by 31 October 1970 (subsequently extended to 30 April 1971). |
| 2 September 1970 | **Benefit income exemptions increased** | Income exemptions were increased by $2 per week making the new exemptions $17 per week ($884 per year) for women with dependants receiving a *Widows Benefit* and $13 per week ($676 per year) for other benefits.  For the *Unemployment Benefit* and *Sickness Benefit*, the income exemption for income other than personal earnings was increased to $13 per week. |
| 5 October 1970 | **Reporting date for the Commission of Inquiry into Housing extended** | The reporting date for the *Commission of Inquiry into Housing* was extended from 31 October 1970 to 30 April 1971. |
| 27 November 1970 | **Adjustment to rates of Special Annuities** | Where a *Special Annuity* was paid as if it was an allowance from the *Government Superannuation Fund*, Cabinet agreed that the cost of living adjustment granted to government superannuitants would also apply to these annuities.  *Special Annuities* were granted from time to time, as approved by Cabinet. There was no statutory authority for their payment. They were generally paid in recognition of service to someone who did not qualify for either a *War Pension* or a *Social Security Benefit*.  As at 31 March 1967, there were a total of 58 *Special Annuities* being paid. Of these 19, were being paid in respect of Parliamentary service:   * two to ex-members of the *Legislative Council*; * 13 to widows of ex-parliamentarians; and * four to former parliamentarians. |
| 30 November 1970 | **Reporting Date for the Royal Commission of Inquiry into Social Security extended** | The reporting date for the *Royal Commission of Inquiry into Social Security* was extended from 31 December 1970 to 30 September 1971. |
| 1970 | **Rest Home Subsidy Scheme**  **Supplementary Assistance extended to include Rest Home Fees** | The *Rest Home Subsidy Scheme* had been established to in 1961 to free urgently needed general and mental hospital beds occupied by geriatric patients needing supervisory care as opposed to specialist care provided by hospitals. It was considered that the care of these people would be more appropriately met in rest homes. The scheme was initially introduced in the *Auckland Hospital Board* area and gradually extended throughout the country.  Payment of *Supplementary Assistance* for rest home fees was considered where the claimant was classified by a committee representing the *Hospital Board* and the *Social Security Department* as a “frail ambulant” – that is needing some supervisory care, but continuous medical or nursing care. Payment depended on the claimant’s own resources and claimants with cash assets of $200 or more ($400 for a couple) were generally expected to use the excess to pay rest home fees. If a claimant owned a home, the question of selling it or letting it was considered, and the likelihood of it again being needed as a home. In some cases, a charge was placed on the property to secure supplementary assistance payments for rest home fees.  Where eligibility was determined, the amount of supplementary assistance paid was the difference between the claimant’s income (including their *Social Security Benefit*) and the rest home fees plus the sum of $2 per week for personal expenses. The person’s *Social Security Benefit* or *War Pension* was paid directly to the hospital.  The *Royal Commission on Social Security* reported in 1972 that on 31 March 1971 766 rest home patients were being assisted in Auckland, Hamilton and Christchurch and that the extension of the scheme to Wellington was being considered. |
| 1 January 1971 | **Family Benefit advance payment extended** | Payment of the *Family Benefit* in advance for one year was also allowed upon commencement of the first year of intermediate schooling. |
| 1 January 1971 | **Age of majority at 20 years** | The *Age of Majority Act 1970* came into force. It provided that for all the purposes of the law of New Zealand a person shall attain full age on attaining the age of 20 years. It amended numerous existing Acts and Regulations that had previously set the age of majority at 21 years. For example, this included:   * the *Minimum Wage Act 1945*, which now covered workers aged 20 years and over. |
| 1 April 1971 | **War Service Pension introduced** | The *War Service Pension* was introduced for all service personnel. This became the only war pension that could be granted on economic grounds for war service on or after 3 September 1939. Legislative provision for the *War Service Pension* was the *War Pensions Amendment Act (No 2) 1970*.  It was paid to a war disablement pensioner of any age without an income test and without a medical test, if the person was in receipt of a *War Disablement Pension* of at least 70 percent or with a medical test for those with a lesser percentage. It was also paid to any former service personnel not in receipt of a war disablement pension, but who were under 65 years and unfit for permanent employment. Spouses could also receive the pension.  The *War Veterans’ Allowance* and *War Economic Pension* were still payable to those qualifying in respect of service before September 1939. The transition to the *War Service Pension* for those World War Two Veterans already receiving a *War Veteran’s Allowance* or *War* *Economic Pension* was voluntary.  Recipients of the *War Service Pension* were given an *Age Supplement* when either the veteran or their spouse reached 65 years.  The *War Service Pension* was subject to an income test, but the *War Disablement Pension* was disregarded as income (this was not the case for the *War Veterans’ Allowance* or the *War* *Economic Pension*).  Upon the death of a veteran or their spouse, in receipt of the *War Service Pension*, the other received a gratuity of at least six months *War Service Pension*.  From 1 April 1990, the *Veteran’s Pension* replaced the three war pensions (*War Veteran’s Allowance, War Economic Pension* and *War Service Pension*). |
| 29 April 1971 | **Report of the Commission of Inquiry into Housing** | The *Commission of Inquiry* *into Housing* released its report and recommendations.  This was a wide-ranging inquiry and the Commission made 114 recommendations. These included:   * that planning for the 1970s should be set on the basis that around 300,000 new dwellings would be required in the next decade; * that forecasts for housing required to kept up to date and under constant review by a permanent housing authority; * the provision of some public rental housing is a central government responsibility and that additions to the state housing rental stock should be made partly from purchases from the private sector; * the income limit for state housing applicants should be removed, but income should be a significant factor taken into account by *State Housing Allocation Committees*; * community projects in new state housing areas should be financed by a 10c per week levy on households plus a Government subsidy; * the establishment of a *National Housing Authority* to advise Government on housing policy, to ensure the effective delivery of the broad policy goals decided by the Government and to co-ordinate the housing activities of all public and private agencies; * that for major new housing areas established in the future, total and careful community planning be undertaken first; * that no large-scale development be undertaken, except in accordance with a master plan approved by the *National Housing Authority*; * an overall density of five units per acre for actual residential use should be the minimum aim in New Zealand; * that the State should accept a significant role in developing sections for private building. The *Lands and Survey Department* and the *Housing Division of the Ministry of Works* should increase the output of sections; * that Polynesians should be housed in very small, dispersed groups and that large concentrations should be avoided; * that a more systematic and more positive approach be adopted for welfare services for Polynesians, especially in mass state housing areas; and * that the *Māori and Island Affairs Department* assume prime responsibility for arranging the housing of Māori living in sub-standard conditions in the Bay of Islands, introducing transportable housing if necessary. |
| 9 June 1971 | **Social Security Benefits: Changes to the income test** | For benefits other than the *Unemployment Benefit* or *Sickness Benefit*, the benefit was reduced by $3 for every $4 in excess of the income exemption. Previously the benefit was reduced by $2 for every $2 in excess of the income exemption.  Abatement of the *Unemployment Benefit* and *Sickness Benefit* on account of excess income changed to 75c for every $1 in excess of the weekly income exemption. The income exemption for other than personal earnings remained at $13 per week. Personal earnings remained a direct deduction from the benefit. |
| 20 September 1971 | **Reporting date for the Royal Commission further extended** | The reporting date for the *Royal Commission of Inquiry into Social Security* was further extended from 30 September 1971 to 31 March 1972. |
| 16 December 1971 | **Royal Commission submitted Part One of its report** | The *Royal Commission of Inquiry into Social Security* submitted Part One of its report to the *Governor-General*. This included an introduction, general survey of the inquiry and a summary of its recommendations. |
| 1971 | **Policy for the payment of benefits to beneficiaries in hospital** | As reported by the *Royal Commission of Inquiry into Social Security*, the practice in 1971 for beneficiaries in a public hospital was that the benefit remained payable at the full rate for a married beneficiary or a beneficiary with dependent children. In the case of a single beneficiary without dependent children, the benefit was reduced to $4.50 per week after 3 months in hospital.  For beneficiaries who were patients of psychiatric hospitals a benefit of $4.50 per week was paid for six months only. After this, psychiatric patients had to rely on hospital comforts funds and/or work gratitudes. |
| 1971 | **Policy for the treatment of payments from boarders** | As reported by the *Royal Commission of Inquiry into Social Security*, the practice in 1971 was to disregard as income payments of up to $6 a week received for full board from each boarder. If the payment was more than $6, the amount of board payment assessed as income was 20 percent of the total board paid or the excess over $6, whichever was the lesser. For example, if the boarder was paying the beneficiary $10 per week in board, the income from board would be assessed as $2 (i.e. 20 percent of the total board).  The figure of $6 per week had last been adjusted in 1968. The *Royal Commission of Inquiry into Social Security* recommended that this be reviewed to take into account rising living costs. |

## Part III: Organisational change, March 1972 - April 1992

| **Date** | **Change** | **Description** |
| --- | --- | --- |
| 16 March 1972 | **Final Report of the Royal Commission of Inquiry into Social Security** | The final report of the *Royal Commission of Inquiry into Social Security* was submitted to the Governor-General. The *Royal Commission* made 110 recommendations.  It was a unanimous report, with the exception that one member, Mrs M. A. Tiller dissented from certain features of two recommendations and proposed alternatives. These related to proposals to increase the *General Medical Services Benefit* (GMS) which the Commission wanted to see only after a process had been put in place to fix general practitioner fees, to ensure that the increase in the GMS was not simply paralleled by an increase in fees. Mrs M. A. Tiller wanted an increase to the GMS introduced without delay.  The report had been approved by member Dr John Mercer, prior to his death on 30 December 1971.  The Commission's core principle was that the state should *"ensure . . . that everyone is able to enjoy a standard of living much like that of the rest of the community and thus is able to feel a sense of participation and belonging to the community".* Where income maintenance alone was insufficient, as for a physically disabled person, the aim should be *"to improve by other means and as far as possible the quality of life".* The Commission considered that *"the objectives of the social security system may quite properly be expanded to cover a much wider field of public welfare than hitherto”.*  While the Commission reported *“we are not persuaded that our social security system should be radically changed at this time*” the following five years saw far reaching changes which altered the system put in place in 1939. These included the introduction of the *Domestic Purposes Benefit* (1973), *Accident Compensation* (1974) and *National Superannuation* (1977). |
| 1 April 1972 | **Department of Social Welfare established** | The *Social Security Department* and the *Child Welfare Division* of the *Department of Education* were amalgamated to form the *Department of Social Welfare*. The legislative provision for the new department was the *Department of Social Welfare Act 1971.*  The new Department arose from concerns surrounding the co-ordination of social services. The Government had established an inter-departmental committee to explore ways of improving the co-ordination of policy and administration in welfare activities and a *Social Welfare Advisory Board* to oversee social welfare activities and report on the desirability of a dedicated Social Welfare Department. In 1969, these concerns were raised at the *National Development Conference* and the two main political parties entered the 1969 election campaign with a commitment to establish a *Department of Social Welfare*. While it was initially intended to assume responsibility for the welfare services of a range of Government agencies, the *Department of Social Welfare* ended up with the functions of only two – the *Social Security Department* and the *Child Welfare Division* of the *Department of Education*.  The purpose of the 1971 Act was stated as:  *“An Act to establish a Department of Social Welfare to provide for the development and administration of effective social welfare policies and social welfare services for New Zealand and to promote co-operation in and the co-ordination of social welfare activities.”* |
| 1 July 1972 | **Income tax exemption for children withdrawn** | The income tax exemption for children (first introduced in 1914) was withdrawn and the *Family Benefit* was increased (see below). This was recommended by the *Royal Commission on Social Security* as the exemption favoured higher income earners. |
| 1 July 1972 | **Superannuation Benefit: Special tax rebate withdrawn** | The special tax rebate for recipients of the universal *Superannuation Benefit* was withdrawn. The increase in the rate of the *Superannuation Benefit* on 5 July 1972 helped offset the additional tax, but many recipients of the *Superannuation Benefit* found it advantageous to transfer to the means-tested, but non-taxable *Age Benefit*.  The removal of the special tax rebate was in response to a recommendation of the *Royal Commission on Social Security*. |
| 5 July 1972 | **Benefit levels reassessed and restructured** | Following the 1972 report of the *Royal Commission on Social Security*, the rate of the *Unemployment Benefit* for a married couple was set at 80 percent of the after-tax wage of a builder’s labourer (or approximately 68 percent of the average ordinary time weekly wage at that time). A single person received 60 percent of the married couple rate with lower rates applying to youth. |
| 5 July 1972 | **Benefit income exemptions and abatement rates changed.** | Following the report of the *Royal Commission on Social Security* income exemptions and rates of abatement were changed.  *Widows Benefit (with dependants)*  The income exemption was reduced to $12 per week ($624 per year) with a deduction of $1 for every $2 between this amount and $1,300 per year and a $3 deduction for every $4 in excess of $1,300.  *Unemployment Benefit and Sickness Benefit*  The income exemption on other than personal earnings was reduced to $10 per week. The benefit was abated by 50c for each dollar of other income between $10 and $25 per week and by 75c for each dollar of other income in excess of $25 per week. From this time $10 per week of personal earnings could be treated as “other” income. Personal earnings in excess of $10 per week remained a direct deduction from the benefit.  *Orphans Benefit*  Income exemption increased to $5 per week ($260 per year) with a deduction of $3 for every $4 in excess of this amount  *Other Benefits*  The income exemption was reduced to $10 per week ($520 per year) with a deduction of $1 for every $2 between this amount and $1,300 per year and a $3 deduction for every $4 in excess of $1,300. |
| 5 July 1972 | **Unemployment Benefit: Full-time students no longer eligible** | Since 1967, the needs of students over the long vacation who were in financial hardship had been addressed via the *Emergency Benefit*. In light of this, the *Social Security Act 1964* was amended to specifically exclude full-time students from eligibility to the *Unemployment Benefit*.  This had been recommended by the *Royal Commission on Social Security*. |
| 5 July 1972 | **Age Benefit: Deferment concession withdrawn** | The deferment concession for the *Age Benefit* (introduced in 1950) was withdrawn. This followed a recommendation by the *Royal Commission on Social Security*. The concession remained available to those who had attained the age of 60 years, on or before 1 November 1972. |
| 5 July 1972 | **Family Benefit increased** | The *Family Benefit* was increased from $1.50 to $3 per week for each child. The *Family Benefit* had not been increased since 1958. This had been recommended by the *Royal Commission on Social Security.*  It was expected that the increase to the *Family Benefit* and the removal of the *Child Tax Exemption* would increase the disposable income of all families, but mostly lower-income families. |
| 1 October 1972 | **Family Benefit: Capitalisation**  **for housing** | Asset limits for capitalisation of the *Family Benefit* (cash assets plus value of section) were set at $10,000 for a one child family and increased by $500 for each additional child. The maximum level of capitalisation was $2,000.  The earnings of the wife were not taken into account in determining eligibility, unless she was the breadwinner. But the earnings of the spouse were taken into account when considering the applicant’s ability to repay loan finance.  Eligibility to capitalise benefits was determined by the *Social Security Department* which was required to take into account the income and assets of the applicant as well as their need for housing.  In conjunction with capitalisation of the *Family Benefit*, many homeowners obtained mortgages through the *Housing Corporation*. |
| 13 October 1972 | **National Housing Commission established** | The *National Housing Commission* was established by the *National Housing Commission Act 1972*. It was established following the recommendations of the *Commission of Inquiry into Housing* which reported in 1971. The recommendations of the Inquiry had included:   * the establishment of a *National Housing Authority* to advise Government on housing policy, to ensure the effective delivery of the broad policy goals decided by the Government and to co-ordinate the housing activities of all public and private agencies.   The *National Housing Commission* was, however, given a different set of functions, relating mainly to an advisory/research role. The functions of the *National Housing Commission* included:   * to advise the Minister of Housing on all matters concerning dwellings in New Zealand; * to inquire into and keep under review the housing needs of all the people of New Zealand; * to undertake at successful intervals of not more than five years a comprehensive assessment of the provision of housing in New Zealand; * to encourage research into matters affecting housing policy; * to require the *State Advances Corporation* to conduct or commission research in relation to the functions of the Commission; * to hold inquiries on housing matters that the Commission considered of national or local importance; * to consider the quality and sufficiency of planning advice to local authorities on aspects of new public or private housing projects and on instruction of the Minister to inquire into any major housing development or proposed development; and * to assist with the coordination of all bodies, both public and private concerned with housing in New Zealand and promote co-operation between then.   The Commission contained:   * four members appointed by the Minister of Housing (one of whom was the Chairman); * Secretary to the Treasury; * Managing Director of the *State Advances Corporation*; and * Director of the Housing Division of the *Ministry of Works*.   By the time of the Commission’s first meeting in 1974, the *Housing Corporation* had been established from the *State Advances Corporation* and the *Ministry of Works*, and their individual membership was replaced with two representatives from the *Housing Corporation*.  In 1977, the *National Housing Commission Act* was amended to allow for six appointed members (instead of four), in order to increase the range of experience available to the Commission. The Act was further amended in 1986 to cease membership of the Treasury representative.  Administrative services to the Commission were provided by the *Housing Corporation* who also provided or commissioned research necessary for the Commission to carry out its functions.  The Commission produced five-yearly reports on Housing in New Zealand – 1978, 1983 and 1988.  The Commission undertook its last major survey of serious housing need in 1988. This survey comprised half of New Zealand’s population representing the areas considered to have the most housing need. In these areas, it was estimated that 17,500 households with children had a serious housing need. Of these, 60 percent were in the central and southern Auckland areas, with 51 percent Māori and 32 percent Pacific people.  On 31 March 1988, the Commission was dis-established and ended its final five-yearly report with the following:   * *It is the Commission’s view that a form of independent advice to the Government should be retained. The important aspects that should be fulfilled are an independent, apolitical stance separated somewhat from the Public Service, a multi-disciplinary staff, a strong commitment to a research function with the funds to commission and carry out a wide variety of work, and a continuation of input from the community to ensure that the concerns of sectional interests are co-ordinated and the needs of all regions and groups in New Zealand are met (pp 144-145).* |
| 20 October 1972 | **Orphan’s Benefit: Eligibility extended** | Eligibility to the *Orphan’s Benefit* was extended to permit payment where the parent formally responsible for the child’s care and control was dead and the other parent could not be found.  The income exemption for the *Orphan’s Benefit* was increased from $104 to $260 per year ($2 per week to $5 per week). For income in excess of this, the benefit was reduced by $3 for every $4 of income (75 percent abatement rate). |
| 20 October 1972 | **Child Supplement replaced the Family Maintenance Allowance and the Mother’s Allowance** | The *Family Maintenance Allowance* and *Mother’s Allowance* for recipients of the *Widows Benefit* were withdrawn and replaced with a higher basic rate of benefit for people with children and a *Child Supplement* paid according to the number of children. Weekly Rates were:   * first child of a sole parent $11.00 (adjusted along with the main benefit rate); * additional child of a sole parent $3.00; * first child of a married parent $3.00; and * additional child of a married parent $1.25.   The *Child Supplement* for the first child of a sole parent was calculated using the following formula:   * married couple rate – single person rate – *Family Benefit* = *Child Supplement* for the first child of a sole parent   This followed a recommendation of the *Royal Commission on Social Security.* |
| 20 October 1972 | **Changes to the Invalids Benefit** | The minimum age of eligibility for the *Invalids Benefit* was reduced to 15 years and the adult rate became payable at 18 years.  The residential qualification where incapacity arose outside New Zealand was reduced from 20 to 10 years.  Medical qualification of an applicant who was not totally blind was liberalised to include an applicant ‘permanently and severely restricted in their capacity for work’.  These changes followed recommendations for the *Royal Commission on Social Security*. |
| 20 October 1972 | **Sickness Benefit: Age of eligibility reduced** | The minimum age of eligibility for the *Sickness Benefit* was reduced to 15 years and the adult rate became payable at 18 years.  This followed a recommendation of the *Royal Commission on Social Security*. |
| 20 October 1972 | **Sickness Benefit: No stand down when there was evidence of incapacity for three weeks or more** | Where an application for a *Sickness Benefit* was supported by a medical certificate stating that the applicant would be incapacitated for work for a period of three weeks or more, there was no stand down for the benefit. In other cases, the seven day stand down period remained, though the *Social Security Commission* could, at is discretion, determine that the *Sickness Benefit* was payable for the whole or any part of the seven days.  This followed a recommendation of the *Royal Commission on Social Security*. |
| 20 October 1972 | **Sickness Benefit: Medical certificates** | The requirement for an application for a *Sickness Benefit* to be accompanied by a medical certificate from a registered medical practitioner was expanded to include a certificate from a registered dentist (in relation to a condition that was within the ambit of his profession). |
| 20 October 1972 | **Special Income Exemption for Severe Disablement** | The *Special Income Exemption for Severe Disablement* was introduced. For the purpose of determining any benefit payable, all or part of the income of any severely disabled person could be disregarded. This was implemented as an incentive to personal effort and the income that may be derived from such effort.  This followed a recommendation of the *Royal Commission on Social Security*. |
| 20 October 1972 | **Age Benefit: Residential qualification reduced** | The residential qualification for the *Age Benefit* was reduced from 20 years to 10 years. The residential qualification for the *Superannuation Benefit* remained at 20 years.  The change reflected the recommendations of the *Royal Commission on Social Security*. |
| 20 October 1972 | **Social Security Act: Morals clause removed** | The provision for the *Social Security Commission* to refuse to grant or to cancel a benefit where it was satisfied that the person was not of good moral character and sober habits or was living on a domestic basis as husband and wife with a person to whom he or she was not married, was repealed.  The change followed the recommendation of the *Royal Commission on Social Security* who concluded that the *Social Security Department* should not judge whether applicants or beneficiaries were of “good moral character or sober habits”.  While it was originally intended (*Social Security Act 1938*) that social security benefits would be withheld if the applicant was found not to be of good moral character or of sober habits, by 1972 this intention no longer governed the administration of the Act to any great extent. The *Royal Commission* did note that the provision was used on occasion where a woman with dependent children was engaged in prostitution. The Commission, however, believed that there were better ways of dealing with this situation through the criminal and child protection legislation. |
| 20 October 1972 | **Direct deduction of overseas government pensions: Clarification of discretion** | Since the *Social Security Act 1938* came into force, the *Social Security Commission* had the discretion to reduce the rate of benefit payable by the amount of any overseas government pension received by the beneficiary or their husband or wife. This had been widened in 1961 to include any overseas government pension received by a child of a beneficiary.  The *Social Security Amendment Act 1972* made it clear that the discretionary authority provided under section 70 of the Act laid solely in determining whether or not an overseas benefit or pension was analogous to a New Zealand benefit and added a discretion to allow the *Social Security Commission* to decide the date on which a determination regarding an overseas government pension would take effect. |
| October 1972 | **Rest Home Subsidy Scheme extended** | The scheme was extended to include the *Hawke’s Bay Hospital Board*. |
| December 1972 to December 1977 | **Special Christmas payment for beneficiaries** | People receiving an *Unemployment, Sickness* or related *Emergency Benefit* received an additional quarter of any benefit that was payable to them during the four-week pay period of December.  People receiving an *Age, Widows, Invalids* or related *Emergency Benefit* received an additional amount equivalent to one week of benefit. From 1973, the *Domestic Purposes Benefit* was included within this arrangement. |
| 1972 | **Advances for Major Repairs to Homes: Maximum advance and asset levels increased** | The maximum level of *Advance for Major Repairs to Homes* increased to $2,652. Asset levels above which people were expected to contribute themselves also increased to $1,500 for singles and $3,000 for married couples. This followed a recommendation by the *Royal Commission of Inquiry into Social Security*. |
| 14 February 1973 | **Advance Payment of Benefit: Maximum increased** | The maximum *Advance Payment of Benefit* was increased from $400 to $800 to be used for home maintenance or provision of essential services. |
| 14 February 1973 | **Social Security Benefits: Income exemption increased** | Following the change in Government in 1972, income exemptions were restored to their pre-1972 levels. The income exemption for widows with dependants was increased from $12 to $17 per week ($884 per year) and for other benefits from $10 per week to $13 per week ($676 per year).  For the *Unemployment* *Benefit* and the *Sickness Benefit* the income exemption for other than personal earnings was increased from $10 to $13 per week. |
| 1 April 1973 | **Rates Rebate Scheme introduced** | The *Rates Rebate Scheme* provided assistance to ratepayers receiving a social security benefit or with a low income.  The amount of the rebate was two-thirds of the amount by which those rates exceeded $50, reduced by $1 for each complete $8 by which the ratepayer's income for the immediately preceding rating year exceeded $2,340. The income threshold was increased by $156 in respect of each person who was a dependant of the ratepayer at the commencement of the rating year in respect of which application was made.  The income threshold of $2,340 was based on the income received by a married couple receiving the *Age Benefit*.  The Scheme was administered by Local Authorities who were reimbursed for the rebate by the *Department of Internal Affairs*. |
| 1 April 1973 | **Legislation extended equal pay to the private sector** | The practice of equal pay was extended to the private sector with the commencement of the *Equal Pay Act 1972*. The Act enabled the elimination and prevention of gender discrimination in remuneration rates in all sectors of paid employment. Rates paid to women were to be based on the rates paid to male employees with the same (or substantially similar) skills, responsibilities and service. While the provision of the *Equal Pay Act 1972* narrowed the gender wage gap, there was growing alarm about the lack of clear guidelines in assessing equal pay rates or exactly which male-dominated professions were deemed comparable to their female counterparts. |
| September 1973 | **White Paper on the New Zealand Superannuation Scheme** | The *White Paper* set out the details of the *New Zealand Superannuation Scheme* to be phased in from 1 April 1975. It was intended to promote discussion on the scheme and to inform individual New Zealanders about the scheme.  It was estimated that around 750,000 of New Zealand’s workforce of about 1,100,000 were not covered by any superannuation scheme. The proposed scheme, or approved alternative scheme, would mean that the entire workforce, including the self-employed would be directly providing for their own retirement.  The scheme was to be phased in over five years, commencing on 1 April 1975, eventually reaching the employee’s minimum contribution of four percent and the employer’s matching contribution of four percent. Contributions were to be deducted from wages and salaries as with PAYE and remitted to the *Inland Revenue Department* for transmittal to the *New Zealand Superannuation Corporation*. The self-employed were to be required to participate at least to the level of the employee contribution.  People aged 55 years or more were not to be required to join the scheme, but would have the right to join the scheme up to age 65.  Contributors who left New Zealand permanently could take a refund of half their credit (their own contributions plus interest) or leave it in the fund, where it would earn interest, and be paid as an annuity based on total credit at retirement. People from overseas who were employed temporarily in New Zealand would contribute, but would be given a refund with they left New Zealand.  Contributors could elect on retirement to take up to ten percent of their total accumulated credit in cash and have their annuity based on the balance. The annuity would be calculated to take account of changes in the cost of living.  [*Note that the scheme was implemented in April 1975, but in 1976, following a change in government, the scheme was abolished. In its place, universal National Superannuation was introduced in 1977*. ] |
| 1 October 1973 | **Telephone Rental Concession introduced** | The *Telephone Rental Concession* was equal to half the cost of the rental and was available to people receiving an income tested benefit or pension, including *Invalids Benefit, Sickness Benefit, Domestic Purposes Benefit, Widows Benefit* and related *Emergency Benefits* where the duration was likely to be more than 26 weeks. It was not available to people receiving the *Unemployment Benefit*. From 31 August 1978, with the increase in the rate of *National Superannuation*, superannuitants were no longer eligible for the *Telephone Rental* *Concession*. |
| 14 November 1973 | **Domestic Purposes Benefit introduced** | Following the recommendations of the *Royal Commission of Inquiry into Social Security*, the statutory *Domestic Purposes Benefit* was introduced. It was payable to the following people:   * solo parents over 16 years, including those solo parents whose spouse had been continuously in a psychiatric hospital for 6 months or more and those whose spouse had been imprisoned (including a male sole parent whose spouse had died or who was no longer caring for the children); * women without dependent children under certain circumstances; and * applicants over 16 years who were required to give full-time care to a person (other than their husband or wife) who would otherwise have to be admitted to a hospital.   The legislation provided that the *Domestic Purposes Benefit* could be refused until the applicant had obtained a maintenance order or had entered into a registered agreement. The general provisions relating to maintenance which had applied to deserted wives receiving the W*idows Benefit* were modified to apply to the *Domestic Purposes Benefit*.  The *Domestic Purposes Benefit* was subject to the same income test and payable at the same rate as the *Widows Benefit*.  A child born in New Zealand was a qualifying child, except where both parents were not ordinarily resident in New Zealand at the time.  If a child was born outside of New Zealand (excluding during a temporary absence), both parents must have been ordinarily resident in New Zealand for the three years immediately preceding the qualifying date or one of the parents, being ordinarily resident at the qualifying date had resided continuously in New Zealand for a period of not less than five years.  If the event that gave rise to the qualification of an applicant occurred before arrival in New Zealand (eg couple separated or child born to an unmarried mother overseas), there was no entitlement to the *Domestic Purposes Benefit* for a sole parent unless the applicant was formally resident in New Zealand for at least 10 years at any time before the qualifying date. |
| 14 November 1973 | **Interface between the Domestic Purposes Benefit and Widows Benefit** | With the introduction of the *Domestic Purposes Benefit*, women who had been deserted by the husbands and women whose husbands had been patients in a mental hospital for six months or more became eligible for the new *Domestic Purposes Benefit*. Women who were receiving a *Widows Benefit* for these reasons could continue to receive it and were still able to apply for a *Widows Benefit*. |
| 1973 | **War Pensions Appeals Board disestablished** | The *Social Security Commission* took over responsibility for appeals of decisions from the *War Pensions Appeal Board*. |
| 1973 | **Eligibility to state housing: Points system introduced** | Faced with a growing number of applications for state housing, the income limit (introduced in 1950) was replaced with a points system to determine eligibility. The points system with a possible 100 points included:   * existing accommodation (up to 30 points); * rent as a percentage of income (up to 30 points); * income of the family up to $80 per week (up to 15 points, and diminishing proportionately for income in excess of $80 per week); * health of the family where affected by existing housing conditions (up to 10 points); * time spent in poor accommodation (up to 5 points); and * other pertinent factors (up to 10 points).   Current accommodation and the rent-income ratio now took precedence over the traditional income limit.  Applicants who scored less than 30 out of a possible 100 points were lapsed from the state housing waiting list. Between 1973 and February 1975 this resulted in the 3,000 people being removed from the waiting list on the grounds that they had no chance of a tenancy in the foreseeable future. |
| 1973 | **Housing: Refinance and second chance loans** | Refinance and second chance loans were available from the *State Advances Corporation* as a last resort, for example, to prevent the forced sale of a family home or to assist people with dependants with home ownership following a marriage break-up. |
| 1973 | **Rest Home Subsidy Scheme extended** | The *Rest Home Subsidy Scheme* was extended to include the Palmerston North (February) and Marlborough Hospital Boards (December). |
| 1 April 1974 | **Accident Compensation Scheme commenced**  **Interface with Social Security Benefits**  **Upper age limit for weekly compensation.** | The *Accident Compensation Scheme* (ACC) was a comprehensive, compulsory no-fault compensation scheme for personal injury. The scheme replaced the right to sue, compulsory third-party motor insurance and workers compensation schemes, all which existed before. The scheme provided cover for all New Zealanders (and tourists) irrespective of where their personal injury occurred (i.e. at work, at home, on the roads, on the ski field etc). The Scheme was administered by the *Accident Compensation Commission*.  Three schemes were established:   * *the earners scheme:* funded from levies paid by employers on wages paid to employees and paid by the self-employed; * *the motor vehicle accident scheme:* funded by levies paid by owners of motor vehicles; and * *the supplementary scheme:* covering those not covered by the earners or motor vehicle schemes and funded by the Government.   ACC benefits included, hospital and medical expenses, rehabilitation costs, associated transport costs, earnings related compensation (payable from the 7th day after the accident at 80 percent of average weekly earnings before the accident), lump sum payments for permanent loss or impairment, lump sum payments (up to $10,000) for pain and mental suffering and funeral costs and lump sum payments to surviving spouses and children in cases of accidental death.  Where a social security benefit was paid for the same reason as earnings-related compensation (eg *Sickness Benefit*, *Invalids Benefit*, *Widows Benefit*), the weekly compensation was a direct deduction from the benefit. In other situations (eg *Unemployment Benefit*, *Domestic Purposes Benefit*) weekly compensation was charged as income. [*Note that from 1 July 1999, weekly compensation became a direct deduction from all main social security benefits*.]  An upper age limit was prescribed for earnings–related compensation:   * 65 years, if the accident occurred before age 60 years; * five years after that date of the accident, if the accident occurred between aged 60 and 64 years; * 70 years, if the accident occurred between age 65 and 69 years; and * one year after the date of the accident, if the accident occurred after the age of 69 years.   If at the date of the accident, the earner was employed with a retiring age in excess of 65 years and fixed by legislation, the date of cessation of earnings-related compensation was the later of that set out above, or the fixed retiring age.  [*Note that from 1 April 1992, a person who had reached the age of eligibility for National Superannuation was required to elect to receive either weekly compensation or National Superannuation*.]  The ACC Scheme was based on the recommendations contained in the 1967 Report of the *Royal Commission of Inquiry into Workers Compensation* [*Woodhouse Report*]. |
| 1 April 1974 | **War Pensions: Limited to those with war or emergency service** | Due to the introduction of the *Accident Compensation Scheme*, coverage of the *War Pensions Act 1954* was limited to only those members of the forces with war or emergency service. |
| April 1974 | **Rest Home Subsidy Scheme extended** | The *Rest Home Subsidy Scheme* was extended to include the *Wellington Hospital Board*. |
| 1 May 1974 | **Social Security Appeal Authority established** | The *Social Security Appeal Authority* was established. An applicant, who was dissatisfied with a review of a decision by an officer of the *Department of Social Welfare*, undertaken by the *Social Security Commission*, could within three months of the date of the notification of the outcome of the review, lodge a notice of appeal with the *Social Security Appeal Authority*. The *Social Security Appeal Authority* had the power to confirm, vary or revoke the decision.  Prior to this, there was no independent statutory authority to which aggrieved people could appeal against a decision of the *Social Security Commission*. There was only a right of appeal to the Commission itself against a decision given by a district officer of the *Social Security Department/Social Welfare Department* or by any other officer to whom authority was delegated by the Commission. The *Social Security Act 1964* had provided that a person affected by any such decision could, within three months of being notified of the decision, appeal to the *Social Security Commission*. The Commission had the power to confirm, vary or revoke the decision. |
| 3 July 1974 | **Unemployment and Sickness Benefit: Income exemption increased** | The income exemption for the *Unemployment Benefit* and *Sickness Benefit* for other than personal earnings was increased to $17 per week. The benefit was abated by 50c for each dollar of income between $17 and $25 per week and by 75c for each dollar of income in excess of $25 per week. Personal earnings remained a direct deduction from the benefit. |
| 18 July 1974 | **Special Annuities: Adjustment to rates** | Where a *Special Annuity* was paid as if it was equivalent to a *War Pension* or a *War Widows Pension,* Cabinet agreed that the cost of living adjustment granted to *War Pensions* would also apply to these annuities.  It had previously been agreed by Cabinet that *Special Annuities* payable at a rate equivalent to allowances from the *Government Superannuation Fund* would be adjusted along the lines of adjustments to allowances from the *Government Superannuation Fund*.  At 1 April 1976, the *Department of Social Welfare* was paying 28 *Special Annuities* that had been approved by Cabinet between 1930 and 1972. These were paid under the following categories:   * ex-members of the *Legislative Council*; * widows of ex-members of Parliament; * ex-members of Parliament; * equivalent of a *War Widows Pension*; * equivalent of a *War Disability Pension*; * equivalent of a *War Disability Pension* (injured as a child); * equivalent of a *War Servicemen’s Dependants’ Allowance*; * widows of men whose services the Government wished to recognise; * widows of public servants; * in recognition of services rendered; * equivalent of allowances from the *Government Superannuation Fund;* and * in lieu of compensation. |
| 26 August 1974 | **New Zealand Superannuation Scheme: Compulsory contributory superannuation scheme** | The *New Zealand Superannuation Act 1974* provided for the establishment from 1 April 1975 of an earnings-related superannuation fund to provide comprehensive coverage of superannuation benefits.  The *New Zealand Superannuation Scheme* was managed by the *New Zealand Superannuation Corporation*, overseen by the *New Zealand Superannuation Board.* The Board was required to establish the *New Zealand Superannuation Fund* and an *Investment Committee* to set the investment direction for the Fund.  Combined contribution rates for employees and employers were to be phased in up to eight percent of earnings, funding individual contributions-related pensions at retirement.  The transitional arrangements for both employees and employers were:   * 1 April 1975, 1 percent; * 1 April 1976, 2 percent; * 1 April 1977, 2.5 percent; * 1 April 1978, 3.0 percent; * 1 April 1979, 3.5 percent; and * 1 April 1980, 4.0 percent.   The scheme did not apply to the self-employed. In the following situations there was an exclusion from the liability to contribute to the Fund:   * a person is aged over 65 years; * a person is outside New Zealand and not deemed to be resident of New Zealand; * a person’s earnings did not attract a levy under the *Accident Compensation Act 1972* (which related to employment at diplomatic missions, consular posts and analogous types of employment); * a person had attained the age of 55 years by 1 April 1975 and had notified his employer in writing that he elected not to be a contributor to the Fund or to any approved alternative scheme; and * in respect of an employee under the age of 17 years, there was a right to contribute to the Fund, but no liability (if the employee contribution was paid, the employer was liable to contribute).   The employee’s contributions were deducted by employers. The liability for employers and employees to contribute to the Fund commenced from 1 April 1975. The liability was calculated in respect of earnings, including earnings-related compensation being paid under the *Accident Compensation Act 1972*.  A contributor could elect to receive at any time after attaining the age of 60 years, a superannuation annuity of such an amount that could be purchased by the total credit in the contributor’s account.  The Board was able to permit a contributor to receive a superannuation annuity before the age of 60 years if they considered that the nature of the contributor’s employment was that retirement before the age of 60 was necessary or desirable.  A contributor could elect to receive a lump sum payment of up to 25 percent of the total credit in their account and a superannuation annuity.  Schemes in existence on 31 March 1975 could be approved by the *Government Actuary* as an ‘*Approved Alternative Scheme*’.  The *Annuity Account*, established under the Scheme was guaranteed by the Government.  In December 1975, following the change of Government, the liability to contribute to the scheme was suspended and the scheme was repealed altogether in August 1976. Contributions were returned to members.  The *Age Benefit* and *Superannuation Benefit* continued to operate during this period.  In February 1977, *National Superannuation* was introduced. |
| 31 August 1974 | **Farm Ownership Savings Scheme established** | The *Farm Ownership Savings Act 1974* established the *Farm Ownership Savings Scheme* to encourage savings for farm ownership. The following people aged 15 years or over were eligible to open accounts:   * a pupil at a secondary school who has provided written notification that he intended to become a farmer; * a tertiary student undertaking a course of study that would be of material assistance in enabling him to become a more efficient farmer; or * is principally engaged or employed in the farming industry or associated industry servicing the farming industry.   The qualifying date for the commencement of saving occurred when savings reached $250 and the amount of eligible savings could not exceed $30,250.  Where a depositor withdrew funds to be used as a deposit under a conditional agreement and the agreement did not become binding, the funds could be return to the account and deemed not to have been withdrawn for the purpose of calculating the amount of eligible savings.  A *Purchase Grant* (non-taxable) was available when the eligible savings of a depositor were used for the acquisition of a farm. Depositors who already had an interest in land, had already received a purchase grant or who had not since the opening of their *Farm Ownership Account* had substantial practical farming experience were ineligible for a *Purchase Grant*. The amount of the Purchase Grant was determined by the time that a depositor had been saving:   * 5 years – under 6 years (25 percent of eligible savings); * 6 years – under 7 years (30 percent of eligible savings); * 7 years – under 8 years (35 percent of eligible savings); * 8 years – under 9 years (40 percent of eligible savings); * 9 years – under 10 years (45 percent of eligible savings); and * 10 years or more (50 percent of eligible savings).   If a farm was disposed of within five years, either through sale, sale in part or letting, without the written consent of the *Rural Banking and Finance Corporation*, the depositor was liable to repay the *Purchase Grant*.  Balances in a *Home Ownership Account* (see below) could be transferred to a *Farm Ownership Account*.  The scheme was closed to new account holders in 1987 and all accounts were closed by 30 June 2001. |
| 12 September 1974 | **Home Ownership Savings Accounts Scheme established** | The *Home Ownership Savings Act 1974* established *Home Ownership Accounts* to encourage savings for home ownership. Benefits to savers included a *Purchase Grant* and an *Interest Subsidy.*  The qualifying date for depositors was the date at which the balance in their account reached $250. Deposits in a *Home Ownership Account* did not qualify as eligible savings until three years following deposit. Eligible savings could not exceed $5,250  A depositor who had been saving for at least three years and who withdrew their savings for the purpose of acquiring a dwelling in New Zealand was eligible for a *Purchase Grant* equal to 25 percent of their eligible savings.  A depositor who received a *Purchase Grant* and who had borrowed money at interest to assist in the acquisition of the dwelling was eligible for an *Interest Subsidy* for each of the five years succeeding the date of payment of the *Purchase Grant*. The amount of the *Interest Subsidy* was calculated in the following manner:   * 2.5 percent of the amount by which eligible savings at termination date exceeded eligible savings one year before the termination date; and * 5 percent of the amount by which eligible savings the date one year before the termination date exceeded eligible savings two years before the termination date; and * 7.5 percent of the amount by which eligible savings the date two years before the termination date exceeded eligible savings three years before the termination date; and * 10 percent of the amount by which eligible savings the date three years before the termination date exceeded eligible savings four years before the termination date; and * 12.5 percent of eligible savings four years before the termination date.   The amount of the *Interest Subsidy* could not reduce the interest rate below three percent per annum.  If the depositor disposed of the dwelling, sale or subletting, in whole or part, without the written consent of the *Housing Corporation of New Zealand*, they were liable to repay any benefits received.  The scheme was abolished for new entrants in 1986. |
| 14 October 1974 | **Housing Corporation of New Zealand established** | The *Housing Corporation Act 1974* established the *Housing Corporation of New Zealand* that encompassed the functions of the *Urban Division* of the *State Advances Corporation* (responsible for the rental of state houses and the provision of mortgages for housing) and the *Housing Division of the Ministry of Works* (responsible for the state house construction programme). The Corporation also took over the housing of the elderly from the *Department of Health*. This merged the planning, construction and administrative responsibilities for the *State Housing Scheme*. The Corporation also took over the work of the *National Housing Council of New Zealand*.  The establishment of the *Housing Corporation* reflected the conclusion of the *1971 Commission of Inquiry into Housing* that the national level of housing administration was unsatisfactory. This included problems with a multiplicity of housing agencies and a general lack of direction and co-ordination between those agencies, a lack of planning in housing and a lock of research into housing.  The newly created *Housing Corporation* had housing built for letting (state houses), managed state house tenancies and granted mortgages. The core of the Corporation’s lending operations continued to be the *‘Modest Income Scheme’* which provided first home loans for modest income families at interest rates related to the borrower’s income.  During the period ending 31 March 1975, the *Housing Corporation* administered 52,559 units and a total of 1,179 units were sold. At 31 March 1975, the *Housing Corporation* had 16,427 accommodation applications on hand. Of these, 29.5 percent were social welfare beneficiaries, 55.2 percent were married couples with children and 34.5 percent were sole parents. |
| 8 November 1974 | **Children and Young Persons Act 1974** | The *Children and Young Persons Act 1974* replaced the *Child Welfare Act 1925*. The Act was founded on the principle of the interests of the child or young person as the first and paramount consideration. Children were defined as those under the age of 14 and young persons over 14 and under 17. Children under 14 could not be charged with offences (except under charges of murder or manslaughter). Rather they were directed to *Children’s Boards* where they received informal action (a warning or an order to receive counselling) or were referred to the *Children and Young Persons Court* (which replaced the Children’s Court) which dealt with care and protection matters. The *Children’s Boards* consisted of a member of the Police, an officer of the *Department of Social Welfare* and an officer of the State Services appointed by the *Secretary for Māori and Island Affairs*, and a local resident.  For young persons, the Act put formal and informal diversionary procedures in place. Instead of making an arrest, police officers could give informal warnings. If further action was necessary, they could refer the young person to the *Youth Aid Section* of the *New Zealand Police* who then had to consult with an officer from the *Department of Social Welfare* before prosecuting. This merely formalised existing practice dating back to the 1930s.  The *Children and Young Persons Court* dealt with offences by adolescents and was empowered to order preventative work through recreational activities or supervised work for community groups. The Court could place young offenders are the guardianship of the *Director-General of Social Welfare*, but had no custodial powers of its own. It could, however, refer young people over the age of 15 to the *District Court* for adult sentencing.  The Act placed a great emphasis on diversion. It was hoped that the *Children’s Boards* and the *Youth Aid* process would ensure that the Court was a last resort.  The Act came into force on 1 April 1975. |
| December 1974 | **Special Christmas payment for beneficiaries** | The *Social Security Commission*, upon receiving instruction from the Minister, was given the authority to increase the rate of any benefit under the principal Act by an amount not exceeding the rate of that benefit payable in respect of any one week of the period 1 December 1974 to 31 December 1974. This allowed an additional payment, equivalent to one week of benefit, to be made. |
| 1974 | **State Housing: Rent setting formula** | From this time, the rent for state houses was set at the lower of the ‘fair rent’ or one-sixth of household income (defined as the tenant’s income plus two-thirds of the income of his or her spouse).  Under the provisions of the *Tenancy Act 1955*, the rent for state housing could not exceed the “fair rent”. Prior to this time, rents were rebated according to family size and income.  The ‘fair rent’ provisions were introduced in 1955 and by the 1980s the ‘fair rent’ was around half the rent of an equivalent private property. |
| 1974-75 | **Public Sector Work Scheme extended** | The *Public Sector Work Scheme* was extended to Hospital Boards, Local Authorities, Catchment Boards, Educational Authorities and Community Organisations. It was renamed as the *Temporary Employment Programme* in 1977. |
| 1 January 1975 | **Television Licence Fee Concession Introduced** | The *Television Licence Fee Concession* was available to people in receipt of an income tested benefit or pension of a permanent nature. The concession was equal to half the licence fee for those beneficiaries that had a television or were hiring a television in their own name. As a result of the increase in rates of *National Superannuation*, the concession was not available to recipients of *National Superannuation* after 31 August 1978. |
| 1 April 1975 | **New Zealand Superannuation Scheme: Contributions commenced** | From this time, employees and employers who were liable were required to make contributions to the *New Zealand Superannuation Scheme.* The initial contribution rate was one percent, rising to two percent on 1 April 1976 and reaching four percent on 1 April 1980.  In December 1975, following the change in Government, contributions were suspended.  The *New Zealand Superannuation Scheme* was repealed in 1976. |
| 1 April 1975 | **Children and Young Persons Act** | The *Children and Young Persons Act 1974* came into force. |
| 1 April 1975 | **Lump Sum Payment on Death introduced**  **Benefit on Death** | A lump sum grant of $1,000 was introduced, payable to a widow or widower upon their partner’s death. If the survivor were only partially dependent on the deceased the payment was reduced to reflect this. Also introduced was a provision for payment of $500 in respect of each dependent child, to a maximum of $1,500. Payments were not made if the widow, widower or child did not survive the deceased by at least 48 hours. The benefit was only payable when the person died before the age of 65. |
| 2 July 1975 | **Additional Benefit Scheme replaced the Supplementary Assistance Scheme** | The *Additional Benefit Scheme* was available to anyone who received an income tested benefit, war pension or allowance who had limited income and assets (i.e. it was not available to non-beneficiaries/low income working people). The *Additional Benefit Scheme* was introduced in response to the findings of a nationwide survey of the aged that found that 20 percent of people over the age of 65 were unable to attain an acceptable standard of living. The *Additional Benefit* had three components, income and assets, accommodation and special needs. Entitlement to the income and assets element had to be gained before the remaining elements became payable.  *Income and assets element (Statutory weekly grant, abated as assets and income increased)*  A married couple or sole parent could receive up to $10 per week *Additional Benefit*, depending on the amount by which cash assets were below $2,000 and income was below $20 per week. A single beneficiary could receive up to $6 per week depending on the amount by which their cash assets were below $1,200 and income was below $12 per week. The abatement was 50c for each $100 of cash assets and/or income for single people and $1 per week for each $200 or $2 per week for married couples and sole parents. People could calculate their own entitlement based on tables provided by the *Department of Social Welfare*.  *Accommodation element (Statutory increase to the first component, based on the level of the applicant’s accommodation costs in excess of a threshold)*  For those beneficiaries who qualified for the income and assets element, the rate of *Additional Benefit* could be increased by half the amount by which the weekly rent or home outgoings exceeded $6 per week, or half the amount by which board payments exceeded $15 per week for a single person or $25 per week for a married couple or sole parent, up to a maximum of $6 per week. (Subsequently renamed *Accommodation Benefit* in 1981).  *Special needs element (A discretionary provision to fix special entitlements)*  The *Additional Benefit Scheme* contained a discretionary provision to fix special entitlements to *Additional Benefit*. Use of this discretionary provision was initially restricted to correcting anomalies in other income maintenance programmes (eg paying *Additional Benefit* at the difference between the half-married rate and single rate of benefit to the spouse of a rest home resident). There was also provision to allow lump sum payments to be made to beneficiaries for special needs. (This provision was renamed *Special Benefit* in 1981). |
| 10 October 1975 | **Disability Allowance introduced** | The *Disability Allowance* was payable to disabled persons in receipt of a *Social Security Benefit* or pension or to any disabled non-beneficiary who could qualify on income grounds for a benefit or pension. Provision was also made to pay a *Disability Allowance* in respect of a disabled wife or child of a qualified person. The rate of the allowance was determined having regard to the nature and extent of the disability and any additional expenses arising from the disability. The maximum payable was $8 per week. |
| 10 October 1975 | **Deduction of Overseas Pensions: Discretion removed** | The discretion available to the *Social Security Commission* as to whether or not to deduct an overseas pension was removed. From this time, it was a requirement that all overseas Government-administered pensions reduce dollar for dollar the amount of a New Zealand benefit or pension payable. |
| 10 October 1975 | **Orphan’s Benefit: Eligibility extended** | Eligibility to the *Orphan’s Benefit* was extended to provide payment for a child whose parent previously responsible for their care and control had been a patient in a psychiatric hospital for six months or more and whose other parent was dead or could not be found. |
| 10 October 1975 | **Sickness Benefit: Payment to a married person without a spousal income test** | Provision was made for payment of a *Sickness Benefit* to a married person for up to 13 weeks disregarding the income of the spouse. At the expiry of the 13 weeks, the standard income test applied. This provision was repealed in 1984. |
| 10 October 1975 | **Disabled Persons Community Welfare Act 1975**  **Respite Care for Parents of Disabled Children**  **Expenses and other costs**  **Grants for Alteration to Homes**  **Provision for Walking Frames**  **Training of Young Persons**  **Assistance to Approved Organisations**  **Vocational Training for the Disabled**  **Suspensory Loans for Motor Vehicles**  **Rehabilitation Allowance**  **SNGs for Essential Medical Equipment** | The *Disabled Persons Community Welfare Act 1975* was enacted. The Act made provision for financial and other assistance in respect of the disabled, and for the support of voluntary organisations and private organisations concerned with providing facilities for the community welfare, sheltered employment, training, and day care of disabled persons.  The aims of the *Director-General of Social Welfare* in administering the Act were:   * to assist and encourage disabled persons to become socially and financially independent; * to promote schemes providing for the assessment, work experience, training, sheltered employment, and other suitable activities of disabled persons; * to promote the general well-being, recreational opportunities, and welfare in the community of disabled persons by assisting individuals, families, and sections of the community to overcome social problems associated with physical or mental handicap; * to assist voluntary or charitable organisations engaged in the provision of services and facilities for the welfare in the community of disabled persons; * to foster close working relationships, and (as appropriate) consult, with Government Departments, *Hospital Boards*, and other bodies, organisations, and professions concerned with rehabilitation and training of disabled persons and their placement in employment; * to co-operate with the *Accident Compensation Commission* in so far as its responsibilities relate to the promotion of the rehabilitation of persons who suffer personal injury by accident in respect of which they have cover under the *Accident Compensation Act 1972*; * to promote the co-ordination of services and facilities within the community designed to advance the welfare of disabled persons; and * to encourage and stimulate public interest in the provision of services and facilities for the welfare in the community of disabled persons.   Where a disabled child was being maintained in the care of his parents or guardian, and the *Director-General of Social Welfare* was satisfied that relief from care was justified, there was discretion for the *Department of Social Welfare* to arrange and meet the costs of care for a period or periods not exceeding four weeks per year.  Where a disabled person was required to undertake a course of medical treatment approved by a *Hospital Board* specialist or was required to be interviewed by the *Department of Social Welfare* or attend a medical examination or vocational or psychological assessment, the *Director-General of Social Welfare* was able to authorise payment to that person for the reasonable costs transport, meals and accommodation incurred in relation to the treatment or attendance.  There was provision to grant in respect of a disabled person financial assistance by way of a suspensory loan for the purpose of carrying out essential alterations to a home. This included costs to:   * accommodate a wheelchair, walking frame or other appliance necessary to the welfare of the disabled person; * provide handrails, handgrips or similar aids; or * provide alteration to plumbing, electrical fittings and kitchen facilities as are necessary having regard to the person’s disability.   Where in the opinion of a medical practitioner, a disabled person requires a walking frame or similar appliance which is not available free of charge from a *Hospital Board* or other institution, the *Director-General of Social Welfare* was authorised to arrange, after consultation with the *Hospital Board* specialist, for the device to be made available free of charge, with the cost met by the *Department of Social Welfare*.  The *Director-General* was authorised, at his discretion, to arrange for the provision of assessment and vocation training for people aged 13-14 years, being persons who without training would be likely to become qualified to receive a benefit under Part I of the *Social Security Act 1964* upon attaining the age of 15 years.  The *Department of Social Welfare* was able to grant financial assistance to approved voluntary and charitable organisations towards:   * the reasonable cost of establishing, improving or providing essential alterations to a home for the general welfare and residential care in the community of disabled persons; and * the reasonable cost of training persons who are engaged or who propose to engage in work designed to assist in the provision of welfare services and residential care of disabled persons within the community.   The *Director-General of Social Welfare* was charged with administering a programme for the training, sheltered employment and day care of disabled persons. This included granting financial assistance towards the expenses of any disabled person undergoing assessment, work experience, training or education, provision of the instruction and training of staff, and to provide, equip and administer buildings and institutions for the establishment of facilities for the training, sheltered employment and day care of disabled persons.  The *Department of Social Welfare* could provide suspensory loans or other financial assistance towards the provision of a motor car or the alteration of its mechanism where such a vehicle is essential to enable a disabled person to undergo training for suitable work or to obtain and retain full economic employment and the disabled person has insufficient means to provide the vehicle himself.  Where a disabled person was undertaking assessment, work experience, education or training for employment in an organisation carrying out an approved training programme, the *Department of Social Welfare*, could, at its discretion grant a *Rehabilitation Allowance* to that person. The maximum rate was prescribed in *Regulations* under the Act.  Provision was made under the *Special Needs Grant Programme* to provide grants for essential medical equipment for disabled persons.  The *Disabled Persons Community Welfare Act 1975* came into force on 5 November 1976. The exception was the provision for respite care for parents of disabled children which came into force on 10 October 1975. |
| 16 December 1975 | **Contributions to the New Zealand Superannuation Scheme ceased** | From this date, liability for employers and employees to make contributions to the *New Zealand Superannuation Scheme* ceased.  Retrospective provision for this was made in the *Superannuation Schemes Act 1976*, which abolished the *New Zealand Superannuation Scheme*, effective from 6 August 1976. |
| 1975 | **Benefit Advances increased** | The maximum *Advance Payment of Benefit* was increased from $800 to $1,000. |
| 1975 | **Sale of state houses ceased** | Faced with a waiting list of around 16,000 for state housing and accelerating house sales, the Government curtailed the state house sales programme. Between 1957 and 1975, around 27,000 state houses had been sold. |
| 1975 | **Emergency Benefit for Caregivers** | The *Emergency Benefit* was made available to a husband who was required to remain at home and care for an ill wife. It was payable for a maximum of 26 weeks. |
| 1 April 1976 | **Young Family Tax Rebate introduced** | A rebate of $6 per week ($312 per year) was available to the principal income earner of low-income families with a child under the age of five years. Abated against the principal earner’s income in excess of $13,710. The level of the rebate did not vary with family size. The rebate was increased to $9 per week ($468 per year) in 1977. |
| 1 April 1976 | **Spouse Tax Rebate introduced** | Paid to the principal income earner. The maximum was $3 per week ($156 per annum). Abatement began once secondary earner’s income reached $10 per week ($520 per annum). The level of the rebate did not vary with the number of children. This replaced the married person’s *Dependent Spouse Tax Exemption*. |
| June 1976 | **Unemployment Benefit: Seasonal Workers** | Policy clarification that no special eligibility criterion would apply to seasonal workers as far as their entitlement to the *Unemployment Benefit* was concerned. |
| 6 August 1976 | **New Zealand Superannuation Scheme abolished** | The *New Zealand Superannuation Scheme* and the *New Zealand Superannuation Corporation* was abolished. This followed the change of Government (1975). It was replaced with universal *National Superannuation* in 1977.  Contributions were returned to members. |
| 23 August 1976 | **Committee appointed to review the Domestic Purposes Benefit**  **Domestic Purposes Benefit Review Committee (Horn Committee)** | In the 1976 Budget attention was drawn to the rapid growth in the number of people receiving the *Domestic Purposes Benefit* (DPB) and at the disturbing social trends which could be associated with this growth.  This resulted in *Minister of Social Welfare* (H. J. Walker) establishing the *Domestic Purposes Benefit Review Committee* (Horn Committee) under the provisions of section 13 of the *Department of Social Welfare Act 1971*.  The Committee was required to carry out a review of the DPB and report on:   * any changes in social security legislation, policy or procedure which appear desirable; and * any matters which it considered relevant.   The Committee’s terms of reference included having regard to the following:   * the causes of increasing numbers of persons receiving the DPB; * the effects on marriages and on the children of solo parents of the present provisions of the DPB; * the need to ensure that those responsible met their financial obligations to their families; * the qualifying conditions and coverage of the DPB legislation and the need to maintain a separate benefit of this nature; and * any changes in the coverage, rates and other provisions of the DPB and related emergency benefits which are considered desirable and the effects of any such changes on other monetary benefits payable under the *Social Security Act 1964*.   Members of the Review Committee were:   * Mr Jack Horn (Chair); * Miss Judith Christensen; * Mrs Mairehau Tui Cole; * Miss Margaret Cooper; * Mr George Brocklehurst; and * Cpt Rodney Knight.   The Committee decided that for the most part proceedings would be on the basis of written submissions rather than oral evidence. Around 80 organisations which it was thought would have an interest were invited to make submissions. Formal submissions were received from 45 Organisations and there were numerous letters received from individuals. The Committee called upon a limited number of people, both officials and others, for informal discussion.  The Committee reported to Parliament in 1977. |
| 25 November 1976 | **Changes to the Home Ownership Accounts Scheme** | The *Home Ownership Savings Amendment Act 1976*, provided for the following changes to the *Home Ownership Accounts Scheme:*   * the maximum amount of eligible savings was increased from $5,250 to $10,250; * a new provision allowing capitalisation of the *Interest Subsidy* as an additional *Purchase Grant*; and * a new provision allowing the *Housing Corporation* to advance or lend to the authorised savings institution (where the depositors account is located), and amount, not exceeding the amount of the depositors eligible savings, for the purpose of lending it to the depositor.   The additional *Purchase Grant* was calculated in accordance with the following formula:  *a x [(1.085)n – 1] / [(1.085)n x 0.085]*  **a** was the amount of the annual interest subsidy; and  **n** was the number of years in respect of which that annual interest subsidy is payable. |
| 1976 | **Tertiary Assistance Grants Scheme: Tertiary Bursary introduced** | The standard *Tertiary Bursary* for students undertaking full-time study at a tertiary institution was introduced.  The parent of a child receiving a *Tertiary Bursary* was not eligible to receive a *Family Benefit* for that child.  From January 1989, the *Tertiary Assistance Grants Scheme* was replaced by the *Student Allowances Scheme*. |
| 1976 | **Unemployment Benefit: New procedures for administering the work test** | Cabinet directed the *Department of Social Welfare* (DSW) to introduce new procedures aimed at ensuring that people receiving the *Unemployment Benefit* were actively seeking work. A beneficiary was required on a monthly basis to submit evidence that he or she had personally approached a number of employers (usually six different employers) seeking employment. This evidence had to be provided to the local DSW office for examination.  DSW was also required to ensure that the weekly rate of *Unemployment Benefit* did not exceed the amount by which the weekly earnings of the applicant had been reduced by reason of unemployment.  This increased administrative workloads substantially. DSW staff were now required to make assessments of recent earnings from employment and whether a beneficiary was actively seeking work, as well as assess eligibility through personal interviews. |
| 1976 | **Restrictions on payment of benefits to people aged 60 and over were removed** | From this time, people aged 60 years and over could receive any main *Social Security Benefit* to which they were entitled. |
| 9 February 1977 | **National Superannuation introduced** | Universal *National Superannuation* replaced the universal *Superannuation Benefit* (for people over 65) and the income-tested *Age Benefit* (for men over 60 and some women over 55). *National Superannuation* was payable at age 60 and was subject to the deduction of income tax. There was no income test, except where an eligible person wished to receive payment for an unqualified spouse, or where a married couple requested an additional payment for dependent children or requested the telephone rental or television license fee concession. A married superannuitant with an unqualified spouse had the option of receiving the single rate without an income test or receiving subject to an income test (couples’ income), an additional amount for their spouse.  For a married couple where one spouse did not meet the age or residential qualification for *National Superannuation*, payment could be granted at the married rate if the couple so elected. If this was the case, *National Superannuation* became subject to an income test (before tax income of both spouses). The rate of *National Superannuation* was reduced by $1 for every complete $2 in excess of $884 per annum ($17 per week) but not in excess of $1,300 per annum ($25 per week), and by $3 for every complete $4 of income in excess of $1,300 per annum.  To qualify on residential grounds, an applicant must have been ordinarily resident in New Zealand on the date of his application and must have resided in New Zealand for a total of 10 years since reaching the age of 16. Seven of these years must have been in the 10 years immediately preceding application, but this period of seven years could be reduced by one year for every complete 10 years of residence in New Zealand after the applicant turned 16.  At the introduction of the scheme, the gross rate for a married couple was fixed at 70 percent of the gross AOTWW and legislative provision was made for this to be increased to 80 percent from 31 August 1978. The rate for an unmarried person was set at 60 percent of the married couple rate.  Provided application was made within six months of attaining the age of 60, *National Superannuation* was payable in two-weekly installments from the due date following the applicant’s birthday. If application was made more than six months after reaching the qualifying age, payments commenced on the due date following a date six months prior to the date upon which the application was received.  *National Superannuation* ceased on the day following death if death occurred on a pay day; otherwise it ceased on the day following the pay day preceding the date of death. If the superannuitant left a widow, a widower or a dependent child, the *Social Security Commission* could pay a lump sum not exceeding 13 weeks payment at the net rate payable in respect of the deceased immediately before death. In other cases, the Commission could pay a lump sum not exceeding 13 weeks payment to help meet the reasonable debts and funeral expenses which could not be met from the estate of the deceased superannuitant.  The majority of those receiving the *Age Benefit* or *Superannuation Benefit* were transferred to *National Superannuation*. However, there were some individuals who were better off receiving a main *Social Security Benefit* so they were transferred to one of these, rather than *National Superannuation*. In addition, because there was provision to pay *National Superannuation* to a person under age 60 or to pay additional benefit for children of an unmarried superannuitant, 526 unmarried women aged under 60 and 476 unmarried persons with dependent children who had received the *Age Benefit* were transferred to the *Domestic Purposes Benefit*.  Many war veterans were better off transferring to *National Superannuation*, rather than remaining in receipt of the *War Economic Pension*, *War Veteran’s Allowance* or *War Service Pension*. Following the introduction of *National Superannuation*, the rate of new applications for *War Service Pensions* decreased. [*Note that from April 1990, these War Service Pensions were replaced by the* *Veteran’s Pension*.]  There were two methods of payment for *National Superannuation*:   * an order which was posted to the recipient each fortnight; or * direct credit to an account with a trading bank, trustee savings bank or post office savings bank.   The first payment of *National Superannuation* was made on 17 February 1977. |
| 9 February 1977 | **Additional Benefit for Superannuitants reduced** | As a result of the introduction of *National Superannuation*, the *Additional Benefit* received by eligible superannuitants was reduced by 50c per week. |
| 9 February 1977 | **Lump Sum Payment on Death** | The age of eligibility for *Lump Sum Payments on Death* was reduced from 65 to 60 years. *National Superannuation* age of eligibility from 60 years of age made provision for extended payment if death occurred. |
| 9 February 1977 | **Payment of benefits to beneficiaries in hospital** | The *Social Security Amendment Act 1976* amended the provisions for payment of a benefit to beneficiaries in hospital (general hospitals and psychiatric hospitals). The following provisions were applied:   * For a married couple where one spouse was a patient: - the rate of benefit payable was not affected; * For a married couple where both were patients - the rate of benefit payable was not affected if the period of hospitalisation did not exceed 13 weeks. If the period of hospitalisation exceeded 13 weeks, the rate of benefit was determined by the *Social Security Commission* having regard to the appropriate amount required to meet the couple’s continuing commitments, their income, their family responsibilities and their capacity to appreciate the payments. * For a single person - the rate of benefit payable was not affected if the period of hospitalisation did not exceed 13 weeks. If the period of hospitalisation exceeded 13 weeks, the rate of benefit was determined by the *Social Security Commission* having regard to the appropriate amount required to meet the beneficiary’s continuing commitments, his income, his family responsibilities and his capacity to appreciate the payments.   Prior to this, the *Social Security Commission* had sole discretion to set the rate of benefit payable to a beneficiary in public hospital or a psychiatric hospital for any period that they were in hospital. The Commission could reduce the amount of benefit payable if the maximum benefit was not considered necessary for the maintenance of the beneficiary and his dependants, if any. These provisions had applied to all benefits, with the exception of the *Superannuation Benefit*. |
| March 1977 | **Report of the Domestic Purposes Benefit Review Committee** | In its 1977 report presented to the *House of Representatives*, the *Domestic Purposes Benefit Review Committee* recommended that the *Domestic Purposes Benefit* (DPB) be retained, with some modifications. These included:   * increased support for marriage guidance services to be greatly expanded with a view to achieving a higher prevention of separations; * subject to discretion, the *Department of Social Welfare* (DSW) should not grant a DPB or related *Emergency Benefit* in cases of separation without interviewing the applicant’s spouse, and until this can be done only *Special Needs Grants* be made to the applicant to avoid hardship, especially for the children; * that after interviewing an applicant’s spouse (or failing within a reasonable time to make contact with him) it is decided to grant the DPB, this should be for a limited period (say six months) and during that period paid at a reduced rate; * only in cases where it is clearly not in the best interests of the family that the husband and wife should continue living together should a full benefit be granted immediately; * in the case of an unmarried mother, counselling by a social worker should take place before the birth of the child with a view to ensuring that she is fully aware of all the considerations on which her own decision to keep the child or make it available for adoption is made; * in the case of an unmarried mother who decides to keep her child and applies for the DPB, a fixed-term benefit should be granted (say three months), possibly at a reduced rate, with counselling continuing during this period; * that consideration be given to introducing for both separated and unmarried applicants a kind of “social contract”; * that automatic qualification for DPB for a woman alone after she has ceased to have care for her children or sick relatives should be abolished, unless she cannot be expected to take up employment or to start undergoing training or retraining for employment; * that no alteration be made to the normal rate of the DPB, but that it should continue to be adjusted every 6 months in accordance with movements in the *Consumer Price Index*; * that no alteration be made in the additional benefits for children in the 14th schedule of the *Social Security Act 1964*, in view of the fact that these are maximum rates and that the Social Security Commission is expected to exercise appropriate discretion; * that section 61 E F and G of the *Social Security Act 1964* be repealed and the additional benefit for which they provide be replaced by the former provision for supplementary assistance and that if this is undertaken, fringe benefits (television license fees, telephone rentals) should be incorporated in the living cost formulae required for supplementary assistance; * that the DPB (*Invalids Benefit* and *Widows Benefit*) should be assessed on a weekly basis, instead of annually; * that the allowable income before abatement of the DPB should be increased from $21 to $31 per week, and that the present system of abatement should be replaced by a dollar for dollar abatement; * that guidelines on what constitutes a de facto relationship should be refined and that this should be a continuous process based on decisions of the *Social Security Appeal Authority*; * that on the disclosure of a de-facto relationship, the DPB should cease and that in the event of an appeal, the *Social Security Commission* should exercise its discretion to make *Special Needs Grants*, pending the determination of the appeal; * that steps be taken to recruit more social workers to give special attention to strained marriage situations and initial follow up work with domestic purposes beneficiaries; * that there should be a simplified procedure for renewal of the DPB when a person formerly on the benefit reapplies (eg because child care arrangements during the school holidays have broken down); and * that DSW should encourage beneficiaries to have the DPB paid into a savings or budget account and that consideration be given to authorising the Commission to insist on this method of payment in certain cases.   The *Review Committee* overestimated the extent of marriage breakdown and unmarried motherhood and the impact of these trends on benefit numbers, by using incorrect and misleading statistics. On the basis of this, the Committee recommended a reduced rate of the DPB for up to six months, to discourage couples from separating too readily and to reduce the incentive for single women to keep their children rather than have them adopted. [*This recommendation was implemented in July 1977*.]  The *Review Committee* also noted the high level of benefit payments and the disincentives to employment created by the income exemption. It recommended an increase of 48 percent in the allowable income before benefit abatement and further consideration by departmental officials on the employment of sole parents and childcare. [*Note the income exemption was increased by 19 percent in 1978 and the childcare earnings disregard of $20 per week for recipients of the Widows Benefit or Domestic Purposes Benefit, using approved childcare was introduced in 1979*.] |
| 1 April 1977 | **Young Family Tax Rebate increased** | The *Young Family Tax Rebate* for low income earners was increased to $9 per week ($468 per year). |
| 1 April 1977 | **Single Income Family Tax Rebate introduced** | The *Single Income Family Tax Rebate* of $4 per week ($208 per year) was available to the income earner of a low-income family with a child aged under 10 years. The level of the rebate did not vary with family size. In 1978, the rebate was extended to low-income families with a child under 12 years and in 1979 the rebate was increased from $4 per week to $5 per week. |
| 21 July 1977 | **Domestic Purposes Benefit: Rate reduced for the first six months** | It was announced in the Budget that the *Domestic Purposes Benefit* would be paid at a lower rate for the first six months. This followed the recommendation of the *DPB Review Committee (Horn Committee)*. This policy change had no discernible effect on marital, reproductive or birth placement behaviour. Its main effect was to reduce the income of some sole parent beneficiaries. |
| 23 December 1977 | **Emergency Maintenance Allowance introduced** | The *Emergency Maintenance Allowance* (EMA) was introduced. This was paid under the provision for Emergency Benefit (section 61 of the *Social Security Act 1964*) at a rate of $16 a week less than the appropriate maximum amount of the *Domestic Purposes Benefit*. Payment at the reduced rate was continued for a 26-week period, unless the applicant became qualified for the statutory benefit within this time. |
| December 1977 | **Special Christmas payment for beneficiaries: Last payment** | Recipients of an *Unemployment Benefit*, *Sickness Benefit* or a related *Emergency Benefit* received an additional quarter of any benefit that was payable to them during the four week pay period of December. Recipients of the *Age Benefit, Widows Benefit, Invalids Benefit, Domestic Purposes Benefit* or a related *Emergency Benefit* received an additional amount equivalent to one week of benefit.  An additional payment of $25 was made to beneficiaries in respect of each child for whom a *Family Benefit, Orphans Benefit* or *War Pension* was payable between 16 November 1977 and 13 December 1977.  This was the last of the *Special Christmas Payments*. |
| 1977 | **Temporary Employment Programme: Public sector work scheme** | The *Public Sector Work Scheme* was renamed the *Temporary Employment Programme*. The programme was expanded by removing restrictions on the jobs available under the scheme.  From August 1980, the *Temporary Employment Programme* was replaced with four new public sector employment programmes. |
| 1977 | **Farm Employment Scheme established** | The *Farm Employment Scheme* provided a wage subsidy of $65 per week for each person employed in addition to regular staff for six months, if the person was referred by the *Department of Labour*. A $600 bonus was payable, if the same employee or another referral remained in employment after six months.  In July 1983, the scheme was replaced by the *Private Sector Employment Incentive Scheme*. |
| March 1978 | **Additional Jobs Programme: private sector work scheme** | The *Additional Jobs Programme* was established to increase employment in the private sector. Under the scheme, a wage subsidy of $65 per week was payable for six months for every job seeker employed above current staffing levels. Alternatively, an employer could receive a loan of $3,000, with half written off after one year and the other half after two years, if the job still existed.  In July 1983, the programme was replaced by the *Private Sector Employment Incentive Scheme.* |
| 1 April 1978 | **Single Income Family Tax Rebate extended** | The *Single Income Family Rebate* was extended to low income families with a child aged less than 12 years (previously only available if child was less than 10 years of age). |
| 1 April 1978 | **Child Tax Rebate Introduced (tax liability of children)** | The *Child Tax Rebate* was introduced to avoid the need for children to pay tax on small amounts of income (excluding interest and dividends).  The rebate was set at $78 per annum which allowed children to earn up to $538 per annum ($10.35 per week) tax free. (Effectively a rebate of 14.498% on income up to $538.  The rebate applied to children under the age of 15, or under the age of eighteen and attending secondary school or who turned 18 in the preceding income year and are still at school.  This rebate replaced the *Personal Rebate* which was abolished. |
| 1 April 1978 | **Domestic Purposes Benefit (Woman Alone): Restricted to women aged 50 and over** | As recommended by the *Domestic Purposes Benefit Review Committee* an amendment from this date precluded payment of a *Domestic Purposes Benefit* to a woman alone if she ceased to have care and control of a dependent child before reaching the age of 50 years. |
| 2 June 1978 | **Family Benefit: Capitalisation for housing purposes** | The maximum level of capitalisation of the *Family Benefit* was increased from $2,000 to $3,000 and the amount of benefit available for capitalisation was increased from $1.50 to $3.00 per week. |
| 26 July 1978 | **Child Supplement increased** | The *Child Supplement* payable to beneficiaries in respect of an additional child of a married parent was increased from $1.25 to $2.00 per week. |
| 28 August 1978 | **Rest Home Subsidy Scheme: Asset thresholds** | Asset thresholds were set at $900 for a single beneficiary and $1,800 for a married couple. |
| 31 August 1978 | **National Superannuation: Rates and access to supplementary assistance** | The before tax rate of *National Superannuation* paid to married superannuitants was increased from 70 percent to 80 percent of the before tax average ordinary time weekly wage. The single rate continued to be 60 percent of the married couple rate. With this increase, the provisions for granting *Additional Benefit* for dependent children, for limited income and assets and the T*elephone and Television Licence Fee Concessions* to superannuitants were withdrawn. |
| 11 October 1978 | **Unemployment Benefit: Eligibility withdrawn from striking workers** | Those not employed because of a strike either by the applicant or by fellow members of the applicant’s union at the same place of employment were excluded from eligibility to an *Unemployment Benefit* (new proviso to section 58(1) of the *Social Security Act 1964*). This amendment replaced an earlier provision whereby the date of commencement of an *Unemployment Benefit* could be postponed for a period of up to six weeks where unemployment was the result of a strike by the applicant or fellow members of the applicant’s union. |
| 12 October 1978 | **National Superannuation: Change to the income test where a non-qualified spouse included** | For a married couple where one spouse did not meet the age or residential qualification for *National Superannuation*, payment could be granted at the married rate if the couple so elected. If this was the case, *National Superannuation* became subject to an income test (before tax income of both spouses).  The rate of *National Superannuation* was reduced by 40c for every complete $1 in excess of $1,300 per annum ($25 per week) but not in excess of $2,080 per annum ($40 per week), and by 80c for every complete $1 of income in excess of $2,080 per annum.  The change increased the initial abatement threshold from $884 to $1,300 and the higher abatement threshold from $1,300 to $2,080. The initial abatement rate was reduced from 50 percent to 40 percent and the higher abatement rate increased from 75 percent to 80 percent. |
| 18 October 1978 | **Social Security Benefits: Income exemption and abatement changed.** | *Widows and Domestic Purposes Benefits*  The differential between the income exemption level for recipients of a *Widows Benefit* or a *Domestic Purposes Benefit* with dependants and those without dependants was removed. The income exemption was increased from $1,092 per year ($21 per week) to $1,300 per year ($25 per week). The benefit was abated by 40c for every $1 between $1,300 and $2,080 per annum ($40 per week), and by 80c for every $1 over $2,080 per annum.  *Unemployment and Sickness Benefits*  The income exemption for other than personal earnings was increased to $25 a week. The benefit was abated by 40c for every $1 between $25 and $40 a week, and by 80c for every $1 over $40 a week. The *Unemployment Benefit* continued to be abated $1 for $1 after the first $10 of *personal earnings*.  *Other Main Benefits*  40c for every $1 of income in excess of $1,300 per year but not in excess of $2,080 per year and by 80c for every $1 of income in excess of $2,080 per year. |
| 18 October 1978 | **Handicapped Child Allowance introduced** | The *Handicapped Child Allowance* was available to a person caring for a child who had a serious physical or mental disability and who need constant care or attention. The allowance was non-taxable and did not have a means test. The amount payable was $8 per week. In September 1998, the allowance was renamed – the *Child Disability Allowance*. |
| December 1978 | **Special Needs Grants: Limits revised** | The new limits for *Special Needs Grants* varied between beneficiaries and non-beneficiaries as it was considered that non-beneficiaries had a greater capacity to pay back the grants. The limits were:   * persons not in receipt of a benefit, $20 per week for a maximum of two weeks; * persons in receipt of a benefit or pension, $15 per week for a maximum of two weeks; * loss of benefit monies, up to $15; and * other grants limited to $50 for married people or a sole parent and $30 for a single person. |
| 10 January 1979 | **Domestic Purposes and Widows Benefit: Childcare cost income disregard introduced** | Provision was made to disregard up to $20 per week of the personal earnings of a solo parent receiving a *Domestic Purposes Benefit* or a *Widows Benefit* that was used to meet the cost of placing a dependent child in day care. Either a day care centre registered under the *Child Care Regulations 1960* or a day care facility approved by the *Social Security Commission*. |
| 1 April 1979 | **Single Income Family Tax Rebate increased** | The *Single Income Family Rebate* was increased from $4 per week to $5 per week ($260 per annum) |
| 1 April 1979 | **Rates Rebate Scheme: Maximum rebate introduced** | From this time, the maximum rebate under the *Rates Rebate Scheme* was set at $200. When the scheme was introduced in 1973, there was no limit placed on the maximum rebate that was payable.  Subject to the maximum rebate of $200, the amount of the rebate was two-thirds of the amount by which rates exceeded $50, reduced by:   * $1 for each $8 by which the ratepayer's income for the immediately preceding rating year   exceeded $4,235 (this amount being increased by $156 in respect of each person who was a dependant of the ratepayer at the commencement of the rating year in respect of which the application was made). |
| 25 July 1979 | **Child Supplement increased** | The *Child Supplement* was increased for beneficiaries (other than the first child of a sole parent) to $4 per child per week. |
| 25 July 1979 | **Unemployment Benefit: Taxation introduced for people without children** | The *Unemployment Benefit* payable to persons without a dependent child or children became subject to income tax. This resulted in a reduction in the after-tax weekly rate of the *Unemployment Benefit* for people without children.  All main social security benefits became subject to tax from 1 October 1986. |
| 24 August 1979 | **Additional Benefit restructured**    **Additional Benefit for National Superannuitants** | The *Additional Benefit Scheme* was restructured. The first component (that provided a weekly grant that depended on the level of income and assets) was abolished. The maximum grant and threshold for weekly accommodation costs were increased. This resulted in reductions in entitlement and the maximum reduction was limited to $8 per week until the annual renewal of the benefit, and then a further $8 per week from that renewal, by using the discretionary authority to fix a special entitlement to *Additional Benefit*.  Under the revised criteria the *Additional Benefit* was available to persons with limited income and cash assets who had relatively high accommodation costs and who received an income-tested benefit, income-tested war pension or *National Superannuation*. Recipients of *National Superannuation* were able to apply for *Additional Benefit* on the same basis as beneficiaries.  Subject to a maximum grant of $16 per week and a means test, the amount payable was two-thirds of the amount which accommodation costs exceeded:   * $16 a week for rent or outgoings on a home; * $35 a week for single persons without dependants paying board; or * $58 a week in the case of a married couple or sole parent paying board.   The *Additional Benefit* payable to a married couple or sole parent was reduced by $1 per week for each complete $1 of assessed income in excess of $8 per week. In the case of a single person, additional benefit was reduced by $1 a week in respect of each complete dollar of assessed income. Assessed income included a notional charge on cash assets equal to $1 for each $100. |
| 24 August 1979 | **National Superannuation: Overseas absence** | The allowable overseas absence, during which *National Superannuation* could continue to be paid, was set at 13 weeks or 15 weeks if the delay was unavoidable. Prior to this, payment during periods of overseas absence was made at the discretion of the *Social Security Commission*. |
| 24 August 1979 | **National Superannuation: Rates linked to the after-tax average wage** | The rates of *National Superannuation* were revised to reflect an after tax rather than before tax relationship with the average wage. From this time the rate for a married couple was set at 80 percent of the net average ordinary time weekly wage. Married couples being taxed at the primary rate were to receive, after tax, 80 percent of the latest average ordinary time weekly wage after tax.  Because prices and wages were inflating at high rates, this change did not involve any actual reduction in the rates of *National Superannuation*. |
| 1 October 1979 | **Unemployment Benefit: Equal eligibility for married women** | Married women became eligible to receive an *Unemployment Benefit* on the same basis as married men. |
| 17 October 1979 | **Family Benefit increased and Child Supplement for sole parent beneficiaries reduced** | *Family Benefit* was increased from $3 to $6 per week for each child.  The *Child Supplement* paid to beneficiaries in respect of the first child of a sole parent was reduced by $3 per week (from $31.75 per week to $28.75 per week). The *Child Supplement* for the first child of a sole parent was calculated using the following formula:   * Married couple rate – single person rate – *Family Benefit* = *Child Supplement* for the first child of a sole parent. |
| 1979 | **Hospital Rate of Benefit** | From this time married couples were able to continue to receive their benefit its current level where one partner was admitted to hospital. This was in recognition that the costs associated with maintaining a home are on-going and for the partner remaining at home, the benefit is crucial in meeting these costs. |
| 1979 | **State Housing: Fixed-term tenancies for new tenants** | To address a concern that people were remaining in state housing beyond the period of their original need, fixed six-year tenancies were introduced for new state tenants. Alongside this, a subsidised savings scheme encouraged tenants to buy their own houses. If after six years, the tenant refused to buy the house they would be given 12-months’ notice to quit the tenancy. In 1984, this Scheme was repealed by the new Labour Government. |
| 1979 | **Additional Apprentice Incentive Scheme** | The *Department of Labour* provided a wage subsidy of $40 per week for 12 months for each additional apprentice that an employer took on. The apprentice had to be genuinely additional.  The Scheme ended in 1986. |
| 19 March 1980 | **Advance Payment of National Superannuation** | *National Superannuation* was payable in advance when it was required to purchase dentures or glasses. Eligibility for an *Advance Payment of Benefit* was determined by an income and cash asset test and maximum advance limits were applied. |
| Year ended 31 March 1980 | **Personal Income Tax Rates 1980** | Personal income tax rates were:   * did not exceed $4,500 14.5c in the dollar * exceeded $4,500 but did not exceed $10,000 36.5c in the dollar * exceeded $10,000 but did not exceed $11,000 41.5c in the dollar * exceeded $11,000 but did not exceed $16,000 48c in the dollar * exceeded $16,000 but did not exceed $22,000 55c in the dollar * exceeded $22,000 60c in the dollar |
| 1 April 1980 | **Tax: Low-income Family Rebate introduced** | A *Low-income Family Rebate* of $9 per week ($468 per year) replaced the *Single Income Family Rebate*. The rebate was paid to principal income earners and sole parents. The rebate abated against total family income, exceeding $9,800 per annum. The rebate only applied to taxpayers with children under the age of 18 years who qualified for the *Family Benefit*. |
| August 1980 | **Temporary Employment Programme replaced with four new employment programmes** | Changes to public-sector employment creation schemes were announced in the 1980 Budget and commenced in August 1980.  The *Temporary Employment Programme* was replaced with four new public sector employment programmes recognising the different needs of particular groups of job seekers. The new schemes were:   * a *Winter Employment Programme* for seasonal workers unable to find work in their off season; * provided full wage reimbursement and grants for labour-related overheads. * a *Student Community Service Programme* for tertiary students unable to find work over the long vacation; * provided subsidised employment for full-time tertiary students who were unable to find employment of the summer vacation. Full wage reimbursement was provided for employees, labour-related overheads, a materials grant and wage reimbursement for a student supervisor. Participants received the appropriate award wage. The equivalent of the *Project Employment Programme* (PEP) for students. * a *Work Skill Development Programme* to develop the work habits and basic skills of mainly young job seekers through supervised work and training to develop the work habits and skills they needed for a full-time permanent job; * provided wage reimbursement and grants for labour-related overheads. Grants were provided for supervisors and a materials grant of $25 per worker per week was available. The job was required to be full-time and additional. * a *Project Employment Programme* (PEP) to provide short-term employment for job seekers who did not come within the scope of the other programmes (see below). |
| August 1980 | **Project Employment Programme (PEP) commenced**  **Contract Work Scheme** | The *Project Employment Programme* (PEP) provided temporary work in order to assist job seekers to maintain their work habits, motivation and skills. The scheme was targeted at long-term job seekers (26 weeks or more). The scheme assisted public sector employing authorities and community organisations to create additional full-time positions. Positions were short-term (up to six months) except for local authorities where up to 40 percent of people employed under the scheme could be on projects for up to 12 months. Funding was provided on the following basis:   * 100 percent wage subsidy at the appropriate award rate; * $10 per worker per week for labour-related overheads (inside work); * $30 per worker per week for labour-related overheads (outside work); * up to $20 per worker per week for labour-related overheads (hospital boards and community organisations); * an additional labour-related overheads grant of up to $24 per worker per week for extraordinary transport an accommodation; * reimbursement of supervisors’ wages; * $15 per supervisor per week overheads grant; and * reimbursement of consulting engineers’ fees (100 percent to community organisations, 80 percent to local authorities) engaged to design approved projects.   The *Contract Work Scheme*, a variation of the *Project Employment Programme* was introduced in 1982 (see below). |
| 1980 | **National Superannuitants receiving television license fee concession** | Despite the *Television License Fee Concession* not being available to recipients of *National Superannuation* after 31 August 1978, it was revealed that approximately 25,000 superannuitants were continuing to receive the concession. Action was taken by the *Department of Social Welfare* to stop payments. |
| 1980 | **Special assistance for workers displaced from the textile industry** | A special programme administered by the *Department of Labour* was established for workers displaced as a result of changes in the textile industry.  The *Industries Development Commission’s* Textile Industries Plan, implemented from 1980, let more imported yarn into New Zealand. In 1980, the Mosgiel Woollen Mill (Dunedin) closed after almost 110 years of operation and by 1982, there were only eight mills, controlled by five companies, remaining in New Zealand.  The programme provided advice and help with local job search, distant job search, retraining in employment with full wages, training in institutions with a full grant and allowance and a relocation grant. |
| 1980 | **Work Rehabilitation Programme** | The *Work Rehabilitation Programme* was established to provide special help to people who for personal or social reasons had a severely limited chance of gaining unsubsidised employment. This included people who were disabled or intellectually handicapped, those with drug or alcohol dependency and those who after participation in PEP or the Work Skills Development Programme had a limited prospect of obtaining employment.  Employers who participated in the scheme were mainly community organisations. Full wage reimbursement, labour-related overheads grants ($10 for inside work/$30 for outside work), materials grant of up to $25 per week and wages for a supervisor were provided by the *Department of Labour*.  The programme ended in 1986. |
| 1980 | **Pacific Island Clerical Recruitment Programme/ Mäori and Pacific Island Recruitment Programme** | The *Mäori and Pacific Island Recruitment Programme* was an affirmative action programme operated by the *Department of Mäori Affairs* to increase the number of Mäori and Pacific Island people in the public service. It began in 1980 as the *Pacific Island Clerical Recruitment Programme*.  The Programme was targeted at Mäori and Pacific people who would under normal circumstances have difficulty in obtaining worthwhile employment. Eligible people were school leavers, or those who had left full-time secondary school within the last two years. They must have had at least three years secondary education and have other qualifications required by the employing department.  The *Department of Mäori Affairs* screened recruits and referred them to departments. A full wage subsidy was paid by the *Department of Mäori Affairs*. |
| 21 January 1981 | **National Superannuation: Adjustment to rates** | The half-yearly survey of wages which was used to set *National Superannuation* rates was replaced by a quarterly survey, but the rates continued to be reviewed on a half-yearly basis. An amendment was made to the legislation so that the average ordinary time weekly wage as disclosed by the previous November or May survey would be used to set new rates in March and September each year.  The after-tax rate of *National Superannuation* for a couple who both qualified remained at 80 percent of the after tax average ordinary time weekly wage. |
| January 1981 | **Temporary Wage Work Ceiling** | This provision was implemented to provide employment support to workers employed by Government Departments under the former *Temporary Employment Programme* who were undertaking work of a low priority nature until they could be appointed to a permanent job, or other job creation programmes or until they found alternative employment. |
| January 1981 | **Minimum Wage increased** | The *Minimum Wage* was increased from $1.61 before tax per hour to $2.10 before tax per hour. For those working a 40-hour week, this equated to an increase from $64.41 to $84. This represented approximately 30 percent of the average ordinary time weekly wage. *The Minimum Wage* applied to workers aged 20 years or older. |
| 5 February 1981 | **Additional Benefit: Administration of the discretionary component** | The *Social Security Appeal Authority* ruled that the *Social Security Commission* must not fetter its discretion and that each case must be considered on its own merits. This led to a policy change where applications for the special discretionary component of *Additional Benefit* were accepted and considered individually by the *Social Security Commission* in Wellington. |
| Year ended 31 March 1981 | **Personal Income Tax Rates 1981** | Personal income tax rates were:   * did not exceed $5,000 14.5c in the dollar * exceeded $5,000 but did not exceed $11,683 35c in the dollar * exceeded $11,683 but did not exceed $16,266 48c in the dollar * exceeded $16,266 but did not exceed $22,000 55c in the dollar * exceeded $22,000 60c in the dollar |
| 1 April 1981 | **Domestic Purposes Benefit: Identification in law of the other parent**  **Emergency Maintenance Allowance: Time-limit for payment at a reduced rate removed** | The statutory maintenance requirement established in 1973 was repealed in the *Social Security Amendment Act 1980*. From 1 April 1981, an applicant became entitled to the *Domestic Purposes Benefit* (DPB) if they could identify in law the other parent of each dependent child in their care. The new qualification applied only to sole parent DPBs granted after 1 April 1981. For those granted before this date, the maintenance requirements still applied and enforcement of maintenance orders and agreements in those cases continued.  The previous 26-week limit for payment of the *Emergency Maintenance Allowance* (EMA) was removed and the reduced rate applied for as long as EMA was paid. |
| 1 April 1981 | **Liable Parent Contribution Scheme introduced** | The *Liable Parent Contribution Scheme* (LPC Scheme) commenced. The scheme was administered by the *Social Security Commission* with legislative provision contained in the *Social Security Amendment Act 1980*.  The LPC Scheme was applicable to a solo parent applying for the *Domestic Purposes Benefit* (DPB) where the other parent had been identified in law (the liable parent for each dependent child in their care). Based on the circumstances of the liable parent, an assessment was made as to the amount that the liable parent was expected to contribute toward the cost of the DPB and the *Child Supplement*. Maintenance Orders or maintenance agreements were suspended while a benefit was being paid and the liable parent contribution was being made. A liable parent was required to contribute the lessor of:   * $20 per week in respect of each of the beneficiary’s dependent children whom the liable parent was liable in law to maintain, plus a further $20 for each of those children who was under the age of five years; or * the amount of weekly benefit payable to the beneficiary; or * and amount of the liable parent’s weekly income after the deduction of tax and living expenses and recognition of dependants; or * an amount equal to one-third of the liable parent’s weekly income after tax.   The *Social Security Commission* provided a liable parent with a notice of grant of the benefit setting out the name of the beneficiary, the name of each dependent child to whom the recipient of the notice was a liable parent and a statement advising the liable parent of the liability imposed by the *Social Security Act 1964*. Upon receipt of the notice, a liable parent had one month to provide the *Commission* with a statement of gross earnings and other information required to calculate the contribution. Once the *Commission* had assessed the liable parent’s contribution and provided notification, the liable parent had the right to lodge a notice of objection. The Commission was then required to reconsider the case and if it decided not to allow the objection in full, the notice of objection was filed with the Court together with a copy of the notice of required contribution to which it related.  The *Social Security Commission* had the power to deduct liable parent contributions from any benefit that the liable parent was receiving or to which they became entitled. It could also issue a deduction notice against the employer of a liable parent. Where an employer made a deduction from wages or salary to comply with the terms of a deduction notice, the received a transaction fee of 50c in respect of each occasion on which a deduction was made.  The LPC Scheme only applied to a *Domestic Purposes Benefit* granted to a sole parent on or after 1 April 1981. |
| 22 July 1981 | **Child Supplement increased** | The *Child Supplement* was increased for beneficiaries (other than the first child of a sole parent) from $4 to $5 per child per week. |
| 27 July 1981 | **Task Force on Tax Reform established (McCaw Committee)** | The Government announced the establishment and membership of a *Task Force on Tax Reform* under the Chairmanship of P. M. McCaw.  It was appointed because of a widespread view that, by the beginning of the 1980s, New Zealand’s tax system was failing. It was not raising sufficient revenue to meet the government’s expenditure requirements. The system was increasingly seen by the public as unfair and lacking in integrity. Tax avoidance seemed rife. Economic commentators saw high tax rates and uneven rules as significantly contributing to New Zealand’s poor economic performance.  The Task Force was specifically requested to:   * undertake a thorough and systematic review of all aspects of central government taxation; and * draw on what is already known and established about taxation here and overseas and report on options for a reformed tax system in New Zealand.   The Task Force was expected to consult widely, and its final report was required to include an evaluation of the costs and benefits of the various options.  An interim report was required before 7 December 1981 and the final report before 7 April 1982. |
| 14 October 1981 | **Special Benefit introduced** | The discretionary component of the *Additional Benefit* was renamed *Special Benefit*. |
| 14 October 1981 | **Accommodation Benefit introduced** | The component of *Additional Benefit* for accommodation costs was renamed as the *Accommodation Benefit* and the following changes made:   * the maximum grant was increased from $16 to $18 per week; * the lowest accommodation costs (the rent or outgoings on a home) from which accommodation benefit can be paid was increase from $16 to $18 per week; and * an income exemption of $5 per week was allowed for single people (sole parents and married couples already had an income exemption of $8 per week). |
| 14 October 1981 | **Unemployment Benefit: Eligibility extended to trainees** | Eligibility to the *Unemployment Benefit* was extended to those willing to undertake suitable work and engaged in an approved employment-related training programme. |
| 1981 | **Emergency Benefit: Adult secondary school students** | The *Emergency Benefit* was made available to people aged 20 years and over who were studying at secondary school. |
| 1981 | **Changes to the Home Ownership Savings Scheme** | Changes to the *Home Ownership Savings Scheme* included:   * a reduction in the minimum savings term from three years to two years; * raising of the $2,000.00 (per year) savings limit to 3,000; * a tax rebate on 50 percent of interest paid on home mortgages (for first home buyers) with a maximum rebate of $1,000 per annum; and * private savings banks became authorised savings institutions.   The Government was concerned about the obstacles to first home ownership for New Zealand families. They suggested the obstacles were twofold: acquiring an initial deposit, and the level of debt servicing for mortgages, especially in the early years of home ownership. |
| 1981 | **Community Employment Initiatives Fund** | The *Community Employment Initiatives Fund* was established to promote new employment initiatives in communities. Grants of up to $10,000 were available to community groups for proposals that contained new employment initiatives. Eligibility criteria included that existing jobs were not affected and that the proposed activity must not qualify for funding from any other government source. A report on expenditure and achievement was required six months after a grant was made. The Fund was administered by the *Department of Labour*.  The Fund ended in 1986. |
| Year ended 31 March 1982 | **Personal Income Tax Rates 1982** | Personal income tax rates were:   * Did not exceed $5,500 14.5c in the dollar * Exceeded $5,500 but did not exceed $12,600 35c in the dollar * Exceeded $12,600 but did not exceed $17,600 48c in the dollar * Exceeded $17,600 but did not exceed $22,000 55c in the dollar * Exceeded $22,000 60c in the dollar |
| April 1982 | **Final report of the Task Force on Tax Reform (McCaw Report)** | The final report of the *Task Force on Tax Reform* made a number of recommendations that, together, constituted a call for a substantial programme of tax reform. The more significant of these recommendations were:   * a less progressive personal income tax scale with fewer and lower tax rates; * bringing fringe benefits of employees into the tax net; * a review of the wholesale sales tax and serious consideration of the possibility of introducing a value-added tax along the lines of a *Goods and Services Tax*; * better integration of the company and individual tax systems; * a review of the tax concessions for superannuation and life insurance; * a review of company tax concessions, and reduction of those concessions where * appropriate; and * indexation of the company tax base to adjust for the effects of inflation.   The direction of reform indicated by the Task Force was adopted by later governments, especially after the election of the Labour government in 1984. A driving idea behind that reform programme was to create a more transparent tax system, where tax rates are lower but applied more consistently in practice. This contrasts with a tax system with variable and often high tax rates, which were substantially offset by a complex set of concessions and opportunities for tax avoidance. The aim was a more honest system that would lead to economic decisions being made more on their economic merits, rather than being determined by the pursuit of tax advantages. |
| 6 May 1982 | **Rates Rebate Scheme: Rates contribution increased** | The amount ratepayers were required to contribute before being eligible for a rebate under the *Rates Rebate Scheme* was increased from $120 to $160. The rebate covered 2/3rds of the balance of the rates over the initial contribution, up to the maximum rebate of $200 per annum. |
| 23 June 1982 – 8 November 1984 | **Wage, Price and Rent Freeze** | A wage-price freeze was in effect. The freeze was initially set to last for 12 months but was subsequently extended until 29 February 1984, and then to 8 November 1984.  From 1 April 1984, the *Rent Limitation Regulations 1984* replaced the rent freeze and provided that in general, that increases in rent were limited to the lower of the increase to the *Consumer Price Index* or 10 percent of the present rent in respect of each year since the present rent first became payable. Where in any such year the inflation rate (as measured by the *Consumer Price Index*) was less than 10 percent, the lower figure applied. These provisions expired on 28 February 1985. |
| July 1982 | **Special Benefit: Beneficiaries offered low paid employment** | A *Special Benefit* became payable to people who had been receiving an *Unemployment Benefit* and who had been offered employment where the wages paid were less than the total benefit (including supplementary assistance) that was previously payable. Payment continued until such time as the person’s wages exceeded their prior benefit level. From 1 April 1986, this provision was replaced with the introduction of the *Transition to Work Allowance*. |
| 17 August 1982 | **Family Benefit: Capitalisation for housing purposes** | The maximum level of capitalisation of the *Family Benefit* was increased from $3,000 to $4,000 and the amount of benefit available for capitalisation was increased from $3.00 to $6.00 per week. |
| 24 September 1982 | **Special Needs Grants: Limits revised and coverage extended**  **Ministerial Welfare Programme for Special Assistance** | The limit for *Special Needs Grants* was increased from $30 for single people and $50 for married couples and sole parents to $100. There was discretion to make grants recoverable if it was considered that the recovery was warranted in the particular circumstances and discretion to increase the limit to $300.  A *Ministerial Welfare Programme for Special Assistance Payments* under section 124 (1)(d) of the *Social Security Act 1964* made provision for the following payments of special assistance on the grounds of financial hardship - the *Social Security Commission* could determine that a grant was recoverable if it considered that recovery was warranted in the particular circumstances:  **Special Needs Grants** could be made to meet urgent needs in the following circumstances:   * people released from prison, psychiatric hospitals or other institutions without sufficient money to meet immediate needs pending return to employment or establishing eligibility for a social security benefit; * a family or person left destitute; * non-receipt of maintenance payments by a person who relied on maintenance for support rather than a social security benefit; * people with limited means who were threatened with disconnection of electricity or do not have sufficient resources to have their electricity supply reinstated; * people who lose household or personal belongings by fire and who have no resources to meet immediate needs; * urgent needs for bedding, clothing, glasses and dentures (where not provided by the *Hospital* * *Board*); and * extenuating circumstances and urgent assistance required to meet immediate needs.   **Wigs and Hairpieces**   * Lump sum grants could be made to assist a person to meet the cost of a wig or hairpiece on medical grounds where financial assistance was not provided by the *Department of Health* and the income of the applicant would permit the payment of a social security benefit.   **Home Help Scheme**   * Assistance could be granted under the *Department of Social Welfare’s* *Home Help Scheme* to a person who met the conditions for such assistance and qualified on income grounds.   **Supportive Family Assistance Scheme**   * Families with a low income could be granted financial assistance under this scheme if the children were under supervision by the *Department of Social Welfare* and a lack of financial assistance would cause the family to break up, with the possibility of the children having to come into the care of the State.   **Civilian Amputees**   * Assistance could be granted to civilian amputees to meet travel and accommodation costs, plus loss of earnings, when required to attend a Limb Centre.   **Civil Defence Scheme**   * Assistance could be granted under the *Civil Defence Scheme* to meet billeting costs and urgent needs of evacuees and other person who required urgent financial assistance as a result of an emergency or a disaster.   **Travel Overseas**   * Non-recoverable assistance, in respect of either the partial or full cost, could be approved where a person was required to travel overseas to undergo medical treatment that was not available in New Zealand. Ministerial approval was required for this type of grant.   **Special Rest Home Scheme**   * Assistance toward rest home fees could be granted to a person with limited income who was classified as a ‘frail ambulant’ and who could be cared for adequately in a private rest home, or who was already resident in such a home.   **Assistance to Trainees attending Pre-employment and Work-related Courses**   * Trainees could apply for an allowance of up to $5 per week in order to meet the cost of travel, course fees and other course-related expenses.   **Training Allowance**   * A *Training Allowance* of $10 per week could be paid to 15-year old’s who had been selected by the *Department of Labour* to attend a training course. The *Training Allowance* could also be paid to other persons who did not qualify for the *Unemployment Benefit* as they had not established a loss of earnings. |
| 28 September 1982 | **Unemployment Benefit: Stand-down extended** | The usual one-week stand-down for the *Unemployment Benefit* was increased to two weeks for single applicants without dependants. |
| 28 September 1982 | **New scheme for payments on death**  **Benefit on death repealed.** | A new system was introduced for *Lump Sum payment on Death*. The new provisions were:   * continuation of income tested benefits and *National Superannuation* for two fortnightly instalments following the death of the beneficiary or four weekly instalments for benefits paid weekly; * a lump sum grant of up to $1,000 (less any terminal benefit) plus $500 for each dependent child for applicant’s (those living with the deceased prior to death as a spouse or dependent child) whose income would not preclude the grant of an income tested benefit and the net value of the deceased’s estate (excluding family home, car and chattels) was less than $6,000; * a lump sum grant of up to $500 in respect of the death of a single adult to meet outstanding funeral expenses that could not be met from the estate; and * a lump sum grant of $500 in respect of the death of a dependent child providing the parent’s income would not preclude the grant of an income-tested benefit and assets did not exceed $6,000.   These provisions did not apply if a similar lump sum payment was available under the *Accident Compensation* legislation. |
| 28 September 1982 | **Liable Parent Contribution Scheme (minimum contribution)** | A minimum contribution of $10 per week was introduced. The maximum contribution could not exceed the amount of the benefit (including the *Child Supplement*). |
| 28 September 1982 | **Hospital Rate of Benefit introduced at $10 per week** | The Social *Security Amendment Act 1982* made the following provision for payments of benefits to a beneficiary who was in a public hospital or a psychiatric hospital:   * if a beneficiary was a patient for a period of 13 weeks or less, or the beneficiary was married with a dependent child or children, the rate of the benefit was not affected; * if a married beneficiary without a dependent child or children or an unmarried beneficiary was a patient for more than 13 weeks, the rate of benefit payable from the 14th week of hospitalisation was set at $10 per week (or in the case of *National Superannuation* the appropriate before tax amount that would after the deduction of tax at the standard rate be equivalent to $10 per week). If a married person’s benefit was reduced and that person’s spouse was either not in hospital or had been in hospital for less than 13 weeks, the rate of benefit payable to the spouse was increased to the single rate.   The *Social Security Commission* retained the discretion to pay a higher rate than $10 per week having regard to the beneficiary’s financial circumstances or to pay a lower rate than $10 per week having regard to the beneficiary’s capacity to appreciate the payment.  The *Hospital Rate of Benefit* ($10 per week) represented around 14 percent of the single adult rate of the *Unemployment Benefit* ($70.95) or around 10.5 percent of the single rate of *National Superannuation* ($95.15). |
| 1 October 1982 | **New Personal Tax Scale introduced** | The following tax scale for personal income was introduced:   * $0-$6,000 (20%); * $6,001-$24,000 (31%); * $24,001-$30,000 (41%); * $30,001-$38,000 (51%); and * $38,001 and over (60%). |
| 1 October 1982 | **Maximum Childcare Cost/ Housekeeper Tax Rebate Increased** | The maximum annual *Tax Rebate for Child Care Costs or the Costs of Employing a Housekeeper/Domestic Help* was increased from $156 to $310. The rate of the rebate was reduced from 40c in the dollar for qualifying payments to 31c in the dollar. In 1984, the rate of the rebate was increased to 33 cents in the dollar. The total payment amount and rate of the rebated remained unchanged until the rebate was abolished in 2012. |
| 1 October 1982 | **Television Licence Fee Concession Abolished** | The *Television Licence Fee Concession* was abolished. |
| 1 October 1982 | **Major Repairs Advance increased** | The maximum level of the *Major Repairs Advance* for homeowners was increased from $1,000 to $2,000. |
| 1 October 1982 | **Family Tax Rebate introduced** | A *Family Tax Rebate* of $27 per week ($1,404 per year) was available to the principal earner of working families with a dependent child. The rebate was available in full to those with household incomes of up to $9,800. The rebate was abated at 15c for each extra dollar of income between $9,800 and $19,160 per year. This rebate replaced the *Low-income Family Rebate*, the *Young Family Rebate* and *Spouse Rebate*.  The maximum amount was increased to $1,664 in 1985, $1,924 in 1986 |
| 1 October 1982 | **Principal Income Earner Rebate introduced** | The Principal Income Earner Rebate (PIER) was introduced as a transitional measure. It was available to single adults without children, sole parents, and to the principal income earner in a married or de-facto couple household. A taxpayer with children could claim the greater of the Family Tax Rebate or the PIER, but not both. |
| 13 October 1982 | **Child Supplement increased** | The *Child Supplement* was increased for beneficiaries (other than the first child of a sole parent) from $5 to $6 per child per week. |
| 1982 | **Accommodation Benefit changes** | The following changes were made to the *Accommodation Benefit*:   * the maximum grant was increased from $18 to $22 per week; and * the lowest accommodation cost (rent or outgoings on a home) from which *Accommodation Benefit* can be paid was increased from $18 to $22 per week. |
| 1982 | **Student Job Search established** | *Student Job Search* was established to assist tertiary students to obtain employment over the summer vacation. Wage subsidies available to employers who employed students over the vacation period were reduced and subsequently abolished in 1991. |
| 1982 | **Remote Area Policy formalised** | Provision was made in policy guidelines to refuse to grant or cancel an *Unemployment Benefit* when a person has deliberately and without good reason moved to a locality where there is no work available either with the intention of living on the benefit in an isolated area or engaging in leisure activities not normally available to a working person, other than in holiday periods. |
| 1982 | **Changes to the Accident Compensation Scheme** | Following a review of the *Accident Compensation Scheme*, the following changes were introduced:   * the funding structure was moved from “fully funded” to “pay as you go” funding; * reducing employers’ obligations from providing weekly compensation from 100 percent to 80 percent for the first week following an accident; * joining the three schemes into one (which continued to be funded from three levy sources); * moving work related motor vehicle accidents from the earners account to the motor vehicle account; and * maximum amount payable for permanent loss or impairment was increased from $7,000 to $17,000 (maximum payable for pain and suffering remained at $10,000). |
| 1982 | **Group Employment Liaison Service established** | The 1981 *Report of the Committee on Gangs* noted the problems gangs experienced with employment, justice and education and described the need for points of contact within the bureaucracy for gangs (and other work trusts and community employment groups) to help them negotiate the system of employment and related policies and to liaise between Departments.  In response, the *Group Employment Liaison Service* (GELS) was established within the *Department of Labour.* GELS aimed to facilitate access to employment and training programmes and services of Government agencies and was designed to target unemployed groups, especially those least competitive in the labour market and those who preferred to work as groups. Community fieldworkers provided the point of contact with the GELS programme. While a small number were seconded public servants, most were Māori, came from community-based positions and operated outside of local departmental management structures.  In 1991, GELS was absorbed into the *Community Employment Group*. |
| 1982 | **Contract Work Scheme commenced** | The *Contract Work Scheme* was a variation of the *Project Employment Programme (PEP)*. It was designed to assist the development of contracting skills in legally constituted work groups, trust and co-operatives who have committed themselves to become self-supporting as independent contractors. These projects took the form of labour only contracts between an approved work group and a local authority or community organisation. Reimbursement by the *Department of Labour* was on the basis of the agreed tender price.  The *Contract Work Scheme* provided opportunities for groups to secure and undertake projects collectively, and to manage their own work and payments.  The scheme was detached from the PEP programme in 1986 and was phased out from 1987, with the final contracts ending by June 1988. |
| 1 January 1983 | **Unemployment Benefit: High income stand-down introduced** | A new stand-down of up to four weeks over and above normal one or two weeks was introduced in respect of higher income earners who were applying for the *Unemployment Benefit*. This did not apply where loss of employment was caused by permanent closure of the place of work or by redundancy. |
| Year ended 31 March 1983 | **Personal Income Tax Rates 1983** | Personal income tax rates were:   * Did not exceed $5,500 17.3c in the dollar * Exceeded $5,500 but did not exceed $6,000 27.5c in the dollar * Exceeded $6,000 but did not exceed $12,600 33c in the dollar * Exceeded $12,600 but did not exceed $17,600 39.5c in the dollar * Exceeded $17,600 but did not exceed $22,000 43c in the dollar * Exceeded $22,000 but did not exceed $24,000 45.5c in the dollar * Exceeded $24,000 but did not exceed $30,000 52.55c in the dollar * Exceeded $30,000 but did not exceed $38,000 58.1c in the dollar * Exceeded $38,000 63c in the dollar   These were composite rates following the new tax scale introduced on 1 October 1982. |
| 1 April 1983 | **Child Tax Rebate Increased (tax liability of children)** | The *Child Tax Rebate* was increased from $78 to $156 per annum which allowed children to earn up to $1,040 per annum ($20 per week) tax free. (Effectively a rebate of 15% on income up to $1,040).  The rebate applied to children under the age of 15, or under the age of eighteen and attending secondary school or who turned 18 in the preceding income year and are still at school.  The *Child Tax Rebate* avoided the need for children to pay tax on small amounts of income (excluding interest and dividends). |
| 3 May 1983 | **Standard Incomes for Special Benefit** | From this time, the *Social Security Commission* delegated the authority to grant applications for *Special Benefit* using the formula approach and cases were no longer required to be sent to Wellington for a decision.  The formula operated in the following manner:   1. Chargeable Income – Allowable Costs = Disposable Income 2. Disposable Income – Standard Income = Deficiency   *Chargeable Income* included benefits and other income received by the applicant.  *Allowable Costs* were regular and essential expenses arising out of the applicant’s or their spouse’s individual circumstances. They were costs which were considered could not be readily avoided of varied (for example, accommodation costs, disability and health costs, child care costs, transport costs, telephone rental, hire purchase for essential items etc).  *Standard Incomes* were considered to be the amount required to meet everyday living expenses excluding allowable costs. They were calculated by deducting a “standard accommodation cost” from the applicant’s maximum rate of *Social Security Benefit*, *Family Benefit* and *Accommodation Benefit*. The “standard accommodation cost” was calculated as being the amount of accommodation costs that were $8 per week higher than the level of accommodation costs needed to obtain the maximum rate of *Accommodation Benefit*. For applicants receiving the *Unemployment Benefit*, the maximum social security benefit was the net rate after tax, where the benefit paid was subject to tax: that is *Unemployment Benefit* payable to people without dependent children. Standard incomes for people receiving *National Superannuation* were set at the same rates as those for other people receiving benefits.  When it was first developed the formula provided a similar answer in the majority of cases to that obtained by examining individual budgets. However, it was subsequently realised that it had severe limitations. It provided an unrealistically low figure for people receiving the youth rate of benefit and no distinction was made for family size. A more fundamental problem was that continuing this method of assessment would have resulted in reductions (instead of increases) in *Standard Costs* concurrently with increases in the rates of standard benefits. This resulted in a number of adjustments:   * the margin of $8 per week for assessing the “standard accommodation cost” was removed and extra amounts allowed for dependent children (1984); * youth rate for recipients of the *Unemployment Benefit* was set at the same rate as for other beneficiaries (1984); and * *Standard Incomes* were increased by the dollar increases in the rates of benefits (1984-1988).   A further review of *Standard Incomes* was undertaken in 1989. |
| May 1983 | **School Leavers Training and Employment Preparation Scheme** | The *School Leavers Training and Employment Preparation Scheme* was administered by the *Department of Labour* to assist 15 to 16-year olds to move confidently into working life.  The Scheme provided an allowance for a private sector instructor/supervisor providing work experience or training, supervised work and training grants and a materials grant.  The Scheme ended in December 1985. |
| July 1983 | **Private Sector Employment Incentive Scheme replaced the Additional Jobs Programme** | The *Private Sector Employment Incentive Scheme* provided subsidised employment in the private sector and replaced the *Additional Jobs Programme* and the *Farm Employment Scheme*. The wage subsidy was increased by $10 to $75 per week and the suspensory loan available to small enterprises was increased from $3,000 to $4,000.  Eligible job seekers were those registered at the *Department of Labour* for at least 13 weeks (initially eight weeks). The job had to be full-time as specified in the appropriate award or at least 30 hours per week, if there was no award.  In August 1984, the Scheme was renamed the *Employment Incentive Scheme* (EIS) and in August 1985, the scheme was replaced by the *Job Opportunities Scheme.* |
| 1 October 1983 | **Family Tax Rebate increased** | The *Family Tax Rebate* was increased to $1,924 per year. Abatement was continued at 15c for each dollar of income between $9,800 and $14,000 but a higher abatement of 20c in the dollar was introduced for income over the range $14,001 to $20,470. |
| 1 October 1983 | **Personal Income Tax scale changed** | The tax rate applying to personal income between $6,001 and $24,000 was increased from 31 percent to 31.5 percent. |
| 1 October 1983 | **Child Care Subsidy introduced** | The *Childcare Subsidy* was introduced with three specific provisions:   * income tested: the subsidy was paid in respect of children under five years of age, attending a licensed childcare centre for a minimum of 12 hours per week, where the parents met the income eligibility requirements; * three rates of payment: $32, $28 and $23 for full attendance of 30 hours per week; and * social work referral: if the child is referred to childcare for supportive welfare or medical reasons, the full rate of subsidy ($32) was paid irrespective of the hours of attendance or parental income. |
| 1 November 1983 | **Training Incentive Allowance introduced** | The *Training Incentive Allowance* (TIA) was introduced. It provided financial assistance to recipients of a *Domestic Purposes Benefit* or a *Widows Benefit* who were engaged in training or study in a subject that could enhance their employment prospects. The allowance reimbursed beneficiaries for the costs associated with attending an occupational or related training course of up to $15 per week, with the provision for special hardship grants in exceptional cases. Provision was made to pay the allowance as a lump sum, instalments or as a combination of both.  The introduction of the TIA stemmed from the 1980 Wylie Review Report which found that female sole parents were being disadvantaged in terms of re-entering the work force. The TIA was intended to encourage employment-related education and self-confidence and thus better equip them for employment. |
| 9 November 1983 | **Accommodation Benefit changes** | The following changes were made to the *Accommodation Benefit*:   * the maximum grant was increased from $22 to $32 per week; * the lowest accommodation cost (rent or outgoings on a home) from which *Accommodation Benefit* can be paid was increased from $22 to $26 per week; * subject to the maximum $32, it was provided that grants equal to two-thirds of the amount by which accommodation costs exceeded $26 a week for rent or outgoings on a home, $35 a week for a single person without dependants paying board and $58 a week for a married couple or sole parent paying board; * the benefit was reduced by $1 a week for each $1 a week of assessed income in excess of $12 per week for a married couple or sole parent and $8 per week for single persons. The notional income charge of $1 per week for each $100 of cash assets remained. |
| 16 December 1983 | **Liable Parent Contribution Scheme: Minimum contribution increased** | The minimum contribution was increased from $10 to $15 per week. The maximum contribution could not exceed the rate of benefit payable (including the *Child Supplement*). |
| 1983 | **Family Benefit Capitalisation (for housing purposes)** | The asset limit for capitalisation of the *Family Benefit* was increased to $20,000 for a one child family and an additional $1,000 in respect of each additional child. |
| 1983 | **National Superannuation: Commencement date** | From this time, *National Superannuation* commenced on the day that a person turned 60. Previously, they received a full two-weekly instalment on their first pay day. |
| 1983 | **Special Needs Grants: Steps to Freedom** | *Steps to Freedom Grants* were introduced to assist former prisoners with the essential costs of re-establishing themselves in the community.  The *Steps to Freedom Grant* was paid at a maximum of twice the single youth rate (under 20 years) of the *Unemployment Benefit* ($116.92). |
| 1983 | **Special assistance for workers displaced from the rubber industry** | A special programme administered by the *Department of Labour* was established for workers displaced as a result of changes in the rubber industry. It provided advice and help with local job search, distant job search, retraining in employment with full wages, training in institutions with a full grant and allowance and a relocation grant.  The programme ended in 1985. |
| 1 January 1984 | **Payment of Sickness Benefit without a spousal income test (repealed)** | The provision to pay a *Sickness Benefit* to a married person for the first 13 weeks without a spousal income test was repealed. This provision had been introduced in 1975. |
| Year ended 31 March 1984 | **Personal Income Tax Rates 1984** | Personal income tax rates were:   * Did not exceed $6,000 20c in the dollar * Exceeded $6,000 but did not exceed $24,000 31.3c in the dollar * Exceeded $24,000 but did not exceed $30,000 45.1c in the dollar * Exceeded $30,000 but did not exceed $38,000 56.1c in the dollar * Exceeded $38,000 66c in the dollar |
| 1 April 1984 | **Childcare Cost/ Housekeeper Tax Rebate Rate Increased** | The rate of the *Childcare Cost/ Housekeeper Tax Rebate* was increased from 31c in the dollar for qualifying payments to 33c in the dollar. The maximum annual tax rebate for child care costs or the costs of employing a housekeeper/domestic help remained at $310 until 1 April 2012, when the rebate was abolished. |
| 18 June 1984 | **Rest Home Subsidy Scheme: Asset thresholds increased** | Asset thresholds were increased to $1,500 for a single beneficiary and $3,000 for a married couple. |
| 4 July 1984 | **Orphan’s Benefit: Advance payment** | A maximum of one year ($312) of the *Orphan’s Benefit* was payable in advance. There was no cash asset test. |
| 4 July 1984 | **Advance Payment of Benefit** | The maximum *Advance Payment of Benefit* for eligible beneficiaries was set at the equivalent of three weeks of benefit. |
| 1 August 1984 | **Employment Incentive Scheme replaced the Private Sector Employment Incentive Scheme** | Under the *Employment Incentive Scheme*(EIS) a partial subsidy was provided to encourage employers to recruit from those registered as unemployed for at least 13 weeks. A subsidy of up to $75 per week was available for a period of up to six months in respect of a job seeker who was referred or approved as eligible by the *Department of Labour*. |
| 6 August 1984 | **Unemployment and Sickness Benefit income test: Direct deduction for personal earnings ceased** | The income test for *Unemployment Benefit* and *Sickness Benefit* was brought into line with other *Social Security Benefits* which ended the direct deduction for personal earnings.  The income exemption was $25 per week, with other income between $25 and $40 per week abating the benefit by 40c in the dollar and income in excess of $40 per week abating the benefit by 80c for each dollar above this level. |
| 1 September 1984 | **Family Benefit Advance for Child Restraints** | An advance on the *Family Benefit* was available for the purchase of child restraints for motor vehicles. |
| October 1984 | **Female Apprentice Incentive for Recruitment** | The *Female Apprentice Incentive for Recruitment Scheme* was intended to provide increased career opportunities for women in non-traditional industries. All private sector industries (except hairdressing) where apprenticeships were operating were eligible for an incentive payment of $22 per week ($1,040 per year) for each female apprentice contracted after October 1984. The payment was for the first year of the apprentice’s contract only and was in addition to payments received under any other scheme.  The scheme was administered and funded by the *Department of Labour*. |
| 7 November 1984 | **Accommodation Benefit changes** | The following changes were made to the *Accommodation Benefit*:   * the maximum grant was increased from $32 to $36 per week; and * the lowest accommodation cost (rent or outgoings on a home) from which *Accommodation Benefit* could be paid was increased from $26 to $30 per week. |
| 14 November 1984 | **Unemployment Benefit: Remote area policy clarified** | It was accepted that a person had a good reason for relocating to a remote area (and could therefore continue to be eligible for the *Unemployment Benefit*) if they had previous connections with the area or previous lengthy residence. This included Māori returning to land with which they had a direct family connection (Papakāinga). |
| 26 November 1984 | **Child Supplement increased** | The *Child Supplement* was increased for beneficiaries (other than the first child of a sole parent) from $5 to $8 per child per week. |
| 1 December 1984 | **Tax scale changed** | The following tax scale for personal income was implemented:   * Income up to $6,000 (20%); * $6,001 to $25,000 (33%); * $25,001 to $30,000 (45.1%); * $30,001 to $38,000 (56.1%); and * $38,000 and over (66%). |
| 1 December 1984 | **Principal Income Earner Tax Rebate introduced** | The *Principal Income Earner Rebate* was available to the principal income earner of families without children and families with children (if the level of this rebate exceeded the value of the *Family Tax Rebate*). Families could not receive both the *Principal Income Earner Rebate* and *Family Tax Rebate*.  The *Principal Income Earner Rebate* reduced tax liability by the following:   * income up to $6,118 (8.5% of taxable income); * $6,119 to $12,000 ($520); * $12,001 to $15,152 ($520 reduced by 16.5c for each dollar of taxable income between $12,000 and $15,152); and * $15,152 and over (nil). |
| 4 December 1984 | **Family Care introduced** | *Family Care* was introduced at short notice in late 1984 (it was announced in the November 1984 Budget). The scheme was introduced in response to concern over the impact of the wage-price freeze on low-income working families. While *Social Security Benefits* had been regularly adjusted for inflation, the freeze had depressed the value of real wages and the incomes of low-wage families were not dissimilar to those receiving the *Unemployment Benefit*.  *Family Care* of $10 per child per week (the same amount as the *Child Supplement* paid to beneficiaries) was introduced for low income non-beneficiary families where parent(s) worked at least 30 hours per week. Paid in addition to the *Family Benefit* and abated by 25c in the dollar for income exceeding $394 per week. Total family income had to be less than $434 per week (for a one child family), $474 (for a two-child family), increased by $40 for each additional child.  Families who had a weekly income of less than $180 (before tax) not including *Family Benefit* could receive *Special Family Care. Special Family Care* provided a top-up payment for very low-income working families in addition to *Family Care*. It provided a guaranteed minimum income for families working 30 hours or more per week.  *Family Care* was seen as an interim response to the impact of the wage-price freeze, pending the development of a comprehensive tax credit scheme for both beneficiaries and working families. The *Family Support Scheme* was introduced on 1 October 1986. |
| 4 December 1984 | **Benefit rates increased** | Benefit rates for married couples were increased by $6.00 per week and for single people by $3.60 per week. This was an advance on the adjustment due in January 1985. |
| 4 December 1984 | **National Superannuation: Rates increased** | The net rates of *National Superannuation* were increased by the same amounts as the rates of main *Social Security Benefits*, based on movements in the *Consumer Price Index*. This was an advance on the adjustment due in March 1985. The reason for the extra increase was that the margin between *National Superannuation* and other benefits had eroded because of the wage freeze. *Consumer Price Index*-related adjustments continued until October 1986 when the basis for adjustments reverted to the average weekly wage. |
| 5 December 1984 | **Child Supplement for Superannuitants introduced** | A *Child Supplement* of $2 a week for each dependent child was introduced for recipients of *National Superannuation.* |
| 5 December 1984 | **Domestic Purposes Benefit and Widows Benefit: Cessation of benefit** | For recipients of a *Widows Benefit* or a *Domestic Purposes Benefit* with children, the benefit continued to be paid up to the end of the second pay period (previously the first) following the pay period in which there ceased to be a child in respect of whom the benefit was payable. |
| December1984 | **Special Benefit: People who did not qualify for Family Care** | From this time, there was authority to grant a *Special Benefit* to non-beneficiaries who did not qualify for *Family Care*. Higher standard incomes were used and work-related costs were allowed as fixed costs.  For people who did not qualify for *Family Care* because they did not work more than 30 hours per week, a *Special Benefit* could be granted as the same rate as *Family Care* (that they would have received had they been working 30 hours per week) and the main family income was from earnings. A maximum of $10 per week. |
| December 1984 | **Budget ‘85 Task Force established** | The *Budget ’85 Task Force* comprising officials from the *Department of Social Welfare*, *Inland Revenue Department* and the *Treasury* was set up to begin the process of reforming the benefit and personal income tax systems. A team of 19 consultants was invited to assist the Task Force at various stages of its work.  It was considered that the systems administered by the *Department of Social Welfare* and *Inland Revenue Department* had developed in a piecemeal and uncoordinated way, resulting in serious inequities and inefficiencies. It was considered desirable to reform the two systems together to produce simpler, fairer and more efficient systems.  The *Minister of Finance* and the *Minister of Social Welfare* wanted the public to be involved in the development of policy for the Labour Government’s second Budget in 1985. A public participation process to assist the *Budget ’85 Task Force* in its work was organised by two national co-ordinators seconded from the *Department of Social Welfare* (Sonja Banks, Jacky Renouf). This involved a series of public meetings held throughout New Zealand (12 locations) between 18 April 1985 and 8 May 985. Assistance was available from the *Department of Social Welfare* to help people prepare submissions and assistance was available for people to travel to public meetings.  The terms of reference for the *Budget ’85 Task Force* were:   * to enquire into an receive submissions upon any inequalities and inefficiencies in the person income taxation and social security systems, and ways to improve the systems, in particular measures that can be implemented in the near future; * the Task Force was to take into account in its enquiries and recommendations the likely impact of the *Goods and Services Tax* to be introduced in April 1986 (date subsequently changed to October 1986); and * the Task Force was to have regard for the principles upon which the present tax-transfer system is based and the maintenance of the standard of living and dignity of all New Zealanders.   A discussion paper “*Benefits, Taxes and the 1985 Budget*” was prepared by the Task Force and released in March 1985. This provided the basis for a public review of benefits and taxes. The deadline for submissions was 31 May 1985.  The process of public consultation began in February 1985 and was completed by June 1985 and the *Budget ’85 Task Force* consulted widely on issues of taxation and benefit reform, receiving 1,374 submissions (510 from groups and 864 from individuals).  The submissions and the work of the Task Force influenced the reforms announced in the *Statement on Taxation and Benefit reform* of 20 August 1985 (see below), many of which were implemented from 1 October 1986.  In February 1986 the *Department of Social Welfare* released a report summarising the process undertaken to get submissions, the people and the groups who made submissions and the content of those submissions: *“Benefits, Taxes and the 1985 Budget: A Review and Summary.”*  Many of the submissions could not be addressed within the time frame of the Task Force. In 1986 a *Ministerial Task Force on Income Maintenance* was established to continue work on reform of the social security system. |
| 1984 | **Housing Corporation: Income-related rents for state tenants – 25 percent of income** | For state tenants, the “fair rent” provisions (that had applied since 1955) were replaced with an income-related rental formula under which high income earners would pay market rents for state housing. Rents were set at 25 percent of income (of the principal income earner and his or her spouse) up to the market rent.  Other income-earning adults in the household were charged a boarding fee. |
| 1984 | **Housing Corporation: Tenants Loan Scheme** | The *Tenants Loan Scheme* was introduced to encourage state housing tenants to move out and purchase a home of their own. |
| 1984 | **Housing Corporation: Building Suspensory Loans** | An interest-free building suspensory loan (of up to $5,000) was available from the *Housing Corporation* to people building a first home below a specified cost limit, provided that they obtained their mortgage finance from the private sector. While the loans did assist people with home ownership, the primary aim of this policy was to provide assistance to the building industry. From October 1986, building suspensory loans were replaced by the *Home Start Deposit Scheme*. |
| 1984 | **Special Benefit: Residents of the Ryder Cheshire Foundation** | *Special Benefit* was paid at $65 per week to residents of the *Ryder Cheshire Foundation* for severely disabled people to assist with the cost of board and treatment. |
| 1984 | **Special Benefit: Payment limits increased** | The *Social Security Commission* increased the limits for continuing grants and lump sum payments of *Special Benefit*: from $20 to $36 per week for continuing grants; from $500 to $750 for lump sum grants to single applicants and from $1,000 to $1,500 for lump sum payments to married couples or sole parents. |
| 1984 | **Hospital Rate of Benefit** | From this time, the lower *Hospital Rate of Benefit* applied to all single or married people without dependent children and their benefit was reduced after 13 weeks in hospital. The hospital rate did not apply to people with dependent children which recognised that the costs of maintaining the home for the children will be on-going while the caregiver is in hospital. The discretion to pay a higher or lower rate of benefit, subject to a person’s personal circumstances was retained. |
| 16 January 1985 | **Child Supplement increased** | The *Child Supplement* for beneficiaries and *National Superannuitants* with children (other than first child of sole parent) raised to same level as *Family Care* at $10 per child per week |
| 28 February 1985 | **Occupation of the Kaitaia Social Welfare Office** | The Kaitaia Office of the *Department of Social Welfare* was occupied by around 100 people protesting against the enforcement of the *Remote Area Policy* against recipients of the *Unemployment Benefit*. |
| February 1985 | **Minimum Wage increased** | The *Minimum Wage* was increased from $2.10 before tax per hour to $2.50 before tax per hour. For those working a 40-hour week, this equated to an increase from $84 to $100. This represented approximately 34 percent of the average ordinary time weekly wage. The *Minimum Wage* applied to workers aged 20 years or older. |
| March 1985 | **Project Employment Programme (PEP Scheme) to be phased out** | It was announced that the *Project Employment Programme* (PEP) introduced in 1980 to provide temporary work for jobseekers was phased out with the scheme ending in most areas by August 1986. It continued in some rural areas until 1988. |
| March 1985 | **Accommodation Benefit: Maximum rate increased** | Due to the imminent lifting of the rent freeze, the maximum rate of the *Accommodation Benefit* was increased from $36 to $40 per week. |
| March 1985 | **Budget ’85 Task Force: Discussion paper released** | A discussion paper “*Benefits, Taxes and the 1985 Budget*” was released by the *Budget ’85 Task Force*. This provided the basis for a public review of benefits and taxes. The process of public consultation ran from February 1985 to June 1985. The deadline for written submissions was 31 May 1985.  To make the job of the Task Force manageable, and to allow as much public discussion as possible before decisions were made in the 1985 Budget, the Task Force restricted itself to the following questions:   * how can the personal income tax and benefit systems be made fairer and more efficient? How can the revenue from the *Goods and Services Tax* be used to help achieve this? * how can the personal tax and benefit systems be changed to make them easier to understand and easier to operate? * are the methods of adjusting benefits and personal income taxes fair? * has the relationship between benefits and wages changed much from that set following the *1972 Royal Commission of Inquiry into Social Security*? * do personal income tax rates and benefit rules (including the benefit income test) discourage personal initiative, or encourage avoidance and evasion? * should benefit incomes, including the *Unemployment Benefit*, be taxed? If so, how?   The main job of the Task Force was to make recommendations on changes in taxes and benefits for 1985 Budget. It was recognised however that issues may arise during the work of the Task Force that would be more appropriately dealt with in other ways, namely:   * by Government departments as part of their normal, non-budgetary review of policies and procedures; * by inclusion in the 1986 Budget or later budgets; or * by inclusion in the deliberations of the proposed *Royal Commission on Social Policy*. |
| Year ended 31 March 1985 | **Personal Income Tax Rates 1985** | Personal income tax rates were:   * Did not exceed $6,000 20c in the dollar * Exceeded $6,000, but did not exceed $24,000 32c in the dollar * Exceeded $24,000 but did not exceed $25,000 41.06c in the dollar * Exceeded $25,000 but did not exceed $30,000 45.1c in the dollar * Exceeded $30,000 but did not exceed $38,000 56.1c in the dollar * Exceeded $38,000 66c in the dollar |
| 1 April 1985 | **National Superannuation: Taxation Surcharge introduced** | A *Superannuation Taxation Surcharge* of 25c for every complete $1 of taxable income above a specified limit was introduced. Single superannuitants were allowed taxable income (excluding *National Superannuation*) of up to $6,240 per year and married couples $5,200 each ($10,400 total), before the surcharge was applied. If one spouse of a married couple had income of less than $5,200, the balance of the exemption could be used by the other spouse. The income limit for single people was 60 percent of the total income limit for a married couple, reflecting that the after-tax single rate of *National Superannuation* was 60 percent of the rate paid to a married couple.  The maximum surcharge liability in respect of any income year was the net amount of *National Superannuation* received by each superannuitant in that income year. The economic unit for income tax was the individual and the design of the surcharge followed that principle, as the surcharge had to be integrated into tax administration. If the amount of the surcharge payable by one spouse was in excess of their net *National Superannuation*, the excess was not applied to the *National Superannuation* of the other spouse.  The definition of taxable income for calculating the surcharge excluded the following "specified foreign social security pensions":   * United Kingdom National Insurance Pensions; * Canadian Old Age Security Pensions; * German Insurance Pensions; * Greek Old Age Pensions; * Italian Old Age Pensions; * Netherlands Old Age Security Pensions; and * United States Retirement Insurance Benefits.   This ensured that national superannuitants receiving those foreign pensions had the same income thresholds as other superannuitants, before they were required to pay the surcharge. However, as the foreign pension was not *National Superannuation*, the amount of a superannuitant's "net national superannuation", which represented the maximum amount of surcharge which was payable, was calculated using only the "topping-up" portion of the *National Superannuation* payment. This was to ensure that the surcharge did not in effect claw back a pension for which the superannuitant was independently eligible and which was not paid by the New Zealand Government.  The surcharge did not apply to a couple where a non-qualifying spouse was included in a qualifying partner’s *National Superannuation*, as in these situations *National Superannuation* was already subject to an income test, under the *Social Security Act 1964*.  In the first year of the surcharge, about 10 percent of superannuitants paid the equivalent of their full superannuation back in surcharge payments, and about 13 percent repaid a partial amount. This total of 23 percent affected by the surcharge compares with the estimated two-thirds excluded under the original 1898 means test for the *Old Age Pension*. |
| 1 April 1985 | **Accommodation Benefit (Special) introduced** | The *Accommodation Benefit (Special)* was introduced to provide assistance to low-income earners to meet high rental accommodation costs following the lifting of the rent-freeze. The method of assessment differed from the standard *Accommodation Benefit* in that it had one threshold for married couples and sole parents ($50 a week) and one for single people ($40 a week). The maximum grant of $40 per week could be increased to $50 if special needs existed. Entitlement was abated by $5 for each $10 of gross income in excess of specified limits ($245 a week for couples with children and sole parents, $230 a week for couples without children and $155 for single people). The cash asset exemption was $6,000 for single people and $12,000 for couples and sole parents. |
| 1 April 1985 | **Housing Corporation – Income-related interest rates** | Income-related interest rates were introduced by the *Housing Corporation* to direct government funds to those most in need and to provide subsidies only for as long as people needed them. If a borrower’s circumstances improved they paid a higher rate of interest, although still related to their income.  In practical terms this meant that interest rates of between five percent and 15 percent were applied to all new loans approved on or after 1 April 1985, with the interest rate of existing loans adjusted on review.  From October 1986, the Corporation’s procedure was to adjust all loans to the prime interest rate (at that time 17 percent ) when they came up for review, but to allow rebates if housing outgoings were above 25 percent of gross household income. |
| 1 June 1985 | **Rates Rebate Scheme: Income limits increased** | The income limit for the *Rates Rebate Scheme* was increased from $5,700 to $6,527. From this time the income limit was $6,527 plus $156 for each dependent child. Rebates abated at $1 for each $8 above the limit. Ratepayers were required to make an initial contribution of $160. The rebate covered 2/3rds of the balance of the rates over the initial contribution up to a maximum rebate of $200. |
| 14 June 1985 | **National Superannuation: Overseas absence increased** | The maximum period of allowable overseas absence for *National Superannuation* was increased from 13/15 weeks to 26 weeks. If the superannuitant was absent from New Zealand for more than 26 consecutive weeks, but not for more than 30 weeks, then they were entitled to payment for the first 26 weeks of that absence. If the superannuitant was absent from New Zealand for more than 30 weeks, and the *Social Security Commission* was satisfied that the period of absence beyond 30 weeks was due to circumstances beyond the superannuitant’s control, then payment could be made in respect of the first 26 weeks. Otherwise, there was no entitlement in respect of a period of absence of more than 30 weeks.  These rules also applied to other benefits, with the exception of the *Unemployment Benefit*, the *Sickness Benefit* and the *Emergency Benefit*. |
| June 1985 | **Special Benefit: Drought relief** | *Special Benefit* was paid to families in North Otago and South Canterbury who were affected by a drought. Eligibility was restricted to those who qualified for *Family Care* and they were required to have cash assets of less than $600. The maximum continuing grant was $100 (maximum period of 12 weeks) and the maximum lump sum grant was $300. |
| July 1985 | **Establishment of a Ministerial Advisory Committee to advise on a Māori Perspective for the Department of Social Welfare** | A M*inisterial Advisory Committee* was established (under Section 13 of the *Department of Social Welfare Act 1971*) in response to the following:   * a November 1984 report from a group of social workers in Auckland who had formed a Women’s Anti-Racism Action Group accused the *Department of Social Welfare* (DSW) of practicing institutional racism in that the framework of the Department (staffing, training, legislation and policies) reflected a relentlessly Pakeha view of society which systematically discriminated against staff and clients who are Māori or Pacific people; and * a 1985, report by DSW’s newly established *Māori Advisory Unit* that affirmed the presence of these same signs of institutional racism.   The terms of reference for the Committee were as follows:  “*The task of the Māori Perspective Advisory Committee is to advise the Minister of Social Welfare on the most appropriate means to achieve the goal of an approach which would meet the needs of Māori in policy, planning and service delivery in the Department of Social Welfare*.”  The Committee was chaired by John Te Rangi-Aniwaniwa Rangihau, (a Tuhoe elder and senior public servant) and its members were:   * Mrs Emarina Manuel; * Ms Donna Marie Tai Tokerau Hall; * Mr Hori Brennan; * Mr Peter Wilson Boag, Deputy Chairman *State Services Commission*; * Dr Tamati Muturangi Reedy, *Secretary of Māori Affairs* represented by Mr Neville McClutchie Baker; and * Mr John Waldron Grant, *Director-General Social Welfare*.   The Committee adopted an oral submission process, touring the country and holding meetings in Marae and community venues. The Department was variously described as “an institution of social control” with “white males at the top and middle” and an organisation with “nurtures dependence and self-hatred rather than independence and self-love”.  The Committee released its report in July 1986. |
| 1 August 1985 | **Job Opportunities Scheme introduced** | Under the *Job Opportunities Scheme* a wage subsidy of $75 per week was paid for 6 months to an employer in the private sector or public sector hiring a person who has been unemployed for 10 weeks or more. A subsidy of $120 per week, reducing after 3 months to $75 per week was available in respect of a person unemployed for 20 weeks or more. There was also a higher “development” subsidy for job seekers with a physical or psychological disability. Two further options provided partial subsidies to unemployed people wanting to establish their own business or group enterprise. The scheme replaced the *Employment Incentive Scheme*. |
| 1 August 1985 | **Job Opportunities Scheme: Self-employment Subsidy** | The self-employment subsidy was designed to help those who are having difficulty finding work with the initial costs of becoming self-employed.  Weekly income subsidies for self-employment were paid at the same rate as those to employers under the *Job Opportunities Scheme*. The self-employment subsidy was available to job seekers registered with the *Department of Labour* for at least 15 weeks, who were aged under 60 years and who were receiving a social security benefit from the *Department of Social Welfare*. They were required to have a business proposal vetted by an authorised vetting agency. They could also receive a grant for business skills and training (up to $500 per person) and professional business advice (per enterprise) |
| 20 August 1985 | **Statement on Taxation and Benefit Reform** | The *Statement on Taxation and Benefit Reform* included the introduction of a *Goods and Services Tax* (GST) and a revised personal income tax scale (a three-step scale to replace the five-step scale of the time). The Government had six main objectives for personal tax reform:   * to make the system fair; * to ensure that low-and-middle-income earners were fully compensated for the introduction of GST; * to take account of family circumstances; * to reduce marginal tax rates; * to integrate person and business taxes as far as possible; and * to make paying taxes less complicated.   Benefit reforms announced included a new income exemption for main benefits and a non-taxable transition to work allowance for long term beneficiaries. It was also announced that all main benefits would become taxable.  The *Statement on Taxation and Benefit Reform* also established some broad goals for benefit reform over the following years. These goals were:   * that benefits should be fair; * the arrangements for the administration of benefits should be helpful to beneficiaries, easy to understand and efficient to administer; * as many beneficiaries as possible should be encouraged toward self-sufficiency, with adequate incentives to join and remain in the work force; * benefits should link coherently with income tax; and * the system should have a high level of integrity, the opportunity for abuse, manipulation or fraud should be minimised. |
| 20 August 1985 | **Reform of Family Income Assistance** | Reform of family income assistance was announced. *Family Support* would replace *Family Care, Family Tax Rebates and Family Supplements.* A *Guaranteed Minimum Family Income* for working families would be introduced.  It was announced that *Family Support* would be paid by reducing PAYE deductions wherever this was practical and if *Family Support* exceeded the amount of PAYE, a tax credit would be paid. Non-earners would receive *Family Support* via the social security system.  [*Note: It was subsequently decided that Family Support would not be paid via the PAYE system*]. |
| 2 September 1985 | **Minimum Wage Act 1983 came into force**  **Minimum wage increased** | The *Minimum Wage Act 1983* replaced the *Minimum Wage Act 1945*. It provided a binding wage floor for all workers 20 years or older, with the only exemptions being workers who were undertaking a set level of training and disabled workers who were employed in approved sheltered workshops. If a worker was provided with board and lodging, a deduction of 15 percent for board and five percent for lodging could be made against the wage.  The *Minimum Wage* was increased from $2.50 before tax per hour to $4.25 before tax per hour. For those working a 40-hour week, this equated to an increase from $100 to $170. This represented approximately 54 percent of the average ordinary time weekly wage |
| 1 October 1985 | **Training Incentive Allowance: Extended** | Eligibility to the *Training Incentive Allowance* was extended to recipients of the *Invalids Benefit*. |
| 6 November 1985 | **Changes to the provision of assistance for the disabled**  **Income Disregard for Invalids Benefit**  **Increase in the rate of the Disability Allowance**  **Increase in the rate of the Handicapped Child Allowance** | Changes to the provision of assistance for the disabled included:   * an additional income exemption of $20 per week was introduced for the *Invalids Benefit*. This applied only to income earned by the beneficiary (i.e., not including earnings of a spouse) through their own effort (e.g., employment); * the maximum rate of the *Disability Allowance* was increased from $15.50 to $26.00 per week. * the stand down of 26 weeks that applied to unemployment and sickness beneficiaries who qualified for the *Disability Allowance* was removed; * the *Handicapped Child Allowance* was increased from $14.50 to $19.00 per week; * improved relief/respite care for those caring for disabled persons; and * designation of liaison workers for the disabled in each *Department of Social Welfare* District Office. |
| 4 November 1985 | **Ministerial Review into Benefit Fraud and Abuse** | A report to the *Minister of Social Welfare* recommended that the Minister establish a *Ministerial Review into Benefit Fraud and Abuse*.  This followed the release of a report into the Department of Social Welfare’s *Quality Control Programme*. This report showed an estimated annual loss of $24 million in unemployment and domestic purposes benefits during 1985, $17.3 million of which was attributed to beneficiary generated error.  The terms of reference for the Review were:   * to identify and comment on the effectiveness of the Department’s existing mechanisms for detecting and reducing the incidence of benefit fraud and abuse; and * to recommend how such mechanisms could be strengthened to increase their effectiveness or what new mechanisms should be introduced.   The *Ministerial Review* reported in August 1986. |
| 6 November 1985 | **Hospital Rate of Benefit** | The *Social Security Amendment Act (No. 2) 1985* provided for the *Hospital Rate of Benefit* to be included in a new 22nd Schedule to the Social Security Act 1964. This replaced the reference to $10 per week that had been contained body of the Act (section 75) since 1982.  The *Hospital Rate of Benefit* was set at $15 per week. This represented around 18.6 percent of the single adult rate of the *Unemployment Benefit* ($80.43) or around 13.1 percent of the single rate of *National Superannuation* ($114.68). |
| 11 November 1985 | **Special Annuities: Annual adjustment** | Cabinet agreed that four recipients of *Special Annuities* would have their annuities adjusted (from 1 April 1986) in line with movements in the *Consumer Prices Index.* Other recipients of a *Special Annuity* where that annuity was set at a rate equivalent to a *War Pension*, *National Superannuation* or allowance from the *Government Superannuation Fund* already received regular increases in line with changes to the rates of these payments. At the time, there were in total 23 recipients of a *Special Annuity*.  This decision was based on a case of a *Special Annuity* granted in 1972, which had not been adjusted for inflation. In this particular case, Cabinet agreed to an ex-gratia payment of $10,000 to partly compensation for the erosion of the value of the annuity. |
| 3 December 1985 | **Emergency Benefit: Rates of Emergency Maintenance Allowance** | The maximum rate of the *Emergency Maintenance Allowance* was made equal to the rate of the *Domestic Purposes Benefit* (DPB). |
| 12 December 1985 | **Lump Sum Payment on Death increased** | The value of the *Lump Sum Payment on Death* was increased to $1,200 and the sum payable to a dependent child to $600. The asset limit (value of the estate) was also increased from $6,000 to $10,000.  The amount payable for a funeral of an unmarried person was increased to $600.  Lump sum payments were also made available to persons caring for orphans. When the net assets of a person receiving a lump sum payment on the death of a child are less than $10,000, $600 was payable. |
| 1985 | **Child Care Subsidy: Welfare referral provisions extended** | In special cases the *Department of Social Welfare* was able to pay the full cost of childcare as a preventive family support measure. Implemented to provide assistance where the cost and availability of childcare is placing excessive strain on the family. |
| 1985 | **Family Benefit Advances: Multiple births** | From this time, an advance payment of *Family Benefit* could be made in respect of each child of a multiple birth. |
| 1985 | **Advance Payment of Benefit** | Maximum payment of *Advance Payment of Benefit* was increased to the equivalent of four weeks benefit (previously three weeks). The maximum period of recovery was increased from one to two years. |
| 1985 | **Subsidised Public Sector Work Schemes disestablished** | With the change in Government, the government’s role in direct job creation was reduced. The government shifted its emphasis to creating a more flexible labour market and vocational training.  The subsidised public sector work schemes were disestablished in 1985. From January 1986 the government moved to phase out its fully subsidised schemes and by mid-1987 the number of people on these work schemes had fallen from around 20,000 to only a few hundred.  In their place was the *Job Opportunities Scheme*, (introduced in August 1985) and public sector training schemes were amalgamated under the *Transitional Training Assistance Programme*. |
| 1985 | **Home ownership programmes** | Three new programmes were introduced to assist people into home ownership:   * **Equity Sharing Scheme** – enabled people with lower incomes who were not eligible for other housing loans to be assisted into home ownership. This included previous homeowners and single people aged over 35. Principal features of the *Equity Sharing Scheme* were:   + 17 percent market interest rate charged;   + deposit of at least 10 percent of the purchase price required;   + repayments set at 25 percent of gross income; and   + borrower’s equity as a proportion of the cost of the house was protected, even when interest was capitalised.   From the scheme’s inception in December 1985 to 31 March 1987, 517 *Equity Share Loans* were issued by the *Housing Corporation*.   * **Sweat Equity Scheme** – enabled people who could not contribute a sufficient deposit for a loan, but who had good trade skills and who were able to upgrade an older property. While renting the house from the *Housing Corporation*, the tenant’s effort that was expended in renovating the property became their equity in the house. The *Housing Corporation* acquired houses for use in the scheme. Developers were encouraged not to demolish houses that might be suitable for the scheme. Houses were offered to the *Housing Corporation* through gift or sale. * **Multiple Ownership Housing Contract** – was designed to assist people (predominantly Māori) who had been prevented from obtaining a *Housing Corporation* loan because standard mortgage requirements included the loan being secured on a single land title. The scheme allowed security for a loan to be taken on the house instead of the land. This allowed people in communal settings to build their own homes with the help of a co-operative or a trust. The scheme was piloted in 1986/87 with 47 loans being granted. |
| February 1986 | **Budget ’85 Task Force:**  **Review and Summary** | A report prepared by the *Department of Social Welfare* “*Benefits, Taxes and the 1985 Budget; A Review and Summary*” provided a review of the public participation as part of the *Budget ’85 Task Force* exercise, an analysis of submissions made to the Task Force and an index of all persons and groups who made submissions.  The report found that opinion on the content and style of the March 1985 discussion paper were mixed. Some felt it was comprehensive, readable and useful while others found it too long, too complex and needing simplification or translation. Others felt that detailed options for reform should have been included in the paper. Demand for the paper was high (initial printing of 30,000 and second printing of 20,000).  Overall public interest was very high. Over 1,800 people attended public meetings, hundreds more attending interest group meetings and a total of 1,374 submissions were made.  Issues that attracted a significant number of submissions were:   * the basic benefit (214) * the current system of benefit categories (182) * the age of eligibility (153) * residential requirements for benefits (66) * standardised residential requirements (25) * stand down periods (157) * period of stand down (18) * remote areas provision (31) * youth rates of benefit (134) * age for youth rates (70) * rates for long-term beneficiaries (45) * who should receive higher long-term benefit rates (18) * targeting family assistance (81) * targeting family benefit (181) * asset testing (53) * supplementary benefits (82) * basis of adjustment for all benefits (87) * method of benefit adjustment (206) * regular adjustment of benefit rates (160) * regular adjustment of other items (142) * same type of family assistance for all (109) * assistance for the first child (42) * should child assistance be age related (167) * should the rate of child assistance be based on number of children in the family (70) * should tax concessions be based on the number of children in the family (44) * which agency should deliver child assistance (74) * which agency should deliver income support (127) * improving the process for applying for a benefit (184) * ways of ensuring everyone is aware of the assistance that is available (107) * should all income tested benefits be taxed (174) * taxation of unemployment beneficiaries without children (67) * marginal tax rates (199) * tax treatment of second income earners (63) * tax treatment of a married couple (126) * guaranteed minimum income or negative income tax (187) * tax rebates and exemptions (276) * tax avoidance and evasion (62) * unit of assessment for benefit entitlement (212) * should tax and benefit systems use the same unit of assessment (103) * basis for the level of benefit assistance (87) * relativity between single and married couple benefit rates (82) * what should the relativity be between the single and married rates of benefit (50) * to whom should family assistance be paid through the benefit system (164) * to whom should family assistance be paid through the tax system (85) * should married beneficiaries receive half the married rate (18) * the period of assessment for benefit entitlement and tax liability (48) * the period of assessment for benefit entitlement (72) * the period of assessment for tax liability (19) * assistance for those moving from benefit to employment (37) * benefit income exemption (335) * what should the benefit income exemption be (120) * the reduction in entitlement as income increases (135) * the training incentive allowance (35) * other ways beneficiaries could be helped to move into the paid workforce (116) * relativity between benefits and wages (134) * revising provisions for the disabled (172)   Issues that were of particular concern to groups of unemployed people who made submissions to the Task Force were:   * that the *Unemployment Benefit* for single people was taxed, reducing the amount payable. This was seen as unfair as it was not applied to other benefits, particularly the *Sickness Benefit*, the other short-term benefit for working-age people; * a majority of submissions supported eligibility to the *Unemployment Benefit* from 15 years (the same age as that for eligibility to the *Sickness Benefit* and the *Invalids Benefit*). In addition, most submissions favoured payment of the adult rate from age 18 (not 20 years); * the remote area policy was seen as restricting a person’s right to live where they choose in New Zealand.   The report presented 14 key lessons from the *Budget ’85 Task Force* consultation:   * meaningful public consultation requires sufficient time to allow people to get involved; * effort should be made through Cabinet Committees to co-ordinate various consultation exercises; * it is important to be explicit about the role of public consultation in the decision-making process; * thorough advance planning is needed; * appropriate strategies for public consultation should be developed after discussions with various targeted groups; * deployment of personnel and resources are essential; * personnel should be located within existing organisational systems; * local or interest group affiliations are critical for mobilising groups and individuals; * information and technical assistance are important aids to substantial participation; * translations, abbreviated papers and questionnaires are useful adjuncts to substantial discussion papers; * policy options should be detailed so their implications can be understood; * strategies that strengthen ongoing networks and channels for communication are important; * a variety of communication media should be used; and * flexibility and informality about the form of submissions is a key to widespread submission making. |
| Year ended 31 March 1986 | **Personal Income Tax Rates 1986** | Personal income tax rates were:   * did not exceed $6,000 20c in the dollar * exceeded $6,000 but did not exceed $25,000 33c in the dollar * exceeded $25,000 but did not exceed $30,000 45.1c in the dollar * exceeded $30,000 but did not exceed $38,000 56.1c in the dollar * exceeded $38,000 66c in the dollar |
| 1 April 1986 | **Transition to Work Allowance introduced** | A *Transition to Work Allowance* was introduced, which guaranteed that people in receipt of a benefit for more than 12 months who entered full-time employment would be at least $20 a week better off. The maximum payment of this non-taxable allowance was set at $40 a week, for a maximum period of 13 weeks. |
| 1 April 1986 | **National Superannuation Tax Surcharge: Income exemption increased** | The taxable income exempt from the *Superannuation Tax Surcharge* was increased to $7,200 per annum for a single person and to $6,000 per annum for each partner of a married couple. |
| 1 April 1986 | **Adjustment of National Superannuation and Social Security benefits aligned** | From this time *National Superannuation* and main *Social Security Benefits* were adjusted at the same time (1 April and 1 October each year). Prior to this *National Superannuation* was usually adjusted in March and September, while *Social Security Benefits* had usually been adjusted in January and July. |
| 1 April 1986 | **Job Opportunities Scheme: Special Groups Option** | The *Special Groups Option* under the *Job Opportunities Scheme* was introduced to assist disadvantaged jobseekers (particularly the socially alienation who had no attachment to the workforce) to become self-employed in a group context.  There was an initial wage subsidy of up to $200 per week for up to 24 months (maximum of $20,800 for each eligible person). The group could also receive up to $500 in grants for Business Skills Training (per person) and for Professional Business Advice (per enterprise).  The jobseeker was required to be a member of a group and to intending to work on the project full time. |
| 1 April 1986 | **Job Opportunities Scheme: Development Option** | The *Development Option* under the *Job Opportunities Scheme* provided an initial wage subsidy of up to $325 per week for up to 12 months, with a maximum of $16,900 for each eligible person.  It was targeted at jobseekers who were assessed as having physical or psychological disability, or severely disadvantaged because of social alienation. |
| 1 July 1986 | **Report of the Ministerial Advisory Committee on a Māori Perspective for Social Welfare: *Puao-te-Ata-Tu*** | Known primarily by its Māori name, *Puao-te-Ata-Tu* (daybreak) the Report found the relationship between the State and Māori Communities was one of crisis proportions and that the *Department of Social Welfare* was a highly centralised bureaucracy insensitive to the needs of many of its clients.  The Report recommended the Government adopt a bicultural approach to policy formulation and incorporate the “values, cultures and beliefs” of Māori in the formulation of legislation, programmes and services. It recommended specific amendments to both the *Social Security Act 1964* and the *Children and Young Persons Act* that would better acknowledge Māori beliefs and cultural practices. In recommended consultation with Māori on the introduction of new funding initiatives to promote training and employment and the recruitment practices ensure staff are able to relate to the community, including the needs of Māori and the Māori community. Additional training on cultural issues and tailoring of communications to ethnic groups, including the redesign of public reception areas and simplification of application forms.  The Report recommended that DSW share power and authority over the use of it resources. It recommended that the *Social Security Commission* should be replaced by a *Social Welfare Commission*, made up of a combination of four principal officers of the Department, as well as two representatives from the Ministries of Māori Affairs and Women’s Affairs. As well as policy advice and co-ordination of welfare activities, the Commission would be responsible for annual consultation with representatives of tribal authorities and the appointment and oversight of *District Executive Committees* for each *Social Welfare District Office*, and Management Committees for each Social Welfare Institution. These committees were to be representatives of the local community and iwi groups. They were seen as a mechanism for devolving decision making and authority to local groups.  The Report was signed by the Committee which included the *Director-General* and was adopted in its entirety by the *Minister of Social Welfare* (Ann Hercus) who described the Report “*as amongst the most significant ever presented to a Minister of Social Welfare in this country*”. The changes were embodied in the *Social Security Amendment Act 1987*. |
| 2 July 1986 | **Special Needs Grant Programme: Rural Sector Assistance included** | Provision for *Rural Sector Assistance* was included in the *Special Needs Grants Ministerial* W*elfare Programme*. Unlike standard *Special Needs Grants* that were paid as lump sums, *Rural Sector Assistance* was paid weekly for a specified period. The grants were introduced to assist farming communities suffering financial hardship as a result of an economic downturn and the removal of farm subsidies. |
| July 1986 | **Ministerial Task Force on Income Maintenance** | To continue the work begun by the *Budget ’85 Task Force*, a *Ministerial Task Force on Income Maintenance* (officials from Government Departments with a number of consultants invited by the Minister to give advice) was established to consider reforms to the social security system which could be included in the 1987 Budget.  The Task Force was to inquire into, receive submissions and make recommendations on ways to better integrate social security benefits, *National Superannuation* and other income maintenance systems in New Zealand in order to promote equity and efficiency. In particular, the Task Force was asked to consider:   * the basis on which eligibility to income maintenance is and should be determined; * whether to base entitlement on the individual, the couple, the family, the extended family, or the household; * the level of income maintenance that is and should be provided; * consider the question of portability of payment of social security benefits and National Superannuation in respect of permanent absence from New Zealand; and * any other associated matter that the Task Force regards as assisting the achievement of the goals of benefit reform.   The members of the Task Force were:   * Ted Gallen (DSW) (Convenor); * Don Gray (DSW); * Toni Atkinson (DSW); and * Vivienne Morrison (IRD).   Submissions were due by 30 September 1986 and the Task Force was scheduled to report by April 1987. In all, 2,701 submissions were received, 655 from organisations and 2,046 from individuals [*compared with the 1969 to 1972 Royal Commission on Social Security who received in total 321 submissions*]. |
| July 1986 | **Ministerial Task Force on Social Welfare Services** | A *Ministerial Task Force on Social Welfare Services* (officials from Government Departments with a number of consultants invited by the Minister to give advice) was established to inquire into, receive submissions and make recommendations on the range of social welfare services supported, either directly or indirectly, by the *Department of Social Welfare*. The Task Force would have regard to the need for social welfare services to reflect the statutory responsibilities of the *Department of Social Welfare* to respond sensitively to the needs of individuals, families and communities, and to use available social welfare resources efficiently and effectively.  The members of the Task Force were:   * Jacky Renouf (convenor); * Judy Buchanan; * Juliet Elworthy; and * Linda Jacobs.   Submissions were due by 30 September 1986 and the Task Force was scheduled to report by July 1987. |
| 1 August 1986 | **Home Ownership Account scheme ceased** | From this time no new accounts could be opened under the *Home Ownership Account Scheme*. In October 1986, the *Home Start Deposit Scheme* was introduced to assist low-income people with insufficient savings to get into home ownership. |
| 6 August 1986 | **Unemployment Benefit: Separate payments to each partner** | Payments of *Social Security Benefits* and *National Superannuation* were apportioned equally between each partner of couples in receipt of benefits. This was to be put into effect in time for the October tax changes (which would otherwise raise the tax liability of couples on benefit) and the introduction of *Family Support*, which had to be split between partners in eligible two-parent families. |
| August 1986 | **Ministerial Review into Benefit Fraud and Abuse: Final Report** | The *Ministerial Review into Benefit Fraud and Abuse* released its final report and recommendations.  The Review found that for most persons who engaged in benefit fraud, the likelihood of being detected was low. This was because:   * existing mechanisms for detecting fraud were not being used efficiently; and * existing mechanisms were inadequate in relation to the nature and extent of the problem.   Many beneficiaries knew that if they engaged in fraud, there was a low probability that they would be detected; for most offenders this was an important factor influencing their decision to commit benefit fraud.  The Review also found that there were no real consequences of detection. Few offenders were prosecuted. Most offenders appeared to know that the consequences of detection were likely to be minimal.  Four solutions were proposed:   * establishment of *Benefit Payment Control Units*; * increased penalties; * improved internal checking and control systems (including the extension nationally of matching *Department of Labour Employment Service* records against *Department of Social Welfare* *Unemployment Benefit* records and investigating matching *Department of Social Welfare* records with records of the *Department of Inland Revenue*); and * policy revisions (abolishing the stand down period for the *Unemployment Benefit*, provision for continuation of the *Unemployment Benefit* for one week beyond the date a beneficiary returns to work, and provision to allow for the continuation of benefit support during the formative stages of a relationship).   The Review recommended that an “amnesty” from prosecution be held during the month prior to the introduction to the recommended package of measures, accompanied by a multi-media campaign.  The Review had been established in late 1985, following the release of the *1985 Report of the Department of Social Welfare’s Quality Control Programme*.  In June 1987, as a result of the Review, ten *Benefit Payment Control Units* were established within the *Department of Social Welfare*. A benefit fraud amnesty also operated during May 1987. |
| 1 October 1986 | **Family Benefit: Capitalisation for housing purposes abolished** | The capitalisation of *Family Benefit* was replaced by the *Home Start Deposit Assistance Scheme* administered by the *Housing Corporation*. By this time the value of the *Family Benefit* had significantly declined as the rate had not been increased since 1979. More significant assistance was provided for low income households via *Family Support*. |
| 1 October 1986 | **Home Start Deposit Scheme introduced** | The *Home Start Deposit Scheme* was designed to help low-income people with insufficient savings get into home ownership, though filling the deposit-gap. The Scheme was administered by the *Housing Corporation*.  The scheme replaced the *Home Ownership Savings Scheme*, *Family Benefit Capitalisation* and *Building Suspensory Loans*. Families and people over 26 years of age who were buying or building a first home were eligible for the scheme. A repayable suspensory loan up to a maximum of between $7,000 and $12,000 was available, depending on the applicant’s income and locality. The scheme offered a five-year loan at three percent interest. At the end of the five years, the loan, plus the amount of capitalised interest was required to be repaid in full.  From 1 October 1987, suspended repayment loans of up to $4,000 were introduced to compensate for the effects of the *Goods and Services Tax* on the cost of new houses.  In 1990, the scheme was amended to require regular repayments of interest and capital, and in 1991 the scheme was abolished. |
| 1 October 1986 | **Superannuation Tax Surcharge: Rate reduced** | The *Superannuation Tax Surcharge* rate was reduced from 25c to 18c in the dollar. |
| 1 October 1986 | **Tax Reform**  **GST introduced**  **Personal income tax scale** | A *Goods and Services Tax (GST)* of 10 percent was introduced.  A new three-step tax scale was introduced (replacing the previous five-step scale). Tax rates were:   * $0 to $9,500: 15 percent; * $9,501 to $30,000: 30 percent; and * $30,001 and above: 48 percent. |
| 1 October 1986 | **Main Social Security Benefits: Subject to income tax** | All main *Social Security Benefits* became subject to taxation. There was no change to the level of weekly payments that beneficiaries received in the hand.  Prior to this, only the *Unemployment Benefit* payable to people without children was taxed. |
| 1 October 1986 | **GST compensation for beneficiaries** | Rates of all main *Social Security Benefits* and *National Superannuation* were increased by five percent to compensate for introduction of the *Goods and Services Tax* (levied at 10 percent) on the same date.  The rate of the *Training Incentive Allowance* was increased from $15 to $16 per week. |
| 1 October 1986 | **Social Security Benefits: Income test changed** | The income exemptions and abatement rates for *Social Security Benefits* were changed.  ***Single persons and couples whose partner was not granted a benefit in their own right*:** Income between $50-$80 a week ($60-$80 for those with a dependent child or children) reduced the net benefit by 30c for each $1. Income over $80 a week reduced the net benefit by 70c for each $1.  ***Married persons whose partner is granted a benefit in own right*:** Net benefit reduced by 15c for each $1 between $50-$80 (or $60-$80 for those with dependent children), and 35c for each $1 over $80 a week.  Income was continued to be assessed weekly for the *Unemployment Benefit* and the *Sickness Benefit* and annually for other benefits. The system of computing the income abatement for the *Unemployment Benefit* and the *Sickness Benefit* in 20c rests ceased. From this time abatement was computed on each complete dollar of income. |
| 1 October 1986 | **Transitional Tax Allowance/Income under $9,880 Tax Credit** | The *Transitional Tax Allowance* was introduced as a temporary measure to compensate a small group of workers who would otherwise have been worse off as a result of the *Tax and Social Policy Package* (namely full-time earners without dependent children and on a low income). The *Transitional Tax Allowance* reduced their tax liability by the following:   * on weekly income up to and including $120 ($14); * on weekly income between $120 and $190 ($14, less 20c for each dollar over $120); and * on weekly income of $190 and over (nil).   The *Transitional Tax Allowance* was designed as a temporary measure to allow time for this group of workers to adjust to the new tax settings (eg increase their hours of employment or seek a better paying job).  Subsequently, the Allowance became known as the *Income Under $9,880 Tax Credit*. It was abolished from April 2012. |
| 1 October 1986 | **Principal Income Earner Rebate abolished** | The *Principal Income Earner Rebate* was abolished as it was seen as discriminating against second-income earners, particularly women. |
| 1 October 1986 | **Family Support introduced** | *Family Support* replaced *Family Tax Rebate, Principal Income Earner Rebate, Family Care* and *Child Supplements* for beneficiary and non-beneficiary families.  Maximum rates were $36 for the first child and $16 for subsequent children.  Benefits for parents with dependent children were restructured to give beneficiaries the same level of *Family Support* as that provided to income earners.  Unlike the previous *Child Supplement* and *Family Maintenance Allowance* for beneficiaries, the income of the child was not considered in the assessment of *Family Support*.  *Family Support* was abated at 18c for each $1 above $14,000 (gross annual family income). |
| 1 October 1986 | **Guaranteed Minimum Family Income introduced** | For full-time earners (non-beneficiaries) with dependent children *Guaranteed Minimum Family Income* was $250 net per week or $13,000 per year. To qualify a sole parent had to be working 20 hours per week and a married couple a combined 30 hours per week. |
| 1 October 1986 | **Advance Payment of Benefit: Maximum payment increased** | The maximum payment of *Advance Payment of Benefit* was increased from four to six weeks of benefit. This coincided with a change in legislation allowing landlords to charge up to four weeks bond and two weeks rent in advance. |
| 1 October 1986 | **Orphan’s Benefit: Eligibility extended** | Eligibility to an *Orphan’s Benefit* was extended to a caregiver of an unsupported child where no parent was prepared to maintain that child or could reasonably be compelled to maintain that child and where the caregiver did not qualify for a benefit (other than an *Orphan’s Benefit*) in respect of the child.  This change allowed some children for whom a *Foster Care Allowance* was being paid to transfer to the *Orphan’s Benefit*. |
| 28 October 1986 | **Emergency Benefit: Cash asset limits increased** | Cash asset limits for the *Emergency Benefit* were increased to:   * $2,500 for single people; * $5,000 for married couples and sole parents. |
| 30 October 1986 | **Royal Commission on Social Policy established** | The *Royal Commission on Social Policy* was established to undertake a nation-wide inquiry designed to set social policy goals and to recommend what needs to be done to make New Zealand a more fair and just society. The terms of reference included that:   * the *Royal Commission* will inquire into the extent to which existing instruments of policy meet the needs of New Zealanders and report on what fundamental or significant changes are necessary or desirable in existing policies, administration, institutions or systems to secure a fairer, humanitarian, consistent, efficient and economical social policy; and * the *Royal Commission* will report on the extent to which New Zealand meets the standards of a fair society and the main reasons New Zealand falls short of any of these standards….and any associated matter that may be thought by the Commission to be relevant to the general objects of the inquiry.   The members of the *Royal Commission* were:   * Rt Hon Sir Ivor Richardson (Chairman); * Ann Ballin (Member); * Marion Bruce (Member); * Len Cook (Member); * Mason Durie (Member); and * Rosslyn Noonan (Member).   The first meeting of the *Royal Commis*sion took place in February 1997. In order to provide direct access to members of the Commission, two rounds of public meetings were arranged in local communities. At the first round of meetings approximately 4,000 people attended, while others were represented through umbrella and national organisations. Written and oral submissions could be put before the Commission at the meetings or presented privately to one of the Commissioners. An elaborate system of submissions was developed whereby the Commission not only accepted written submissions, but also acknowledged messages recorded on tape, as well as those presented orally at meetings. A fund was available to assist individuals and groups to prepare submissions and a free phone for women was established, where women were encouraged to give their submissions directly over the phone. Government departments and larger institutions were also invited to submit papers on particular issues.  The deadline for submissions was December 1987, by which time close to 6,000 submissions had been presented. The *Royal Commission* presented its report in April 1988. |
| November 1986 | **Distant Job Search Grant** | The *Distant Job Search Grant* was paid by the *Department of Labour* to jobseekers who wished to investigate realistic employment opportunities outside of their local area. They must have been registered as unemployed for at least four weeks. The grant covered travel and accommodation expenses up to a maximum of $100 for jobseekers and their immediate family. |
| 31 December 1986 | **Family Benefit: Age of eligibility reduced** | *Family Benefit* was payable for children under the age of 15 years (reduced from 16 years), if the child remained at school. |
| February 1987 | **Minimum wage increased** | The *Minimum Wage* was increased to $5.25 an hour before tax ($210 for a 40-hour week). This represented approximately 53 percent of the average ordinary time weekly wage. It applied to people 20 years of age and over and not undertaking training in certain trades or professions. |
| Year ended 31 March 1987 | **Personal Income Tax Rates 1987** | * Did not exceed $6,000 17.5c in the dollar * Exceeded $6,000 but did not exceed $9,500 24c in the dollar * Exceeded $9,500 but did not exceed $25,500 31.5c in the dollar * Exceeded $25,500 but did not exceed $30,000 37.55c in the dollar * Exceeded $30,000 but did not exceed $38,000 52.05 in the dollar * Exceeded $38,000 57c in the dollar   Note: These were composite rates, following the introduction of the “three-step” tax scale in October 1986. |
| 1 April 1987 | **Family Support: Abatement threshold increased** | The *Family Support* abatement threshold was increased from $14,000 to $15,000 a year. An abatement rate of 18c in the dollar applied on gross income above this level. |
| 1 April 1987 | **National Superannuation Tax Surcharge: Income exemption increased** | The taxable income exempt from the *Superannuation Taxation Surcharge* was increased to $7,800 per annum for a single person and to $13,000 for a married couple. |
| 1 April 1987 | **Ministerial Task Force on Income Maintenance**  **Report submitted to the Minister of Social Welfare**  **Social Security Benefits**  **National Superannuation**  **Levels of Social Security**  **Other Issues**  **War Pensions** | The Report of the *Ministerial Task Force on Income Maintenance* was submitted to the *Minister of Social Welfare.*  The Task Force focused on improvements to the current social security system, income tested war pensions and *National Superannuation*. Consideration of issues such as funding from general taxation or a contributory system were seen as the domain of the *Royal Commission on Social Policy* where they could be examined alongside health benefits and other social service provisions.  The proposals put forward by the Task Force reflected an expectation that expenditure on social security would be contained within existing financial allocations (i.e. fiscal neutrality). The submissions highlighted an inability of the system to respond and deliver in accordance with people’s expectations. Specifically:   * the categorisation of people by cause and the opportunity for discrimination; * the lack of information on rights and entitlements; * the complexity of provisions and difficulty understanding their application; and * concerns at delays in receiving payments.   The Task Force recommended reform that aimed to:   * ensure fair treatment on the basis of need without labelling; * provide simpler, readily understood entitlements, and clear signals as to what may be expected; * provide entitlements at a level which enabled recipients to belong to and participate in the community; * make the income support system more dynamic, so that it better complemented labour force participation and discouraged long-term benefit dependency by people who have work options available to them; * set in place a new system of income support which is sustainable now and in the future.   **Social Security Benefits**  The Task Force recommended:   * a standard statutory social security entitlement for people who were unable to be part of the full-time labour force due to sickness, injury or disability, the need to care for a dependent child without the support of a spouse or partner, or an inability to find suitable work while making going efforts to seek work; * a discretionary transitional allowance with flexible conditions set by policy guidelines for people who did not meet the criteria for social security and for some good reason had no adequate means of support; * stardardising the age of eligibility for social security at 18 years; * standardising the residence test at one year’s residence; * standardising commencement dates with a one week stand down (with discretion to waive in cases of hardship); * standardising payment arrangements on a fortnightly basis; * removing the deferment of grant in respect of holiday pay received by the unemployed; * removing the high income stand down for the unemployed; * removing the loss of earnings provision for the unemployed and the sick; * payment of social security subject to a work test; * removing the woman alone provisions in the *Widows Benefit* and *Domestic Purposes Benefit* and replacing them with a transitional allowance for up to two years after the youngest child ceases to be dependent to enable the parent to undertake training for employment; * an income exemption of $100 per fortnight ($120 for those with dependent children); * amalgamating the *Training Incentive Allowance* and *Rehabilitation Allowance* into a single training supplement of $16 per week; * provision for social security and transitional allowance entitlements to be withdrawn were a person refuses to undertake an approved programme of rehabilitation or training * for sole parents and disabled persons who have been receiving social security for two years or more continuously, a gratuity of two months social security paid where the person has returned to full time employment and held the job for six months.   **National Superannuation**  The Task Force recommended:   * the retention of the tax surcharge on other income; * that that legislation and taxation of private superannuation schemes be reviewed; and * rates of *National Superannuation* be adjusted in constant relation to social security levels; * simplifying the residence test so that a person is required to have lived in New Zealand for 10 years since age 18, of which five years have been since the age of 50; * portability of *National Superannuation* to people who left New Zealand for permanent residence overseas, restricted to a person who had lived in New Zealand for 20 years since age 18, five of them since age 50 and with payment made at 40 percent of the standard gross rate.   **Levels of Social Security**  The Task Force recommended:   * that as a first step to relating social security and *National Superannuation* rates to the household (rather than marital status) research be undertaken in the relative costs of unmarried people living in shared accommodation; * that the rate of social security payable to a sole parent with one child (excluding family support) be reduced to 75% of the married couple rate; * the $18 per week deficit in social security rates for couples with children be made up as real wage growth is achieved; * rates of *National Superannuation* be linked to social security rates with a constant margin; * that a married person who qualifies for *National Superannuation* but whose spouse does not, should no longer have the option of receiving the single person rate; * concessions on telephone rentals, state insurance office premiums and local body rates relief for social security recipients be withdrawn in favour of rate adjustments; * indexation of the married couple social security rate be in six monthly adjustments based on movements in the consumers price index and the benchmark rate be subject to a floor of 65 percent of the net average ordinary time weekly wage and a ceiling of 77 percent of the net average ordinary time weekly wage; * indexation of *National Superannuation* to follow the same process except that the ceiling for the benchmark rate be 80 percent of the net average ordinary time weekly wage; * adjustments be made on 1 April and 1 October based on the Consumer Price Index movements for the six-monthly periods to 31 December and 30 June respectively and average wage movements reported in the November and May Quarterly Employment Surveys; and * the following provisions be indexed in line with the social security benchmark on an annual basis from 1 April: rates and abatement thresholds for family support; level of guaranteed minimum family income; hospital rate of payment; handicapped child’s allowance, disability allowance.   **Other Issues**  The Task Force recommended:   * that to make work more viable for sole parents the welfare-based childcare subsidy be extended to meet 2/3rds of the childcare expenses of sole parents in full-time employment and that assistance towards the cost of after-school care and holiday care of children under age 13 be extended to sole parents in full- time employment; * to make employment a more viable option for people with a severe disability, the *Disability Allowance* for severely permanently disabled people aged 18-59 be paid at the maximum rate of $30 per week without regard to income and individual determination of costs; * rename the *Disability Allowance* as the *Disability Supplement* for persons with other than a severe disability or aged over 60 years; * an extra care supplement to assist with the additional costs of care required by severely disabled people and frail elderly (absorbing the accommodation benefit, special benefit and special rest home subsidy payable to people in residential care); * a carers supplement of $22 per week payable to a spouse aged 18-59 required to provide ongoing full-time care to a severely disabled or sick spouse, where the couple are dependent on social security; * assistance through the home help scheme for carers affected by the withdrawal of the domestic purposes benefit for caregivers; * removal of the differential rate for married unemployment beneficiaries with dependent children; * adult rates of unemployment benefit to be paid from age 18, rather than age 20; * payment of a transitional allowance to encourage people aged 15-18 to pursue their education or take training, with the rate dependent on circumstances.   **War Pensions**  The Task Force acknowledged the importance that ex-service personnel attached to the identification of their income support payments with their war service.  The Task Force recommended:   * that current war economic pensions, war veterans and ware service pensioners over the age of 60 years be transferred to ‘Veterans Superannuation’ paid at the same rate and under the same general conditions as National Superannuation; * that ‘Veterans Superannuation’ be payable at the *National Superannuation* rate to ex-servicemen under age 60 on the same basis as the war service pension was currently * payable; * other war pension provisions analogous to the social security act be withdrawn and their recipients paid the appropriate social security payments; * basic war disablement, war widows pensions and fringe benefits remain unchanged; and * the gratuity and pension on death provisions for those transferred to ‘Veterans Superannuation’ be preserved by converting the entitlement to a lump sum payable on death.   The Report was published in December 1987 titled: “*Benefit Reform: The Next Steps*”. The *Ministerial Task Force on Income Maintenance* and the *Ministerial Task Force on Social Services* responded to a perceived need for co-ordinating the many different views and the preparation of coherent reports on well-defined and limited areas that the *Royal Commission on Social Policy* would be unable to do. Some commentators saw a hidden agenda in this whereby power over social policy issues was transferred back to the bureaucracy and the politicians. |
| May 1987 | **Rest Home Subsidy Scheme: Asset thresholds increased** | Asset thresholds were increased to $2,500 for a single beneficiary and $5,000 for a married couple. |
| May 1987 | **Benefit fraud amnesty** | As a result of the *1986 Ministerial Review into Benefit Fraud and Abuse*, new measures were put in place to combat benefit fraud (see below). Prior to the commencement of new measures in June 1987, a benefit fraud/overpayment amnesty ran for the month of May 1987. The amnesty guaranteed no overpayments would be established or prosecutions initiated for beneficiaries who surrendered their benefits. |
| 1 June 1987 | **Benefit Payment Control Units established** | Following the *1986 Ministerial Review into Benefit Fraud and Abuse*, ten *Benefit Payment Control Units* (BPCUs) were established within the *Department of Social Welfare*. The purpose of units was to investigate allegations of benefit fraud, run detection programmes, administer penalties and initiate prosecutions. |
| 19 June 1987 | **Farm Ownership Savings Scheme: No new accounts could be opened** | An amendment to the *Farm Ownership Savings Act 1974* provided that no new accounts could be opened. Existing savers could continue to operate their accounts and receive subsidies. |
| 23 June 1987 | **Accommodation Benefit**  **re-structured** | The *Accommodation Benefit* and *Accommodation Benefit (Special)* were combined into a single *Accommodation Benefit*.  **For non-beneficiaries, eligibility was restricted** to those working 20 hours per week or more or for a married couple a combined total of 20 hours per week or more. Non-beneficiary homeowners continued to be excluded from assistance.  **The minimum accommodation costs** applying to married couples and sole parents were set at 25 percent of the net married couple rate of the *Invalids Benefit*. For single beneficiaries the minimum accommodation cost was set at 60 percent of that applying to married couples and sole parents. The 25 percent threshold was phased in the following manner: 20 percent from June 1987, 22.5 percent from 1 October 1987 and 25 percent from 1 April 1988.  **Accommodation costs** for boarders were set at 2/3rds of board costs.  **For married couple and sole parent homeowners** the minimum accommodation costs were set at 30 percent of the net married couple rate of the *Invalids Benefit*. For single homeowners the minimum accommodation costs were set at 60 percent of those applicable to families.  **The maximum level of the accommodation benefit** applying to married couples and sole parents was set at 25 percent of the net married couple rate of the *Invalids Benefit*. For single beneficiaries, the maximum rate was set at 60 percent of that applying to married couples and sole parents or $40 whichever was the larger (until 1 April 1990). **From June 1987 the maximum rates were $59 per week for couples and sole parents and $40 per week for single people**.  **The subsidy rate** was reduced in stages from 2/3rds of the excess costs to a 50 percent subsidy. It was fully phased in by 1 November 1988.  **Asset exemptions** were introduced at $2,500 for single beneficiaries and $5,000 for married couples and sole parents. [These represented the asset limits for the *Emergency Benefit* at the time.] Each $100 of cash assets in excess of these levels counted as $1 per week of income. [*Note the asset limits were introduced in November 1988.*]  **For beneficiaries and those receiving *National Superannuation*, entitlement was abated** by 25c in respect of each $1 of gross additional income up to $80 per week. For beneficiaries, any remaining benefit was retained as long as the main benefit was payable. For superannuitants, any remaining benefit was retained as long as their income was below the applicable cut-out point for the *Invalids Benefit*. For non-beneficiaries the benefit was abated by 25c for every dollar of gross income earned in excess of the following: $273.00 per week for sole parents/couples and $164.00 per week for single people. This produced the following cut out points: sole parents/couples $504.00 per week and single people $322.00 per week.  **Accommodation Benefit was not payable** to new applicants whose accommodation costs included rent or mortgage payments to the *Housing Corporation of New Zealand*. |
| 23 June 1987 | **Social Security Commission abolished** | The *Social Security Commission* was abolished. Its powers and functions were taken over by the *Director-General of Social Welfare*. |
| 23 June 1987 | **Social Welfare Commission, District Executive Committees, Area Welfare Executive Committees and Institution Management Committees established** | The *Social Security Amendment Act 1987* established a new governance structure to replace the *Social Security Commission*. Though a centralised Government department, the *Department of Social Welfare* operated at a local and community level, with around 80 social welfare offices throughout New Zealand. The new governance structure was intended to devolve decision making and authority to local groups. The new structure had been recommended in the 1986 Report of the *Ministerial Advisory Committee on a M*ā*ori Perspective for Social Welfare (Puao-te-Ata-Tu* or daybreak).  *Social Welfare Commission*  The *Commission* consisted of:   * the *Director-General of Social Welfare* (presiding member); and * eight members appointed by the Minister (three officers of the *Department of Social Welfare* and five people appointed after consultation with the *Minister of Māori Affairs*, *Minister of Pacific Island Affairs* and *Minister of Women’s Affairs*.   The members were:   * J. W. Grant (Director-General); * R. G. Laking (Deputy Director-General); * A. Nixon (Assistant Director-General); * D. Preston (Assistant Director-General); * M. Szazy (community member); * A. Rasmussen (community member); * Dr N. Hopa (community member); * Dr V. Levett; (community member); and * V. Smith (community member).   The *Commission* had the following functions:   * on its own initiative or at the request of the Minister to advise the Minister on the preferred development of changes in policy and the best methods of co-operation with and co-ordination of, welfare activities with community organisations, government departments, state corporations and agencies, local authorities and advisory bodies including hapu and iwi and other ethnic groups; * to consider the best means of carrying out government policy for social welfare programmes or social security benefits and give written directions to the *Director-General* on the administration of policy; * to recommend in writing to the *Director-General* guidelines to assist the *Director-General* in exercising the powers, functions and discretions to be exercised by the *Director-General* under any act administered by the *Department of Social Welfare;* * to consult at least once every 12 months with iwi in a national hui; * to allocate funds to *District Executive Committees*, *Area Welfare Executive Committees* and *Institution Management Committees* (after consultation with those committees on the priorities they have agreed for the expenditure of funds); and * generally, to consider and advise on any other matter which assists the administration of the department or that the Minister requests.   *District Executive Committees and Area Welfare Executive Committees*  Forty-five *District Executive Committees* (one in each district office) and two *Area Welfare Committees* were established. Each Committee consisted of:   * the district Director of the *Department of Social Welfare*; * the district Director of the *Department of Māori Affairs* or nominee; and * not less than three or more than seven members who were resident in the district and appointed by the Minister after consultation with the *Minister of Māori Affairs* and Māori people of the district.   The functions of the Committees were:   * to recommend to the *Director-General of Social Welfare* and the *Social Welfare Commission* how to best provide the statutory services for the *Department of Social Welfare* in the district; * to monitor and from time to time review the effectiveness and appropriateness of the Department’s services in the district; * generally, under the direction of the *Commission* to assess specific family and community welfare projects and, in consultation with iwi and other relevant community organisations recommend to the Commission and order of priority for funding projects; and * to allocate funds among persons or organisations performing specified approved social welfare services.   *Institution Management Committees*  Seven *Institution Management Committees* were established (one for each of the Children’s Residences established under the *Children and Young Persons Act 1974*). Each Committee consisted of:   * a member appointed by the Minister on the recommendation of the *Director-General*; * a member appointed by the Minister on the recommendation of the *Secretary for Māori Affairs*; and * not less than three or more than seven appointed by the Minister after consultation with the *Minister of Māori Affairs* and iwi and relevant community organisations.   The Principal of the institution was an ex-officio member of the Committee but could not vote on any matter decided by resolution of the Committee.  The functions of the Committees were, under the direction of the *Social Welfare Commission* to:   * direct the policy under which the institution was administered by the Principal; * to prepare budgets for the operation of the institution for the approval of the *Commission* and to allocate physical resources and personnel with those approved budgets; * to make recommendations to the *Director-General* on the appointment of staff for the institution; * to oversee the programmes used by the institution to ensure that they met the social and cultural needs of the children and young persons in the institution; and * to recommend to the *Commission* and the *Director-General* how best to divert children and young persons from the institution into appropriate care and control in the community.   The *Social Welfare Commission* and the associated committee structure was restructured on 1 April 1990 and dis-established altogether on 1 April 1991. |
| 23 June 1987 | **District Review Committees established** | *District Review Committees* were established to review decisions made by the *Department of Social Welfare* on benefit entitlements. Prior to this, an applicant who was unhappy with a decision made by an officer of the Department could request the *Social Security Commission* to undertake a review of that decision.  *District Review Committees* were established for each office of the *Department of Social Welfare* and consisted of one appointed member of the *District Executive Committee* (appointed by the District Executive Committee represent the interests of the community) and two officers of the Department appointed by the Director of the district.  An applicant who was unhappy with a decision of the Department was required to apply in writing for a review of the decision, within three months of receiving notification of the decision. The *District Review Committee* was required, as soon as practicable after receiving an application for a review, to review the decision. In accordance with the *Social Security Act 1964,* the Committee could confirm, vary or revoke the decision.  The Committee was required to give written notice of their decision and the reasons for their decision as well as advising the applicant that they had the right of appeal to the *Social Security Appeal Authority*. |
| 23 June 1987 | **Domestic Purposes Benefit: Exclusion clause where liable parent not identified** | An amendment to the *Social Security Act 1964* provided that where a recipient of the *Domestic Purposes Benefit* failed to identify in law the other parent, the benefit would not be reduced if there was insufficient evidence to establish the identity of the other parent or the process of identifying the other parent would jeopardise a stable family relationship of which that person was a part, or the child was conceived as a result of sexual violation or incest.  The amount by which the *Domestic Purposes Benefit* was to be reduced in respect of each child whose other parent had not been identified was set to equate to the maximum amount of *Family Support* payable in respect of the first additional child. At the time this was $16 per week. |
| 23 June 1987 | **Family Benefit and Family Support: Payment where spouses separated** | Provision was made for the *Family Benefit* and *Family Support* to be split between spouses, where the spouses were separated. Prior to this only one spouse could receive these payments. The *Family Benefit* was paid in proportion to the amount of time the child spent with each parent |
| 23 June 1987 | **Widows Benefit: Eligibility extended** | Eligibility for the *Widows Benefit* was extended to include women whose de-facto husbands had died. |
| June 1987 | **Job Opportunities Scheme: Training in Employment** | A change to *Job Opportunities Scheme* was made to improve the skill levels of disadvantaged job seekers by subsidising on-the-job training when entering employment.  Employers who provided supervised, formal training (set out in a written plan) could receive up to $30 per week for a maximum of 13 weeks, in addition to the wage subsidy payable under the *Job Opportunities Scheme.* |
| July 1987 | **Report of the Ministerial Task Force on Social Welfare Services** | The Report of the *Ministerial Task Force on Social Welfare Services* was released. The Report: “*Social Welfare Services: The Way Ahead*” set out a framework for the development of comprehensive and co-ordinated social welfare services that meets the needs of consumers for equitable, accessible and responsive services and the requirements of Government that services are efficient and effective. The report outlined policy directions and suggested procedural and administrative reforms. |
| July 1987 | **Ministerial Administrative Review of the Department of Social Welfare** | As part of the 1987 Budget, a *Ministerial Administrative Review of the Department of Social Welfare* (DSW) was announced, along with reviews of the Health, Education, Defence and Housing Departments.  The report of the *Ministerial Review Committee* into DSW was released in December 1987. |
| 1 October 1987 | **Liable Parent Contribution Scheme: Minimum contribution and change to the definition of income** | The minimum contribution was reduced from $15 to $5 per week. The maximum contribution could not exceed the amount of the *Domestic Purposes Benefit* that was payable.  From this time the liable parent contribution was assessed on the basis of weekly income. This replaced the narrower definition of ‘gross earnings’ or taxable income. |
| 1 October 1987 | **Domestic Purposes Benefit: Standardisation of eligibility criteria** | The difference in respect of maintenance requirements between a *Domestic Purposes Benefit* granted before and after 1 April 1981 was removed. All cases granted before 1 April 1981 that were still being paid were reassessed in terms of the current criteria. They were transferred progressively over 12 months. Current maintenance orders or agreements were suspended and the other parent was established as a liable parent under the *Liable Parent Contribution Scheme.*  It was no longer necessary for an applicant to identify the other parent in law before the statutory *Domestic Purposes Benefit* could be granted, although the benefit rate was reduced where the other parent had not been identified in law. This amendment resulted in most recipients of the *Emergency Maintenance Allowance* qualifying for the *Domestic Purposes Benefit*. |
| 1 October 1987 | **Domestic Purposes Benefit: Solo fathers eligible for the benefit** | A solo father caring for one or more dependent children, who were not being cared for by their mother, became eligible for the *Domestic Purposes Benefit*. Prior to this, a solo father could only qualify for the *Domestic Purposes Benefit* if he had lost the support of a wife by death, divorce or some other cause. |
| 1 October 1987 | **Liable Parent Contribution Scheme: Exemption removed** | When the *Liable Parent Contribution Scheme* (LPC Scheme) was introduced in April 1981, *Domestic Purposes Benefits* granted prior to this time were exempt from the scheme and the previous provision around maintenance orders applied. The exemption was removed and the requirements of the LPC Scheme were applied to previously exempt beneficiaries from the time of their next benefit review. |
| 5 October 1987 | **Special Annuities: Taxation status** | Prior to April 1982, *Special Annuities* were tax exempt. In 1981, an amendment to the *Income Tax Act* had the unintended consequence for removing the tax-exempt status of *Special Annuities*.  In October 1987, Cabinet agreed that:   * all *Special Annuities* be retrospectively made tax exempt for the period 1 April 1982 to 31 March 1988; * *Special Annuities* be exempt from income tax, unless specified as taxable by Cabinet; and * from 1 April 1988, *Special Annuities* specified as taxable by Cabinet, be taxed in the same manner as income-tested benefits (i.e., grossed-up to a pre-tax equivalent in order to leave the net amount unaffected).   At the time there were 23 *Special Annuities* being paid for a variety of reasons. As a result of this decision, five *Special Annuities* (that were paid at an equivalent rate to an income-tested benefit) were identified as taxable.  *Special Annuities* were individual grants approved by Cabinet that were paid by the *Department of Social Welfare* to persons:’   * who because of their own service or that of their immediate relatives, had some claim on the Crown for support; and * to whom it was not possible to grant a pension or benefit under the War Pensions or Social Security legislation. |
| October 1987 | **Rest Home Subsidy Scheme: Extended nationwide** | As a result of growing pressure on the public health system, the *Rest Home Subsidy Scheme* (introduced in 1970) was extended to all *Hospital Board* areas. |
| 1 November 1987 | **Accommodation Benefit: Some maximum rates increased** | The maximum rate of the *Accommodation Benefit* for couples and sole parents increased by $3 to $61 per week and the maximum rate of single people remained at $40 per week. The change was consequential to the increase in benefit rates to which the maximum levels were linked. There was no change for single people, as the $40 maximum was grandparented until the new formula implemented in June 1987 determined a level above $40. |
| 4 November 1987 | **Emergency Benefit: Cash asset limits increased** | Cash asset limits for the *Emergency Benefit* were increased to:   * $2,650 for single people; and * $5,500 for married couples and sole parents. |
| December 1987 | **Report of the Ministerial Task Force on Income Maintenance** | The Report of the *Ministerial Task Force on Income Maintenance* was publicly released. The Report: “*Benefit Reform: The Next Step: Report to the Minister of Social Welfare for the 1987 Budget.*  The Report had been submitted to the *Minister of Social Welfare* in April 1987 (see above). |
| December 1987 | **Report of the Ministerial Review Committee on the Department of Social Welfare** | The Report of the *Ministerial Review Committee* argued that the Department was staffed by committed and competent people at all levels, but limited by a variable management capacity and by structural constraints. It recommended that the Department apply a range of measures internally to strengthen management practices and systems, to promote efficient service delivery and control the organisation more effectively.  *The Department, like many other public service departments, has been staffed by administrators rather than managers. This is changing, but there is a legacy of centralised, bureaucratic control emanating from the State Services Commission. We believe that a participatory ‘team’ approach with decentralised decision making is more likely to create the management philosophy we consider appropriate for the Department.*  While the Review supported the decentralisation and delegation process of 1986 and 1987, it argued that the move to decentralised decision making needed to be implemented alongside clear performance expectations and measures of accountability. |
| 1987 | **ACCESS Training Scheme introduced** | *ACCESS*: - A single training scheme replaced a number of existing schemes, including the *Transitional Training Assistance Programme*. Participants were paid a non-taxable training allowance (by the *Department of Labour*) at a similar level to the after-tax rate of the *Unemployment Benefit*.  *ACCESS* provided technical institute, community-based and work-based vocational training for disadvantaged job seekers. Courses varied between four and 52 weeks and included life-skills, vocational training programmes and work-based training.  The *ACCESS* scheme placed an emphasis on decentralised and devolved decision making. Managed by a network of *Regional Employment and Access Councils* (REACS) to ensure that training provided is matched to local labour market needs. Targeting favoured the disadvantaged in the labour market, by providing a larger grant to organisations who provided training for the most disadvantaged.  *ACCESS* was introduced on a region by region basis throughout 1987.  The purpose of ACCESS was to target individuals with the skills they needed to enter employment or further education or training. |
| 1987 | **MACCESS Training Scheme introduced** | This scheme was similar to *ACCESS* but targeted predominantly to Mäori, especially the young. *MACCESS* was delivered by 23 tribal/regional authorities who funded courses to meet the needs of the target group and the local labour market.  *MACCESS* was operated and funded by the *Ministry of Mäori Affairs*. |
| 1987 | **Contract Work Scheme abolished** | The *Contract Work Scheme* (established in 1982) was abolished. This followed concerns as to the Scheme’s financial arrangements and its labour-intensive methods.  Concerns had also been raised in the March 1987 Report of the *Ministerial Committee of Inquiry into Violence* (the Roper Report) as to the involvement of organised gangs in the *Contract Work Scheme*.  Existing contracts were phased out by 30 June 1988. |
| 1987 | **Benefit Advances: Costs of attending funerals** | *Advance Payment of Benefit* was made available to assist with the cost of attending a funeral or tangihanga which was being held outside the district in which a person lives. Advances were also approved where clients are attending a gathering of extended family to discuss the welfare of a child of that family. |
| February 1988 | **Minimum wage increased** | The *Minimum Wage* was increased to $5.625 an hour before tax ($225 for a 40-hour week). This represented approximately 51 percent of the average ordinary time weekly wage. It applied to people 20 years of age and over and not undertaking training in certain trades or professions. |
| March 1988 | **Special Needs Grants: People stranded away from home.** | The provision to make *Special Needs Grants* to people stranded away from home were tightened in response to adverse media attention indicating misuse of these grants. |
| March 1988 | **Disaster Recovery Employment Scheme** | In response to Cyclone Bola, the Government implemented the *Disaster Recovery Employment Scheme* to assist with the recovery on the East Coast of the North Island. |
| Year ended 31 March 1988 | **Personal Income Tax Rates 1988** | Personal income tax rates were:   * did not exceed $9,500 15c in the dollar * exceeded $9,500, but did not exceed $30,000 30c in the dollar * exceeded $30,000 48c in the dollar |
| 31 March 1988 | **National Housing Commission dis-established** | The *Finance Act 1987* dis-established the *National Housing Commission*. The Commission had been established in 1972 as an independent statutory body to investigate, comment on and advise on all matters relating to the provision of dwellings in New Zealand, following a recommendation of the *1971 Commission of Inquiry into Housing*.  At 31 March 1988, the Commission had the following Ministerially appointed members:   * Ewing Robertson (Chairman); * Keith Clement; * Prue Hyman; * Richard Sutton; * David Thoms; and * Ashley Russ.   Departmental members from the *Housing Corporation of New Zealand* were:   * Ron Kelly (Director-General); and * Don Cattanach (Assistant Director-General).   The Commission had published five-yearly reports on Housing in New Zealand – 1978, 1983 and 1988 as well as numerous research papers on wide range of housing-related topics. In addition to the five-yearly reports, annual reports were provided to the *Minister of Housing* along with letters of advice and personal presentations. In its final five-yearly report, the Commission presented a series of recommendations on the direction of housing policy and suggestions for the future handling of housing advice, co-ordination and research. This included:   * to deal urgently with serious and apparently increasing housing need, particularly that of rural Māori; * to alleviate the problems of affordability for low to modest income families; * to provide support and housing for the disabled, de-institutionalised and elderly in the community; * to support emergency housing especially for victims of violence and ‘second-chance’ loans for former homeowners in need; and * to continue incentives to local government and maintain co-operation with other groups.   The Commission recommended the continuation of direct delivery of housing, in the form of state rental and assistance towards ownership, rather than income supplementation or other indirect measures.  The Commission concluded:   * *Amongst the reasons for setting up the Commission, was the need to provide independent and expert advice to the Minister of Housing, by people with a wide range of community experience. This need will not go out of existence with the Commission. Future Government will have to provide for it, or the quality of housing advice they receive will suffer* (page xii). |
| 1 April 1988 | **Tax concessions for retirement savings withdrawn** | Tax concessions on contributions to private and occupational pension or superannuation schemes were abolished as were the tax concessions to the superannuation funds themselves. The funds were required to pay standard company tax rates. Private superannuation paid out from fully taxed funds was tax free for recipients. For the purpose of the *Superannuation Tax Surcharge* only half of any private pension was counted as income. |
| 1 April 1988 | **Taxation of dividends: Imputation Tax Credits introduced** | Imputation allowed the integration of the personal and company tax systems with respect to company income distributed as dividends. Imputation allowed for a credit of tax paid by the company on that income and eliminated double taxation of profits. |
| 1 April 1988 | **Low- income Earner Rebate introduced** | A *Low-income Earner Rebate* on the first $9,500 of income was introduced.  The *Low-income Earner Rebate* applied in respect of tax on income derived in the tax year commencing 1 April 1988, with the tax year ending 31 March 1989 being a transition year two a new two-step tax scale.  From 1 April 1989, the *Low-income Earner Rebate* reduced the rate of tax on the first $9,500 of income from 24c in the dollar to 15c in the dollar. On income that exceeded $9,500 the Rebate was clawed-back at a rate of 4c in the dollar.  A new the two-step tax scale introduced from 1 April 1989 and along with the *Low-income Earner Rebate*, effective tax rates from 1 April 1989 were:   * did not exceed $9,500 15c in the dollar * exceeded $9,500, but did not exceed $30,875 28c in the dollar * exceeded $30,875 33c in the dollar |
| 1 April 1988 | **Benefit rates increased** | After tax rates of main *Social Security Benefits* were increased by 3.68 percent to reflect the increase in the cost of living. |
| 1 April 1988 | **Accommodation Benefit: Some maximum rates increased** | The maximum rate of *Accommodation Benefit* for couples and sole parents increased by $2 to $63 per week and the maximum rate of single people remained at $40 per week. The change was consequential to the increase in benefit rates to which the maximum levels were linked. There was no change for single people, as the $40 maximum was grandparented until the new formula implemented in June 1987 determined a level above $40. |
| 18 April 1988 | **Report of the Royal Commission on Social Policy (the April Report) released**  **Social Security Benefits**  **Superannuation**  **Accident Compensation Scheme**  **Conclusion** | *“Royal Commissions are a long-established feature of New Zealand political life, a way in which difficult issues can be parked for some time, and then quietly forgotten. The grand-daddy of the latter was the 1988 Royal Commission on Social Policy which produced five massive volumes. Most of them famously remained in their wrapping”*. [*Royal Commissions – Famously Unread*, Michael Field, Fairfax Media, 25/03/2009]  The *Royal Commission’s* comments on, and proposals for, the social security system as a whole – that is, its funding, provisions, coverage and delivery – were scattered throughout the *April Report*. The starting point of the Commission’s approach was explained in one short and pertinent sentence: “We are satisfied that the social security system has served this country well for 50 years” (RCSP 1988 II:747). The Commission, therefore, rejected the neo-liberal demand to abolish or to privatise social security, just as it also rejected – on the grounds of cost – radical calls for the replacement of all benefits by a guaranteed minimum income for all people (RCSP 1988 II:741-742, III(2):439−440.). It wanted to improve the social security system and consequently made eight major recommendations:   * income tested benefits should be divided into short-term (*Sickness Benefit* and *Unemployment Benefit*) and long-term (*Domestic Purposes Benefit, Invalids Benefit* and *Widows Benefit*); * the abatement of benefits for other income should be less restrictive for long-term benefits than for short-term ones; * the present levels of benefit should not be eroded; * the level of *Unemployment Benefit* for adults without children should be brought to the same level as other benefits; * benefit levels should be regularly adjusted in accordance with movements in after-tax wage levels; * widows and domestic purposes beneficiaries who at some point cease to have the care of dependent children should be catered for by other benefits for which they are eligible; * there should be a standard individual rate of benefit at half the married couple rate plus an additional 20 percent of the benefit for persons living alone; and * the basis of entitlement for two-adult families should move to individual entitlement. (RCSP 1988 III(2):491−492).   The *Royal Commission’s* major recommendation for superannuation met with as little success as its proposals for *Social Security Benefits*. It recommended that there be a two-tier system (RCSP 1988 II:767−769, III(2):617−651). Persons aged 65 and over would get a pension at the same level as other *Social Security Benefits*. At age 68 they would get a “top-up” second-tier, worth half the first-tier rate. The Commission recommended that this change should be phased in from 1995 to 2007.  The *Royal Commission’s* views on the *Accident Compensation Scheme* were to be much more fruitful during the 1990s (eg changes implemented from 1 April 1992 and 1 July 1999). The Commission believed that the system was under financial stress due to cost increases involved in paying earnings-related compensation, lump-sum payments for non-economic loss, and medical and hospital costs. The *Royal Commission* recommended that the pause period before *Earnings-related Compensation* (ERC) to accident victims be extended from one to four weeks. After two years, ERC should be succeeded by a “generous” flat-rate benefit, and compensation for non-economic loss in relation to pain and suffering and loss of enjoyment of life should be abolished (RCSP 1988 II:759−760, III(2):583−594).  *The April Report* of the *Royal Commission on Social Policy* was a rushed, mammoth, convoluted, in some places repetitive and in other places contradictory, poorly organised and − then and ever since – frequently criticised, ignored or rubbished document. Yet by its very nature it retains an attraction, because it existed as a vehicle for the often-discordant voices of 1988: neo-liberals, social democrats, men, women, Māori, Pākehā and Pacific peoples.  Although the *Royal Commission* can be seen as picking up on ideas and issues that were already underway and might well have become policy without its ever having existed, it broadened the scope of what could be considered as social policy, and added a consultative dimension to ideas of how the process of social policy might take place. Many of its proposals did become policy and/or law, while many of its ideas continue to inform contemporary debate and discourse on social policy. It might well have had a more positive and continuing impact on our society than its detractors believe. |
| June 1988 | **Special Benefit: HNZ clients** | *Housing Corporation* home-owning clients became eligible to apply for a *Special Benefit*. |
| June 1988 | **Special Needs Grants: Funerals** | A policy change allowed *Special Needs Grants* to be paid for expenses relating to attending funerals and tangihanga. |
| July 1988 | **Group Development Assistance Programme established** | The *Group Development Assistance Programme* was established by the *Group Employment Liaison Service* (GELS) within the *Department of Labour*. The programme-initiated projects aimed to move those with gang-association, criminal records, and drug and alcohol problems towards training and employment.  The establishment of the programme followed the recommendations of the *1987 Ministerial Inquiry into Violence* (Roper Report) which recommended targeted assistance to ‘at-risk’ people who had previously benefited from the *Contract Work Scheme* (abolished in early 1987). |
| 28 July 1988 | **Annual benefit adjustments announced** | It was announced in the 1988 Budget that no six-monthly adjustment would be made to *Social Security Benefits, National Superannuation* or *War Pensions* in October 1988 and that these adjustments would thereafter take place annually in April, based on the relevant index. |
| 23 September 1988 | **Emergency Benefit: Cash asset limits increased for single people** | Cash asset limits for the *Emergency Benefit* were increased to:   * $2,700 for single people.   The limit for married couples and sole parents remained at $5,500. |
| 1 October 1988 | **Family Support: Abatement changed** | The *Family Support* abatement formula was amended to:   * $0 to $16,000 (no abatement); * $16,001 to $27,000 (18c in the dollar); and * $27,001 and over (30c in the dollar). |
| 1 October 1988 | **National Superannuation: Taxation surcharge changes** | The level of taxable income exempt from the *Superannuation Taxation Surcharge* was reduced to $7,202 per annum for a single person and $12,012 for a married couple.  The rate of the *Superannuation Tax Surcharge* was increased from 18c to 20c in the dollar. |
| 10 October 1988 | **National Superannuation: Rate payable to a person with an unqualified spouse** | From this time, a married person with an unqualified spouse could no longer receive the single rate of *National Superannuation* but instead received 50 percent of the married couple rate (i.e. the married person rate). The married person rate was $26 per week less (after tax) than the single person rate.  Married superannuitants who were receiving the single rate had their weekly rate frozen until the married person rate reached the same level (this occurred from 1 April 1996).  The option of applying for the full married couple rate of *National Superannuation* with an income test remained.  This proposal had been recommended by the *Ministerial Task Force on Income Maintenance*. |
| 1 October 1988 | **Training Incentive Allowance: Changes to rates** | The rate of the *Training Incentive Allowance* was increased from $16 to $18 per week, with provision for an additional $10 per week hardship payment. |
| October 1988 | **Special Needs Grants: Removal of birthmarks** | From this time a non-recoverable *Special Needs Grant* of up to $200 was available for the cost of the removal of birthmarks (including travel costs). Grants were available subject to the following criteria:   * *Area Health Board* was unable to meet the costs: * cash assets and income were within the usual limits for *Special Needs Grants*; and * medical advice was that the birthmark was disfiguring. |
| 1 November 1988 | **Accommodation Benefit: Cash asset thresholds increased and asset limits introduced** | Cash asset thresholds for the *Accommodation Benefit* (AB) were increased from $2,500 to $2,700 for single people and from $5,000 to $5,400 for married couples or sole parents. Each $100 of cash assets in excess of these levels counted as $1 per week of income. Asset limits were also introduced beyond which there was no entitlement to the AB. These limits were $8,100 for single people and $16,200 for married couples or sole parents.  In July 1993, these asset thresholds and limits and the notional income charge for assets were incorporated within the new *Accommodation Supplement*. |
| December 1988 | **LEEDS Programme established** | The *Local Employment and Enterprise Development Scheme* (LEEDS) was established. It supported the operation of employment resource centres and enterprise agencies already established by communities (i.e. organisations that provided help to small business and those wishing to start a small business). Agencies were expected to have local funding in addition to their LEEDS grants and the funding was used to encourage them to expand their activities and further stimulate local job growth. Funding was provided over a three year period and could be at a flat rate or on a reducing basis. They were expected to operate alone from the fourth year onwards.  By 1991, LEEDS was funding about 60 centres across the country aimed at fostering new local enterprise and business skills and encouraging unemployed people to enter self-employment or establish their own business.  LEEDS was administered by the *Department of Labour* and from March 1990 was the responsibility of the *Community Employment Development Unit*, within the Department. |
| December 1988 | **Discussion paper on the reform of National Superannuation** | The Government released a discussion paper *Income Security for the Elderly* which set out options for the reform of *National Superannuation*. That State’s policy objectives were:   * to ensure that no older people experienced inadequate living standards; * to provide stable and credible policies with encourage voluntary saving for old age and promote a healthy economic and social climate; * to be sensitive in the treatment of cultural and other personal characteristics; and * to achieve the above objectives at the last cost, both in financial and social terms.   The discussion paper highlighted that the *National Superannuation* was becoming increasingly difficult to sustain and set out a number of approaches open to the Government to ensure adequate income in old age without placing an excessive burden on future generations of New Zealanders:   * raise taxes; * reduce the level of all pensions; * target pensions according to need; * raise the age of entitlement; or * introduce a contributions system.   Five possible schemes were explored in detail:   * targeted state assistance only; * a combination of targeted and universal assistance financed from general taxation; * universal state assistance, financed from general taxation; * social insurance, a scheme with compulsory contributions and guaranteed minimum pension subsidised from taxes; and * a compulsory, funded state scheme, combined with a state financed guaranteed minimum pension. Individuals could contract out of the state scheme and save with an approved private institution.   Two schemes were excluded because they failed to guarantee minimum living standards:   * relying on each individual to provide for their old age; and * relying on compulsory contributions to a fully funded superannuation scheme.   Submissions were sought by 31 March 1989 and in July 1989 changes to *National Superannuation* were announced as part of the 1989 Budget. |
| 1988 | **Child Care Assistance: Refugee referral provisions** | The *Department of Social Welfare* could pay the full cost of childcare for six months for a pre-school child within the first 12 months of the family living in the community. The provision was designed to assist refugees to look for work. |
| 1988 | **Special Benefit: Administration delegated to district offices**  **Special Benefit: Guideline that Special Benefit should not exceed 30 percent of fixed costs**  **Fixed costs defined** | As a result of an increasing number of applications (due mainly to rising rents) authority to determine applications for *Special Benefit* was delegated to *Department of Social Welfare* district offices.  To ensure that clients had an incentive to limit their accommodation costs, the Minister issued a direction that grants of *Special Benefit* should not exceed 30 percent of fixed costs, unless exceptional circumstances existed. It was practice that a person’s costs were divided into fixed costs (accommodation and other costs which could not readily be avoided) and other (discretionary costs, such as food, power and clothing). For the latter, the Department assessed “standard incomes”, amounts from which it was thought beneficiaries should be able to meet normal household costs.  The following items were accepted as fixed costs: accommodation costs, hire purchase for essential items, disability-related expenses. Items not accepted included: hire purchase for non-essential goods, court fines, life and householder’s insurance premiums, superannuation payments. |
| 1988 | **War Pensions Boards abolished** | The *War Pensions Amendment Act 1988* abolished *War Pensions Boards* and replaced them with *War Pensions Claims Panels* which were made up of a Department official and a representative of the *New Zealand Returned Services Association* (RSA). The role of *National Review Officer* was established as an intermediate level of review.  The *War Pensions Medical Trust Board* was abolished, and its responsibilities transferred to the *War Pensions Advisory Board* (Secretary for War Pensions, National President of the RSA and a medical member appointed by the Minister). |
| 1988 | **International Social Security Agreements** | The Government announced that it was prepared to negotiate reciprocal S*ocial Security Agreements* on a country by country basis and that such agreements could incorporate payment of New Zealand benefits in the other country. Up until this time, *Social Security Agreements* with the United Kingdom and Australia reflected the ‘host country’ model whereby people with the required period of New Zealand residence could receive United Kingdom or Australian benefits and pensions. |
| 1 January 1989 | **Student Allowances introduced as part of a new system of youth and student allowances** | The *Student Allowances Scheme* replaced the *Tertiary Assistance Grants Scheme*. This was part of a new system of youth and student allowances which aimed to encourage post compulsory education and training by sending neutral financial signals to teenagers. The scheme included young people who attended secondary school, tertiary education, ACCESS courses or who were unemployed. Students were regarded as dependent on their parents for financial support prior to reaching the age of 20 years. Allowances for students 20 years of age and over were not tested against parental income, allowances for those aged 18-19 had a targeted component as well as a fixed component and allowances for those aged 16 and 17 were targeted on parental income.  Tertiary students living away from home had access to an *Accommodation Benefit*.  At home and away from home rates of *Student Allowance* were introduced for tertiary students aged 18 years and older.  Tertiary students not eligible for assistance because of their spouse’s income received a flat rate *Student Allowance* of $43.00 per week.  Tertiary students with dependants (including children and/or a spouse) were eligible for a *Student Allowance* at a rate equivalent to the *Unemployment Benefit*. |
| 1 January 1989 | **Youth Allowance Scheme**  **Unemployment Benefit: Youth rates reduced** | As part of the new system of *Youth and Student Allowances*, the *Unemployment Benefit* for youth aged 16-17 was reduced from $108.63 to $80 a week. An *Independent Circumstances Allowance* was paid to 16-17-year-old ACCESS trainees and the unemployed who met the independence criteria.  A 10 percent incentive allowance for ACCESS trainees was removed for new applicants.  Those people aged under 18 who were receiving the *Unemployment Benefit* prior to 1 January 1989 were not affected by the new rates. Their rate of payment was frozen effective 1 October 1988. |
| 1 January 1989 | **Emergency Unemployment Benefit for Students: Parental income test removed** | The parental income test for students aged 20 years or over who were living at home with their parents and applying for an *Emergency Unemployment Benefit* over the summer vacation was removed. This change was consistent with the new system of *Youth and Student Allowances* that included a parental income test only for tertiary student allowances paid to students under the age of 20 years. |
| 1 January 1989 | **Transitional Training Support Allowance: Sole parent beneficiaries affected by the Youth Allowance Scheme** | With the introduction of *Youth Allowances* from this date, a *Transitional Training Support Allowance* was made available to sole parent beneficiaries with a 16 or 17-year-old child in training or education and living at home, in order to maintain their current household income levels. The amount of the allowance reflected the difference between the *Domestic Purposes Benefit* (1 child) plus first child *Family Support* and (single adult rate of *Unemployment Benefit* plus the rate of *Youth Allowance* payable to a 16-17-year-old). |
| 1 January 1989 | **Family Benefit extended** | *Family Benefit* was made available to the parents of unemployed 15-year-olds. Payment would continue until the child reached the age of 16 or obtained employment of more than 20 hours per week.  *Family Benefit* was not payable in respect of a child receiving a *Youth Allowance*. |
| 1 January 1989 | **Training Incentive Allowance: Increase to the hardship element** | For students attending universities, polytechnics or colleges of education the hardship element of the *Training Incentive Allowance* was increased from $10 to $50 per week. This was designed to compensate for the abolition of the *Department of Education* hardship allowance following the introduction of the *Youth and Student Allowances* package. |
| 7 February 1989 | **Adjustment of rates of Benefits and National Superannuation: Change to annual adjustment process** | The *Minister of Social Welfare* announced a change in the way rates of *Social Security Benefits* and *National Superannuation* were to be adjusted, effective from 1 April 1989. Income-tested benefits were to continue to be linked to the annual rate of inflation (as measured by the *Consumer Price Index*) but limited by movements in wages, so that the standard married rate did not exceed 72.5 percent of the net average wage. The net rate of *National Superannuation* was to be increased by the lesser of the movement in the *Consumer Price Index* or the average ordinary time weekly wage. The legislation which required *National Superannuation* rates to be set at 80 percent of the net average wage was repealed by the *Finance Act 1989*. The April 1989 increase for national superannuitants was equivalent to the increase in the *Consumer Price Index*; income-tested benefits were raised by a lesser amount.  This change had been recommended by the *1987* *Ministerial Task Force on Income Maintenance*. |
| February 1989 | **Department of Labour: Employment Service re-branded** | The *Employment Service* of the *Department of Labour* launched its new name and image: *New Zealand Employment Service* (NZES). The catalyst for change was the appointment of George Hickton as General Manager of the Employment Service in October 1988. |
| February 1989 | **Conservation Corps pilot scheme** | The *Conservation Corps* was introduced as a pilot scheme within the *Department of Labour* for job seekers aged between 16 and 25 years. Participants were engaged in projects that benefit themselves and their local community. Projects averaged 21 weeks in duration and were sponsored by a variety of organizations including government agencies, iwi trusts and community organisations. Participants were paid allowances on a similar basis to *ACCESS* trainees.  An evaluation found that the programme had “impressive potential” in the role of facilitating the development of young people.  In July 1990, the Programme was made permanent and transferred to the *Ministry of Youth Affairs*. |
| 1 March 1989 | **Rates Rebate Scheme: Income threshold increased** | The income threshold for the *Rates Rebate Scheme* was increased to $7,400 plus $156 for each dependent child. Rebates abated at $1 for each $8 above the income threshold. Ratepayers were required to make an initial contribution of $160. The rebate covered 2/3rds of the balance of the rates over the initial contribution, up to a maximum rebate of $200. |
| March 1989 | **RESTART programme commenced** | The *RESTART Programme* provided assistance to community groups, educational/local authorities and Government Departments with community work projects which in turn provided assistance to the long-term unemployed. Eligible job seekers were those aged 20 years or over who had been continuously unemployed for at least 9 months. Participation by job seekers was voluntary.  *RESTART* offered employers a subsidy of $346 (GST inclusive) per week for projects of between 4 to 12 months. During this time, the normal conditions of employment applied to Restart workers. Employing organisations were responsible for paying award wages, holiday pay and providing equipment and materials. The *Department of Labour* was responsible for approving projects. The work offered had to be:   * additional to the normal work of the organisation; * not displace existing workers; * be project based (i.e. a finite period); * be a minimum duration of 4 months and a maximum duration of 12 months; * result in lasting benefit to the community; and * not be regular or on-going work.   The purpose of *RESTART* was to maintain work/skill habits and links with the labour force for unemployed people and to enhance their employment prospects by carrying out work of clear benefit to the community.  The employment outcomes from *RESTART* were relatively poor. A survey of participants in 1989 found that one month after leaving the programme only 25 percent were in employment. These poor outcomes were attributed, in part, to the difficult group that the scheme had to deal with.  Following the introduction of the *Community Taskforce Scheme* in July 1991, *RESTART* was phased out by 1992. |
| March 1989 | **Special Benefit: Recipients of the Youth Allowance** | *Special Benefit* was not available to young people in receipt of the *Youth Allowance*, except if the young person met the criteria for the *Independent Circumstances Allowance*. The family of the young person could apply for a *Special Benefit*. |
| Year ended 31 March 1989 | **Personal Income Tax Rates 1989** | Personal income tax rates were:   * did not exceed $9,500 19.5c in the dollar * exceeded $9,500 but did not exceed $30,000 27c in the dollar * exceeded $30,000, but did not exceed $30,875 36c in the dollar * exceeded $30,875 40.5c in the dollar   The *Low-income Earner Rebate* reduced the rate of tax on the first $9,500 of income to 15c in the dollar. The rebate was clawed back at a rate of 2c in the dollar, resulting in the following effective tax rates:   * did not exceed $9,500 15c in the dollar * exceeded $9,500 but did not exceed $30,000 29c in the dollar * exceeded $30,000, but did not exceed $30,875 38c in the dollar * exceeded $30,875 40.5c in the dollar |
| 1 April 1989 | **Income Tax Rates Changed** | Changes to the personal income tax scale were introduced:   * $1-$30,875 24 percent; and * $30,875 and over 33 percent.   Including the *Low-income Earner Rebate*, effective tax rates were:   * 15 percent for the first $9,500 of income; * 28 percent for income between $9,501 and $30,875; and * 33 percent for income in excess of $30,875.   Changes in the tax scale did not affect the after-tax rates of main *Social Security Benefits*. |
| 1 April 1989 | **Family Support: For 16-17-year-old children at school** | *Family Support* payments for second or subsequent children aged 16-17 and still at school were increased from $16 to $36 a week. |
| 1 April 1989 | **ACCESS Training Allowances** | *ACCESS* Training Allowances for 15-year-old trainees were removed. |
| 1 April 1989 | **Guaranteed Minimum Family Income increased** | *Guaranteed Minimum Family Income* was increased to $274 net per week. *Family Support* was paid in addition to this. |
| 1 April 1989 | **Benefit rates increased**  **Lower increase for sole parents with one child)** | After tax rates of *Social Security Benefits* were increased by 2.4 percent to reflect the increase in the cost of living over the previous 12 months.  The basic benefit for sole parents with one child was increased by a smaller amount (1.0 percent) than the basic benefit for those with two or more children. This had been recommended in the *1987 Report of the Ministerial Taskforce on Income Maintenance*, on the basis of a study of benefit relativities using equivalence scales. |
| 1 April 1989 | **Accommodation Benefit: Maximum rate increased** | The maximum rate of the *Accommodation Benefit* (AB) for couples and sole parents increased by from $63 to $65 per week and the maximum rate of single people remained at $40 per week. The change was consequential to the increase in benefit rates to which the maximum levels were linked. There was no change for single people, as the $40 maximum was grandparented until the new formula implemented in June 1987 determined a level above $40. |
| 7 March 1989 | **Changes to the Rest Home Subsidy Scheme** | The *Rest Home Subsidy Scheme* was extended to include religious and welfare homes. The asset thresholds were increased to $3,665 for a single beneficiary and to $7,330 for a married couple. |
| May 1989 | **Minimum wage increased** | The *Minimum Wage* was increased to $5.875 an hour before tax ($235 for a 40-hour week). This represented approximately 50 percent of the average ordinary time weekly wage. It applied to people 20 years of age and over and not undertaking training in certain trades or professions. |
| 1 July 1989 | **Telephone Rental Concession reduced** | The *Telephone Rental Concession* which paid half the telephone costs of persons receiving a long-term *Social Security Benefit* or a pension (other than the *Unemployment Benefit*) was replaced by a *Telephone Rental Allowance* of $3.52 per week. |
| 1 July 1989 | **GST increased** | The *Goods and Services Tax* was increased from 10.0 percent to 12.5 percent.  There was no immediate compensation for beneficiaries. The next increase to rates of *Social Security Benefits* and *Guaranteed Retirement Income* occurred on 1 April 1990. |
| 7 July 1989 | **Emergency Benefit: Cash asset limits increased** | Cash asset limits were increased to:   * $2,800 for single people; and * $5,800 for married couples and sole parents. |
| 27 July 1989 | **1989 Budget Announcements: Proposed Incapacity Scheme** | As part of the 1989 Budget, major changes to *Accident Compensation Scheme* (ACC) were announced  The scheme was to be extended to cover those incapacitated by sickness or disease.  As a result of the change in Government in December 1990, a further review of the ACC scheme was undertaken, and these changes were not implemented. |
| 27 July 1989 | **1989 Budget Announcements: Universal Benefit**  **Guaranteed Retirement Income**  **Pensions and annuities to be tax free**  **Social Security Benefits and Guaranteed Retirement Income: New Indexation Regime** | The proposal for a single *Social Security Benefit* was announced. It was to be known as *Universal Benefit* and would be introduced on 1 April 1991.  G*uaranteed Retirement Income* was to replace *National Superannuation*.  From April 1990, a proportion of the existing tax payable was to be known as the *Retirement Tax* and dedicated to meeting the cost of *Guaranteed Retirement Income* (GRI). The tax would be expressed as a flat rate of total taxable income (including company tax). It would be calculated as the rate required to cover the estimated cost of GRI each year. For 1990/1991 the rate of retirement tax was estimated to be 7.5c in the dollar. The rate of *Retirement Tax* would be announced in the Budget each year and forecasts made for the next 30 years on the basis of existing policy.  Other changes that were announced included:   * An increase in the age of eligibility for receipt of *Guaranteed Retirement Income* from 60 to 65 years, to be phased in from 2006 and completed by 2025; * partial removal of the taxation surcharge for consistency with the tax reforms for private superannuation schemes; and * portability of *Guaranteed Retirement Income* for those qualifying in New Zealand and living overseas at 50 percent of the gross payment to qualified applicants who want to reside in a country with whom New Zealand did not have a *Social Security Agreement*.   As a result of recent reforms that had brought the tax treatment of private superannuation into line with other forms of savings, pensions paid by registered superannuation schemes and annuities paid by life offices would become tax free from 1 April 1990. As around half the value of a pension represents return of capital and is therefore similar to withdrawals from a bank account, only 50 percent of pensions paid from registered superannuation schemes and annuities paid by life offices would be counted as income for the purpose of calculating the GRI tax surcharge (from 1 April 1990).  It was intended to align over time, of the rates of *Guaranteed Retirement Income* (GRI) with rates of *Social Security Benefits*. The rates of GRI were to be increased in line with the annual movement in the average wage (after tax) and the *Consumer Price Index*, whichever was less. Once the rates were aligned, the same indexation regime would apply to both GRI and social security benefits.  The proposed *Universal Benefit* would continue the practice of increasing benefit rates by the movement in the *Consumer Price Index* but provided for the married couple (no children) rate to be within 65 percent to 72.5 percent of the after tax average ordinary time weekly wage. |
| August 1989 | **Special Benefit: ACCESS trainees** | *Special Benefit* was made available to meet the actual and reasonable accommodation costs (above the *Accommodation Benefit* threshold) to *ACCESS* trainees who were required to relocate for a temporary period of up to six months to undertake training. *Special Benefit* was paid only if the trainee had to retain accommodation in their usual place of residence while undertaking training. |
| August 1989 | **Special Needs Grants: Accompanying medical treatment overseas** | From this time *Special Needs Grants* were available to meet the reasonable costs (airfares, accommodation and living expenses) of a person accompanying a patient required to seek treatment overseas. Limited to the spouse of a patient or one of the child’s parents (if the patient is a child). To be eligible for the cash assets of the applicant could not exceed $5,000 and the amount of any grant was reduced by the applicant’s cash assets. Applied to situations where the *Health Agency* grants assistance to the patient to seek medical treatment overseas. |
| 22 August 1989 | **Task Force on Income Maintenance Reform** | A *Task Force on Income Maintenance Reform* was established by Cabinet to provide recommendations on the further development on the Government’s proposed *Incapacity Scheme* (for incapacitated people) and *Universal Benefit* (providing needs-based income support).  The Task Force comprised officials from *Department of Social Welfare* (2), ACC (2), *Treasury* (2), *Te Puni Kokiri* (1), *Ministry of Women’s Affairs* (1) and the *Department of the* *Prime Minister and Cabinet* (1). The *Law Commission* were invited to participate but declined. The Task Force was convened by Dr John Angus (DSW).  The Task Force reported on 11 October 1989 (see below) and detailed proposals for the *Incapacity Scheme* and *Universal Benefit* were announced on 24 July 1990, as part of the 1990 Budget (see below). |
| 1 October 1989 | **Unemployment Benefit: Stand-down for school leavers** | A 26-week stand-down for the *Unemployment Benefit* was introduced for single applicants aged 16-17 year without dependent children. The stand down applied from the later of the date that the person ceased attending secondary school or reached the age of 16 years. The stand down did not apply to people who had completed an approved employment-related training programme or had been in full-time employment for a period or periods totalling not less than three months; or had attained the age of 18 years. |
| 1 October 1989 | **Training Benefit introduced** | The provision of allowances to *ACCESS* trainees was taken over by the *Department of Social Welfare* from the *Department of Labour.* Trainees were paid under the new *Training Benefit* provisions. *Training Benefit* was also paid to students in private training courses who were previously covered by *Emergency Unemployment Benefit*. The *Training Benefit* was paid at the same rate as the *Unemployment Benefit* and was taxable.  *ACCESS* trainees who were not eligible for assistance because of their spouse’s income became eligible for a flat $43.00 per week *Training Benefit*. |
| 1 October 1989 | **Family Support: Abatement threshold increased** | The *Family Support* abatement threshold was increased from $16,000 to $17,500. |
| 11 October 1989 | **Report of the Task Force on Income Maintenance Reform**  **Fiscal Risks**  **Details of the proposed Incapacity Scheme and Universal Benefit**  **Unresolved Issues** | The *Task Force on Income Maintenance Reform* reported on the proposed structure of an income maintenance system comprising:   * an *Incapacity Scheme*, for incapacitated people; and * a *Universal Benefit*, providing needs-based income support.   In addition to providing recommendations on the structure and detail of the proposed schemes the Task Force highlighted fiscal risks associated with the reform of the income maintenance system. These arose out of uncertainties about the estimated eligible population, pressure for amendments to some of the provisions and fund risks that might arise as a result of employers and motorists’ unwillingness to pay levies at existing or higher rates, when the benefits have changed.  The following provisions were proposed for the **Incapacity Scheme**:   * a wait-period of two weeks (exception for some school leavers where the wait period would be 26 weeks) during which only emergency payments would be made, except for work-related incapacity where employers would be required to pay; * for non-work-related incapacity, a flat rate incapacity payment to earners at the same rate as *Universal Benefit* for the 13-week flat rate period; * for work-related incapacity the flat rate incapacity payment to be supplemented by a top up to a percentage of former earnings, where this would be a higher amount, paid by the employer; * an earnings-related incapacity benefit paid to earners after the conclusion of the flat rate period; * an incapacitated carers allowance payable to totally incapacitated non-earners supported by a spouse who is caring for a child under 13 or a person with a disability; * an incapacity allowance of $50 payable in the long-term to totally incapacitated non-earners who are supported by a spouse; * an incapacity benefit, equivalent to *Universal Benefit* payable in the long- term to totally incapacitated non-earners who are not supported by a spouse; * a *Disability Allowance* payable to adults with a serious disability; * a *Funeral Grant*; and * a *Survivors Grant*, payable to surviving spouses of people who die under the age of 60 years.   The following provisions were proposed for **Universal Benefit**:   * some features similar to the *Incapacity Scheme* (wait period, a flat rate period and then long-term provisions); * age of entry at 16 years, with youth provisions for those aged 16-19 years; * a residence test of 12 months; * after 13 weeks beneficiaries would be subject to a joint income test; * payable to all people who have no income, or a reduced income as a result of involuntary loss of paid employment, inability to obtain paid work despite attempts to do so, inability to earn because of care responsibilities; * some recipients of *Universal Benefit* will have minor short-term illnesses or injuries, but not meet the assessment criteria for non-earners Incapacity Payments; * rates of *Universal Benefit* be standardised; * a more stringent work test with those receiving *Universal Benefit* assessed as to their capacity to work and classified as “work ready”, “work transition” or “work exempt”; and * retention of the emergency benefit to prevent poverty where an applicant does not have eligibility under statutory provisions.   There was considerable debate within the Task Force. Issues that were left unresolved included:   * the level of earnings-related payments under the *Incapacity Scheme*, with the majority of the Task Force favouring 75 percent of the relevant former earnings with the dissenting view from Treasury officials of 72.5 percent; * the element of compulsion for beneficiaries in the work transition phase to under activities to improve their employability (eg expectations for sole parents with a youngest child aged 7-12 years); * the appropriate abatement regime for *Universal Benefit*. The Task Force favoured a structure that differentiated between those expected to work full-time and those expected to work part-time. Further work was proposed on abatement for *Universal Benefit*, family assistance and other assistance for low-income earners; and * the appropriate means by which the extra costs of those living alone might be met in the income maintenance system, arising out of concerns of the adequacy of the single sharing rate of 50 percent. |
| October 1989 – April 1990 | **Pilot Community Work Scheme** | The *New Zealand Employment Service* piloted a *Community Work Scheme* in Kaitaia, Hastings, Oamaru and Nelson. Beneficiaries in these locations who had received an *Unemployment Benefit* for 18 months or more attended an intensive interview. Those who were not able to be referred to job vacancies or assistance programmes, were offered structured community voluntary work through projects sponsored by community organisations, educational authorities and local authorities.  The pilot was considered a failure as a result of the low take-up of the programme (only 93 beneficiaries volunteered), but the intensive interviews were seen as good way of linking the long-term unemployed back into the *New Zealand Employment Service* and encouraging motivation and a renewed emphasis on work. *Work Focus Interviews* were introduced for the long-term unemployed from June 1990 (see below). |
| 1 November 1989 | **Children, Young Persons and their Families Act came into force.**  **Commissioner for Children** | The *Children, Young Persons, and Their Families Act 1989* came into force. The Act replaced the *Children and Young Persons Act 1974.* It provided for the care and protection of children as well as youth justice. The Act introduced the [*Family Group Conference*](http://en.wikipedia.org/wiki/Family_Group_Conference) (FGC) as a means of making decisions about a [child](http://en.wikipedia.org/wiki/Child) or [young person](http://en.wikipedia.org/wiki/Youth) that did not involve a Court hearing. The Act set out procedures for the removal of abused children from their parent's care, making the best interests of the child the first consideration. It also set out procedures for dealing with youth offenders, making arrest and imprisonment interventions of last resort. Although Police initially feared those restrictive provisions on their powers would cause problems, practical experience has not borne out those fears.  The Act introduced principles that changed the way decisions were made about children and young people, enabling family to become partners in the decision-making process to resolve family issues. Fundamental to the Act was the incorporation and inclusion of families throughout the process of making decisions in matters of care and protection of children and young people, and offending by young people. This was most clearly reflected in the extensive use of FGCs as the preferred method of operation, and in the use and involvement of family in meeting the needs of children and young people who had offended and/or who were the subject of care and protection actions. Generally, it was expected that families would provide for their members and solutions were to be sought within the family.  The Act also provided for the establishment of a *Commissioner for Children* whose functions includedthe power to investigate decisions made under the Act and to monitor the policies and practices of the *Department of Social Welfare* in administering the Act. The *Commissioner* could also undertake and promote research into any matter relating to the welfare of children and young persons and inquire into and report on such matters. |
| 14 November 1989 | **Lump Sum Payment on Death: Payment to funeral directors** | From this time, payment was made directly to the Funeral Directors responsible for administering the funeral. The only exception was where a relative, in respect of a single person with no dependants, paid the funeral expenses. |
| 4 December 1989 – 23 February 1990 | **Tertiary Employment Assistance Scheme** | The *Tertiary Employment Assistance Scheme* provided a $60 per week subsidy to employers providing tertiary students with full-time employment from four to 12 weeks in duration. The jobs had to be additional to the employer’s normal workforce, and for occupations other than general labouring, agriculture, horticulture, hotel and restaurant work. Eligible job seekers were tertiary students or intending tertiary students who were eligible for the *Emergency Unemployment Benefit*. |
| December 1989 | **New Zealand Health Charter** | The *Minister of Health* released the *New Zealand Health Charter*. The Charter represented a commitment from the Government in respect of the operation and goals of the public health system.  The objective was to maintain a nationwide publicly funded health system with the overall goal of protecting and improving the health of all New Zealanders. Essential health care should be universally accessible in a manner that was acceptable to both individuals and the community, taking into account the cost that the community and the country can afford.  The Charter set out the following principles to guide the development of the public health system:   * respect for individual dignity; * equity of access; * community involvement; * an emphasis on disease prevention and health promotion; and * effective resource use. |
| 1989 | **Removal of compulsory job seeker reporting by the unemployed to the Department of Labour** | From this time, after initial registration with the *New Zealand Employment Service* (NZES) to continue to receive an *Unemployment Benefit* a job seeker was only required to provide the *Department of Social Welfare* with a monthly declaration of income and availability for work. Prior to this, regular reporting to NZES was required in order to maintain job seeker registration (and eligibility to the *Unemployment Benefit*).  The removal of compulsory reporting was primarily out of necessity as high unemployment and fiscal constraints had made the administration of the work-test no longer feasible. |
| 1 January 1990 | **Student Allowances: Parental income disregard for additional student children introduced** | For families with more than one child aged 16-19 who is a full-time student application could be made for a parental income adjustment in assessing eligibility for a *Student Allowance*. This reduced the amount of parental income taken into account for the targeted allowance and recognised the cost of supporting more than one child in study. The income reduction allowed was $2,200 for each additional child aged 16-19 who was studying. |
| March 1990 | **Community Employment Development Unit established** | The *Community Employment Development Unit* was established within the *Department of Labour* to encourage greater participation by local communities in creating employment and encouraging economic revival.  Based on similar programmes in Western Australia and Britain the Unit aimed to assist communities to undertake projects aimed at encouraging economic revival. While the unit could provide some ‘seed’ funding, its main focus was to provide resources, skills and support.  The Unit was established with a Director, Communications Co-ordinator, Training Co-ordinator and eight regionally-based Project Officers. It had a number of initiatives to assist small town economic development (*Bootstraps*), technical assistance (*Trailblazers*), and expertise and advice (*Be Your Own Boss, Business Mentors and Company Rebuilders*).  Responsibility for the LEEDS programme (established December 1988) was transferred to the *Community Employment Development Unit*. |
| Year ended 31 March 1990 | **Personal Income Tax Rates 1990** | Effective personal income tax rates, incorporating the L*ow-Income-Earner Rebate* were:   * did not exceed $9,500 15c in the dollar * exceeded $9,500 but did not exceed $30,875 28c in the dollar * exceeded $30,875 33c in the dollar   The statutory tax rates that applied from 1 April 1989 were:   * did not exceed $30,875 24 cents in the dollar * exceeded $30,875 33 cents in the dollar |
| 1990/1991 | **Placement Targets for the Long-term Unemployed** | The Government introduced placement targets for the long-term unemployed. The *New Zealand Employment Service* was required to place 40,000 job seekers registered for 26 weeks or more, within its overall target of 90,000 placements. The Service was also required to improve its placement results for women, Māori, Pacific Islanders and people with disabilities (though numerical targets were not specified). The *New Zealand Employment Service*, did not meet its target for 1990/1991, but placed 32,817 long-term unemployed (an increase of 62 percent over the previous year). |
| 1 April 1990 | **Family Support to the principal caregiver only** | From this date, *Family Support* to be paid in full to the principal carer for the children (previously split between partners for couples with children). |
| 1 April 1990 | **Social Welfare (Transitional Provisions) Act 1990**  **National Superannuation renamed Guaranteed Retirement Income**  **Increase in the age of eligibility for Guaranteed Retirement Income**  **Rates**  **Residence rules changed**  **Portability of GRI**  **Ring-fenced retirement tax** | Provision for *National Superannuation* was transferred from the *Social Security Act 1964* to the *Social Welfare (Transitional Provisions) Act 1990*.  *National Superannuation* was renamed *Guaranteed Retirement Income* (GRI).  The legislation provided that from 1 January 2007 the age of eligibility for GRI would increase to 60 years and 6 months and then rise by six months on January 1 each year until it reached 65 years from 1 January 2025. [*Note: Following change in government in November 1990, this legislation was repealed, and instead the age of eligibility was increased from 60 to 65 years between 1992 and 2001.*]  Increases in *Guaranteed Retirement Income* for a married couple were constrained to between 65-72.5 percent of the net average ordinary time weekly wage, with other rates set relative to that.  To qualify for *Guaranteed Retirement Income* a person had to be resident and present in New Zealand for ten years since the age of 20, of which five years must have been since the age of 50. This change had been recommended by the *1987 Ministerial Task Force on Income Maintenance*.  Portability of *Guaranteed Retirement Income* was introduced to allow a flat rate payment at 50 percent of the gross rate to qualifying superannuitants or veterans who wished to reside overseas for more than 26 weeks in a country with which New Zealand did not have a *Social Security Agreement*. Portability (at 40 percent of the gross rate) had been recommended by the *1987 Ministerial Task Force on Income Maintenance*. In 2010, the portability formula was changed in response to concerns that 50 percent of the gross rate of superannuation was insufficient to live on in some countries.  The cost of funding *Guaranteed Retirement Income* (GRI) was separated from other taxation revenue, by a special retirement tax, initially set at 7.5c in the dollar and set to increase in line with the projected cost of GRI. This provision effectively ring-fenced a proportion of income tax revenue for GRI. *[This provision was repealed by the new National Government from 28 June 1991.]* |
| 1 April 1990 | **Veteran’s Pension introduced** | The *Veteran’s Pension* was introduced to replace three income-tested war pensions (*War Veteran’s Allowance, War Economic Pension* and *War Service Pension*).  The *Veteran’s Pension* was paid at the same rate as *Guaranteed Retirement Income* (GRI). To qualify a person must be a New Zealand citizen who had served overseas in a war or emergency. They must either be unfit for work because of a disability (from any cause) and under the qualifying age for GRI, or have reached the qualifying age for GRI and have been granted a *War Disablement Pension* of at least 70 percent.  Unlike GRI, the *Veteran’s Pension* was not subject to the *Superannuation Taxation Surcharge* on other income. Recipients automatically received a *Community Services Card* (from February 1992), payments were not reduced after 13 weeks in a public hospital care and a lump sum payment was made at the death of either the recipient or their spouse.  This change had been recommended by the *1987 Ministerial Task Force on Income Maintenance*. |
| 1 April 1990 | **Taxation Surcharge for Guaranteed Retirement Income: Income from Registered Superannuation Schemes** | From this time, only 50 percent of income from registered superannuation schemes and most life insurance policies was included as income for the purpose of assessing the *Superannuation Tax Surcharge* *for* *Guaranteed Retirement Income*.  This recognised that generally about half of the pension amount represents repayment of a person’s original contributions and tax paid interest earned prior to retirement. |
| 1 April 1990 | **Benefit rates increased** | After tax rates of *Social Security Benefits* were increased by 4.60 percent to reflect the increase in the cost of living over the previous 12 months. |
| 1 April 1990 | **Accommodation Benefit: Maximum rate increased** | The maximum rate of the *Accommodation Benefit* for couples and sole parents increased by from $65 to $68 per week and the maximum rate of single people increased from $40 to $41 per week. The change was consequential to the increase in benefit rates to which the maximum levels were linked. |
| 1 April 1990 | **Special Benefit: Standard Incomes formula adopted** | Following a 1989 review of Standard Incomes (later known as Standard Costs) for *Special Benefit* these were set at 70 percent of the *Invalids Benefit* rate for a married couple and for a single person at 55 percent of the married couple rate. Standard Incomes for other social security benefits were set by adding or subtracting the benefit differences from *Invalids Benefit* rates. The standard incomes for people receiving *Guaranteed Retirement Income* were set at the same rate as for people receiving the *Invalids Benefit*.  The 1989 review also considered the issue of how to assess Standard Incomes for boarders. From 1990, the board costs regarded as accommodation costs in the assessment of the *Accommodation Benefit* were used. |
| 1 April 1990 | **Changes to the Rest Home Subsidy Scheme** | The asset thresholds were increased to $5,665 for a single beneficiary and to $11,330 for a married couple. |
| 1 April 1990 | **Social Welfare Commission restructured** | The *Social Welfare Commission*, established in 1987 as part of the implementation of *Puao-te-Ata-Tu* was restructured. Senior executives from the *Department of Social Welfare* were removed as members of the Commission and the *Minister of Social Welfare* became the presiding member, in place of the *Director-General*. A change to the legislation defined the Commission’s role as advisory. Its functions were:   * to advise the *Minister of Social Welfare* on social welfare policy matters; * to monitor and review the functions of the *Department of Social Welfare*; * to co-ordinate and monitor the functions of District Executive Committees, Area Welfare Executive Committees and Institution Management Committees, and to provide them with direction; and * to receive and comment on submissions made to it by members of the public.   Membership of the *Commission* included one person appointed by the *Minister of Social Welfare* on the nomination of the *Minister of Māori Affairs*. Six people were appointed by the *Minister of Social Welfare* to represent women, the elderly, Māori, Pacific Island people and people with disabilities. Nominations were sought from community organisations. Membership of the *Commission* was:   * Dame Mira Szaszy; * Ms A. Rasmussen; * Dr N. K. Hopa; * Dr V. S. Levett; * Ms V. J. Smith; * Mr T. Kruger; and * Mr E. Brussovs.   The primary functions of the 46 *District Executive Committees* (DECs) and *Area Welfare Executive Committees* was to monitor and evaluate the *Department of Social Welfare’s* service delivery in their local district and recommend changes to policy and practice to the local Director and to the *Social Welfare Commission* where appropriate. Their role was advisory, except for DEC involvement on *District Review Committees* (later know as *Benefit Review Committees*) where they had equal voting rights with the Department.  The role of *Institution Management Committees* was also changed. Prior to this time, these Committees had an executive role in running child residences. Their role became advisory. At the same time a review of residences had reduced the number of residences covered by the legislation to four. |
| May 1990 | **Special Benefit: Housing Corporation mortgagors** | *Housing Corporation* mortgagors who applied for a *Special Benefit* were referred to the *Housing Corporation* for a review of their mortgage interest rate. *Special Benefit* was only granted if financial hardship still existed, after it had been determined that the applicant was in affordable housing. |
| June 1990 | **Mandatory Work Focus Interviews for the long-term unemployed** | From this time mandatory, *Work Focus Interviews* with the *New Zealand Employment Service* were extended nationwide to all those unemployed for 26 weeks or longer.  Those who failed to attend their interview were lapsed from the *New Zealand Employment Service* job seeker register. The *Department of Social Welfare* was informed and their *Unemployment Benefit* was suspended. Their benefit could be reinstated if they subsequently attended the interview and re-established their eligibility to the *Unemployment Benefit.* |
| June 1990 | **New Zealand Employment Service: Job Clubs** | The *New Zealand Employment Service* extended its *Job Clubs* to every major centre. These were eight-day courses which aimed to use the combined skills of participants to share job search techniques and support one another to find employment.  In November 1990 *Job Search Seminars* were introduced. These were a more condensed version of *Job Clubs* (one to two days) and focused toward ‘job ready’ clients. |
| 1 July 1990 | **Conservation Corps extended** | The *Conservation Corps* was established as a permanent programme and located within the *Ministry of Youth Affairs.* Trainees were paid an allowance (equivalent to the *Training Benefit*) by the *Ministry of Youth Affairs*. |
| 1 July 1990 | **Home Equity Conversion Mortgage (Helping Hand Loan) Pilot Scheme)** | The *Home Equity Conversion Mortgage Pilot Scheme* was a one-year pilot programme operated by the *Housing Corporation*. This was a reverse mortgage home equity conversion scheme with an indefinite term and variable interest rate. Loans were made in the form of a lump sum or regular advance with borrowings and interest recovered when the house was sold, or an estate wound up. Known as “*Helping Hand Loans*” the pilot programme was established in Greater Auckland, Nelson and Levin. Loans were available for a housing-related need (e.g. home repairs, maintenance, alterations, improvements, rates and insurance). Applicants needed to be over 65 years and less than 90 years and their house substantially mortgage free. The minimum house value was $75,000. People, who qualified for assistance from the Corporation (in terms of their income) and could demonstrate an inability to borrow in a conventional way, were eligible for an income-related interest rate on their loan. The *Housing Corporation* budged for 150 loans to be issued during the pilot with a total capital value of $1 million ($200,000 for regular advance payments and $800,000 for lump-sum payments. The scheme was favoured by single or widowed older people on low incomes.  The pilot was due to run until June 1991 but was later extended to the end of September 1991. Interest in the pilot was low, but an evaluation report concluded that it had been successful by international standards. In 1991, changes in housing policy saw the end of the pilot. |
| 1 July 1990 | **Job Plus wage subsidy scheme replaced the Job Opportunities Scheme** | The *Job Plus Wage Subsidy* scheme replaced the wage subsidy options available under the *Job Opportunities Scheme*. Subsidies were available to job seekers registered for 26 weeks or more or to job seekers with special barriers to employment. Subject to a maximum subsidy, the actual subsidy was negotiated with the employer on a case by case basis and varied according to the job seeker’s disadvantage. |
| 24 July 1990 | **1990 Budget Announcements**  **Details of the proposed Universal Benefit** | **Universal Benefit**  *Universal Benefit* would combine the *Unemployment Benefit, Sickness Benefit, Invalids Benefit, Widows Benefit* and *Domestic Purposes Benefit*. Beneficiaries would be entitled to a core rate of benefit with additional payments for dependent children and the extra expenses of living alone. The core rate would be asset annually in relation to price and wage movements. The basic benefit for a single adult would be between 32.5 percent and 36.25 percent of the NAOTWW. A premium of 20 percent of the core rate would apply to single adults who live alone (including sole parents) and family assistance would be payable in respect of dependent children. A standard income test would apply with an income exemption equivalent to half the single rate of benefit (approximately $70 per week). The minimum age of eligibility would be 18 years with full adult entitlement at 20 years. Recipients of the universal benefit would be assessed and placed in one of three work related categories:   * ready and able to undertake paid employment; * in transition to being ready for paid employment; and * not currently expected to undertake paid employment.   Outside of the *Universal Benefit*, the *Independent Youth Benefit* would remain for young people who could not be supported by their parents and a *Training Benefit* or *Job Search Allowance* would continue to be available. Parental income was to be considered for youth rates of *Universal Benefit, Training Benefit* and *Job Search Allowance.*  Following the change in Government in November 1990, the implementation of *Universal Benefit* was cancelled. |
| 24 July 1990 | **1990 Budget Announcements** | **Assistance for Families with Children**  From 1 April 1991, *Family Support* and *Family Benefit* were to be merged (though the universal element of $6 per child per week was to be retained). The new *Family Benefit* would be paid directly to the primary caregiver, usually the mother.  The full rate of *Family Benefit* was to be $49.36 per week for the first child and $28.21 for subsequent children. The first child rate of was also to be available to any child aged 16 or 17 who was still at secondary school.  Entitlement was to be reduced once household earnings exceeded $18,980 per year through a two-stage abatement process. For income between $18,981 and $30,190 entitlement was to be reduced by 20c for each dollar. For income above $30,190, entitlement was to be reduced by 30c for each dollar of such income.  The current *Family Benefit* of $6 per week was to be retained as a universal minimum payment. The income levels at which the *Family Benefit* would be reduced to the minimum level ($6 per week) were approximately $30,230 (one child), $34,080 (two children) and $37,930 (three children)  Rates of the *Family Benefit* and the income thresholds were to be adjusted each year in line with *Universal Benefit*. [Note that rate of universal *Family Benefit* had not been increased since 1979 and the maximum rate of *Family Support* had not been increased since its introduction in 1986.] The *Family Benefit* for the first child was to be set at 35 percent of the core rate of *Universal Benefit* (for a single adult) for the first child and 20 percent of the core benefit rate for second and subsequent children. The $6 per week universal payment was not to be indexed.  *Family Benefit* was to be administered entirely by the *Department of Social Welfare*, so as to avoid the complications which had arisen through delivery via the tax system. *Guaranteed Minimum Family Income* was to continue in association with the new *Family Benefit*.  Following the change in Government in November 1990, the implementation of the new *Family Benefit* was scrapped. From April 1991, the universal *Family Benefit* was abolished and rates of *Family Support* increased. |
| 24 July 1990 | **1990 Budget Announcements**  **Details of the proposed Incapacity Scheme** | **Incapacity Scheme**  From April 1992 the *Accident Compensation Scheme* (ACC) and incapacity *Social Security Benefits* were to be merged into a single *Incapacity Scheme* providing for people aged 18-59 years. For earners there would be a wait period of two weeks, followed by a four-week period on a flat rate payment equivalent to *Universal Benefit*. From the seventh week an earnings-related payment of 75 percent of previous earnings (subject to a minimum and maximum payment). For earners whose incapacity is work-related, the employer would meet the cost of compensation of 75 percent of wages during the wait period and top up the flat rate of benefit to 75 percent of earnings during the four-week period. For non-earners the scheme would provide an *Incapacity Benefit* equivalent to the *Universal Benefit* for people with a long-term severe incapacity who were not supported by a spouse or an *Incapacity Allowance* (equal to 40 percent of the net core *Universal Benefit*) for people who have the support of a spouse. Neither flat rate nor earnings-related benefits would be subject to a full income test, though they would be abated where the person who was incapacitated had earnings. Other incapacity-related assistance would include:   * *Incapacitated Carers Allowance* for carers incapacitated for a short period. Available to people supported by a spouse who are responsible for the care of one or more children under 13 or a dependent adult. The allowance would be equal to 40 percent of the net core *Universal Benefit*, paid after a two week wait period for a maximum of eight weeks; * *Disability Allowance* payable without an income test to people aged 18-59 who have a serious long- term disability. It would be paid at two rates, 15 percent and 7.5 percent of the net core *Universal Benefit*, depending on the severity of disability. * *Funeral Grant* means tested of up to 10 times the weekly net core *Universal Benefit* * *Survivors Grant* (non-means tested) equal to the annual *Universal Benefit* entitlement of a surviving wife and children. In cases of death from work related causes, earnings related payments will be available to the survivors.   Following the change in Government in November 1990, the implementation of the *Universal Benefit* and the *Incapacity Scheme* was cancelled |
| 24 July 1990 | **New Child Support Scheme announced, and Liable Parent Contribution Scheme extended to most benefits paid at the sole parent rate and to the Unsupported Child’s Benefit** | It was announced as part of the 1990 Budget that a new *Child Support Agency* was to be established in the *Inland Revenue Department* to administer a new *Child Support Scheme*. This was to be fully operational by 1 July 1992.  The level of payment from the non-custodial parent would be determined by an administrative formula based on the number of children, the income of the non-custodial parent and custody arrangements. This would lead to higher overall levels of payment.  Where a custodial parent was receiving a sole parent rate of benefit, 70 percent of the payments would be retained to offset the cost of the benefit with the remaining 30 percent passed on to the beneficiary parent (under the *Liable Parent Contribution Scheme* none of the LPC was passed on). [*Note that when the scheme was implemented in July 1992 this provision was not included and Child Support up to the level of the benefit was retained*]  In the interim, (from 1 August 1990) the *Liable Parent Contribution Scheme* (LPC) was extended to all statutory benefits paid at the sole parent rate (with the exception of the *Domestic Purposes Benefit for Caregivers* and the *Training Benefit*) and minimum payment increased. LPC was also levied on both parents, where, because of family breakdown, an *Unsupported Child’s Benefit* was being paid. The minimum LPC payment was increased from $5 to $10 per week.  It was also announced that options for trans-Tasman payments and enforcement would be explored in due course. |
| 24 July 1990 | **Ministerial Representation for Senior Citizens announced**  **Senior Citizens Unit established** | As part of the 1990 Budget, it was announced that a *Minister for Senior Citizens* would be appointed to represent in Cabinet the interests of senior citizens. It was intended that the Minister would be responsible for *Guaranteed Retirement Income* (GRI) though it would continue to be paid through the *Department of Social Welfare*. It was announced that the primary role of the new Minister would be to determine policy in relation to GRI and ensuring specific input from the perspective of senior citizens in other relevant policy areas (eg health care, community services and housing).  The first *Minister for Senior Citizens* was Hon Margaret Shields (July 1900 to November 1990). The role, as it evolved, became one of advocacy for older people in Cabinet and in other government policy forums. The Minister and his/her officials contributed to the development of policy affecting older people across a range of government agencies. The advocacy role of the Minister was informed by officials who maintained close links with advocacy groups and held regular consultation meetings with older people.  In late 1990, a series of meetings were held with older people to discuss possible ways of ensuring maximum security, independence and dignity for senior citizens. These meetings supported the idea of establishing a *Ministry for Senior Citizens* and in October 1990 the Government announced that it intended to establish a Ministry.  Following the 1990 election, the new Government decided not to establish a *Ministry for Senior Citizens*. Instead, the *Senior Citizens Unit* within the *Department of Social Welfare* was established as a small team to support the *Minister for Senior Citizens* in carrying out the functions of the Senior Citizens portfolio. In July 2002, in recognition of the challenges being faced from an ageing population, the Unit was upgraded to the *Office for Senior Citizens* within the *Ministry of Social Development*. |
| July 1990 | **Special Needs Grants: Interface with Advance Payment of Benefit** | From this time, policy that was that entitlement to an *Advance Payment of Benefit* was to be considered before entitlement to *Special Needs Grants*. This policy was in response to concerns of excess expenditure on non-recoverable *Special Needs Grants*. |
| August 1990 | **Special Benefit: Cash asset test** | The cash asset test for *Special Benefit* was rationalised with that applicable to *Special Needs Grants* and *Advance Payment of Benefit*. For a single person, the cash asset limit was set at four times the single rate of *Invalids Benefit*. For a married person or sole parent, it was set at four times the married couple rate of *Invalids Benefit*. |
| 1 August 1990 | **Liable Parent Contribution Scheme: Extended to most other benefits paid at the sole parent rate** | The practice of reducing the benefit payable to sole parents who did not identify in law the liable parent was extended to sole parents in receipt of income-tested benefits other than the *Domestic Purposes Benefit*, with the exception of the *Domestic Purposes Benefit for Caregivers* and the *Training Benefit*. A new exclusion clause was added for beneficiaries who were taking active steps to identify who was in law the other parent. The reduction in the level of the sole parent rate of a social security benefit, for not naming the other parent was $16 per week. |
| 1 August 1990 | **Liable Parent Contribution: Minimum amount increased** | The minimum *Liable Parent Contribution* was increased from $5 to $10 per week (effective 1 October 1990 for existing liable parents). |
| 30 August 1990 | **Special Benefit: $45 per week deficiency** | A *Ministerial Direction* provided that a *Special Benefit* would not be granted unless the applicant had a deficiency of at least $45 per week between the applicant’s income from all sources and the applicant’s expenditure, unless there are exceptional circumstances. This was applied in addition to the limit that grants of Special Benefit should not exceed 30 percent of fixed costs.  This was the first *Ministerial Direction* issued in relation to *Special Benefit.* The Direction was the bare minimum. It contained no specifics in regard to assessing entitlement (e.g. Standard Incomes etc). |
| 10 September 1990 | **Emergency Benefit: Cash asset limits increased** | Cash asset limits for the *Emergency Benefit* were increased to:   * $4,300 for single people; and * $7,464 for married couples and sole parents. |
| 17 September 1990 | **Minimum Wage increased** | The *Minimum Wage* was increased to $6.125 an hour before tax ($245 for a 40-hour week). This represented approximately 47 percent of the average ordinary time weekly wage. It applied to people 20 years of age and over and not undertaking training in certain trades or professions. |
| 26 September 1990 | **Guaranteed Retirement Income and Veteran’s Pension: Living Alone Payment introduced** | A *Living Alone Payment* (LAP) was introduced as a separate benefit for single recipients of *Guaranteed Retirement Income* or a *Veteran’s Pension* who were living alone. This topped up the rate of *Retirement Income* or a *Veteran’s Pension* to 65 percent of the after-tax weekly rate payable to a married couple. To obtain the higher rate, people had to make application for the LAP. The difference between the after-tax weekly rates for single people was $14.40. The LAP was not income or asset tested.  People sharing accommodation continued to receive 60 percent of the rate payable to a married couple.  The first payments of the LAP were made on Tuesday 9 October 1990. |
| September 1990 | **Rates Rebate Scheme: Income limits increased** | The income limit for the *Rates Rebate Scheme* was increased from $6,920 to $7,400. From this time the income limit was $7,400 plus $156 for each dependent. Rebates were abated at $1 for each $8 above the limit. Ratepayers were required to make an initial contribution of $160. The rebate covered 2/3rds of the balance of the rates over the initial contribution up to a maximum rebate of $200. |
| September 1990 | **Special Needs Grants: Re-establishment grants** | *Special Needs Grants* to assist with re-establishment costs were introduced for the purpose of providing assistance to refugees upon arrival in NZ. $800 could be paid as a recoverable grant for accommodation, rent in advance or bond and $1,200 (increased by $100 for each dependent child) as a non-recoverable grant to assist with other re-establishment costs. |
| September 1990 | **Employment Programmes: Enterprise Allowance Scheme established** | The *Special Groups* and *Self Employment* options of the *Job Opportunities Scheme* were combined and renamed the *Enterprise Allowance*. The Scheme assisted job seekers into self-employment and recognised that the unemployed often lacked the resources to support themselves during the establishment phase. It provided initial income while a business was being set up.  To assist with start-up capital, a capitalisation option was introduced in August 1992. |
| 1 October 1990 | **Orphan’s Benefit restructured**  **Unsupported Child’s Benefit introduced** | The *Orphan’s Benefit* was restructured into two separate benefits.  *Orphan’s Benefit*: The child’s parents must either be deceased, could not be found or they suffered from a serious long-term illness or incapacity, which made them unable to care for their child.  *Unsupported Child’s Benefit*: The child’s natural, adoptive or step-parent must be unable to provide fully for the child’s support and the principal caregiver of the child must be expected to remain the principal caregiver for at least one-year from the date of application. |
| 1 October 1990 | **Special Needs Grants: Restructured to constrain expenditure** | The maximum *Special Needs Grant* that could be granted without the approval of the *Director-General* was $200. *Special Needs Grants* for capital items, accommodation costs and other items usually paid from income became recoverable. Categories were refined as follows:  **Non-recoverable**   * Food, clothing/bedding, emergency travel, fire loss and burglary, medical and associated costs, rural assistance and transitional assistance for a beneficiary transferring to *Guaranteed Retirement Income.*   **Recoverable**   * Spouse of a striking worker, accommodation costs (bonds, rent in advance etc), tables, chairs, beds, electricity, gas, dentures, glasses, hearing aids, travel to funerals, fridges, washing machines.   Rather than being open-ended, budgets were allocated to *Department of Social Welfare* District Offices.  This change had been announced as part of the 1990 Budget. Total expenditure on *Special Needs Grants* and *Special Benefit* was capped, with a ceiling setting the level of individual payments. This was to assist District Offices of the *Department of Social Welfare* to prioritise requests for supplementary assistance. |
| 1 October 1990 | **Special Needs Grants: Steps to Freedom Grant restructured** | *Steps to Freedom Special Needs Grants* assisted former prisoners with the essential costs of re-establishing themselves in the community.  From this time the maximum amount available was set at **twice** the after tax adult weekly rate of *Unemployment Benefit* ($143.57) plus the maximum amount of *Accommodation Benefit* ($41.00) giving a total maximum of $369.14.  Prior to this, *Steps to Freedom Special Needs Grant* were paid at a maximum of twice the single youth rate of *Unemployment Benefit*. |
| 1 October 1990 | **Special Benefit: Boarders** | From this time eligibility to *Special Benefit* for people in a boarding situation was assessed by allowing two-thirds of the board payment as accommodation costs in the assessment. It was considered that the standard income levels for boarders were excessive. |
| 1 October 1990 | **Benefit Payment Control Units expanded** | Fifteen additional *Benefit Payment Control Units* were established in the *Department of Social Welfare*, bringing the total to 36. These units were first set up in 1987, following the *1986 Ministerial Review into Benefit Fraud and Abuse.*  At the time, it was estimated that that the units saved $12 for every $1 of operating expenditure.  This change was announced as part of the 1990 Budget which also include an announcement of harsher penalties for benefit fraud and a limited information sharing regime between the *Department of Social Welfare* and the *Inland Revenue Department* for the purpose of investigating cases of possible benefit fraud. |
| 19 November 1990-22 February 1991 | **Tertiary Employment Assistance Scheme** | The *Tertiary Employment Assistance Scheme* provided a $65 per week subsidy was available to employers providing tertiary students with full-time employment from 4 to 13 weeks in duration. The jobs had to be additional to the employer’s normal workforce, and for occupations other than general labouring, horticulture, hotel and restaurant work. Eligible job seekers were tertiary students or intending tertiary students who would otherwise be eligible for the *Emergency Unemployment Benefit*.  Modifications to the scheme for 1990/1991 included a higher weekly subsidy, increased duration of subsidy, extension of the subsidy to vacancies in the agricultural sector and an earlier start date for the scheme. |
| November 1990 | **Student Allowances: Personal income limit increased** | The income limit for a *Student Allowance* was increased from $129.16 gross per week to $135.13, multiplied by the number of weeks of the student’s course. |
| 1 December 1990 | **Unemployment Benefit: Minimum age raised to 18 years** | From this date, the minimum age of eligibility for *Unemployment Benefit* was increased from 16 to 18 years. For a married couple with a dependent child or children, the age of eligibility remained 16 years. |
| 1 December 1990 | **Independent Youth Benefit and Job Search Allowance introduced** | The *Independent Youth Benefit* was introduced to provide assistance to those aged 16-17 who could not be supported by their parents or live at home. It was paid at the same rate as the *Unemployment Benefit* paid to a single person aged 18 or 19 years.  A *Job Search Allowance* was introduced for persons aged 16-17 who have lost their employment or completed a period of training. This was payable for a maximum of 13 weeks at the same rate as the Training Benefit paid to a person aged 16-17 years (approximately 75 percent of the rate of the *Unemployment Benefit* paid to a single person aged 18 or 19 years).. |
| 19 December 1990 | **December 1990: Economic and Social Initiative** | The new National Government announced a number of major changes to *Social Security Benefits*, to take effect from March1991 and April 1991. This included reductions in the rates of most benefits of between 2.0 percent and 24.7 percent and an increase in the age that young people qualified for the adult rate of *Sickness Benefit* or *Unemployment Benefit* (from 18 to 25 years). Other measures included:   * abolition of the universal *Family Benefit;* * an increase in prescription charges to $5 for children, beneficiaries and the chronically ill, and to $15 for others; * a reduction in the *General Medical Services Subsidy* for doctor visits; * a new work-test for recipients of the *Unemployment Benefit*; * stricter eligibility criteria for all social security benefits; * Housing Corporation prime rate mortgages would from their next review be at an interest rate equivalent to the to the mid-point of the market rate and would be automatically adjusted at subsequent reviews in line with the market rate; * Housing Corporation tenants paying market rents would have their rent aligned with the mid-point of the market rather than the lower end of the market; * the creation of a *Ministerial Committee on the Reform of Social Assistance*; * the establishment of a *Taskforce on the Funding and Provision of Health Services*; * a Ministerial Working Party to review the Accident Compensation System; and * a review of the social security system and *Guaranteed Retirement Income.*   These changes redefined the social security system as a “minimum safety net” and that those in the top third of income earners should be expected to meet most of the cost of their social services. |
| 19 December 1990 | **Family Benefit: Payment of lump sums restricted** | From this time, the amount of the *Family Benefit* that could be paid as a lump sum was limited to the amount of *Family Benefit* that the applicant would receive up until 31 March 1991.  This followed the announced as part of the *Economic and Social Initiative* that the universal *Family Benefit* was to be abolished effective from 1 April 1991. |
| December 1990 | **Education and Training Support Agency established** | From this time the newly created *Education and Training Support Agency* took over the administration and monitoring the *ACCESS Training Scheme*. The *Regional Employment and Access Councils* (REACS) were abolished. |
| December 1990 | **Changes to the Homestart Deposit Scheme** | The *Homestart Deposit Scheme* had been introduced in 1986 and was designed to help low-income people with insufficient savings into home ownership. The scheme offered a five-year loan at three percent interest. At the end of the five years, the loan, plus the amount of capitalised interest was to be repaid in full.  With the first loans due for repayment in 1991, there were concerns that families may not be in a position to repay. From this time, the conditions of the *Homestart Deposit Scheme* were changed so that recipients made regular repayments of interest and principal.  In July 1991, the Government announced that the *Homestart Deposit Scheme* would cease altogether. |
| 1990 | **Social Security Agreement with the Netherlands signed** | A Social Security Agreement with the Kingdom of the Netherlands was signed. It came into force on 1 February 1992. |
| 1990 | **Housing Corporation: Housing Advice and Delivery Service for older people** | The *Housing Advice and Delivery Service* (HAND) was piloted by the *Housing Corporation*. This scheme was to provide guidance for relocation of some older people into more suitable/better accommodation and advice for older people about maintaining their property. People did not have to be clients of the *Housing Corporation* to use the service.  In addition to advice, the service assisted older people to access *Housing Corporation* programmes including:   * *Home-Swap Scheme*: to help older people who found their home a problem to maintain or too large for their needs. If the house was suitable, *Housing Corporation* would buy the house at market value and in return sell the person a low maintenance modern home. If the former house was worth less, then a loan from the Corporation was available. * *Home Improvement Loans for Elderly Homeowners of Limited Means*: Loans were available from the *Housing Corporation* to help elderly homeowners with essential repairs where they had a low income and could not afford to borrow elsewhere. To be eligible a person had to be reliant on *Guaranteed Retirement Income* and have cash assets of less than $16,000 for a single person or $19,000 for a couple. Loans of up to $20,000 were available, though larger loans could be provided depending on circumstances. The interest rate on the loan was set with regard to income so that total housing outgoings did not exceed 25 percent of gross weekly income. The Corporation could also defer payment of principal or capitalise interest charges, with the loan recovered when the house was sold. * *Relocatable Cottages:* The *Housing Corporation* could provide a relocatable cottage (a small, detached unit that could be placed on a property close to an existing house). This was intended to provide elderly or disabled people with a home that was near to friends or relatives, but far enough away so that they could be independent. People aged 60 or over, recipients of an *Invalids Benefit* and disabled people, who had minimal assets (cash, investments and property of less than $16,000 for single people or $19,000 for a couple) could apply for a relocatable cottage. The *Housing Corporation* paid for the cost of the cottage, for installing it on the property and connecting services. The Corporation was also responsible for exterior maintenance. There was a hire fee/rent payable to the Corporation. When the cottage was no longer needed the Corporation removed it from the property. Under certain circumstances the property owner could purchase the cottage. |
| 1 January 1991 | **Student Allowances: Eligibility tightened** | The criteria for eligibility for a *Student Allowance* for secondary students were tightened. A *Student Allowance* was available to secondary students meeting the criteria for the *Independent Circumstances Allowance,* unemployed adult students, students whose parents were beneficiaries and immigrants without English or other education necessary for employment.  Students were only eligible for a *Student Allowance* for the shortest period required to complete their qualification, rather than for the tenure of their course.  Full-time students in private training establishments became eligible for a *Student Allowance.* |
| 1 January 1991 | **Physiotherapy Benefit abolished** | The *Physiotherapy Benefit* which provided free treatment upon the recommendation of a doctor was abolished. Accident patients continued to have the cost of physiotherapy met by the *Accident Compensation Corporation*. |
| January 1991 | **Special Needs Grants: Re-establishment costs** | From this time *Special Needs Grants* were extended to cover re-establishment costs in certain emergency situations (e.g. discharge from psychiatric hospitals) following cancellation of an earlier *Ministerial Welfare Programme* for this purpose. The sum of $800 could be paid as a recoverable grant for accommodation, bond or rent in advance and $1,200 (increased by $100 for every dependent child) could be paid in the form of a non-recoverable grant to assist with other costs. |
| 1 February 1991 | **Social Security Benefits: Two-week stand-down introduced** | All applicants for a main *Social Security Benefits* became subject to a two-week stand-down. There was provision to waive one week of the two-week stand-down in cases of serious hardship. The hardship test required a benefit applicant to have cash assets that were less than two times the appropriate rate of the *Invalids Benefit,* plus $156 for each dependent child. (This change had been announced by the previous Labour Government and reaffirmed by the new National Government in December 1990.) |
| 1 February 1991 | **Guaranteed Retirement Income and Veteran’s Pension: Backdating ceased** | People who had delayed applying for *Guaranteed Retirement Income* or a *Veteran’s Pension* once reaching the age of 60 years were no longer able to have their payments backdated. Prior to this, payments could be backdated for up to six months.  From this time, *Guaranteed Retirement Income* or a *Veteran’s Pension* commenced on the date upon which the person became entitled or the date upon which the application was received, whichever was the later date. |
| 1 February 1991 | **Family Benefit: Backdating ceased** | From this time, *Family Benefit* commenced from the later of:   * the date of birth of the child; or * the date the application was received. |
| 1 February 1991 | **Special Needs Grants: Steps to Freedom Grant restructured** | *Steps to Freedom Special Needs Grants* assist former prisoners with the essential costs of re-establishing themselves in the community. From this time the maximum amount of assistance available was set at $350.  Prior to this, the maximum rate was set at **twice** the adult weekly rate of *Unemployment Benefit* ($143.57) plus the maximum amount of *Accommodation Benefit* ($41.00) giving a total maximum of $369.14.  *Steps to Freedom* remained a category of non-recoverable grant within the *Special Needs Grant Programme*. |
| 1 February 1991 | **Prescription charges increased** | Prescription charges for children, beneficiaries, the elderly and chronically ill were increased from $2 to $5 per item. For other adults, the charge was increased from $5 to $15.  For children, beneficiaries, the elderly and chronically ill, the maximum annual cost for prescription charges was maintained at $50 (prescriptions over this limit were free). For other adults the maximum cost each year was increased by $25 to $150 for individuals and $225 for families. |
| 28 February 1991 | **Telephone Rental Allowance abolished** | The *Telephone Rental Allowance* was abolished for new entrants from this date and for existing recipients from 1 April 1991. |
| 28 February 1991 | **Special Benefit: Telephone costs** | Where a telephone was essential, the full cost of the telephone rental was included as a fixed cost for the assessment of *Special Benefit*. |
| 1 March 1991 | **Unemployment Benefit: Enhanced work-related obligations and sanctions for non-compliance**  **26-week stand down for non-compliance** | New work test provisions for employment-related benefits were implemented. From this date, a person receiving the *Unemployment Benefit* who turned down **two** job offers of suitable employment or failed to attend **two** job interviews without good and sufficient reason had their benefit stopped for a period of 26 weeks.  Recipients of the *Unemployment Benefit* aged over 20 years did not have to accept an offer of employment if the wages offered contravened the *Minimum Wage Regulations*. Unemployment beneficiaries under 20 years did not have to accept an offer of employment if the net wages offered were less than the net amount of their main benefit plus $15.  Those who voluntarily left employment without good reason, or were dismissed for serious misconduct, faced a mandatory stand-down of 26 weeks. (The previous discretionary stand down was limited to 6 weeks).  “*Clean slate*” provisions were introduced at the same time as the 26-week stand-down period to provide a safety-net. These provided that if a person on a 26-week stand-down was able to find full employment for a minimum period of 6 weeks, then the remainder of their stand-down period would lapse and, provided that they met the other eligibility criteria, they would qualify for an *Unemployment Benefit*.  Other provisions at this time allowed for a person on a 26-week stand-down to be paid a *Training Benefit* should they obtain a placement on an approved training course. The period of training was then deducted from the length of the stand-down.  A safety net was provided for the dependants of those stood down. The spouse of such a person could seek work and apply for an *Unemployment Benefit* in their own right, in which case they would receive half the married rate of benefit, and continue to receive any *Family Support* that was previously being paid. Should the spouse not be in a position to seek work then the family may be eligible for a recoverable *Special Needs Grant*. There were no safety net provisions available to single people without dependants. |
| 1 March 1991 | **Unemployment Benefit: High income stand-down** | A new high-income stand-down of up to ten weeks (including the general two-week stand down) for the *Unemployment Benefit* was implemented. This replaced a previous discretionary stand-down of up to four weeks, plus the two-week general stand-down (total six weeks).  The high-income stand-down applied to people who had an after tax average weekly income of $50 or more than the after tax average ordinary time weekly wage. The formula provided for the following stand down period:   * $50 to $99.99 above the average wage: three weeks; * $100 to $149.99 above the average wage: four weeks; * $150 to $199.99 above the average wage: six weeks; * $200 to $249.99 above the average wage: eight weeks; and * $250 or more above the average wage: ten weeks.   The period of income assessment was reduced to 26 weeks from one year to more tightly target the provisions (i.e. to ensure that people who had high earnings from seasonal employment could not gain access to a benefit immediately).  From August 1991, the high-income stand-down was extended to all main social security benefits. |
| 1 March 1991 | **Redundancy stand-down of up to 26 weeks introduced** | A new redundancy stand-down applied to applicants for the *Unemployment Benefit* who had been made redundant and received a redundancy payment. The length of the redundancy stand-down was calculated by dividing the amount of the redundancy payment by the weekly amount of the *Unemployment Benefit* and *Family Support* the applicant would otherwise have been entitled to receive. The maximum period of non-entitlement, which included the two-week general stand-down, was 26 weeks. |
| 1 March 1991 | **Benefit Stand Down: Temporary work defined** | A change in the legislation defined T*emporary Work* as up to 13 weeks. Beneficiaries who took a temporary job could return to the benefit without the standard two-week stand-down. This was done to remove any disincentive to beneficiaries taking up offers of short-term work.  This did not override the high income stand down or the voluntary unemployment stand down. |
| 1 March 1991 | **Social Security Benefits: Residence test tightened** | A new residence test applied from this date, restricting eligibility for all *Social Security Benefits* to those who are lawfully resident or present in New Zealand and not in the country on a visitor’s permit, a temporary work permit or a study permit. |
| 26 March 1991 | **Benefit Advances: Rest home residents** | *Advance Payment of Benefit* was no longer available to residents of rest homes for the purchase of glasses, dentures or hearing aids. This reflected an inability to recover advances from the small allowance paid to rest home residents. Payments for these items were transferred to the *Special Needs Grants Programme* (non-recoverable grants). |
| 31 March 1991 | **National Provident Fund: Schemes closed to new members** | *National Provident Fund* (NPF) schemes were closed to new members. Scheme administration, funds management and custody functions were outsourced to private providers.  As at 31 March 1999, NPF had total funds of $2.8 billion (invested with nine specialist managers), 49,900 contributors, 770 participating employers and it paid pensions to 23,500 annuitants. |
| March 1991 | **Taskforce Green replaced the RESTART programme** | *Taskforce Green* provided assistance to community groups, educational/local authorities and Government Departments with community work projects which in turn provided assistance to the long-term unemployed. *Taskforce Green* initially utilised the *RESTART* programme criteria and funding formula. Existing *RESTART* projects were phased out by 1992. |
| 1 April 1991 | **Benefit rates reduced**  **Youth rates of benefit extended to 18-24 year olds** | The rates of most Social Security Benefits were reduced. These included *Unemployment Benefit*, *Domestic Purposes Benefit* for Sole Parents, *Widows Benefit* and *Sickness Benefit*. The exceptions were *Invalids Benefit* and *Domestic Purposes Benefit for Domiciliary Care*. These benefits remained at their 1990 level, except for the basic benefit for a married invalid with children, which was raised to the same level as the benefit for a married invalid without children.  Rates of adult Unemployment Benefits were reduced by seven to 10 percent. Youth rates were extended from 18 to 24 years of age; effectively reducing the rate of Unemployment Benefit by 24.7 percent for single people aged 20-24 years.  The *Sickness Benefit* had previously been paid at the same rate as the *Invalids Benefit*. From 1 April 1991 they were adjusted down below that rate, but still paid at a higher rate than the *Unemployment Benefit* in all categories other than single beneficiaries with children.  The single adult person rate of benefit had previously been fixed at 60 percent of the married couple rate in the benefit system. This was maintained in the rate adjustments from 1 April 1991 apart from the *Sickness Benefit*, where the single adult rate became 55 percent of the married couple rate. |
| 1 April 1991 | **Guaranteed Retirement Income and Veteran’s Pension: No annual increase to rates** | There was no adjustment to rates of *Guaranteed Retirement Income* or *Veteran’s Pension* on 1 April 1991 or 1 April 1992. |
| 1 April 1991 | **Universal Family Benefit abolished, Family Support increased and access to benefit advances extended.** | The universal *Family Benefit* of $6 a week for each dependent child was abolished.  *Family Support* payments were increased by $6 per week for each dependent child of beneficiaries and eligible families on low earned incomes. Rates were $42 per week for the first child and additional children aged 16-18 years and $22 per week for other additional children. |
| 1 April 1991 | **Special Needs Grants: School uniforms/car restraints** | *Special Needs Grants* (recoverable) were made available for the purchase of school uniforms, cycle helmets and car restraints. Advance payment of *Family Benefit* was previously made to cover these costs. |
| 1 April 1991 | **Accommodation Benefit**  **Change to entry thresholds**  **No change to maximum rates** | From this time the entry threshold for the *Accommodation Benefit* was set to reflect the relevant benefit rate, rather than the *Invalids Benefit* rate. For non-beneficiaries the entry threshold was aligned to the *Invalids Benefit* rate.  The impact of the benefit rate reductions and aligning the entry threshold to the relevant benefit rate resulted in some people receiving less than the maximum amount receiving an increase in their weekly rate of *Accommodation Benefit*.  Maximum rates of *Accommodation Benefit* remained at $41 per week for single people and $68 per week for couples and sole parents (these were linked to the married couple rate of *Invalids Benefit* which was not reduced). |
| 1 April 1991 | **Special Benefit: Standard incomes adjusted** | *Standard Incomes* for *Special Benefit* were reduced by the same amount as the reduction in benefit rates and then increased by an amount equivalent to the increases in the *Accommodation Benefit*. *Standard Incomes* for 18-19 year olds receiving the *Unemployment Benefit* were set at the same rate as the S*tandard Incomes* for 20-24 year olds receiving the *Unemployment Benefit*. |
| 1 April 1991 | **Special Benefit: Deficiency reduced from $45 to $20** | A *Ministerial Direction* provided that a *Special Benefit* would not be granted unless the applicant had a deficiency of at least $20 per week between the applicant’s total income and the applicant’s essential expenditure, calculated in accordance with the Department’s current policy, unless there were exceptional circumstances. This was applied in addition to the limit that grants of *Special Benefit* should not exceed 30 percent of fixed costs.  For applicants for an *Unemployment Benefit* whose spouse was not entitled due to strike action, voluntary unemployment or refusal to seek work, the $20 deduction was increased by the difference between the rate of *Unemployment Benefit* which they would have been paid (without the penalty) and the rate which was actually paid. |
| 1 April 1991 | **Orphan’s Benefit and Unsupported Child’s Benefit: Age and residency rules** | From this time an applicant for the *Orphan’s Benefit* or the *Unsupported Child’s Benefit* had to be aged 18 or over and:   * either the child was both resident and present in New Zealand; or * the applicant had been both resident and present in New Zealand for a continuous period of 12 months at any time. |
| 1 April 1991 | **Social Welfare Commission abolished** | The *Social Welfare Commission*, *District Executive Committees*, *Area Welfare Committees* and *Institution Management Committees* were dis-established. The Commission and Committee structure had been established in 1987 as part of the response to *Puao-te-Ata-Tu.* |
| 1 April 1991 | **Benefit Review Committees (community representation)** | With the disestablishment of *District Executive Committees* (DECs) the DEC representative on *Benefit Review Committees* was replaced by a person resident in or closely connected with the social welfare district appointed by the Minister to represent the interests of the community on the committee. |
| 1 April 1991 | **Housing Corporation Rents: Tenants paying the market rent** | From this time, tenants of the *Housing Corporation* who were paying the market rent had their rent aligned with the mid-point of the market, rather than setting rents at the lower end of the market. |
| 1 July 1991 | **Community Taskforce Scheme introduced** | A person who had been receiving the *Unemployment Benefit* for 26 weeks or more could be required to participate in unpaid work experience for up to three days per week. Participants continued to receive the *Unemployment Benefit* plus an additional allowance of $15 per week to cover their expenses. Refusal to participate without good reason, complete the scheme or meet the requirements resulted in cancellation of the benefit for a period of 26 weeks. Project sponsors could be community organisations, educational authorities, Government Departments, local authorities and the private sector. *Community Taskforce* could be utilised to undertake community projects that would not otherwise be undertaken. Projects could be up to 26 weeks in duration. No sponsor overheads were provided for.  Unlike the *RESTART Programme/Taskforce Green* workers retained their legal status as beneficiaries (i.e. they were not employees), but were covered by relevant work-place safety legislation.  The *Community Taskforce Scheme* aimed to provide work experience to improve the skills, experience and confidence of the unemployed. It was also intended to test the work commitment of those who deemed to not be making sufficient effort to obtain employment. |
| 30 July 1991 | **Statement of Government Policy on Social Assistance: “Welfare that Works”** | In a supplementary paper to the 1991 Budget, the *Minister of Social Welfare* (Hon Jenny Shipley) outlined changes to the structure of the welfare state. The reforms were underpinned by a shift away from way from the provision of social assistance on a uniform basis, to a system of more tightly targeted to those on very low incomes.  *Welfare that Works* declared a major shift in perspective on social security:  *The state will continue to provide a safety net – a modest standard below which people will not be allowed to fall provided they are prepared to help themselves….the state will assist those who genuinely cannot afford all or some of the cost of the provision of those services and, in return, will expect the better off in the community to meet their own costs and contribute to the costs of those less fortunate.*  *Welfare that Works* also included long-term proposals for an integrated targeting framework (*Family Accounts*) – a grand vision of a seamless global system of abatement which would enable state assistance to families to progressively withdrawn, beginning with *Social Security Benefits* and *Family Support*, then to health premiums and then to *Student Allowances*.  Other related reforms included:   * restructuring the funding and provision of health care, with a new “user-pays” regime of charges for primary and secondary care introduced, with state assistance dependent on income; * universities being allowed to set their own fees, *Student Allowances* becoming means tested in relation to parental income and a new *Student Loan Scheme* which allowed students to borrow to cover fees, courses costs and living expenses; and * a new framework for housing assistance (see below). |
| 30 July 1991 | **Statement of Government Policy on Housing and Accommodation** | In a companion volume to *Welfare that Works*, the *Minister of Housing* (Hon John Luxton) announced a new framework for housing assistance. It was considered that the conflicting commercial and social roles of the *Housing Corporation* had created difficulties in achieving and efficient and rational approach to the provision of accommodation assistance.  The reforms included:   * all demand-side housing assistance to be provided through a single *Accommodation Supplement* delivered by the *Department of Social Welfare*; * for *Housing Corporation* and *Iwi Transition Agency* rental clients, rents would be increased to market rents over the next two years (from 1 July 1993 state tenants would pay rents based on the cost of their accommodation); * state tenants in rental accommodation that was not suited to their needs (eg larger houses) or in a high rent areas, were to be offered assistance to move to better matched accommodation (a cash payment of $500 to those who decided to move within the same rent district to better matched accommodation and $1,000 to those who decided to move to a lower cost rent district to achieve better matched accommodation). No state tenants would be forced to move; * in cases of frail or elderly tenants or where a house had been modified to accommodation a particular disability, these people were to be able to remain in the accommodation for as long as they wished and their rents were protected (initially through a rent-rebate, then from 1 July 1993, through the *Tenure Protection Allowance*). * the 69,500 state houses would be transferred to a new *State Owned Enterprise*, to be managed on a commercial basis, in an environment that would lead to a better use of the housing stock. Day to day management would be handled by executives of the company who would report to a *Board of Directors*. The Board would be appointed by, and accountable to, the Government [*Housing New Zealand Ltd*, was established on 1 July 1992]; * the responsibility for policy advice, the administration of the *Residential Tenancies Act 1986* and other non-commercial activities of the *Housing Corporation* would be shifted to other Government departments; * the *Housing Corporation* would be retained as a legal entity to own the $3.8 billion mortgage portfolio (around one-fifth of the value of the New Zealand mortgage market) and the future of this business would be subject to review; * the *Housing Corporation’s* prime rate mortgages were to be offered for sale; and * the *Homestart Deposit Scheme* (to assist low-income families into home ownership) would cease (of the $600 million loaned, it was estimated that there were going to be difficulties in getting around $200 million repaid on schedule).   [*Note: From 1 July 1993, the Accommodation Supplement covered only 65 percent of the difference between a tenant’s rent and the market rent, so state tenants’ expenditures on rent increased. State house rents rose by 106 percent from 1990 to 1999 (by contrast, rents in the private sector rose over the same period by only 23 percent), and, by the late 1990s, approximately 60 percent of state housing tenants were paying more than 30 percent of their income in rent. In 2000, the new Labour Government reinstated income-related rents for state housing tenants.]* |
| 30 July 1991 | **Statement of Government Policy on Accident Compensation** | In a supplement to the 1991 Budget, a government statement entitled *Accident Compensation – A Fairer Scheme* signalled changes to the *Accident Compensation Scheme* (ACC).  Concerns over the escalating costs of the ACC scheme, evidence of fraudulent claims, an inequitable sharing of costs, and the need for more individual responsibility were the basis for a series of reforms to the ACC scheme. The focus of the proposed reforms was on changing individual behaviour, reducing costs for employers and making the scheme more closely resemble private insurance.  Fundamental changes to the ACC scheme were introduced from 1 April 1992.  While the 1992 changes preserved ACC’s position as a compulsory monopoly provider, subsequent changes in 1999 established a competitive market for workplace injuries, with private insurers allowed to provide work-related accident insurance. |
| 31 July 1991 | **Housing Corporation subsidised mortgages: Interest rate increased** | *Housing Corporation of New Zealand* subsidised mortgage interest rates were increased by one percent. Increases of a further one percent each year were announced, and these would occur until such time as market interest rates were reached. |
| 1 August 1991 | **Special Benefit: Extended to Housing Corporation mortgagee clients** | From this time access to *Special Benefit* was extended to *Housing Corporation of New Zealand* mortgagee clients. This resulted from the increase to subsidised mortgage interest rates and the movement to market interest rates. |
| 1 August 1991 | **High income stand-down extended** | The high-income stand-down of up to ten weeks (including the statutory two-week stand down) was extended to applicants for all main *Social Security Benefits*. The high-income stand-down had previously applied only to applicants for the *Unemployment Benefit*.  The exception to this was applicants for the *Training Benefit* for whom the maximum high-income stand down was eight weeks (the statutory two-week stand-down did not apply to applicants for the *Training Benefit*).  Families with children who were not entitled to an *Unemployment Benefit, Sickness Benefit, Training Benefit, Invalids Benefit Domestic Purposes Benefit or Widows Benefit* due to high income could apply for a recoverable Special Needs Grant. These grants were only considered where:   * there was one or more dependent child; * the family had no cash assets; * there were no credit facilities available to the family; and * everything possible had been done to reduce the family’s fixed commitments, such as suspending mortgage principal payments.   If eligible, a family could receive *Family Support* payments during the stand down. |
| 1 August 1991 | **Redundancy stand-down: Change to the formula for calculating the length of the stand down** | An amendment to the redundancy stand-down allowed for the inclusion of *Accommodation Benefit* within the weekly amount of benefit. The stand-down was calculated by dividing the redundancy payment by the *Unemployment Benefit* rate, plus *Family Support*, plus the *Accommodation Supplement*. The maximum length of the stand-down remained 26 weeks.  Families with children, who were not able to receive a benefit due to the redundancy stand-down were able to apply for recoverable *Special Needs Grants.* These grants were only considered where:   * there was one or more dependent child; * the family had no cash assets; * there were no credit facilities available to the family; * everything possible had been done to reduce the family’s fixed commitments, such as suspending mortgage principal payments; and * the redundancy payment had been used to meet the family’s on-going costs, rather than to pay off capital debts, such as mortgages.   If eligible, a family could receive *Family Support* payments during the redundancy stand down. |
| 1 August 1991 | **Sickness Benefit, Invalids Benefit and Domestic Purposes Benefit: Minimum age of eligibility increased** | The age of eligibility for the *Sickness Benefit* and *Invalids Benefit* was increased from 15 to 16 years and for the *Domestic Purposes Benefit* from 16 to 18 years. |
| 1 August 1991 | **Social Security Benefits: Overseas absence rules tightened** | Allowable overseas absence for the *Domestic Purposes Benefit, Widows Benefit, Invalids Benefit, Orphans Benefit* and *Unsupported Child Benefit* was reduced from 26 weeks to four weeks. |
| 1 August 1991 | **Funeral Grant introduced** | The *Funeral Grant* replaced the *Lump Sum Payment on Death*. The *Funeral Grant* was means tested on both the estate and the partner and the income of the surviving partner or the parents of a deceased child.  The *Funeral Grant* was calculated as the difference between the value of the deceased’s estate (before any payments were made) and the cost of the funeral, subject to a maximum payment of $1,000.  If the assets of the surviving spouse were greater than $1,082 (four times the married couple rate of the *Invalids Benefit*) then each dollar of case assets above this amount reduced the *Funeral Grant* by $1. The surviving spouse also needed to establish that his or her continuing income was such that it would not prevent the payment of an *Invalids Benefit* on income grounds.  In the case of the death of a child, the maximum grant payable for funeral expenses was increased from $795 to $1,000. The grant was reduced by the amount of the parents’ cash assets in excess of the $1,082.  In the case of the death of a single person a lump sum grant of up to $1,000 (previously $795) was payable in cases where funeral costs could not be met from the deceased’s estate.  Any undivided beneficial interest in Mäori freehold land was disregarded in determining entitlement to a *Funeral Grant*.  The provisions allowing entitlement to four weeks of the deceased benefit following death continued. |
| 1 August 1991 | **Guaranteed Retirement Income (National Superannuation): Legislation enacted to change it to an income-tested social security benefit**  **Income test provisions repealed prior to implementation** | The *Social Welfare (Transitional Provisions) Amendment Act (No. 2) 1991* provided for the following changes to *Guaranteed Retirement Income* from 1 April 1992:   * reversion of the name to *National Superannuation*; and * an increase in the age of eligibility from 60 to 61 years from 1 April 1992 and gradual increases until the age of eligibility reached 65 years in April 2001.   *Income Test for National Superannuation*  From 1 April 1992, an income test was to be applied to *National Superannuation*. A more generous income test was to be applied to people aged 70 years and over. The applicable rate (before tax) and income test provisions were:   * Single living alone (aged 70+): * $11,807.64 per year reduced by 90c for every complete dollar of assessable income in excess of $4,160 per year. The amount of *National Superannuation* payable could not fall below $4,405.70 per year ($169.45 per fortnight) * Single Sharing (aged 70+):   $10,767.64 per year reduced by 90c for every complete dollar of assessable income in excess of $4,160 per year. The amount of *National Superannuation* payable could not fall below $4,405.70 per year ($169.45 per fortnight)   * Married Person (aged 70+): * $8,811.40 per year reduced by 45c for every complete dollar of assessable income of their person and their spouse in excess of $4,160 per year. The amount of *National Superannuation* payable could not fall below $4,405.70 per year ($169.45 per fortnight) * Single living alone (aged under 70 years): * $11,807.64 per year reduced by 90c for every complete dollar of assessable income in excess of $4,160 per year. * Single Sharing (aged under 70 years): * $10,767.64 per year reduced by 90c for every complete dollar of assessable income in excess of $4,160 per year. * Married Person (aged under 70 years): * $8,811.40 per year reduced by 45c for every complete dollar of assessable income of their person and their spouse in excess of $4,160 per year.   The existing income test that applied to a married person who included a non-qualified spouse in their *National Superannuation* was to be retained and tightened in line with the new provisions.  On 9 December 1991, the income test provisions were repealed by the *Social Welfare (Transitional Provisions) Amendment Act (No. 3) 1991*. *National Superannuation* (as it become known from 1 April 1992) remained a universal entitlement. From 1 April 1992, tighter targeting was instead implemented through an increase in the rate of the *Superannuation Taxation Surcharge* and a decrease in the income threshold, above which the *Taxation Surcharge* was applied. |
| 1 August 1991 | **Resettlement assistance for ex-servicemen withdrawn** | *Resettlement Assistance for Ex-servicemen* was withdrawn. Assistance to ex-servicemen had included furniture loans, concessional housing loans assistance with education costs. As it was nearly 20 years since the last major conflict involving New Zealand servicemen had ended (the Vietnam War) the vast majority of veterans had long since settled into careers and housing.  The closing date for resettlement in respect of earlier conflicts (e.g. World War Two, Korea) had been 31 March 1965. |
| September 1991 | **Special Needs Grants programme: New categories** | The limit of one *Special Needs Grant* a year for medical costs was removed and new categories for school stationery, occupational course fees and installation of a telephone (where essential) were introduced. |
| September 1991 | **Special Benefit: Fixed costs** | Policy instructions were amended to clarify that the following were not to be allowed as fixed costs for *Special Benefit*:   * deductions under 70A and 74(e) (failure to identify the other parent or to take reasonable steps to obtain maintenance); * recovery of *Department of Social Welfare* debts or *Advance Payment of Benefit*; * maintenance deductions (maintenance received is included in the income assessment); * liable parent contributions; and * payments from boarders to be charged as income. |
| 1 October 1991 | **Guaranteed Retirement Income and Veteran’s Pension: Lower non-qualified spouse rate introduced** | The rate of *Guaranteed Retirement Income* and *Veteran’s Pension* payable to married couples where the spouse did not qualify was reduced for new applicants by $14.21 per week. Existing recipients with a non-qualified spouse were grandparented (i.e. continued receive the full married couple rate). A person who had been receiving *Guaranteed Retirement Income* or a *Veteran’s Pension* prior to 1/10/1991 and who subsequently applied to include their non-qualified spouse (i.e. after 1/10/1991) was also able to receive the grandparented rate.  The total after-tax weekly rate for new applicants of $273.86 per week was set to equate to the single adult rate of the *Unemployment Benefit* ($129.81) plus the married person rate of *Guaranteed Retirement Income* ($144.05).  Where there was a non-qualified spouse, a couple could receive the married couple rate of *Guaranteed Retirement Income* or a *Veteran’s Pension*, subject to an income test (the couple’s income), or the qualifying spouse could receive the married person rate of *Guaranteed Retirement Income* or a *Veteran’s Pension* without an income test.  These provisions reflected an expectation that most people would continue to work until they were old enough to qualify for *Guaranteed Retirement Income* or a *Veteran’s Pension* in their own right. The income test that applied to the non-qualified spouse rate was similar to that which applied to the *Unemployment Benefit*, except that gross income abated the gross rate of benefit and that income was assessed on an annual basis. |
| 1 October 1991 | **Guaranteed Retirement Income and Veteran’s Pension: Rate of benefit for a non-qualified spouse when the qualifying spouse entered long-term care in a hospital or rest home** | From this time, a non-qualified partner of a recipient of *Guaranteed Retirement Income* or a *Veteran’s Pension* could no longer receive *Guaranteed Retirement Income* or a *Veteran’s Pension*, if the qualifying partner was admitted to long-term care in a hospital or a rest home.  As an alternative form of income support, an *Emergency Benefit* was payable under the *Social Security Act 1964* at the appropriate rate of the *Invalids Benefit* payable to a person who was single or was single with one or more dependent children.  Prior to this, the non-qualified spouse was able to continue to receive *Guaranteed Retirement Income* or a *Veteran’s Pension* at the appropriate single rate. As a transitional measure, this provision was retained in respect of a situation where a non-qualified spouse had been included prior to 1 October 1991. |
| 1 October 1991 | **Taskforce Green extended** | *Taskforce Green* was extended to include private sector employers. Participation on a project could be for up to 26 weeks, with some discretion for an additional period of 26 weeks. Two subsidy levels were payable to project sponsors:   * $214 (GST inclusive) per week for workers aged over 20 years or who have dependants; and * $143 (GST inclusive) for those aged under 20 years and without dependants.   Workers were classified as employees, with employers required to top-up wages to at least the *Minimum Wage*. The employer was required to meet any overheads associated with the project.  In May 1993, a subsidy rate for a project supervisor of $322 (GST inclusive) per week was introduced for supervisors employing five or more people, to encourage larger projects. |
| 1 October 1991 | **Eligibility tightened for those shared/split custody** | From this date, where custody was shared, only one parent could have the children taken into account in the assessment of their entitlement to a benefit and the rate payable. If custody was split, only one parent could claim the *Domestic Purposes Benefit* but the other could, if eligible, receive the sole parent rate of some other benefit (eg *Unemployment Benefit* or *Sickness Benefit*).  The new arrangements for shared custody applied to new applicants from 1 October 1991. For existing beneficiaries where a shared custody arrangement was involved, their benefit was re-assessed at their next annual renewal.  The new arrangements for split-custody applied only to new applications for the *Domestic Purposes Benefit*.  *[See subsequent policy change regarding access to the Emergency Benefit, 23 December 2004]* |
| 1 October 1991 | **Transition to market rents for state tenants commenced** | The transition to market rents for tenants of the *Housing Corporation of New Zealand* commenced. Initially, the process involved moving the tenant’s rent to that for “matched accommodation”. The matched rent was calculated using the median *Housing Corporation of New Zealand* regional rent for a household with the same number of bedrooms. The first increase, on the anniversary of the tenancy was for half the amount, less the assessed *Accommodation Benefit* (AB). The assessed AB entitlement was the expected AB entitlement the household would have received had they been paying the “matched rent”, taking into account their known income, but excluding cash assets. The second increase, beginning in October 1992 was to be the market rent for matched accommodation, less the AB entitlement. |
| 1 October 1991 | **Special Benefit: Ministerial Direction amended** | The *Ministerial Direction on Special Benefit* was amended to include *Standard Incomes* and define *Chargeable Income* and *Cash Assets*. This formalised the use of *Standard Incomes*. *Standard Incomes* were adjusted by amounts equivalent to the reduction in benefit rates (1 April 1991) and increased by the equivalent increases in rates of the *Accommodation Benefit*. |
| October 1991 | **Task Force on Private Provision for Retirement**  **“Todd Task Force”** | The Government appointed an independent *Task Force on Private Provision for Retirement* to report on policy options to encourage greater self-reliance amongst retired people. The Task Force chaired by Jeff Todd (Price Waterhouse). Its members were:   * Falcon Clouston (consultant); * Angela Foulkes (Secretary of the New Zealand Council of Trade Unions); * Michael Littlewood (Fletcher Challenge Ltd); and * Patricia Schnauer (barrister and solicitor).   Four broad principles were identified by the Government to be used by the Task Force when considering what policies could be implemented. They were:   * encouragement of greater financial self-reliance of retired people; * promotion of inter-generational equity; * promotion of economic efficiency in resource allocation; and * promotion of fiscal sustainability.   The Task Force produced three reports:   * *The Issues* [December 1991]; * *The Options* [August 1992]; and * *The Way Forward* [December 1992].   Full and detailed "model options" were formulated for both for reintroducing tax incentives for superannuation, and for introducing a compulsory savings scheme. However, when the detailed design work was completed and the effects worked out, the Task Force was not persuaded by either proposal. The recommendation of the Task Force was to maintain both the current parameters for government-provided pensions, supported by increased voluntary savings by income earners (though without tax concessions).  To make the on-going costs of the public pension more affordable for an ageing population the Task Force endorsed gradually lowering the pension-wage ratio and targeting the pension. It also endorsed the 1991 policy of increasing the age of eligibility to the pension to 65 by the year 2001. The Task Force rejected tax concessions noting their high financial cost and their disproportionate gains for high income individuals. It also rejected a compulsory contributory scheme citing the negative effects on low-income people. The Task Force, however, did develop a model for a possible compulsory scheme.  It was recommended that a *Retirement Commissioner* be appointed to monitor the developing situation and to improve the regulatory framework for private savings.  This approach was accepted by the three main political parties in an "*Accord on Retirement Income Policies*" signed in August 1993 and legislated in the *Retirement Income Act 1993*. |
| October 1991 | **Aid to Families Programme: Restrictions on payments** | The *Aid to Families Programme* administered by the *Department of Social Welfare* supported people being cared for at home in their own communities.  From this time, the government introduced restrictions on what could be paid to family caregivers under the programme. Family members providing respite care were no longer eligible for a daily allowance, but they could be reimbursed for expenses. |
| 11 November 1991 | **SWIFTT benefit payment system introduced** | The SWIFTT (*Social Welfare Information for Tomorrow Today*) IT system was approved by Cabinet in December 1987 and integrated the *Department of Social Welfare’s* eight databases into a single system. SWIFTT provided staff with direct access to all beneficiary information through a single client record which could be updated instantaneously.  Initially intended to be introduced by November 1989, SWIFTT was first introduced for *Family Benefit* and *Special Benefit* in August 1990 and the system was extended to other benefits in November 1991 (with the exception of *Guaranteed Retirement Income*, *War Pensions* and overseas pensions).  The SWIFTT project went beyond a simple upgrade of infrastructure. It involved a transformation of business processes. Beneficiaries could leave the office with written confirmation of decisions made on benefit entitlement. Payments to banks were prompt, reducing the need for *Special Needs Grants*. |
| 1 December 1991 –21 February 1992 | **Tertiary Employment Assistance Scheme** | The *Tertiary Employment Assistance Scheme* provided a $50 per week subsidy to employers providing tertiary students with full- time employment from four to ten weeks in duration. The jobs had to be additional to the employer’s normal workforce, and for occupations other than general labouring, horticulture, hotel and restaurant work and food and beverage processing. Eligible job seekers were tertiary students or intending tertiary students who were eligible for the *Emergency Unemployment Benefit*.  Modifications to the scheme for 1991/1992 included a lower weekly subsidy, a reduced duration of subsidy and the exclusion from eligibility of jobs in food and beverage processing. |
| 18 December 1991 | **Sole Parent Beneficiaries: Removal of exclusion clause where liable parent not identified** | For sole parents who have failed to identify the liable parent, the provision not to reduce benefits in cases where the process of identification would jeopardise a stable family relationship was removed. |
| December 1991 | **Changes to the Special Needs Grants programme** | From this time the limit of one *Special Needs Grant* a year for food and clothing was removed. Multiple grants for food and clothing were subject to a cumulative annual amount. The annual limits for food were increased to $150 for single people, $200 for married couples and $300 for people with children. Multiple grants for medical costs were also allowed subject to a maximum of $200 for any one grant. |
| 1991 | **Community Employment Group established** | The *Community Employment Group (CEG)* was formed within the *Department of Labour* from an amalgamation of the *Community Employment Development Unit* and the *Group Employment Liaison Service (GELS)* of the Department of Labour and the *Alternative Employment Liaison Service* of the *Department of Internal Affairs* (which helped disadvantaged groups establish their own businesses through loan finance and a network of field workers).  While these former units had different objectives and target groups, they all operated outside the main delivery mechanism and connected central government with the most disadvantaged and remote communities.  *CEG* Community employment advisers worked with Government agencies, local Government, community organisations, business groups, education groups to assess and develop employment strategies to meet local needs. A network of five regional offices was established with around 50 field advisors providing information, brokerage, advice and planning, as well as making recommendations for funding and monitoring projects. |
| 1991 | **Job Link Programme established** | The *Job Link Programme* was a work experience programme, established alongside the *Community Taskforce Scheme*.  Unlike the *Community Taskforce Scheme,* it was a full-time programme. Participants were those unemployed for 26 weeks or more who were placed with an employer for four weeks, though not provided with wages or an allowance (they continued to receive the *Unemployment Benefit*).  The scheme was intended to offer the long-term unemployed a foot-in-the-door and a chance to prove their sustainability to an employer. The scheme contained a significant risk of exploitation by employers and was not actively marketed by the *New Zealand Employment Service*. |
| 1 January 1992 | **Student Loan Scheme commenced** | The *Student Loan Scheme* was established. This allowed students to borrow money for course fees, course related costs and for living expenses. The scheme was available to full-time students studying for not less than 12 weeks or part-time full year students. Full-time students were entitled to a living allowance loan component of up to $4,500 (less any student allowance received), a course-related costs component of up to $1,000 and a loan payment to cover the course fees that a tertiary institution charged. For students at private training establishments, a maximum of $4,500 was available to cover compulsory fees.  An administration fee of $50 was payable when funds were first drawn down. Interest was charged on all loans from the day that the loan account was accessed. In 1993, the interest rate was 8.2 percent, combining a 6 percent real interest rate (how much it costs the Government to borrow) and an interest adjustment rate of 2.2 percent (inflation adjustment). The interest rate was reviewed each year from 1 April. The repayment threshold was set at $12,670 (the forecast income cut-out point for the *Domestic Purposes Benefit* (two or more children), with income exceeding this level attracting a 10 percent repayment liability.  A real interest write-off (for any year in which a student loan was not accessed) applied to people whose income was below the repayment threshold. If the repayment obligation was less than the real interest charge, the balance of the real interest would be written off. The repayment threshold was adjusted each year on 1 April.  Loans were administered by the *Ministry of Education* and repaid through the *Inland Revenue Department*. From October 1998, administration of the scheme was transferred to the *Department of Work and Income*, subsequently the *Ministry of Social Development*. |
| 1 January 1992 | **Student Allowances: Eligibility tightened, and maximum rates reduced** | Rates of *Student Allowances* were reduced at all levels, to mirror the reduction in rates of *Unemployment Benefit* that had taken place from April 1991. Targeting on parental income was extended to include 20 to 24-year olds and targeting was applied to the entire *Student Allowance* so that a fixed-rate component no longer existed. Proof that students were living away from home was no longer required, although different rates of Allowances were still set for at home and away from home. Full reinstatement of Allowances for secondary students aged 18 or over occurred during 1992. Allowances were available to secondary school students aged 18 or over on 1 January of the current year. |
| 1 February1992 | **Community Services Card user part charges for health services introduced**  **Group 1**  **Group 2** | The *Community Services Card* (CSC) was introduced in conjunction with user part-charges for health services. The changes aimed to provide health subsidies for low-and-middle-income earners, while those in higher income groups were asked to pay a greater share of the costs of health services. The services affected by the introduction of charges for health services included general practitioner services, pharmaceutical, public hospital inpatient and outpatient services.  The CSC provided a subsidy to low income and beneficiary families. The unit of assessment was the core family. The income limits were:   * single (sharing accommodation) $16,500; * living alone $17,500; and * couple $23,000.   The population was divided into two groups on the basis of income and family circumstances.  Low income earners (Group 1) were defined as people receiving:   * a main social security benefit; * *National Superannuation* whose income was below the cut-off levels (heath user charges and the CSC were extended to recipients of National Superannuation in September 1992); * *Student Allowances*; * unabated *Family Support*; and * childless non-beneficiary low income families and individuals whose income was below the cut-off levels.   Middle income earners (Group 2) were defined as people receiving:   * partly abated *Family Support*.   Those in Groups 1 and 2 were eligible for a CSC (initially called *Kiwi Card*).  For pharmaceuticals, out-patient and in-patient services a “stop loss” model was applied – a threshold or maximum annual limit that a family or individual was required to pay.  The CSC was administered by the *Department of Social Welfare*. |
| 1 February 1992 | **Child Care Subsidy restructured** | *Child Care Subsidies* paid under the social work, special welfare and refugee referral provisions were abolished.  There was a reduction in the minimum number of hours a child must attend to qualify for the subsidy, from 12 hours per week to six hours per week. New weekly rates of the subsidy were introduced at $65, $45 and $25, depending on the applicant’s income. |
| 1 February 1992 | **Social Security Agreement with the Netherlands came into force** | A *Social Security Agreement* with the Kingdom of the Netherlands came into force. The Agreement had been signed in 1990.  A new *Social Security Agreement* with the Kingdom of the Netherlands was signed in June 2000 and came into force on 1 November 2003. |
| 25 March 1992 | **Special Benefit: People in residential care** | A *Ministerial Direction* formalised the payment of *Special Benefit* to persons with psychiatric or physical disabilities in resident care. *Special Benefit* was used to subsidise the cost of care by way of a *Personal Allowance* specified in the Ministerial Direction. |
| 1 April 1992 | **Community Taskforce for people subject to a 26-week benefit stand down** | From this time, people who were subject to a 26-week stand down could be paid a benefit if they were placed on a *Community Taskforce Programme*. In addition, people on a 26-week stand-down could have immediate placement on a *Community Taskforce Programme*, instead of waiting the usual 13 weeks to be considered for placement.  “Clean slate” provisions were extended to training and the *Community Taskforce Programme*. The remaining weeks of a 26-week stand-down were wiped for those who successfully completed a *Community Taskforce Programme* or an approved training course. Participation must have been for a minimum of six weeks; participants on courses longer than six weeks were still required to complete them in the normal way. |
| 1 April 1992 | **Unemployment Benefit: Redundancy stand-down for 60+ age group abolished** | For applicants for the *Unemployment Benefit*, the redundancy stand-down was abolished for those aged 60 and over. This coincided with the increase in the age of eligibility for *Guaranteed Retirement Income*. |
| 1 April 1992 | **55+ Benefit introduced** | The *55+ Benefit* was introduced. This has the same conditions and rates as *Unemployment Benefit* but a relaxed work test. In statutory terms, these people were receiving an *Unemployment Benefit*, though a *Ministerial Direction* provided that the *Unemployment Benefit* paid to these people was to be known as the *55+ Benefit.*  Prior to this, many older job seekers were being granted the *Emergency Benefit* instead of an *Unemployment Benefit.* |
| 1 April 1992 | **Changes to Guaranteed Retirement Income:**  **National Superannuation**  **Increase in age of eligibility to 61 years** | *Guaranteed Retirement Income* was renamed *National Superannuation*.  The rate of the *Superannuation Taxation Surcharge* was increased from 20c to 25c in the dollar.  The allowable income before the *Taxation Surcharge* impacted was reduced from $7,202 to $4,160 per annum ($80 per week) for a single person and from $12, 012 to $6,240 ($120 per week) for a married couple.  The age of eligibility for *National Superannuation* was increased from 60 to 61 years. From 1 July 1993, the age of entitlement would gradually rise until it reached 65 years on 1 April 2001. |
| 1 April 1992 | **Changes to Veteran’s Pension** | From this time, recipients of *National Superannuation* were able to transfer to a *Veteran’s Pension*, if they met the disability criteria. The *Veteran’s Pension* was not subject to the *Superannuation Taxation Surcharge*. |
| 1 April 1992 | **Changes to the ACC scheme introduced**  **Earner Premium introduced**  **Interface between weekly compensation and National Superannuation** | Changes to the *Accident Compensation Scheme* (ACC) included:   * an ACC *Earner Premium* was introduced for employees to cover the cost of non-work-related injuries. Employees paid for non-work-related injuries instead of employers. The *Earner Premium* was initially set at 0.7c for each dollar of income with the maximum earnings liable for the premium being set at 2.5 times the average wage. It was collected via the PAYE system. The *Earner Premium* did not apply to social security benefits or *National Superannuation*. * the scheme was separated into different accounts; * experience rating discounts and loadings were introduced for employers; * entitlements and eligibility rates were specified in regulations; * the calculation of weekly compensation was prescribed; * lump sum entitlements for impairment were replaced by an *Independence Allowance* (a periodic payment); and * the *ACC Appeal Authority* was dis-established with the *District Court* taking over the role.   No compensation for loss of earnings or loss of potential earning capacity was payable to any person who had attained the *National Superannuation* qualification age, unless that person had made an irrevocable election not to receive *National Superannuation* in respect of any period for which that person was entitled to receive compensation for loss of earnings or loss of potential earning capacity. The election had to occur within one month of the commencement of the incapacity in respect of which the compensation is payable; or at any time not later than one month before the attainment by the person of the *National Superannuation* qualification age, whichever last occurred.  Prior to this, there was no relationship between eligibility to weekly compensation and receipt of *National Superannuation*. Instead an upper age limit for receiving weekly compensation applied. This age limit was dependent on the age of the person at the time they became eligible for weekly compensation. |
| 1 April 1992 | **Benefit rates increased** | After tax rates of main *Social Security benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 1.0 percent to reflect the increase in the cost of living over the previous 12 months. |
| 1 April 1992 | **National Superannuation/Veteran’s Pension: No increase to rates** | There was no adjustment to rates of *National Superannuation* or *Veteran’s Pension*. |
| 1 April 1992 | **Accommodation Benefit: Some maximum rates increased** | The maximum rate of *Accommodation Benefit* was increased from $68 to $69 per week for couples and sole parents. It remained at $41 per week for single people. |
| 1 April 1992 | **Special Benefit: Adjustment to Standard Incomes** | The method of assessing *Standard Incomes* adopted in 1989 was revised to incorporate increases to the maximum rates of the *Accommodation Benefit.* |
| 1 April 1992 | **Resident Withholding Tax: No declaration rate** | People receiving income from interest who did not supply their IRD number to the financial institution which paid the interest had tax deducted at 33 percent, instead of 24 percent. |

**Part IV: Managing for outputs, May 1992 - March 2001**

| **Date** | **Change** | **Description** |
| --- | --- | --- |
| 1 May 1992 | **Restructuring of the Department of Social Welfare into Business Units** | A restructure of the *Department of Social Welfare* created the following business units:   * *New Zealand Income Support Service*; * *New Zealand Children and Young Persons Service*; * *New Zealand Community Funding Agency*; * *Social Policy Agency*; * Corporate Office; and * TRITEC. |
| 1 July 1992 | **Child Support Scheme replaced the Liable Parent Contribution Scheme** | A new system for collecting child maintenance was announced in the 1990 Budget. The *Child Support Act 1991* took effect on 1 July 1992.  Under this legislation, any custodian of a child or children could apply for *Child Support* from the non-custodial parent. A custodian receiving a *Social Security Benefit* paid at the sole parent rate (with the exception of the *Domestic Purposes Benefit for Caregivers* or the *Training Benefit*) or the *Unsupported Child’s Benefit* was required to do so and payments of *Child Support* up to the level of the sole parent benefit were retained by the State.  The amount of *Child Support* was calculated using the following formula:  **(Taxable Income – Living Allowance) x Percentage Rate**  The *Percentage Rate* depended on the number of children for which *Child Support* was being paid:   * one child 18 percent; * two children 24 percent; * three children 27 percent; and * four or more children 30 percent.   If a shared care arrangement existed, the following percentage rates applied:   * 0.5 child 12 percent; * 1.0 children 18 percent; * 1.5 children 21 percent; * 2.0 children 24 percent; * 2.5 children 25.5 percent; * 3.0 children 27 percent; * 3.5 children 28.5 percent; and * 4.0 children 30 percent.   For the purpose of the *Child Support* percentage rate, each child in a shared care arrangement was counted as 0.5 of a child.  A non-custodial parent receiving a *Social Security Benefit* was required to make the minimum contribution of $10 per week.  The maximum earnings assessed under the scheme were 2.5 times the average weekly wage.  A non-custodial parent was liable for *Child Support* for children up to the age of 19 years.  The scheme was administered by the *Inland Revenue Department.*  Beneficiary custodians receiving a sole parent rate of benefit who failed to identify in law the other parent continued to receive a benefit reduction. This was set at $22 per week (equivalent to the rate of *Family Support* payable in respect of a second child). The reduction was made in respect of each child where the other parent has not been identified or named in a *Child Support* application. |
| 1 July 1992 | **Child Support Assistance Ministerial Welfare Programme** | The *Child Support Assistance Programme* was established to assist liable parents to meet their obligations under the *Child Support Act 1991*, where paying the minimum amount would result in serious hardship. Single applicants were required to have cash assets of less than four times the single rate of *Invalids Benefit*. For sole parents and married couples, the cash asset limit was four times the married couple rate of *Invalids Benefit*.  The weekly amount of *Child Support Assistance* was equal to the lesser of, the minimum amount of *Child Support* payable, or the difference between the applicant’s weekly chargeable income, and their weekly fixed costs plus the applicable “standard income” (as set out in the *Ministerial Direction in relation to Special Benefit*).  It should be noted that this programme was never operationalised and no payments were ever made under it. |
| 1 July 1992 | **Government Superannuation Fund: Closed to new members** | The *Government Superannuation Fund* (GSF) for state employees was closed to new members. The exception was for persons who were eligible for membership through their employment with certain Pacific Island Governments. Membership was closed to these persons in 1995.  The GSF administered six superannuation schemes: a general scheme for employees in government service; and five sub-schemes for specialised occupational groups – the armed forces, police, prison service, members of Parliament and judges. The fund's revenue comprised members' contributions, subsidies from the Crown, state-owned enterprises, trading departments and other bodies, and interest earned on investments.  As at 30 June 1999, there were 33,690 contributors to the GSF paying $107 million in the June 1999 year. |
| 1 July 1992 | **Housing Corporation Restructured**  **Housing New Zealand Ltd**  **Ministry of Housing** | The *Housing Corporation of New Zealand* was split to form:   * ***Housing New Zealand Ltd***(to administer approximately 69,500 state rental houses transferred to the new company from the *Housing Corporation of New Zealand* as a commercial enterprise and secure an agreed rate of return on the investment to the Crown*.* Housing New Zealand was established with 56 Neighbourhood Units in five administrative regions around the country); * ***Housing Corporation of New Zealand*** *(*to manage the portfolio of existing state mortgages, many of which were subsequently sold to private financial institutions*)*; and * ***Ministry of Housing***(to provide policy advice and tenancy services (information and disputes resolution service) and to operate the *Tenancy Bond Centre*. It was responsible for administering the *Residential Tenancies Act 1986* and providing governance, monitoring and purchase advice to Ministers in relation to the *Housing Corporation of New Zealand*. It also administered the *State Housing Appeal Authority*).   The 1991 Budget Statement on the housing reforms set out the clear intention of the Government to change the then *Housing Corporation of New Zealand* into a profit-driven *State-Owned Enterprise* (SOE). Under this new arrangement the Government’s social responsibility would be picked up primarily through the new *Accommodation Supplement*. The main thrust of the government’s policy was to eliminate direct subsidisation of rents and mortgage interest for people on low incomes and instead deliver cash assistance through the *Accommodation Supplement.* |
| 1 July 1992 | **Community Housing Programme: Provision of assistance to organisations transferred to the New Zealand Community Funding Agency** | Assistance to organisations under the former *Housing Corporation Community Housing Programme* was transferred to the *New Zealand Community Funding Agency* of the *Department of Social Welfare*. The *Community Funding Agency* provided funding for:   * special tenancies, where community organisations undertook rental agreements to provide housing to those with special needs (eg woman’s refuge and emergency housing);   special lending, where community organisations undertook mortgage agreements to provide housing to those with special needs; and   * the *Community Grants Scheme* for Advice and Advocacy to people on accommodation.   The *Community Funding Agency* did not act as a landlord or mortgagee. Once mortgages and rents for community housing providers had been adjusted to market rents by the Government, the Agency’s role was to provide assistance by way of a subsidy. For new providers, the subsidy was allocated to those groups who could fulfil a service need to the Agency’s satisfaction.  *Housing New Zealand* was responsible for the provision and maintenance of a set number of houses under the *Community Housing Programme* by contract with the *Community Funding Agency*. |
| 10 August 1992 | **Advisory Council for Senior Citizens established** | The *Advisory Council for Senior Citizens* was established by the *Minister for Senior Citizens*, Hon Wyatt Creech, to provide the Minister with expert, independent and confidential advice on issues concerning the well-being of older people. The advice was provided from a community perspective and therefore complemented the advice provided by the *Senior Citizens Unit* of the *Department of Social Welfare* (the primary source of advice to the Minister on issues affecting older people).  The Council was established as a Committee under the provisions of section 30 of the *Social Welfare (Transitional Provisions) Act 1990*. The terms of reference from the Council provided for the appointment of up to seven members, who were appointed as individuals rather than representatives of particular interest groups or organisations. Initially, six members were appointed, and the first chairperson was Mrs Lysbeth Noble.  In its first year, the *Advisory Council for Senior Citizens* concentrated on requests for advice which it received from the Minister. Subsequently, the Council developed a draft work programme at the beginning of each year which was sent to the Minister for consideration. The Council provided written reports to the Minister and the Minister received minutes of their meetings and often attended meetings. |
| August 1992 | **Rural Sector Assistance** | The *Rural Sector Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for South Island farmers affected by snow storms. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| August 1992 | **Enterprise Allowance: Capitalisation option** | To assist with start-up capital a capitalisation option was introduced to the *Enterprise Allowance Scheme*. Job seekers who were accepted on to the Scheme could receive a portion of their *Enterprise Allowance* as a lump sum when the business was established, in exchange for a lower weekly allowance of the term of the subsidy. |
| August 1992 | **Government Statement on the Funding and Delivery of Disability Support Services** | The Government released a statement on the funding and delivery of health and disability services disability services. *Support for Independence for People with Disabilities – A New Deal*. The purchasing of state-subsidised disability support services (DSS) was to be progressively transferred from the *Department of Social Welfare* to the four newly formed *Regional Health Authorities* (RHAs). The RHA’s were to be responsible for purchasing services for people with disabilities. They would not provide any services themselves but would negotiate service contracts with providers. Services would be provided by a range of organisations including *Crown Health Enterprises*, private businesses such as rest homes, voluntary organisations such as the IHC and CCS and a range of small providers.  The *Department of Social Welfare* would provide income support payments to people with disabilities. The *Department of Social Welfare* retained funding for vocational services (In 1999, responsibility was transferred to the *Department of Work and Income*).  The bulk of DSS funding was to be transferred to the four RHAs on 1 July 1993 (the date the RHAs formally began operation). This included funding for all DSS programmes funded through *Area Health Boards* and the *Department of Health*. It also included the following programmes administered by the *Department of Social Welfare*:   * *Rest Home Subsidy*; * *Home Help Subsidy*; and * *IH Support Subsidy*.   It was announced that funding and responsibility for programmes provided under Part II of the *Disabled Persons Community Welfare Act 1975* would transfer from the *Department of Social Welfare* to RHAs on 1 July 1994, or later if the RHAs needed more time to work out their assessment systems and arrangements for purchasing services. The programmes included:   * Aid to Families (support for carers); * Attendant Care; * loans for home and car alterations; * loans to buy cars; * walking frames and other aids and appliances; * expenses to attend assessment and treatment; and * disability information and advisory services.   Further work was to be undertaken on ‘maximised benefit’ – an informal arrangement whereby a number of different benefits, including *Special Benefit*, were used to help pay for residential services for people with disabilities.  The changes meant that services would be purchased by one agency (RHA) instead of the previous three (*Area Health Boards*, *Department of Health* and *Department of Social Welfare*). This was intended to overcome the long-standing frustration people with disabilities had had in having to deal with a number of agencies. In addition, the changes were intended to:   * provide access to improved assessment and an improved range of services and provision for the disabled to have their needs considered more holistically; * free up resources to provide better support for people at home and in the community * improve access to rehabilitation through incentives for RHAs to invest in this area; * provide opportunities for different providers (e.g. those with Mäori and Pacific communities to negotiate contracts with RHAs to provide services for their own people); and * provide incentives to achieve greater value for money, to use scarce resources more fairly and to contain overall costs.   Earlier in 1993, the government had released a discussion document – *Support for Independence.* This followed an announcement that DSS funding would be co-ordinated through a single agency. Views were sought from stakeholders on particular aspects of service provision, including the features that the purchasing agency should have in order to meet the needs of people with disabilities. Over 400 written submissions were received. Nine regional seminars were held to inform people writing submissions. Oral submissions were also heard from a number of groups. |
| 1 September 1992 | **Health user charges and Community Services Card extended to recipients of National Superannuation** | Changes to health user charges and the *Community Services Card* were extended to recipients of *National Superannuation*. To qualify for a Group 1 *Community Services Card*, income had to be below the following levels:   * single (sharing accommodation) $16,500; * living alone $17,500; and * couple $23,000.   Prior to this date, recipients of *National Superannuation* received subsidised health care by right. |
| 24 September 1992 | **Work Test: Administrative changes** | From this date, there was a more stringent application of the work test provisions in *Department of Social Welfare* offices. The work test administrative rules were tightened and there was closer co-operation with the *Department of Labour*. A written *Job Seeker Commitment* (agreement) was required from beneficiaries who were not considered to be making adequate efforts to seek work. |
| September 1992 | **Extension of Job Link piloted in Upper Hutt** | An extension to the *Job Link Programme* was piloted by the *New Zealand Employment Service* in Upper Hutt.  Job seekers only had to be registered for 15 weeks (instead of 26 weeks) and placements could last up to 26 weeks (instead of four weeks). Participants were provided with a travel allowance of $5 per day.  In March 1994, an evaluation of the pilot found that not only did it not improve employment outcomes for participants; the pilot was marketed more heavily, increasing the risk of worker exploitation. Managing this risk, through intensive screening of employers was resource intensive.  The pilot was discontinued. |
| 1 October 1992 | **Transition to market rents for state tenants: Second round**  **Security of Tenure** | The second round of rent increases for state tenants commenced. The concept of “matched rent” that underpinned the first round of rent increases (from 1 October 1991) was abandoned. Assessed *Accommodation Benefit* (AB) entitlement rebates were calculated using the market rent and the AB formula. The second round of rent increases was limited (net of any AB entitlement) to no more than $20 or the first-round increase (whichever was the lesser). The second round was completed by June 1993.  “Security of Tenure” status was conferred by *Housing Corporation of New Zealand* (HNZ) on tenants who it was considered would face difficulty if required to move. This provided that they could continue to occupy the house in which they lived and that the house could not be sold or demolished against their will. A subsidy was provided to selected HNZ and TPK tenants in recognition of the fact that some HNZ tenants would face exceptional difficulties if they were required to move as a result of rent increases to market levels (e.g. the elderly and people with disabilities). The *Department of Social Welfare* assessed the subsidy as part of the rent rebate programme. From July 1993, this was replaced with a cash benefit (*Tenure Protection Allowance*) delivered by the *Department of Social Welfare.* |
| 1 October 1992 | **Training Incentive Allowance: New rate structure** | New rates of payment were introduced for the *Training Incentive Allowance*. A basic rate of $21.28 per week, a hardship element for non-tertiary education of $10.38 per week and a hardship element for tertiary education of $51.90 per week. |
| 1 October 1992 | **Special Benefit: Additional costs for trainees** | From this time, a *Special Benefit* of up to $100 per week was available to people receiving the *Training Benefit* who incurred additional accommodation costs because they were training away from their home. |
| 27 October 1992 | **Unemployment Benefit: Redundancy stand-down abolished** | The redundancy stand-down was abolished for all applicants for the *Unemployment Benefit* who received redundancy payments after 30 November 1992, when a withholding tax of 28 percent was introduced on redundancy payments. From this time redundancy payments were included in the definition of income for the high-income stand-down. |
| December 1992 | **Rural Sector Assistance** | The *Rural Sector Assistance Pr*ovisions (within the *Special Needs Grants Programme*) were activated for orchardists in Roxburgh (Otago) affected by hailstorms. |
| December 1992 – December 1993 | **Rural Sector Assistance** | The *Rural Sector Assistance Pr*ovisions (within the *Special Needs Grants Programme*) were activated for kiwi fruit growers affected by the collapse of the overseas kiwi fruit market. |
| December 1992 | **Final Report of the Task Force on Private Provision for Retirement**  **(Todd Task Force)** | The *Task Force on Private Provision for Retirement* (Todd Task Force) released its final report: *Private Provision for Retirement: The Way Forward*. The Task Force recommended:   * improved voluntary private provision; * its integration with continuing public provision paid on an income-tested basis; *plus* * agreed rules for reviewing the preferred regime every six years; *reinforced by* * public and political consensus and a much-improved public understanding of retirement provision issues.   Their detailed recommendations included:   * retaining the current age of eligibility for *National Superannuation* at 65 (phased in by 2001), with annual price adjustments to rates with the after-tax married couple rate between 65 percent and 72.5 percent of the average ordinary time weekly wage; * making the *Superannuation Taxation Surcharge* more effective by extending the surcharge across the broad range of financial savings; * a review of the appropriateness of the 50 percent surcharge exemption accorded to registered private pensions, as lower interest rates and later retirement were likely to increase the capital component of pension payouts; * a transitional provision for people receiving social security benefits who began receiving a private pension before 1 April 1992, so that only 50 percent of the pension payment would count as income from the time they reach the age of 60 years; * improved disclosure about financial products; * on-going information on fund performance once a provider is chosen; * information in a meaningful form that allows savers to make comparisons between products; * minimum disclosure requirements for financial planners; * a disputes resolution process to meet savers needs – a Savings Ombudsman who would be independent; * retention of the TTE regime as it treats all savings in a neutral way; * the establishment of a *Retirement Commissioner* to monitor progress, promote private provision and to manage the on-going work programme; and * a review of retirement policies in 1997, and six-yearly thereafter covering both private and public provision.   The Task Force noted that if the recommended voluntary option did not achieve the required changes in people’s savings behaviour, then at the time of the first review (1997) it would be inevitable that the review team would need to give serious consideration to a compulsory savings scheme.  The Task Force had been appointed in October 1991 to report on policy options to encourage greater self-reliance amongst retired people. Their approach was broadly accepted by the three main political parties (National, Labour and the Alliance) in the *Accord on Retirement Income Policies* signed in August 1993 and legislated in the *Retirement Income Act 1993*. |
| 1992 to 1999 | **Sale of state houses** | Between 1992 and 1999 the number of state housing units dropped from around 70,000 to 59,000. While some houses were sold to tenants, many were sold to private buyers/investors. |
| 1 January 1993 | **Student Allowance changes** | The “second chance” provision for *Student Allowances* was abolished. Previously, students who had failed to pass half of their course for the previous year were able to continue receiving allowances for the following year. *Student Loans* were now available for this purpose and eligibility to an allowance could be reinstated by subsequently passing at least half their course.  The provision to pay a *Student Allowance* in relation to some courses beyond the five-year limit was abolished. The provision relating to courses of “*National Importance*” was removed from the *Student Allowance Scheme*. |
| 1 January 1993 | **Employment-related training: TOP replaced ACCESS** | The *Training Opportunities Programme* (TOP) replaced the *ACCESS* programme as the main form of fully-funded employment-related training for school leavers and the long-term unemployed who had no or low qualifications. Administration of the programme was undertaken by the *Education and Training Support Agency* (ETSA). The main differences were that TOP resulted in a recognised qualification and that TOP was more tightly targeted toward disadvantaged job seekers. Trainees received the *Training Benefit*. |
| 1 January 1993 | **Interface between Training Incentive Allowance and the Student Loan Scheme** | Pending the completion of a Review of the *Training Incentive Allowance*, recipients were eligible to borrow under the *Student Loan Scheme* for course costs and fees, less the amount of the *Training Incentive Allowance* they received in respect of these costs. |
| 1 January 1993 | **School leaving age increased** | The school leaving age was increased from 15 to 16 years. The change had been announced in 1989 and took effect from 1993. |
| January 1993 | **Rural Sector Assistance** | The *Rural Sector Assistance Pr*ovisions (within the *Special Needs Grants Programme*) were activated for the shellfish industry affected by a toxic algal-bloom. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. *Rural Assistance Payments* were non-taxable. |
| 1 March 1993 | **Special Needs Grants: Benefit stand down periods** | Provision for recoverable *Special Needs Grants* was extended to cover single people without dependants who were subject to a high income stand down. Previously this safety-net had only been available to married people or single people with dependants. |
| 1 April 1993 | **Benefit rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions, National Superannuation/Veteran’s Pension and other Social Security Allowances* were increased by 1.30 percent to reflect the increase in the cost of living over the previous 12 months. |
| 1 April 1993 | **Special Benefit: Adjustment to standard incomes** | *Standard Incomes* used in the formula for assessing *Special Benefit* were increased by the same dollar amounts as the increases in benefit rates. |
| 1 April 1993 | **ACC Earner Premium increased** | The *Earner Premium* was increased to 0.8c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $76,648 with the maximum premium of $613.18 for the 1993/1994 tax year. |
| 1 April 1993 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $13,104 for the 1993/1994 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. |
| 1 April 1993 | **Public Hospital in-patient charges were withdrawn** | Public hospital in-patient charges were abolished. Part-user charges had been introduced on 1 February 1992. |
| 26 April 1993 | **Benefit Fraud Amnesty announced** | A three-week benefit fraud amnesty was announced after a data match between the *Department of Social Welfare* and the *Inland Revenue Department* indicated that 6,500 people were defrauding the social security system. |
| 3 May 1993 | **Training Incentive Allowance: Teacher-aide costs** | From this time costs associated with teacher-aide assistance could be covered by the *Training Incentive Allowance*. Those eligible were:   * in receipt of an *Invalids Benefit*; * aged 21 or over; and * attending secondary school. |
| 19 May 1993 | **Limited Service Volunteer Scheme commenced** | The *Limited Service Volunteer Scheme* was a six-week residential course managed by the *New Zealand Defence Force*. Volunteers received training in outdoor activities and general life skills. The target group was job seekers aged 18 to 25 years who had been unemployed for six months or more. Participants received a training benefit while participating in the scheme and could also be eligible to receive a *Special Benefit* to cover their $50 weekly course costs. |
| May 1993 | **Social Security Agreement with Ireland** | A *Social Security Agreement* was signed with the Republic of Ireland. The agreement came into force on 26 August 1993. |
| 30 June 1993 | **National Superannuation: Special portability arrangements with the Cook Islands, Niue and Tokelau** | Special portability arrangements with the Cook Islands, Niue and Tokelau (the New Zealand realm countries) commenced. The arrangement provided that, subject to 40 years residency in New Zealand since the age of 20 years, retirees moving to these Pacific countries could take 100 percent of their *National Superannuation* *or Veteran’s Pension* with them. For people who had resided in New Zealand for more than 10 years, but less than 40 years, a proportional amount was payable. Entitlement to *National Superannuation* or a *Veteran’s Pension* had to be gained in New Zealand after which a recipient could move to one of these Pacific countries.  This portability arrangement did not apply to supplementary benefits, lump sum payments, payments under any *Ministerial Welfare Programme* or the *Living Alone Payment*.  This arrangement reflected the contribution that these people had made to the New Zealand workforce.  From 1 October 1999, a similar arrangement was extended to other ‘specified pacific countries’. |
| June 1993 | **Social Security Agreement with Greece** | A *Social Security Agreement* was signed with Greece. The agreement came into force on 19 November 1993. |
| 1 July 1993 | **Community Services Card: Group 2 phased out.** | The Group 2 *Community Services Card* was phased out. |
| 1 July 1993 | **Child Care Subsidy: Eligibility criteria changed** | People in employment, education or training were able to receive a *Child Care Subsidy* for childcare of up to 30 hours per week. Others were able to receive a subsidy for up to 9 hours per week. |
| 1 July 1993 | **Accommodation Supplement introduced** | The *Accommodation Supplement* (AS) replaced the *Accommodation Benefit.* The AS was available to beneficiaries, non-beneficiaries and recipients of *National Superannuation* who had high housing costs, relative to their income, and low assets. It was available to renters, boarders and home-owners.  People whose accommodation costs included rent payable to the *Housing Corporation* or payments under any mortgage security to the *Housing Corporation of New Zealand*, H*ousing New Zealand Limited* or the Crown in the right of the *Ministry of Māori Development* were not eligible for the AS if:   * the mortgage security was at a concessionary rate; or * they were receiving a *Rent Rebate* which was still being credited against their rent.   The following groups were not eligible for the AS:   * students receiving a *Student Allowance* under the *Student Allowances Regulations 1991*, or who would be eligible to receive an allowance were it not for their income or their parent’s income; * people receiving residential care disability services who had had their financial means assessed under the *Social Security Act 1964*; and * the spouse of person who was already receiving the AS.   Formula  *(Housing Costs-Entry Threshold) x Subsidy Rate ≤ Applicable Maximum Rate - Abatement*  Housing Costs were:   * rent * board (2/3rds of the amount paid for board and lodgings) * ownership (mortgage repayments, essential repairs and maintenance, local authority rates, house insurance premiums)   The Entry Threshold was:   * for renters and boarders 25 percent of their weekly benefit plus if they had a dependent child or children, the first child rate of *Family Support*. For non-beneficiaries, 25 percent of the applicable weekly rate of the *Invalids Benefit*, plus if they had a dependent child or children the first child rate of *Family Support*. (Note for people under 25 receiving youth rates of benefit, the entry threshold was based on the adult rate of benefit) * for home-owners 30 percent of their weekly benefit plus if they had a dependent child or children, the first child rate of *Family Support*. For non-beneficiaries, 30 percent of the applicable weekly rate of the *Invalids Benefit*, plus if they had a dependent child or children the first child rate of *Family Support*. (Note for people under 25 receiving youth rates of benefit, the entry threshold was based on the adult rate of benefit)   The Subsidy Rate was:   * 65 percent of allowable housing costs above the entry threshold.   Applicable Maximum Rate was:   * specified for family type and region (Auckland, Wellington and Rest of New Zealand)   Abatement was determined by:   * Cash assets and income (see below)   Cash Assets  Every $100 of cash assets over the following thresholds was deemed to be $1 per week of income:   * single person $2,700; and * married couple or sole parent $5,400.   Cash asset limits, beyond which there was no eligibility to the AS were:   * single person $8,100; and * married couple or sole parent $16,200.   Income  For a beneficiary, the AS was reduced by 25c for each dollar of gross income up to $80 per week. Income in excess of this attracted no further abatement (i.e. there was a maximum reduction for a beneficiary of $20 per week). Any remaining AS was payable as long as the main benefit remained payable.  For a non-beneficiary the AS was reduced by 25c for every dollar of income in excess of the applicable gross rate of the *Invalids Benefit.*  For a person receiving *National Superannuation* or a *Veteran’s Pension*, the AS was reduced by 25c for each dollar of gross income up to $80 per week. When income exceeded $80 per week, no further reductions were made (i.e. the maximum reduction was $20 per week), but when income exceeded the income cut-out point for the applicable rate of the *Invalids Benefit* there was no entitlement to the AS.  Maximum Weekly Rates  Auckland   * Single $60; * Couple/Sole Parent (1 child) $75; * Couple (child or children)/Sole Parent (2+ children) $100.   Wellington   * Single $50; * Couple/Sole Parent (1 child) $60; * Couple (child or children)/Sole Parent (2+ children) $65.   Rest of New Zealand   * Single $42; * Couple/Sole Parent (1 child) $50;   Couple (child or children)/Sole Parent (2+ children) $55.  Other  For people in receipt of a *Widows Benefit* or a *Domestic Purposes Benefit*, there was discretion to disregard up to $20 per week or a beneficiary’s earnings which were used to meet the cost of placing his or her dependent child in a registered day-care facility.  Every assessment of the AS was rounded up to the complete dollar.  A beneficiary who was resident in an institution or a home which provided full-time care for aged or disabled persons and who was otherwise entitled to be paid the maximum weekly rate of the AS, could receive an additional amount of AS of not more than $20 per week.  Any person in receipt of an *Accommodation Benefit* immediately before 1 July 1993 could continue to receive that Benefit up until 31 July 1994, though for any period that an *Accommodation Benefit* was received, there was no entitlement to the AS or the *Tenure Protection Allowance*. |
| 1 July 1993 | **Tenure Protection Allowance introduced** | The *Tenure Protection Allowance* (TPA) was established as a cash benefit delivered by the *Department of Social Welfare*. It was paid in recognition of the fact that some *Housing Corporation of New Zealand* (HNZ) tenants would face exceptional difficulties if they were required to move as a result of rent increases to market levels.  Eligible tenants were those living in an HNZ house on 1 October 1992 who were in one of the following groups:   * aged over 65 years or whose partner living with them was aged over 65 years; * tenants in a specifically modified HNZ or TPK house who need the modification for themselves or a member of their family (major modifications to meet the needs of the disabled); and * tenants who can demonstrate that a move would create exceptional difficulties (eg totally blind, have a serious mental or physical health condition which if they were required to move would exacerbate that condition.   The TPA provided extra financial assistance to eligible tenants who were residing in their HNZ home as at 1 October 1992 and from which it would be inappropriate for them to move. The TPA was first introduced in October 1992 as a subsidy delivered to selected tenants by *Housing New Zealand* and *Te Puni Kokiri*.  The TPA was the difference between the tenant’s market rent and the average regional rent (based on a survey of rents paid by HNZ tenants in the three AS regions) when the tenant’s market rent was higher than the average regional rent. The TPA was a transitional provision for existing tenants only. |
| 1 July 1993 | **Disability Support Services: Transfer of funding and responsibility to Regional Health Authorities** | The bulk of *Disability Support Services* (DSS) funding was transferred to the four *Regional Health Authorities* RHAs (the date the RHAs formally began operation). This included funding for all DSS programmes funded through *Area Health Boards* and the *Department of Health*. It also included the following programmes previously administered by the *Department of Social Welfare*:   * *Rest Home Subsidy*; * *Home Help Subsidy*; and * *IH Support Subsidy*.   Grandparenting arrangements were put in place to ensure that the changes did not disadvantage anyone receiving an on-going individual entitlement (eg a *Rest Home Subsidy*). Each person received an on-going entitlement had the option of continuing with the service that he or she was receiving until June 1996.  Funding and responsibility for programmes provided under Part II of the *Disabled Persons Community Welfare Act 1975* were scheduled to transfer from the *Department of Social Welfare* to RHAs on 1 July 1994.  These changes had been announced in August 1992, following a review into the funding and delivery of services to people who had a physical, sensory, intellectual, psychiatric or age-related disability. |
| 1 July 1993 | **Residential Care Subsidy replaced the Rest Home Subsidy Scheme**  **Asset test**  **Income test**  **Personal Allowance and Clothing Allowance**  **Residential Care Loans**  **Phase-in** | The *Residential Care Subsidy* (RCS) provided a uniform income and asset test to all disability-support service clients aged over 65 who required long-stay subsidised residential care in a rest home or a geriatric hospital bed. *Regional Health Authorities* had programme responsibility, but the financial means assessment (income and asset testing) was carried out by the *Department of Social Welfare*.  The subsidy was available where assets were less than $6,500 (single person), $13,000 (married couple both in long-term care) and $20,000 (married, one partner in long term care). The family home was not included in the asset test if it was occupied by the spouse or a dependent child. Gifting of assets of up to $5,000 per annum was permitted. Generally, the period five years prior to application for the subsidy was considered. Under the old *Rest Home Subsidy Scheme* the asset limits had been $5,665 for a single person and $11,330 for a married couple. The new higher asset limit for a couple where one partner was in care and one partner remained in the community ($20,000) reflected that the needs of the spouse in the community were greater than where both partners were in residential care.  Income received was required to go toward the cost of care. Income included *Social Security Benefits*, *National Superannuation*, *Veteran’s Pension*, *ACC payments*, earnings from investments, trusts etc. Only 50 percent of payments received from NZ registered private superannuation schemes and annuities were counted as income. *War Pensions* were not counted as income. The income of the partner was also included in this assessment, though benefits, pensions and *National Superannuation* paid to the partner was not counted. For a married person with a working spouse, the earnings from employment were exempted up to the following amount $28,927 for a spouse with no dependent children or one dependent child, $32,740 for a spouse with two dependent children and $36,553 for a spouse with three or more dependent children (these income levels were aligned with the income cut-out points for *Family Support*).  People eligible for a subsidy received a *Personal Allowance* of $24.32 per week for personal use and an annual clothing allowance of $174.24. The balance of the person’s *National Superannuation,* *Veteran’s Pension* or social security benefit was paid directly to the provider of the care. The spouse of a person eligible for a subsidy received a visiting allowance (S*pecial Disability Allowance*) of $24.32 per week and was able to receive the single sharing or single living alone rate of *National Superannuation* or where eligible the single rate of any other *Social Security Benefit*.  People who did not qualify for the subsidy because their home was counted as an asset were able to apply for an interest-free loan to cover the cost of their care. The loan was repaid from the proceeds of the sale of the house or from the estate following death.  For people in residential care on 1 July 1993, particularly those in public or private geriatric hospitals, existing arrangements were grandparented until at least 1 July 1996. They were not required to contribute a greater amount towards the cost of their care as they were already doing. People in rest homes who were reducing their assets to meet the old asset thresholds were given immediate access to the new higher threshold levels.  Prior to this there were a range of different regimes used to target long stay residential care for older people.   * from 1961, subsidised residents of private rest homes were subject to an income and asset test under the *Rest Home Subsidy Scheme*; * people in private geriatric hospitals placed there under the *Geriatric Hospital Special Assistance Scheme* (GHSAS) were income-tested for a cash contribution towards their care; * people who placed themselves in private rest homes or hospitals paid the full cost of their care; * people in public hospital geriatric beds contributed their *National Superannuation* (less a personal allowance) after 13 weeks; and * people in public rest homes were subject to a range of income and asset testing.   Because of the different targeting arrangements in place before 1993, there was an incentive for some people to access public hospital care, which only required the contribution of *National Superannuation* (less a personal allowance). This was seen as a way of avoiding paying for long-term residential care services. From 1993, the universal means-test treated all older people assessed as requiring long-term residential care in the same way, irrespective of whether they received that care in a public or private rest home or a geriatric hospital. |
| 1 July 1993 | **Mäori ACCESS trainees eligible for the Training Benefit** | Administration of the *Mäori ACCESS* (MACCESS) training scheme was transferred from *Te Puni Kokiri* to the *Education and Training Support Agency* (ETSA). Trainees who had previously received allowances through MACCESS authorities were transferred to the *Training Benefit*. |
| 1 July 1993 | **Miners Benefit abolished** | The *Miner’s Benefit* and *Miner’s Widow’s Benefit* were abolished. The one remaining recipient continued to receive her benefit, paid at a rate equivalent to the *Invalids Benefit* for someone who had no annual income.  The *Miner’s Pension* had been introduced in 1915 to provide for miners and their families where a miner was totally incapacitated by pneumoconiosis. It was incorporated into the *Social Security Act* *1938* as the *Miner’s Benefit*.  The number of people in receipt of the benefit peaked at 988 in 1940, but by 1986 numbers had fallen to 10 and by 1993 there was only one remaining beneficiary receiving a *Miner’s Widow’s Benefit.* |
| 1 July 1993 to 1 April 2001 | **National Superannuation: Increase in the age of eligibility from 61 years to 65 years** | On 1 April 1992, the age of eligibility for *National Superannuation* had been increased from 60 to 61 years. From 1 July 1993, the age of eligibility for *National Superannuation* was gradually increased until it reached 65 years on 1 April 2001. The stepped increase to the age of eligibility was:   * 61 years and 3 months, if he or she was born on or after the 1st day of July 1932 and before the 1st day of October 1932; * 61 years and 6 months, if he or she was born on or after the 1st day of October 1932 and before the 1st day of January 1933; * 61 years and 9 months, if he or she was born on or after the 1st day of January 1933 and before the 1st day of April 1933; * 62 years, if he or she was born on or after the 1st day of April 1933 and before the 1st day of July 1933; * 62 years and 3 months, if he or she was born on or after the 1st day of July 1933 and before the 1st day of October 1933; * 62 years and 6 months, if he or she was born on or after the 1st day of October 1933 and before the 1st day of January 1934; * 62 years and 9 months, if he or she was born on or after the 1st day of January 1934 and before the 1st day of April 1934; * 63 years, if he or she was born on or after the 1st day of April 1934 and before the 1st day of July 1934; * 63 years and 3 months, if he or she was born on or after the 1st day of July 1934 and before the 1st day of October 1934; * 63 years and 6 months, if he or she was born on or after the 1st day of October 1934 and before the 1st day of January 1935; * 63 years and 9 months, if he or she was born on or after the 1st day of January 1935 and before the 1st day of April 1935; * 64 years, if he or she was born on or after the 1st day of April 1935 and before the 1st day of July 1935; * 64 years and 3 months, if he or she was born on or after the 1st day of July 1935 and before the 1st day of October 1935; * 64 years and 6 months, if he or she was born on or after the 1st day of October 1935 and before the 1st day of January 1936; * 64 years and 9 months, if he or she was born on or after the 1st day of January 1936 and before the 1st day of April1936; and * 65 years, if he or she was born on or after the 1st day of April 1936. |
| 25 August 1993 | **Multi-Party Accord on Retirement Income Polices** | The *Accord on Retirement Income Policies* signed between the National, Labour and Alliance political parties (the United New Zealand political party joined in 1995) followed the report of the *Task Force on Private Provision for Retirement*. The *Accord* included:   * renaming *National Superannuation* as *New Zealand Superannuation*; * establishing a *Transitional Retirement Benefit* for those most immediately affected by the increase in the age of eligibility for *National Superannuation*; * an allowance for *New Zealand Superannuation* to be adjusted by prices while it remained in a specified band in relation to wages (65 percent to 72.5 percent of the net average wage); * establishing the *Office of the Retirement Commissioner* whose tasks included publicising the need to increase private retirement savings; and * provision for a *Periodic Report Group* in 1997 and six yearly thereafter on trends and developments in public and private provision of retirement income and to identify risks and unsatisfactory performance and suggest any required policy adjustments.   In September 1993, changes to retirement income provisions were legislated in the *Social Welfare (Transitional Provisions) Amendment Act (No 2)* and commenced from 1 April 1994.  The *Retirement Income Act 1993* (came into force on 1 April 1994) established the *Office of the* *Retirement Commissioner* and provided for the establishment of a *Periodic Report Group* to report on retirement income policies being implemented by the Government in New Zealand, every six years. The *Retirement Income Act 1993* also set out the political commitment to retirement income policies established through the *Accord on Retirement Income Policies* by the Alliance, Labour and National political parties (the Accord was incorporated as the first schedule to the *Retirement Income Act 1993*). |
| 26 August 1993 | **Social Security Agreement with Ireland came into force** | The *Social Security Agreement* between the governments of [New Zealand](javascript:pop('http://doogle/map/definitions/New%20Zealand.htm')) and the [Republic of Ireland](javascript:pop('http://doogle/map/definitions/Republic%20of%20Ireland.htm')) allowed former residents of one country access to certain benefits and pensions under the other country's social security system. Under the agreement:   * contributions to the Irish insurance scheme could be regarded as residence in New Zealand in order to meet the residence qualifications for some New Zealand benefits and pensions; * residence in New Zealand could be regarded as periods of contributions to the Irish insurance scheme to meet the residence qualifications for some Irish benefits and pensions; * some Irish benefits and pensions could be paid in New Zealand; and * some New Zealand benefits and pensions could be paid in Ireland.   War pensions from either country were not included in the agreement |
| 29 September 1993 | **Special Benefit: Treatment of Orphan’s Benefit and Unsupported Child’s Benefit** | The way that an *Orphan’s Benefit* and *Unsupported Child’s Benefit* were calculated as *Chargeable Income* for the *Special Benefit* was amended. Only the difference between the benefit and the amount of *Family Support* the family would receive if the child were a full member of the family was included as *Chargeable Income*. |
| 30 September 1993 | **Domestic Purposes Benefit and Widows Benefit: Cessation of benefit provisions** | The provision to continue payment of a *Domestic Purposes Benefit* or a *Widows Benefit* for eight weeks was restricted to cases where the beneficiary no longer qualified in respect of a child because of some sudden change in circumstances beyond the control of the beneficiary or the person for whom they were caring had died or had been hospitalised. |
| 1 October 1993 | **Family Support increased** | *Family Support* for a second or subsequent child increased to $24 a week for those aged 0-12, $35 a week for those 13 and over. For subsequent children aged 16-18 years, *Family Support* was reduced from $42 to $35 per week, though the higher rate was grandparented for existing dependent children aged 16 years or over. |
| 1 October 1993 | **Sole parent beneficiaries: Penalty for not naming the other parent Increased** | The penalty applicable to a custodial parent who refused to name the other parent and applied for a sole parent rate of benefit was increased from $16 to $22 per week. |
| 1 October 1993 | **Transition to market rents for state tenants (Third Round)** | The third-round of rent increases began in October 1993 was limited (net of any *Accommodation Supplement* (AS) entitlement) to $10 or the second-round increase, whichever was the lesser. Reviews were completed by June 1994 at which time state tenants became eligible for the AS even if they were not yet on full market rents (the AS was calculated on the basis of the market rent). |
| 8 November 1993 | **Job Plus Training Option introduced** | Flexible use of the *Job Plus* (subsidised work) fund was piloted. The pilot was designed to provide short-term training opportunities, linked to specific vacancies to assist disadvantaged job seekers into full time employment. Employers received assistance to provide vacancy specific training and trainees continued to receive the *Unemployment Benefit*. The funding for pre- employment training was limited to two weeks. |
| 19 November 1993 | **Social Security Agreement with Greece came into force** | The *Social Security Agreement* between the governments of [New Zealand](javascript:pop('http://doogle/map/definitions/New%20Zealand.htm')) and the [Hellenic Republic (Greece)](javascript:pop('http://doogle/map/definitions/Hellenic%20Republic%20(Greece).htm')) allowed former residents of one country access to certain benefits and pensions under the other country's social security system. Under the agreement:   * residence and or contributions to the national insurance scheme in Greece could be regarded as residence in New Zealand in order to meet the residence qualifications for some New Zealand benefits and pensions; * residence in New Zealand could be regarded as periods of residence and or contributions to the insurance scheme in Greece to meet the residence qualifications for some Greek benefits and pensions; * some Greek pensions could be paid in New Zealand; and * some New Zealand benefits and pensions could be paid in Greece. |
| December 1993 | **Rural Sector Assistance** | The *Rural Sector Assistance Pr*ovisions (with the *Special Needs Grants Programme*) were activated for farmers in Kaikoura affected by flooding. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 1 January 1994 | **Accommodation Supplement: Extended to state tenants** | Existing *Housing Corporation of New Zealand* (HNZ) tenants became eligible to receive the *Accommodation Supplement*. Prior to this housing assistance was delivered to most HNZ tenants in the form of a rent rebate administered by HNZ. |
| 1 January 1994 | **Training Incentive Allowance: Recognised courses only** | Unless there were exceptional circumstances, the *Training Incentive Allowance* was only approved for courses registered with the *New Zealand Qualifications Authority* (NZQA). Courses not NZQA approved could be considered on a case by case basis. |
| 24 January 1994 | **Training Incentive Allowance: Backdating of payments** | To limit the size of back-payments, the *Training Incentive Allowance* could only be back-dated to the start date of the course, if the application was made within 28 days of that date. |
| 1 February 1994 | **Community Services Card: Surcharge Allowance introduced** | A *Surcharge Allowance* was introduced for the *Community Services Card*. This applied to recipients of *National Superannuation* who had a surcharge liability and a gross income marginally over the *Community Services Card* income levels. The S*urcharge Allowance* was recalculated after every annual increase in *National Superannuation*. |
| February 1994 | **Prime Ministerial Task Force on Employment convened** | Multi-Party talks on employment were first proposed by the Alliance Party during the 1993 election campaign. After the November 1993 general election, the Prime Minister invited all political parties represented in Parliament to join a multi-party process. The Alliance, the Labour and the National Parties agreed to form a *Multi-Party Group* to work together to develop a consensus on unemployment and the creation of employment opportunities.  In February 1994 it was announced that a *Prime Ministerial Task Force on Employment* would be established to develop a comprehensive set of proposals to ensure that every New Zealander had the opportunity to be in paid work.  The Task Force was asked to report on:   * as assessment of the short-and medium-term outlook for the New Zealand labour market; * the nature and definition of employment and unemployment in a modern technically advanced economy and factors, including technological development, affecting employment in the medium term; * a description and evaluation of current employment, skills training and other labour market related support policies and their linkages between past and present labour market outcomes and social and education policies; * a comparative analysis which places New Zealand employment and unemployment experience in an international context; * options for employment policy that will improve labour market and skill training and other labour market related support programmes and services and other related factors affecting those out of work, and identify further policies which can improve the labour market’s response to skill imbalances and respond to other implications of changes in society and in the nature of work; and * economic and social initiatives for Government and/or other bodies aimed at creating a longer-term environment in which employment can be increased equitably within a technologically advanced, sustainable and growing economy.   The Task Force was requested to produce an *Issues Paper* by 31 March 1994, undertake consultation and seek public comment by 30 June 1994 and to produce an *Options Paper* by 30 September 1994.  Issues Paper was released in May 1994 and consultation undertaken May1994 to July 1994. A Summary *of Consultations* and an *Options Paper* was produced in November 1994 (see below). The Government released its formal response to the recommendations in October 1995.  The members of the Task Force were:   * John Anderson (chair); * Vicki Buck (Mayor of Christchurch); * Shona Butterfield (Principal, The Open Polytechnic); * Ken Douglas (President, New Zealand Combined Trade Unions) * Bob Field (CE, Toyota New Zealand); * June Jackson (CE, Manukau Urban Mäori Authority); * John Marsh (Director, New Zealand Māori Arts and Crafts Institute); * Steve Marshall (CE, New Zealand Employers’ Federation); * Paul Carpinter (Department of the Prime Minister and Cabinet); * Chloe Munro (Treasury); and. * Paula Rebstock (Department of Labour). |
| February 1994 | **Child Support Review Working Party Established** | The *Child Support Review Working Party* was commissioned to examine and consider the *Child Support Act 1991* and the operation of the *Child Support Scheme* and the issues raised in the Government’s discussion document and public submissions. Taking into account the Government’s objectives for the *Child Support Scheme*, the working party was asked to report by June 1994 with recommendations on any amendments to the *Child Support Act*, any changes that should be made to the operation of the *Child Support Scheme* to simplify it and reduce compliance costs and a proposed methodology for future monitoring of the impact of the *Child Support Scheme*.  The members of the Working Party were:   * Peter Trapski (Chair) * Diana Halsted; * June McCabe; and * Tony Walsh.   A public discussion document was released in March 1994 and submissions closed on 30 April 1994. Submissions were heard, and consultation undertaken in May 1994.  The Working Party reported in November 1994. |
| 1 March 1994 | **COMPASS: Pilot programme for sole parent beneficiaries commenced** | The *COMPASS Programme* was a facilitative approach designed to encourage sole parents (receiving a *Domestic Purposes Benefit* or a *Widows Benefit*) into the employment, education or training. Pilots were established in four DSW offices (Takapuna, Gisborne, Porirua and Sydenham) with a *COMPASS* co-ordinator and administrative resource placed in each office. Control sites were maintained at Auckland City, Lower Hutt, Papanui and Whakatane. The target group was sole parents with a youngest child aged 5 years or more, though *COMPASS* was not limited to this group. Participation was voluntary.  COMPASS was modelled on the Australian *Jobs, Education and Training Scheme* (JET). |
| 8 March 1994 | **Changes to the Residential Care Subsidy** | The asset limit for the *Residential Care Subsidy* for married person whose spouse continued to live in the community was increased from $20,000 to $40,000.  For these assessed as requiring long-term residential care who did not qualify for a subsidy, a ceiling of $636 (GST inclusive) per week was placed on the maximum amount an individual could be required to pay, regardless of what service they were receiving. The Government funded the *Regional Health Authorities* to meet the difference between $636 and the price negotiated with the service provider.  From this time, pre-paid funeral expenses of up to $10,000 per person were not included in the asset test. |
| 31 March 1994 | **Youth Minimum Wage introduced** | A *Youth Minimum Wage* was introduced for people aged less than 20 years. It was set at $3.68 per hour before tax ($147.20 for a 40 hour per week). This was approximately 60 percent of the *Adult Minimum Wage*.  The adult minimum wage (applicable those aged 20 or over) remained unchanged at $6.125 per hour ($245. for a 40-hour week). This represented approximately 42 percent of the average ordinary time weekly wage.  Recipients of the *Unemployment Benefit* did not have to accept an offer of employment if the wages offered contravened the *Minimum Wage Regulations*. |
| March 1994 | **Rural Sector Assistance** | The *Rural Sector Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for Hawke’s Bay Orchardists affected by hailstorms. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 1 April 1994 | **Changes to Retirement Income Policies:**  **National Superannuation renamed New Zealand Superannuation** | *National Superannuation* was renamed *New Zealand Superannuation*. Rates of *New Zealand Superannuation* and *Veteran’s Pension* continued to be adjusted on 1 April each year by the percentage movement in the *Consumer Price Index*, but the after-tax weekly rate for a married couple (who both qualify) was limited within the range of 65 percent to 72.5 percent of the after-tax ordinary time weekly wage, current as at November of the previous year. As at 1 April 1994, the rate payable to a married couple represented 70.29 percent of the average wage. The rate relativities were retained so that a single person living in shared accommodation continued to receive 60 percent of the married couple rate and a single person living alone who was eligible for the *Living Alone Payment*, 65 percent of the married couple rate. |
| 1 April 1994 – 1 April 2004 | **Transitional Retirement Benefit** | The *Transitional Retirement Benefit* was introduced to provide income support to people who were retired and did not yet qualify for *New Zealand Superannuation*. Receipt of this benefit was subject to the standard income exemptions, abatement rates and stand-down period which applied to other *Social Security Benefits*. To qualify, applicants must have had a period totalling at least ten years residence and presence in New Zealand since the age of 20 and period(s) of residence and presence totalling at least five years since the age of 50.  The qualifying age began at 60 for those born before 1 July 1934 and increased in three-monthly steps up to the maximum age of 64 years and nine months for those born in each quarter between 1 July 1934 and 1 April 1939.  The *Transitional Retirement Benefit* was paid at a maximum rate equivalent to the *Invalids Benefit*. |
| 1 April 1994 | **Income Disregard: Fifty percent of a pension or annuity disregarded as income for determining eligibility to social security benefits** | From this time, 50 percent of a private pension or annuity was disregarded as income under the *Social Security Act 1964*. This applied when the person met all of the following criteria:   * the residential qualification for *New Zealand Superannuation*; * receiving a pension under a *New Zealand Registered Superannuation Scheme* or payments under an annuity paid in respect of a life insurance policy; and * commenced receiving payments of that pension or annuity before 1 April 1992 at which time they were aged between 55 and 59 inclusive (and if they had a spouse, the spouse was aged 55 or more, but is younger than the applicant).   People affected by the increase in the age of eligibility for *New Zealand Superannuation* who needed to apply for *Transitional Retirement Benefit* until they reached the qualifying age for *New Zealand Superannuation* would have been adversely affected if all of their pension or annuity was treated as income. Some may have started withdrawing funds for their retirement on the basis that they would have been entitled to *New Zealand Superannuation* at age 60. |
| 1 April 1994 | **Benefit rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions, New Zealand Superannuation/Veteran’s Pension and other Social Security Allowances* were increased by 1.39 percent to reflect the increase in the cost of living over the previous 12 months. |
| 1 April 1994 | **Rate of NZ Superannuation linked to the average wage** | Legislation required that the after-tax rate of *New Zealand Superannuation* paid to a married couple (who both qualified) must be within the range of 65 percent to 72.5 percent of the after tax average ordinary time weekly wage. Following the *Consumer Price Index* adjustment to rates, no further adjustment was required in April 1994. |
| 1 April 1994 | **Office of the Retirement Commissioner established** | Under the provisions of the *Retirement Income Act 1993*, the independent *Office of the Retirement Commissioner* was established. The functions of the *Retirement Commissioner* were to:   * to develop and promote methods of improving the effectiveness of the retirement income policies from time to time implemented by the Government in New Zealand; * monitor the effects of retirement income policies that are being implemented in New Zealand; * to advise the Minister of the tasks that need to be undertaken and the information that needs to be collected for each *Periodic Report Group* established under the *Retirement Income Act 1993* and to monitor the undertaking of those tasks; * advise on retirement income issues when requested to do so by the Minister; * monitor the effectiveness of persons who have been appointed to consider complaints and disputes about savings and investments and to consider any issues addressed to the *Retirement Commissioner* by any such person; * collect and publish information for the purpose of enabling fulfilment of the *Retirement Commissioner’s* functions; and * to perform such functions as were conferred on the Commissioner by the Act or any other enactment.   The *Retirement Commissioner* was appointed by the *Minister of Social Welfare*, with the first Commissioner holding office until 31 December 1997. The Retirement Commissioner was a ‘corporation sole’ and for the purpose of the *Public Finance Act 1989*, the *Retirement Commissioner* was established as a *Crown Entity* and required to report annually on performance to the Minister.  The first *Retirement Commissioner* was Colin Blair who held the role until 2003. His focus was on improving the financial capability of those aged 50/55+, as those closest to retirement. |
| 1 April 1994 | **Special Benefit: Adjustment to standard incomes** | *Standard Incomes* (subsequently known as *Standard Costs*) used in the formula assessment for *Special Benefit* were adjusted by the same percentage as the increase in benefit rates. The annual *Consumer Price Index* adjustment of *Standard Costs* continued until 2005. |
| 1 April 1994 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $13,520 for the 1994/1995 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. |
| 1 April 1994 | **ACC Earner Premium reduced** | The *Earner Premium* was reduced to 0.6c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $76,648 with the maximum premium of $459.89 for the 1994/1995 tax year. |
| May 1994 | **Prime Ministerial Task Force on Employment: Issues Paper released** | The *Issues Paper* provided a framework for the ideas and suggestions sort from the next phase of public consultations. It was centred around eight key themes:   * the impact of unemployment; * the changing labour market; * understanding unemployment; * the economy and employment growth; * a skilled, adaptable labour force; * assisting people into work; * the role of income support; and * the way ahead: summary and issues.   The Chapter discussing income support set out the following questions for consideration:   * is it desirable to consider any changes to the period of time for which an *Unemployment Benefit* is payable; * how appropriate is a benefit system designed for a return to full-time employment, in an economy where part-time and casual employment are significant; * can additional steps be taken to clarify information given to job seekers and the information shared between the *Department of Labour* and the *Department of Social Welfare*; * should receiving some income support after a certain length of unemployment for specific groups be dependent on participation in some form of education, training or labour market programme? Are there adequate places in programmes, or opportunities to support such a policy; * to what extent is it reasonable to expect the unemployed to accept part-time or temporary employment, or, conversely, to give up part-time employment if a full-time job or course is offered; * what sort of evidence should job seekers be expected to provide that they are actively looking for work; * what expectations should there be that spouses be available for paid work, to increase the chances that at least one person in the household will find paid employment; and * are there ways of improving both the fairness and effectiveness of the work test and its sanctions?   Over the following three months, the Task Force held a series of meetings across New Zealand to discuss the issues in the report and receive submissions. Written submissions were also invited. In November 1994, the *Prime Ministerial Task Force on Employment* released a summary of submissions and an options paper. |
| 1 July 1994 | **Department of Social Welfare: Customised Service Pilot** | Customised service (case management) was piloted in four *Department of Social Welfare* offices (Henderson, Masterton, Taupo and Greymouth) from this date. The pilot had originated from *Support Link* which was developed in the Taupo office. Whereas previously beneficiaries had interacted with whichever staff member was available, under *Support Link*, beneficiaries dealt with the same staff member, leading to greater continuity of service and enabling staff to be more active in looking at ways to assist beneficiaries, rather than just paying them a benefit. |
| 1 July 1994 | **Loans for Major Repairs to Homes: Mandatory repayments from benefit/pension** | For all new *Loans for Major Repairs to Homes* it became mandatory to make interest and principal repayments by way of deduction from the person’s social security benefit or pension. The minimum repayment rate was $10 per week (which could only be waived in cases of extreme hardship).  Interest on loans was charged at five percent, but interest could be reduced to three percent if repayment of the loan was by means of deductions from the person’s benefit/pension at the minimum rate of $10 per week. |
| 1 July 1994 | **Community Housing Ltd established** | *Community Housing Limited* was formed as a subsidiary of *Housing New Zealand.* Its role was to manage the government’s housing for community purposes (social rather than economic). The new organisation began with 550 houses acquired from *Housing New Zealand*. A decade later it had increased it housing stock to in excess of 1,100 properties.  The company rented properties to community groups who supported people with physical, intellectual and psychiatric disabilities, women's refuges, emergency accommodation and support for children. It facilitated the modification of houses to suit the needs of individuals with disabilities.  Around half of its houses were rented to groups that provided services for those who had been de-institutionalised as part of the reforms to the health sector. |
| 5 September 1994 | **Job Action Programme introduced** | The *Job Action Programme* commenced in some *New Zealand Employment Service* offices from this time. It was extended to all *New Zealand Employment Service* offices by May 1995. *Job Action* was a work-focused initiative designed to increase the employability of job seekers and develop an individualised commitment to look for work. *Job Action* included compulsory attendance at a five-day workshop, and the completion of a *Job Action Plan*. *Job Action* initially focused on job seekers who had been registered for 104 weeks or more. Participation was compulsory. |
| 1 October 1994 | **Family Support: Abatement income threshold increased**  **Rate of Family Support increased** | The *Family Support* abatement threshold increased from $17,500 to $20,000 a year. The abatement rates remained 18c for each dollar of income between $20,000 and $27,000 and 30c for each dollar of income in excess of $27,000.  The 0 - 12-year-old rate of *Family Support* for second and subsequent children was increased from $24 per week to $27 per week. |
| 26 October 1994 | **Department of Social Welfare: Job Seeker Journey introduced** | The *Job Seeker Journey* focused on a beneficiary’s responsibility, the way income was charged and income declarations. Four-weekly income declarations were retained only for beneficiaries who had variable income. Terminology was also changed to emphasise the positive aspects of participation in paid work. These administrative changes were seen as complementing transition to work initiatives. |
| October 1994 | **Interim Report of the Employment Task Force** | The interim report of the *Prime Ministerial Task Force on Employment* highlighted an urgent need to improve the education, training and employment outcomes of young people. The Government responded in December 1994 with the *Youth Employment Strategy* (see below). |
| 8 November 1994 | **Report of the Child Support Review Working Party** | The *Child Support Review Working Party* made 21 recommendations. These included that:   * the welfare of the child be recognised in the objects of the Act; * a new formula be established, omitting any living allowance; * the liability for child support be assessed on the liable parent’s ability to pay, including income, earning capacity, property and financial resources; * social welfare beneficiaries be required to disclose to the *Department of Social Welfare*, as a condition of receiving a benefit, the known financial circumstances of the liable parent so that this information can be passed to the *Child Support Agency*; * the maximum liability be removed and that any liable parents who believe it is inappropriate to include their full income be able to contest this on a case by case basis; * there should be future monitoring and review with a view to eventually establishing a system of pass-on of child support to the custodial parent; * the government commission an economic study on the costs of children; * the current policy whereby the custodial parent’s income was not taken into account in the formula assessment of the child support liability of the liable parent be retained; * the qualifying age for child support remain at 19 years; * the definition of 40 percent of nights for shared custody remain; * custodial parents moving off benefit should receive any payment from the liable parent (except for arrears) after the date the benefit ceases; * new non-beneficiary applicants, including beneficiaries entering the workforce, should be considered for an ex-gratia payment from the *Department of Social Welfare* for the first month after the child support application is made; * late payment penalties continue to be retained by the State; * liable parents be allowed to voluntarily elect to have more than 40 percent deducted from their wages; and * a parent be allowed to access the other parent’s income and payment details;   The Working Party recommended that the *Child Support Act 1991* be redrafted and simplified to that it is more easily understood by the people affected and that the *Child Support Agency* be given the capacity to become much more service and customer focused. The Working Party also recommended that a *Child Support Evaluation Advisory Group* be established and convened by the *Commissioner for Children*, to advise on the evaluation and monitoring of the social impact of the *Child Support Act 1991*. |
| November 1994 | **Report of the Employment Task Force: Summary of Consultations** | The report summarised the view and ideas people provided to the *Prime Ministerial Task Force on Employment* in written submissions and in meetings that had been held around New Zealand.  Topics that attracted frequent comment included:   * benefit regimes, particularly abatement levels and stand down periods; * ‘workfare’ or obligations on beneficiaries; * eligibility criteria for the *Training Opportunities Programme* (TOP); * the need for culturally appropriate services, especially for Māori; * requirements for employment programmes such as *Task Force Green*; * the level of Government intervention in the economy; * changes to tax regimes; * support for new business initiatives and a reduction in compliance costs for business; * the school curriculum; and * the place of practical training, either in schools or workplaces. |
| November 1994 | **Final report of the Employment Task Force: Proposals for Action** | The *Prime Ministerial Task Force on Employment* released its final report: *Employment: Addressing New Zealand’s Biggest Challenge: Proposals for Action.*  It was the view of the Task Force that all people who have been registered as unemployed for more than 26 weeks should be in work, training or education. They established six key milestones for achieving this goal:   * from the end of 1994, providing individualised assistance for school leavers, not in further education, training or work after 13 weeks of registered unemployment. For those who left school during 1995, this assistance would be available after 8 weeks; * by mid-1995 develop a pro-active strategy for dealing with Māori labour market disadvantage; * by 1997/1998 ensuring that all people under the age of 18 were in some form of education or training; * by 1997/1998 providing access to education, work and training for all people under 20; * by 1997/1998 every job seeker who had been registered for over 26 weeks should have access to individualised assistance, leading to work; and * by the year 2000, ensuring that all people who have been registered unemployed for 26 weeks were in work, training or education.   In its report the *Prime Ministerial Task Force on Employment* set out 120 proposals. The proposals were a combination of indicators of direction for policy and specific policy recommendations (e.g. the dual abatement proposal), and centred around three broad areas:   * growth and employment; * education, training and employment for youth; and * employment and training policies for adults.   The initial response by the Government was limited to changes to youth income support announced in December 1994 as part of the *Youth Employment Strategy*. Subsequently, the *Multi-party Memorandum of Understanding* of June 1995 reached an understanding on the recommendations of the Task Force. The main Government response, *Focus on Employment* was released on 19 October 1995 (see below). |
| November 1994 | **Social Security Agreement with Jersey and Guernsey** | A *Social Security Agreement* with Jersey and Guernsey was signed. The agreement came into force on 1 April 1995. |
| 1 December 1994 | **Community Services Card: Income limits restructured** | The income limits for the *Community Services Card* were restructured to include recognition of larger families. The new income limits were:   * single (sharing) $16,500; * single (alone) $17,500; * couple $26,000; * 2 person family $26,000; * 3 person family $30,500; * 4 person family $35,000; * 5 person family $39,500; and * 6 person family $44,000. |
| 1 December 1994 | **BOOST: Pilot programme for youth beneficiaries established** | *BOOST* was a pilot programme aimed at assisting 16-17-year olds receiving the *Independent Youth Benefit* (IYB).It was established in six *Department of Social Welfare* sites (Kaitaia, Henderson, Wanganui, Palmerston North, Dunedin and Invercargill). The pilot aimed to assist young people to greater self-sufficiency through increased participation in education, training and employment. *BOOST* provided a more intensive case management approach (ratio of 1:60) with case managers focusing on a wide range of issues (e.g. trauma, lifestyle management, education, life skills and family issues). There were direct links to other agencies and support organisations. IYB recipients were required to participate in the pilot as part of their work-related obligations. |
| 9 December 1994 | **Social Security Act: Definition of temporary employment amended** | The definition of *Temporary Employment* was increased from “less than 13 weeks” to “less than 26 weeks”. Beneficiaries who took up temporary work were not subject to the two-week benefit stand down on the completion of the temporary employment. The high-income stand-down and voluntary unemployment stand down provisions could still be applied in respect of *Temporary Employment*. |
| 20 December 1994 | **Transition to Work Assistance extended** | Provision was made under the *Special Needs Grant Programme* to provide non-recoverable grants of up to $250 per year for transition to work expenses, including bridging finance. Proof of a job interview or an offer of employment was required. |
| 20 December 1994 | **Special Needs Grants for Food: Limits increased** | Changes to the *Special Needs Grants Programme* saw the criteria for food grants relaxed and the annual limits were increased. The increases were from:   * $150 to $200 for single people; * $200 to $300 for married couples without children; * $300 to $450 for married couples/sole parents with one or two children; and * $300 to $550 for married couples/sole parents with three or more children. |
| 20 December 1994 | **Special Needs Grants for School Uniforms: Limit increased** | The maximum amount available under the *Special Needs Grants Programme* for school uniforms was increased from $200 to $300 per child per year. This assistance was recoverable. |
| December 1994 | **Youth Employment Strategy** | The announcement of the *Youth Employment Strategy* responded to an urgent call from the *Prime Ministerial Task Force on Employment* to improve education, training and employment outcomes for young people. The strategy outlined investment of $87.9 million over three years. The central component to the strategy was *Youth Action*, a programme designed to identify and meet the needs of young job seekers. Initially these programmes were targeted at 18-year olds who left school in 1994 and 1995 and had been registered as unemployed for 13 weeks. As part of the strategy, *Youth Action* was extended to all 16-20-year olds registered as unemployed for 13 weeks or more from January 1996.  As part of the Strategy several new initiatives were introduced including:   * *Job Intro*, a work experience programme where young job seekers spend four weeks in a real work place; and * *Youth Service Corps*, a programme combining work experience in the social services sector with life skills training.   The number of places available for *Youth Action* participants on the *Training Opportunities Programme, Limited Services Volunteer Programme, Conservations Corps, Job Search Seminars and Job Plus Careers Advice* programmes were expanded.  Changes to social assistance announced as part of the *Youth Employment Strategy* included:   * case management of recipients of the *Independent Youth Benefit* to encourage them to return to school or where appropriate take part in the *Youth Action* initiative; * increasing the age of eligibility for *Unemployment Benefit*, *Sickness Benefit* and *Training Benefit* to 18 years; * abolition of the *Job Search Allowance* for 16-17-year olds; and * increasing the maximum rate of *Family Support* for children aged 16-18 years to $55 per week.   The changes to social security benefits and *Family Support* were not implemented until January 1998. |
| 1994 | **Youth Employment Service established (Christchurch)**  **Job Skills Programme** | A partnership between the *Christchurch City Council* and the *New Zealand Employment Service* established the *Youth Employment Service* with a staff of eight who offered case management and support to young jobseekers. One of its main components was *Job Skills* –a subsidised employment programme or modified version of the *Job Plus Subsidy* programme. |
| 1994 | **ACC: Accredited Employer Scheme commenced** | The ACC A*ccredited Employer Scheme* commenced. An accredited employer entered into an agreement with ACC to pay entitlements, including weekly compensation on claims for injuries occurring at work. In exchange the employer paid lower ACC levies. Most large employers became accredited and the scheme eventually covered about a quarter of all employees.  Employers could elect to manage claims for anywhere between one and four years in addition to the cover year. |
| January 1995 | **Child Care Subsidy: Kindergarten fees** | As a result of changes to the funding of early childhood education, some kindergartens started charging fees. From this time, all fee charging licensed childcare services were recognised for payment of the *Child Care Subsidy*. |
| 28 February 1995 | **Youth Action Programme commenced** | The *Youth Action Programme* provided individual case management (via the *New Zealand Employment Service*) for school leavers who had left school in 1994 or 1995 and who had been registered as unemployed for 13 weeks or more. In 6 locations (Kaitaia, Henderson, Wanganui, Palmerston North, Dunedin and Invercargill) a selected number of recipients of the *Independent Youth Benefit* also participated in the programme. The programme was compulsory and for those who failed to participate without good reason a work test failure would be recorded. |
| 22 March 1995 | **Minimum Wage increased** | The before tax *Minimum Wage* was increased to $6.25 per hour ($250 per week) for adults. This represented approximately 43 percent of the average ordinary time weekly wage. The *Minimum Wage* for workers under 20 years of age was increased to $3.75 per hour ($150 per week). |
| 1 April 1995 | **Benefit rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions, New Zealand Superannuation/Veteran’s Pension* *and other Social Security Allowances* were increased by 2.80 percent to reflect the increase in the cost of living over the previous 12 months. No additional adjustment was required to *New Zealand Superannuation/Veteran’s Pension* to maintain the required relativity with the average wage. |
| 1 April 1995 | **ACC Earner Premium** | The ACC *Earner Premium* remained at 0.6c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $78,397 with the maximum premium of $470.38 for the 1995/1996 tax year |
| 1 April 1995 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $13,884 for the 1995/1996 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. |
| 1 April 1995 | **Special Benefit: Ministerial Direction revised and, deficiency reduced to $10** | The *Ministerial Direction in relation to Special Benefit* was redrafted to more accurately reflect current policy (following a High Court Case) and set out in a manner that was easier for staff to administer. Key changes were that a set of general principles were added. It was made clear that the formula was a guide for setting the rate in most cases. The *Direction* then set out the matters that should be taken into account in the exercise of discretion to pay at a rate other than the formula rate. Other changes were that *Standard Incomes* were renamed *Standard Costs*. *Fixed Costs* were renamed *Allowable Costs* so that the assessment procedure was easier to understand. *Special Benefit* could no longer be used to top up the *Disability Allowance* for counselling sessions. The deficiency used as part of the assessment procedure for *Special Benefit* was reduced from $20 to $10 per week. |
| 10 April 1995 | **Family Support extension introduced** | From this time, the *Department of Social Welfare* could continue paying *Family Support* for four weeks following cancellation of a benefit due to a beneficiary commencing work or full-time study. |
| 1 April 1995 | **Social Security Agreement with Jersey and Guernsey came into force** | The *Social Security Agreement* between the government of [New Zealand](javascript:pop('http://doogle/map/definitions/New%20Zealand.htm')) and the government of the United Kingdom (on behalf of the states of Jersey and the states of Guernsey) allowed former residents of one country access to certain benefits and pensions under the other country's social security system. Under the Agreement:   * contributions to the insurance scheme in Jersey/Guernsey could be regarded as residence in New Zealand in order to meet the contribution qualifications for some New Zealand benefits and pensions; * residence in New Zealand could be regarded as periods of contributions to the insurance scheme in Jersey/Guernsey to meet the residence qualifications for some Jersey/Guernsey benefits and pensions; * some Jersey/Guernsey pensions could be paid in New Zealand; and * some New Zealand benefits and pensions could be paid in Jersey/Guernsey.   *War Pensions* from either country were not included in the Agreement. |
| June 1995 | **Prime Ministerial Employment Task Force on Employment: Multi-Party Group Memorandum of Understanding** | The *Multi-party Group* (Alliance, Labour and National political parties) responded to the proposals of the *Prime Ministerial Task Force on Employment* with a memorandum of understanding on the recommendations of the Task Force. This set the principles underlying the direction for employment policy.  Although there were some proposals that individual parties opposed, the *Multi-Party Group* chose to accept the Task Force proposals in principle, leaving individual parties to develop their own detailed policies over time.  The Government’s detailed response to the recommendations of the *Prime Ministerial Task Force on Employment* and the *Multi-party Group Memorandum of Understanding* was announced in October 1995 (see below). |
| 1 July 1995 | **Training Benefit: Special married rate abolished** | The special married rate of the *Training Benefit* was abolished. Since the introduction of the *Training Benefit* in 1989, a special rate was payable to a married trainee which excluded from consideration the income of their spouse. A maximum of $47.35 net per week was payable subject only to the personal income of the trainee. This provision had its origins in the allowances paid to ACCESS trainees by the *Department of Labour*. A similar provision for married students made under the *Student Allowances Regulations 1991* was retained. |
| 1 July 1995 | **Department of Social Welfare customised service pilot extended** | The customised service (case management) pilot was extended nationally and by December 1995, 30 percent of beneficiaries were receiving customised service from the *Department of Social Welfare*. |
| 1 July 1995 | **Accommodation Supplement: Most maximum amounts increased** | Most of the maximum rates of the *Accommodation Supplement* were increased. The following changes were made:  **Auckland (Area 1)**   * 1 person household, increased by $10 to $70; * 2 person household, increased by $10 to $85; and * 3+ person household, increased by $15 to $115.   **Wellington (Area 2)**   * 1 person household, increased by $10 to $60; * 2 person household, increased by $5 to $65; and * 3+ person household, increased by $20 to $85.   **Rest of NZ (Area 3)**   * 1 person household, increased by $3 to $45; * 2 person household, unchanged at $50; and * 3+ person household, increased by $15 to $70. |
| 1 July 1995 | **Youth Service Corps established** | The *Youth Service Corps* was modelled on the existing *Conservation Corps Programme* and aimed to provide young school leavers (aged 16-17) with opportunities to participate in community service work as well as undertaking challenging recreational and educational activities. The *Ministry of Youth Affairs* paid trainees an allowance (equivalent to the *Training Benefit*). |
| 1 July 1995 | **Community Task Force Allowance increased** | The weekly allowance paid to beneficiaries participating in the *Community Task Force Scheme* was increased from $15 to $20. This was non-taxable, paid in addition to their *Social Security Benefit* and was disregarded as income for benefit purposes. |
| 1 July 1995 | **Transition to Market Rents for State Tenants (Final Round)** | The final round of rent increases for state tenants was completed over a two-week period. There was no limit of the amount of the increase in the final round. Enhancements to the *Accommodation Supplement, Special Benefit* as well as the introduction of a *Rent Rebate* for State tenants over the age of 55 were designed to assist tenants. The $20 deficiency for *Special Benefit* was reduced to $10 (from 1 April 1995), and some rates of the *Accommodation Supplement* were increased (1 July 1995). *Housing New Zealand* provided protected rents to tenants paying less than the market rent after their third round rent review where the principal tenant or their partner was over the age of 55 as at 1 July 1995. They must also have lived in their present tenancy since 30 July 1991 and not be entitled to the *Tenure Protection Allowance*. The rent level was limited by the greater of the tenant’s rent after the third-round increases and the average regional rent. |
| 1 October 1995 | **COMPASS Pilot Programme extended** | The *COMPASS Programme* was extended to 41 of the *Department of Social Welfare’s* 45 sites. The four control sites from the original pilot were retained for evaluation purposes (Auckland City, Lower Hutt, Papanui and Whakatane). The expansion of the pilot followed an evaluation of the first year of the pilot (four sites) which showed that *COMPASS* increased the likelihood of sole parents moving into education, training and off benefit. |
| 9 October 1995 | **Advance Payment of Benefit: Extended to all beneficiaries** | Access to *Advance Payment of Benefit* was extended to recipients of the *Unemployment Benefit*, short-term recipients of the *Sickness Benefit* and related *Emergency Benefit* recipients. This replaced recoverable assistance that was provided under the *Special Needs Grant Programme*. Access for recipients of *New Zealand Superannuation* was restricted to those with income less than $16,347 for single people and $24,918 for couples. Advances were restricted to essential needs with guidelines that limited items for most advances to $200, $600 for bond/rent in advance and $400 for whiteware. The amount of an advance could not exceed the equivalent of six weeks benefit entitlement, unless there were exceptional circumstances. The advance was recovered at a rate that would ensure that it was repaid within 24 months. |
| 19 October 1995 | **Government announced its response to the Prime Ministerial Task Force on Employment** | The Government’s response to the recommendations of the *Prime Ministerial Task Force on Employment* and the *Multi-Party Group Memorandum of Understanding* focused on the principles of opportunities, incentives and responsibilities.  The report – *Focus on Employment*, identified six strategic areas for change:   * meeting individual needs; * income support changes to encourage work; * education and training proposals; * community initiatives; * a Māori labour market strategy; and * a Pacific labour market strategy.   The response outlined changes to the benefit system and labour market programmes that would be implemented over the following 18 months. These included:  *Social Security Benefits:*   * a dual abatement system, similar to that recommended by the Task Force. A free zone of $80- per week would apply to all main social security benefits. For people receiving an *Unemployment Benefit* or a *Sickness Benefit*, for whom the expectation was a return to full time work, abatement at 70 percent would apply for each dollar of gross income above the free zone. For people receiving a *Domestic Purposes Benefit*, *Widows Benefit* or an Invalids Benefit they would be able to earn up to $180 per week before the higher 70 percent abatement takes effect (as an incentive to undertake part-time work) [From 1 July 1996]; * extension of work obligations. Spouses of unemployment beneficiaries with either no children or a youngest child aged 14 or over would be required to seek full-time work or take part in activities to improve their employment prospects, people who receive the *Domestic Purposes Benefit* or a *Widows Benefit* with no children or a youngest child aged 14 or over would be required to seek part-time work or take part in activities to improve their employment prospects [From 1 July 1997]; * Spouses of unemployment beneficiaries and those receiving the *Domestic Purposes Benefit* or a *Widows Benefit* with a youngest child aged between 7 and 14 would be required to attend an annual interview to discuss their future employment plans [From 1 July 1997]; * a graduated benefit reduction for work test failure, with the benefit reduced by 20 percent for each month of non-compliance. For a second failure of the work test, the benefit would be reduced by 40 percent for the first month. For a third failure and immediate 13 week stand down would be applied [From 1 April 1997]; * reduction in the stand down for voluntary unemployment from 26 to 13 weeks [From 1 April 1997]; * a single stand down formula for benefit applicants, 1-10 weeks based on previous income and family circumstances [From 1 April 1997]; * increasing the definition of *Temporary Work* from 13 to 26 weeks (for which people may return to benefit without a stand down) [*NB: Government had acted on this in December 1994*]; * *Department of Social Welfare* to continue to pay *Family Support* for a transitional period when beneficiaries with children move into paid work; and * for the first 13 weeks that a young person is unemployed they would receive the *Young Job Seekers Allowance*.   *Employment Programmes:*   * extending Job Action to all job seekers registered as unemployed for two years or more from January 1996 and providing *Job Action* to 5,000 job seekers each year who had been unemployed for 12 months or more, and who were assessed as likely to become very long-term unemployed; * piloting *Job Connection*, a fully subsidised employment programme for job seekers registered for over four years allowing some job seekers registered for two years or more to participate in *Task Force Green* projects for up to one year, from 1 January 1996 [previously *Task Force Green* was limited to six months]; * extending access to resource-intensive employment programmes to all people receiving a *Domestic Purposes Benefit* or a *Widows Benefit* who have been receiving a benefit for one year or more; * introducing *Local Employment Co-ordinators* and establishing *Local Employment Co-ordination Groups* in areas where these have not already been set up, funded under contact to the *Secretary of Labour*; * establishing a new employment innovation fund within the *New Zealand Employment Service* to improve responsiveness to individual job seekers through funding of small-scale projects and initiatives that meet local needs but do not fit within existing programme criteria [From 1 January 1996]; and * extending access to short periods of pre-employment training linked to specific job vacancies through the *Job Plus Training Scheme*.   The Government's response to the *Prime Ministerial Task Force on Employment* was the first part of its wider “*Hand-Up Programme*”. The second part of the *Hand-Up programme* was the *Tax and Family Assistance Package* announced on 19 February 1996 (**see below**).  Both these parts of the *Hand-Up Programme* were designed to share the success of a growing economy: a greater number of jobs and higher household incomes. The *Hand-Up Programme* later became known as the *Tax Reduction and Social Policy Programme*. |
| 31 October 1995 | **Job Plus Training extended** | The *Job Plus Training Programme* was extended nationwide. It provided short-term training opportunities, linked to specific job vacancies, to assist disadvantaged job seekers into full-time work. The programme involved placement in: on-the-job training with prospective employers, or pre-employment training courses with training providers. The period of training was extended to a maximum of 12 weeks (previously two weeks). Participants received a *Training Benefit*. |
| November 1995 | **Job Connection pilot** | *Job Connection* - a fully subsidised employment programme for job seekers registered for over four years commenced as a pilot programme. |
| 1995 | **Low Deposit Rural Lending Scheme introduced** | Provided through *Housing Corporation of New Zealand* (HNZ) this programme offered a low-deposit finance option for low to modest income earners who want to buy or build in rural/regional areas. To be eligible applicants must meet HNZ lending criteria and complete a *Home Ownership Skills Course*.  The *Home Ownership Skills Course* provided awareness of the responsibility and commitment of owning a home. It covered basic repairs, maintenance, health and safety in the home and budgeting. Participants completed a home ownership plan. The scheme was offered in the central and upper North Island. |
| 1995 | **Children, Young Persons and Their Families Service** | The *New Zealand Children and Young Persons Service* was rebranded as the *Children, Young Persons and Their Families Service.* |
| 1 January 1996 | **Task Force Green: Duration of participation extended** | Job seekers unemployed for two years or more were able to participate in *Task Force Green* (subsidised work) for up to 12 months from this time. Previously, participation in *Task Force Green* was limited to a maximum of six months. |
| 1 January 1996 | **Youth Action and Job Action extended** | The *Youth Action Programme* was extended to all 16-20 year olds who had been registered as unemployed for 13 weeks or more. The *Job Action Programme* was extended to all job seekers registered as unemployed for two years or more. |
| 1 January 1996 | **Changes to the Training Incentive Allowance** | From this time, the *Training Incentive Allowance* for tertiary study was restricted to undergraduate courses and refunds for course fees were required to be repaid to the *Department of Social Welfare*. |
| 19 February 1996 | **Tax Reduction and Social Policy Programme announced** | This announcement set out the Government’s 1996-1998 *Tax and Social Policy Programme*. The aims of the programme were stated as:   * helping more people get into paid work; * increasing the rewards from paid work; * improving lifetime rewards from training and education; and * boosting the income and prospects of low and middle-income families with dependent children. |
| 27, 28 & 29 February 1996 | **Benefit pay days changed** | Payment of weekly benefits (*Unemployment Benefit, Sickness Benefit* and related *Emergency Benefits*) was changed from a Tuesday, with beneficiaries being allocated a Tuesday, Wednesday or Thursday pay day. The pay period (Monday to Friday in arrears) remained the same. |
| March 1996 | **Minimum Wage increased** | The before tax *Minimum Wage* was increased to $6.375 per hour ($255 per week) for adults. This represented approximately 42 percent of the average ordinary time weekly wage. The *Minimum Wage* for workers under 20 years of age was increased to $3.825 per hour ($153 per week). |
| 1 April 1996 | **Transition to Work Assistance: Administration** | The administration of financial assistance with the transition to work was split between the *Department of Labour* and the *Department of Social Welfare*. The *Department of Labour* was responsible for the provision of assistance to work-tested beneficiaries (via the *Job Start Programme*) and the *Department of Social Welfare* for providing assistance to non-work tested beneficiaries (via the *Special Needs Grants Programme*). The *Department of Social Welfare* was responsible for administering the income and asset test for all transition to work assistance. |
| 1 April 1996 | **Benefit rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 2.92 percent to reflect the increase in the cost of living over the previous 12 months. No additional adjustment was required to *New Zealand Superannuation/Veteran’s Pension* to maintain the required relativity with the average wage. |
| 1 April 1996 | **Training Opportunities Programme: Eligibility criteria amended** | Ex-prisoners, refugees, people who have been receiving a *Domestic Purposes Benefit* or a *Widows Benefit* for more than 12 months and *Youth Action* and other priority job seekers were included in the eligibility criteria for the *Training Opportunities Programme* (TOP). |
| 1 April 1996 | **ACC Earner Premium increased** | The *Earner Premium* was increased to 0.7c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $79,466 with the maximum premium of $556.26 for the 1996/1997 tax year. |
| 1 April 1996 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $14,300 for the 1996/1997 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. |
| 1 April 1996 | **Advance Payment of Benefit: Car repairs** | A new category within the *Advance Payment of Benefit Programme* was introduced for car repairs, where a vehicle was essential. The limit was $400. |
| 1 April 1996  (1 April 1991) | **Family Support: Payment to caregivers receiving an Orphan’s Benefit or Unsupported Child’s Benefit** | Legislative amendment prevented payment of *Family Support* concurrently with either the *Orphan’s Benefit* or the *Unsupported Child’s Benefit*. The amendment was retrospective to 1 April 1991, though caregivers who had claimed and received *Family Support* between April 1991 and April 1996 were eligible to retain the payments.  Prior to April 1991, payment of *Family Support* was dependent on a person’s entitlement to *Family Benefit*. Caregivers receiving the *Orphan’s* *Benefit* or the *Unsupported Child’s Benefit* were not entitled to also receive *Family Benefit* for that child or children and therefore did not qualify *for Family Support* either.Abolition of the *Family Benefit* in April 1991 had unintentionally removed the restriction on eligibility to *Family Support*. |
| 1 April 1996 | **Special Needs Grants: Reclassification of some non-recoverable grants to the Advances Programme** | Some non-recoverable assistance paid through the *Special Needs Grants Programme* was made recoverable and transferred to the *Advance Payment of Benefit Programme*. This included assistance with dentures, glasses, hearing aids and assistance for people suffering hardship through fire, loss or burglary. |
| April 1996 | **Social Security Agreement with Canada** | A *Social Security Agreement* with Canada was signed. The agreement came into force on 1 May 1997. |
| 24 April 1996 | **Prime Ministerial Task Force on Positive Ageing established** | The *Prime Ministerial Task Force on Positive Ageing* was formally established, following a request from the leader of the United New Zealand Political Party, Clive Mathewson M.P. to establish a Task Force on issues affecting older New Zealanders.  Having addressed retirement income through the *1993 Multi*-party *Accord on Retirement Income Policies*, the Government’s objective was to develop a public consensus on:   * the environment necessary to ensure that people move through their lives towards a healthy, independent, safe, secure and dignified old age, in which they are able to participate in and contribute to society to the extent of their abilities and wishes, and enjoy the respect and support of their families and communities; and * the measures that need to be taken by individuals, families, local communities, employers, voluntary organisations and Government to achieve this end.   The Terms of Reference required the Task Force to:   * review work that had already been undertaken in the field; * review domestic and international literature on positive ageing; * identify all the issues relevant to positive ageing, including the effects of current government policies and programmes; * consult on the issue comprehensively; * develop options which will ensure a favourable environment for positive ageing; * consult on the options with the public and other bodies; * develop final recommendations for presentation to the Government including: * appropriately responsive strategies, policies and service delivery initiatives to promote positive ageing covering (but not limited to) health, housing and transportation issues; * the relative priorities of any proposed initiatives, together with their costs and implementation time frames; and * the need for an on-going framework for information gathering and monitoring of the needs of older people and the impact of policies on them.   The Task Force was given 18 months to do the job (subsequently shortened to 15 months, to take account of the *Superannuation Savings Referendum* (September 1997). It was required to undertake two rounds of public consultation.  During the course of its work the Task Force published two documents as a basis for public consultation:   * *Facing the Future: Document for Public Consultation*, August 1996; and * *Facing the Future: A Possible Way Forward*, May 1997.   Members of the Task Force were:   * Sir Ross Jansen, Chair (Chair of Midland Regional Health Authority); * Professor David Richmond (University of Auckland); * Mr David Harrison (Chairman of the Lottery Aged Distribution Committee); * Ms Sue Suckling (consultant); and * Mr Alan Nixon (Department of Social Welfare).   The final report: of the Task Force: *Facing the Future: A Strategic Plan* was presented to the Government on 1 July 1997. |
| 1 July 1996 | **Employment-Related Benefits: Income exemption increased**  **Community Task Force requirement amended** | The income exemption for the *Unemployment Benefit, Training Benefit, Sickness Benefit, Independent Youth Benefit, Transitional Retirement Benefit* and *Job Search Allowance* was increased from $50 a week ($60 a week for people with children) to $80 a week for all people receiving one of these benefits. Income over $80 (gross) a week reduced the net benefit by 70c for each dollar. For a married person whose spouse was granted a benefit in their own right, the benefit was reduced by 35c for each dollar of income over $80 per week. Assessment remained annual for the *Transitional Retirement Benefit* and weekly for employment- related benefits.  People who had been in receipt of an *Unemployment Benefit* for 13 weeks (previously 26 weeks) could be directed to participate in the *Community Task Force Scheme* for up to three days per week for up to 26 weeks. Failure to participate without a good reason resulted in cancellation of the benefit for 26 weeks. |
| 1 July 1996 | **Domestic Purposes Benefit, Widows Benefit and Invalids Benefit: Income test changed** | A more generous income test for recipients of the *Domestic Purposes Benefit, Widows Benefit* and *Invalids Benefit* was introduced to encourage greater participation in part-time work. Income in excess of $80 (gross) per week ($4,160 gross per year) but less than $180 per week (gross) ($9,360 gross per year) reduced the net benefit by 30c for each dollar. Income in excess of $180 gross per week ($9,360 gross per year) reduced the net benefit by 70c for each dollar. |
| 1 July 1996 | **New Zealand Superannuation: Income exemption where a non-qualified spouse included** | The income test for *New Zealand Superannuation* and *Veteran’s Pension* where a non-qualified spouse was included was changed. The income exemption was increased from $2,600 per annum to $4,160 per annum. Income in excess of the exemption continued to reduce the before tax benefit by 70c for each dollar of income (before tax). These changes mirrored the changes to the income test for employment-related social security benefits. |
| 1 July 1996 | **Job Action extended** | Job seekers assessed as likely to become very long term unemployed after 12 months unemployment were included in the *Job Action Programme*. Participation was compulsory for those selected. |
| 1 July 1996 | **Personal Income Tax: Rate reductions** | For wage and salary earners, the tax rate applying to income between $9,501 and $30,875 was reduced from 28 percent to 24 percent. The rate of tax applying to income between $30,875 and $34,200 was reduced from 33 percent to 24 percent.  For beneficiaries with part-time employment, the secondary rate of tax on their non-benefit income was reduced from 28% to 24%. Incorporating the *Low-income Earner Rebate* resulted in the following effective tax rates:   * $0-$9,500 15% * $9,501 to $34,200 24% * $34,201 plus 33%   After tax rates of *Social Security Benefits* were not affected. For some beneficiaries, gross rates of benefit were adjusted downward to ensure that the net rate remained at the same level. |
| 1 July 1996 | **Tax rate reductions: Increase to after tax rates of New Zealand Superannuation and the Veteran’s Pension** | Recipients of *New Zealand Superannuation* or a *Veteran’s Pension* who were single living alone received an extra $2.68 per week and single sharing an extra $1.78 as a result of the tax rate reductions (at G tax rate). |
| 1 July 1996 | **Family Support increased** | The maximum rate of *Family Support* for the first child or only child increased to $44.50 a week. For subsequent children aged 0-12 there was an increase to the maximum rate of $29.50 a week, and for subsequent children aged 13 and over to $37.50 per week. |
| 1 July 1996 | **Payment of Family Support to beneficiaries with other income** | Beneficiaries with dependent children whose total gross annual income, including benefit, exceeded $20,000 were no longer able to receive *Family Support* payments from the *Department of Social Welfare.* These beneficiaries were no longer eligible to receive the full rate of *Family Support*. Instead, the *Inland Revenue Department* began paying abated *Family Support* on a fortnightly basis to these people. |
| 1 July 1996 | **Independent Family Tax Credit introduced** | The *Independent Family Tax Credit* of $7.50 per child per week was payable to families not receiving a *Social Security Benefit*, *Student Allowance* or *New Zealand Superannuation* (i.e. non-beneficiary families). Abated on account of income at 30c in the dollar once *Family Support* entitlement had been fully abated. |
| 1 July 1996 | **Guaranteed Minimum Family Income increased** | *Guaranteed Minimum Family Income* for non-beneficiary (working families) was increased from $278 to $284 net per week. *Family Support* and the *Independent Family Tax Credit* were paid in addition to this. |
| 1 July 1996 | **Community Services Card: Income thresholds increased** | The qualifying family income levels for the *Community Services Card* were increased to make allowance for the increase to *Family Support* and the introduction of the *Independent Family Tax Credit*. Family income for the purpose of assessing eligibility to the *Community Services Card* includes taxable income plus *Family Support* and the *Independent Family Tax Credit*. The new income levels were:   * Single (sharing) $17,134 * Single (alone) $18,173; * Couple $27,000; * 2 person family $27,000; * 3 person family $31,673; * 4 person family $36,346; * 5 person family $41,019; and * 6 person family $45,692. |
| 1 July 1996 | **Accommodation Supplement: Most maximum amounts increased** | Most of the maximum rates of the *Accommodation Supplement* were increased. The following changes were made:  **Auckland (Area 1)**   * 1 person household, increased by $10 to $80; * 2 person household, increased by $15 to $100; and * 3+ person household, increased by $10 to $125.   **Wellington (Area 2)**   * 1 person household, unchanged at $60; * 2 person household, increased by $10 to $75; and * 3+ person household, increased by $10 to $95.   **Rest of NZ (Area 3)**   * 1 person household, unchanged at $45; * 2 person household, increased by $5 to $55; and * 3+ person household, increased by $5 to $75. |
| 1 July 1996 | **Orphan’s and Unsupported Child’s Benefit: Rates increased** | In addition to the annual inflation adjustment, rates of the *Orphan’s Benefit* and the *Unsupported Child’s Benefit* were increased by $5 per week. This increase also applied to Foster Care Board Payments. |
| 1 July 1996 | **Major Repairs Advance repealed** | The *Major Repairs Advance* for house repairs was repealed. These loans were previously available to beneficiaries (who received a means-tested social security benefit, *New Zealand Superannuation* or a *Veteran’s Pension*) with limited resources to assist with the cost of essential repairs and maintenance to their home, to provide essential services, or to provide essential, permanently installed appliances. The applicant must have owned the property, the work must have been essential; and the necessary finance must have been unavailable elsewhere. The applicant was required to contribute to the cost of repairs if they had cash assets of more than $1,500 (single person) or $3,000 (couples and sole parents). The maximum loan was $2,652 and was charged against the property and registered under the *Statutory Land Charges Registration Act 1928*. This allowed recovery of the loan at a later date. Until repayment was made, the property could not be sold or transferred without the consent of the *Director-General of Social Welfare*.  The *Advance Payment of Benefit Programme* was amended to provide an advance of up to $1,000 for essential home repairs |
| 1 July 1996 | **Recoverable Assistance Programme for Non-Beneficiaries** | Access to *Recoverable Assistance* extended to low income non-beneficiary families. The new *Recoverable Assistance for Non-Beneficiaries Programme* was restricted to single people with an income of less than $16,347 per annum and to married couples and sole parents with an income of less than $24,918 per annum. The provision of recoverable assistance for non-beneficiaries was transferred from the *Special Needs Grants Programme* to the new programme. |
| 1 July 1996 | **Special Needs Grants: Maximum amounts increased** | The following maximum amounts payable under the *Special Needs Grants Programme* were increased from $200 to $300. Vasectomies and terminations, removal of birthmarks, wigs and hairpieces, health travel costs, emergency dental treatment, and emergency medical treatment. SNGs were available to those who met the eligibility criteria who were required to pay part-user charges or travel for medical procedures (where costs were not met by the *Crown Health Enterprise* or *Regional Health Authority*). |
| 1 July 1996 | **Funding for OSCAR programmes** | *Development Assistance Grants* were available for approximately 240 OSCAR programmes (5,000 places) over the 18 months beginning July 1996. The grants were targeted toward communities of highest need. This was part of the Government’s response to the *Employment Task Force.* |
| 1 July 1996 | **Early Childcare Centres: More flexible funding** | Early childcare centres were funded for up to six hours per child per day, regardless of the times the child is in the centre, with a maximum of 30 hours per week.  Prior to this, early childhood centres were funded on the basis of two three-hour sessions per day (morning and afternoon) and children needed to be registered for a minimum of 2.5 hours in either session for the centre to receive funding. As a result, for a parent who needed childcare between 10.00am and 2.00pm a centre was unable to secure government funding. Part of the Government’s response to the *Employment Task Force*. |
| 1 July 1996 | **Transition to Work Allowance abolished** | The *Transition to Work Allowance* was abolished. Transition to work assistance was now payable via the *Job Start Programme* and the *Special Needs Grant Programme.* |
| 1 July 1996 | **Superannuation Taxation Surcharge: Income exemption increased** | The *Superannuation Tax Surcharge* income exemption level was increased to $90 per week ($4,690 per annum) for single people and $135 ($7,020 per annum) for a married couple.  The surcharge remained at 25 percent. |
| 1 October 1996 | **Accommodation Supplement changes** | The number of cities in *Accommodation Supplement* Area 2 (qualifying for the intermediate maximum rate of the *Accommodation Supplement*) was expanded to include Hamilton, Tauranga, Napier, Hastings, Palmerston North, Rotorua, Nelson, and Christchurch. Prior to this only Wellington qualified for the intermediate maximum rate. |
| 1 October 1996 | **Special Transfer Allowance introduced** | The *Special Transfer Allowance* provided continuing financial assistance to recipients of the *Tenure Protection Allowance* (TPA) who lost entitlement to the TPA as a result of moving out of *Housing Corporation of New Zealand* premises or when the house was sold to a private landlord. The amount of the allowance was equal to the amount by which the applicant’s weekly accommodation costs exceeded the average regional rental at the date of application, but the rate payable could not exceed the amount of TPA that they were previously receiving. For the purpose of assessing eligibility to the *Accommodation Supplement*, the amount of the *Special Transfer Allowance* was deducted from the applicant’s accommodation costs. |
| 2 October 1996 | **Direct deduction of overseas government pensions: Administrative changes** | The *Social Security Amendment Act (No.6) 1996* introduced a number of new administrative provisions in relation to the treatment of overseas government pensions. These were:   * a requirement for applicants for a benefit to provide the *Department of Social Welfare* with information on the steps they had taken to obtain an overseas government pension; * provision for the amount of an overseas pension deducted from a New Zealand social security benefit to be determined by the *Director-General of Social Welfare* in accordance with regulations made under the *Social Security Act 1964*; * the establishment of the *Special Banking Option* as an alternative method to direct deduction – whereby an overseas pensioner could choose to have their overseas pension paid into a special bank account which they could not access and which was be retained by the *Department of Social Welfare* to partly cover the cost of their benefit or pension and in return they were paid the full regular amount of their New Zealand social security benefit (the *Special Banking Option* commenced from April 1997); and * a definition of ‘overseas pension’ and clarification that overseas pension did not include a government occupational pension. |
| 2 October 1996 | **Deduction of overseas government pensions: Formula for determining the rate of reduction** | The *Social Security (Overseas Pension Deduction) Regulations 1996* set out a formula to be applied by the *Department of Social Welfare* to determine the amount by which a benefit must be reduced to take into account the receipt by a beneficiary of a government pension paid by another country.  Where section 70 of the *Social Security Act 1964* required a benefit to be reduced, the amount by which each instalment was to be reduced was calculated using the following formula:  **(a x b) – c**   * **a** was the amount of the overseas pension, in the currency of the country paying the pension, paid to the overseas pensioner during the instalment period; * **b** was the average ‘cross rate’, as defined in the Regulations; and * **c** was the ‘bank fee’, as defined in the Regulations. |
| 18 November 1996 | **Social Security Benefits: Weekly payment of all main benefits** | From this time, new applicants for a *Domestic Purposes Benefit, Widows Benefit* or an *Invalids Benefit* were paid weekly. Existing beneficiaries remained on the fortnightly pay cycle but could choose to move to weekly. To assist with the transition for existing beneficiaries, a non-recoverable *Special Needs Grant* equivalent to two days benefit entitlement was made. |
| 11 December 1996 | **Coalition Agreement between National and New Zealand First political parties** | Following the first general election under MMP on 12 October 1996, the *National Party* and *New Zealand First Party* entered into a coalition government. The basis of this was a detailed coalition agreement which set out policy commitments. These included:   * a *Community Wage* to replace the *Unemployment Benefit*; * mandatory part-time work or training for the unemployed “Work for the Dole”; * restructuring the *New Zealand Employment Service* and linking it with the Unemployment Benefits division of the *Department of Social Welfare*; * appointing *Regional Commissioners of Employment* to work with regional committees and local businesses to find work for the unemployed; * an allowance for all tertiary students, equivalent to the *Unemployment Benefit*; * raising the *Accommodation Supplement* by 10 percent; * freezing rents on state housing, pending a review of affordability for tenants; * increased spending on *Special Benefit* and reviewing the formula for living costs; * increasing the minimum wage to $7 per hour (with a future review that may see it raise further to $7.50 per hour); * deferring second round of the proposed tax cuts from 1 July 1997 to 1 July 1998, but proceeding with planned increases to *Family Support* on 1 July 1997; * removal of asset testing for residential care; * introducing free medical care for pre-schoolers; * a referendum on a compulsory superannuation scheme in 1997; and * removal of the *Superannuation Taxation Surcharge*. |
| 31 December 1996 | **Department of Social Welfare: Customised service rollout** | Customised service (case management) within the *Department of Social Welfare* was extended to all beneficiaries. |
| 1996 | **Changes to the ACC scheme** | Changes to the *Accident Compensation Scheme* (ACC) included:   * the *Independence Allowance* was assessed using the *American Medical Association* guidelines; * *Independence Allowance* rates were increased; * a procedure was put in place for assessing work-capacity; * ACC was now able to purchase health and rehabilitation services, reducing waiting time for accident victims; and * the *Accredited Employers Programme* was introduced. |
| 1996 | **New Zealand Employment Service: Individualised Employment Assistance pilot** | An eight-week pilot of the *Individualised Employment Assistance Programme* (IEA) was carried out at the *New Zealand Employment Service* Kilbirnie office in Wellington.  Employment Advisors asked a series of weighted questions related to a job seeker’s capacity and willingness to secure employment. Based on their responses, a Job Seeker Profile was provided and jobseekers classified into five categories from ‘highly employable’ to ‘potentially employable with a great deal of assistance’. The classification determined the degree of specificity of a work plan and the intensity and number of case management follow-up interviews. It aimed to align access to employment programmes and services with the needs-based assessment.  Between January 1997 and March 1997 all offices of the *New Zealand Employment Service* implemented *Individualised Employment Assistance*. |
| 1996-1999 | **Home-Buy Scheme for State House Tenants** | A scheme to help state tenants buy their homes was introduced. If eligible, purchasers were required to put up five percent deposit; the Crown would lend 85 percent of the sale price and include a 10 percent suspensory loan. During the three-year life of the scheme nearly 1,800 houses were bought in this way. [Note: During the 1990s, nearly 10,000 other state houses were sold to private buyers and property investors] |
| January 1997 | **Periodic Report Group Appointed**  **Interim Report and Final Report** | The *Accord on Retirement Income Policies* (August 1993) and the *Retirement Income Act 1993* provided for a *Periodic Report Group* to report in 1997 and six-yearly thereafter, on trends and developments in public and private provision of retirement income. The report was to identify any areas of risk or unsatisfactory performance and suggest any required policy adjustments. The 1997 *Period Report Group* was:   * Jeff Todd (Chair), New Zealand Managing Partner of Price Waterhouse; * Susan St. John, Senior Lecturer, University of Auckland; and * Colin Blair, *Retirement Commissioner*.   The *1997 Periodic Report Group* published two reports: an interim report in July 1997 to inform the debate on the referendum on a proposed compulsory retirement savings scheme and a final report in December 1997. |
| January 1997 | **Actionworks launched (Christchurch)** | *Actionworks -* a partnership between *New Zealand Employment Service*, *Department of Social Welfare* and the *Canterbury Development Corporation* (Christchurch City Council) was launched to provide specialist case management for unemployed youth aged 16-24 years. It aimed to provide a youth friendly environment where young people could access information and resources on all aspects of education, training, health, safety and well-being.  *Actionworks* recruited its clients primarily from by targeting 18-19-year olds registered as unemployed for more than 13 weeks (i.e. at risk of becoming long-term unemployed). By 2000, of the caseload, around 70 percent to 80 percent were long-term unemployed.  A*ctionworks* replaced the *Youth Employment Service* and *Job Skills programme* that had been established in 1994. |
| January 1997 to March 1997 | **New Zealand Employment Service: Individualised Employment Assistance** | Between January 1997 and March 1997 all offices of the *New Zealand Employment Service* implemented *Individualised Employment Assistance (IEA)*. This approach had been piloted at the Kilbirne office (Wellington) in 1996 (see above) and became the front-line service model for all transactions with jobseekers.  Alongside the IEA, the *New Zealand Employment Service* also introduced a new employment management information system (SOLO) which was specifically designed for IEA and the new streamlined work test regime to cater for newly enrolled groups who had not previously been subject to work testing (eg recipients of the *Domestic Purposes Benefit*, *Widows Benefit* and spouses of people receiving the *Unemployment Benefit*). |
| 3 February 1997 – 3 August 1997 | **Rural Assistance Provisions (Hail Storms)** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for orchardists in Hawke’s Bay, Gisborne, Wairarapa, Wanganui, Waikato, Horowhenua, Nelson, Northland and Central Otago whose crops were extensively damaged by hailstorms in November/December 1996 and January 1997. Assistance was available for six months. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 1 March 1997 | **Minimum Wage increased** | The before tax *Minimum Wage* was increased to $7 per hour ($280 per week) for adults. This represented approximately 44 percent of the average ordinary time weekly wage. The *Minimum Wage* for workers under the age of 20 years was increased to $4.20 per hour ($168 per week). |
| 16-19 March 1997 | **Beyond Dependency Conference** | The *Department of Social Welfare* hosted an international conference: *Beyond Dependency: A Watershed for Welfare.* The conference intended to provoke debate about the issue and develop a menu of initiatives that had been successful in other countries. The conference hosted speakers from 11 countries from both sides of the political spectrum. Speakers included Lawrence Mead who argued against a mind-set of entitlement and argued that enforcement was the key to employment promotion, and Jean Rogers from the Wisconsin *Department of Workforce Development* who outlined the story of Wisconsin’s ‘welfare miracle’.  The conference was held at the Sheraton Hotel, Auckland, with a registration fee of $1,475-$1,675. 462 people attended, mainly Pakeha aged over thirty. The largest group of participants came from the New Zealand public sector.  A rival conference, *Beyond Poverty* was held by a group who argued that poverty was the real issue that needed to be addressed in New Zealand. |
| 1 April 1997 | **Changes to benefit stand down periods**  **Two-week stand down and high-income stand-down replaced with the initial stand down**  **Delayed Application Welfare Programme** | The 26-week stand down for voluntary unemployment applicable to applicants for a work tested benefit who had left a job without a good and sufficient reason was reduced to 13 weeks.  The 26-week stand down for work test failure was replaced with a graduated reduction in the level of the benefit for each month of non-compliance, with full benefit being restored upon compliance with the work test:   * for a first instance of work test failure, the benefit was reduced by 20 percent initially, then by a further 20 percent for each month that non-compliance continued; * for a second instance of work test failure the benefit was reduced by 40 percent initially, then by 100 percent after one month; and * for a third instance of work test failure, the benefit was cancelled for 13 weeks.   The two-week and high-income stand-down was replaced by a single initial stand-down of between one and ten weeks. The initial stand down applied from the date of entitlement and it was calculated with reference to the applicant’s average weekly income (before tax) and family circumstances over the 26 weeks prior to the date of entitlement. The minimum stand-down period was one week. The initial stand-down provisions were more generous for applicants with dependants.  As a result of an oversight in the legislative process, a *Ministerial Welfare Programme* was established to provide special assistance to people who were disadvantaged by the removal of the legislative provision to back date the date of commencement of their benefit. Prior to this, legislation had allowed the back dating of the commencement date to the date of entitlement if an application is received within 28 days of the date of entitlement. The programme applied to applications for a *Widows Benefit, Domestic Purposes Benefit, Sickness Benefit, Invalids Benefit* and *Transitional Retirement Benefit*. The legislative provision was restored in September 1997 and deemed to have come into force on 1 April 1997. |
| 1 April 1997 | **Work Tested Benefits (‘clean slate’ provisions tightened)**  **Emergency Assistance**  **Administration of the work-test tightened**  **Unemployment Benefit: Work-test extended to some spouses/partners** | For people who were subject to a 13-week non-entitlement period, a benefit could not be paid until four weeks had elapsed. Following this time, a benefit could be granted on a provisional basis if a person was participating satisfactorily in the *Community Task Force Scheme* or approved training. Should a person fail to complete the *Community Task Force Scheme* or the training course, any benefit paid in the 10 weeks following the imposition of the 13-week non-entitlement period had to be repaid.  In cases of hardship, recoverable *Special Needs Grants* were available during the initial stand down period and during a 13-week non-entitlement period.  The administration of the work-test was tightened. Refusal to take up any offer of suitable employment or attend any job interview when referred (previously two job offers or two job interviews) results in a work test failure. Work test activities were expanded to include attendance at interviews with the *New Zealand* *Employment Service*, completion of an individual action plan, referral to training, participation in the community task force scheme.  The work-test was extended to spouses of unemployment beneficiaries with either no children or a youngest child aged 14 or more. Spouses of unemployment beneficiaries with a youngest child aged 7 to 13 years and who had been on benefit for 12 months or more were required to attend an annual mandatory interview to discuss their future employment prospects. |
| 1 April 1997 | **Work-test for Domestic Purposes and Widows Beneficiaries** | A part-time work test was applied to recipients of a *Widows Benefit* or a *Domestic Purposes Benefit* who had either no children or a youngest child aged 14 years or over. They were required to seek part time work of up to 15 hours per week and when required to participate in activities to improve their prospects of obtaining employment. Beneficiaries with a youngest child aged 7 to 13 years who had been on benefit for 12 months or more were required to attend an annual mandatory interview to discuss their future employment prospects. Sanctions for non-compliance were the same as those applied to unemployment beneficiaries who failed to meet the work test conditions. With the exception, that suspension or cancellation of a benefit only applied to 50% of the sole parent rate of benefit. In a number of situations beneficiaries could apply for an exemption from complying with these responsibilities. These included:   * aged 55 years or more; * engaged in approved tertiary study or training; * caring for a child with special needs; or * caring for a child under the age of 14 years who is not a dependent child (e.g. foster care situation). |
| 1 April 1997 | **Benefit rates increased.**  **Relativities between single rates of married couple rate of NZS/VP restored.** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions, New Zealand Superannuation/Veteran’s Pension and other Social Security Allowances* were increased by 2.55 percent to reflect the increase in the cost of living over the previous 12 months.  Single people receiving *New Zealand Superannuation* or a *Veteran’s Pension* received less than 2.55 percent as their net rates had increased in July 1996 as a result of the tax cuts. The adjustment in April 1997 restored the relativities between the single rates and married couple rate of *New Zealand Superannuation/Veteran’s Pension* (60 percent for single sharing and 65 percent for single living alone). |
| 1 April 1997 | **ACC Earner Premium** | The ACC *Earner Premium* remained at 0.7c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $79,466 with the maximum premium of $556.26 for the 1997/1998 tax year |
| 1 April 1997 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $14,560 for the 1997/1998 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. |
| 1 April 1997 | **Unemployment Benefit (overseas travel provisions amended)** | Provision was made to continue to pay the *Unemployment Benefit* for up to 4 weeks if a beneficiary left NZ for humanitarian reasons. Prior to this an *Unemployment Benefit* could only continue to be paid if a person was absent from New Zealand for the purpose of attending a job interview of following up a definite prospect of employment. |
| 1 April 1997 | **Superannuation Taxation Surcharge: Income exemption increased** | The *Superannuation Taxation Surcharge* income exemption level was increased to $100 per week ($5,200 per annum) for single people and $150 ($7,800 per annum) for a married couple.  The surcharge remained at 25 percent. |
| 11 April 1997 | **Rural Assistance Provisions extended** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) that were activated in February 1997 for orchardists affected by hail storms were widened to include orchardists in Canterbury (hail storm of 18 January) and Hawke’s Bay (hail storm of 22 March). Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 14 April 1997 | **Special Benefit changes** | The *Ministerial Direction on Special Benefit* was redrafted to reduce the shortfall used in the calculation of *Special Benefit* from $10 to $5 (effective 1 July 1997) to amend and simplify the explanation (including the example) of the assessment procedure and to remove references to consider paying *Special Benefit* to people in residential care as this was now redundant following transfer of this service to *Regional Health Authorities*. |
| April 1997 | **Overseas Pensions: Special Banking Option commenced** | The *Special Banking Option* (SBO) for overseas pensions commenced. This arrangement allowed the full New Zealand benefit or pension to be paid to beneficiaries who were entitled to an overseas pension or benefit. In return, the beneficiary arranges for their overseas benefit or pension to be paid directly into a Westpac Bank Account. While the account was in the beneficiary’s name, only the *Department of Social Welfare* could access this bank account. The account incurred no fees and earned no interest.  The beneficiary received their regular payment, equal to the full rate of *New Zealand Superannuation*, *Veteran’s Pension* or S*ocial Security Benefit* and fluctuations in the exchange rate did not affect payments (as was the case when someone was receiving a payment directly from another country, plus a top-up from the *Department of Social Welfare*).  Initially, the SBO was only available for pensions and benefits received from the United Kingdom. In July 2002 the arrangement was extended to the Republic of Ireland, Netherlands and Australia and from December 2005 it was further extended to include Jersey and Guernsey. |
| 1 May 1997 | **Social Security Agreement with Canada** | The *Social Security Agreement* with Canada came into force. Under the Agreement:   * [Canadian creditable periods](javascript:pop('http://doogle/map/definitions/Canadian%20creditable%20periods.htm')) could be regarded as residence in New Zealand in order to meet the residence qualifications for some New Zealand benefits and pensions; * residence in New Zealand could be regarded as Canadian creditable periods to meet the residence qualifications for some Canadian benefits and pensions; * Canadian pensions could be paid in New Zealand; and * New Zealand benefits and pensions could be paid in Canada. |
| May 1997 | **Social Security Agreement with Denmark** | A *Social Security Agreement* was signed with Denmark. The Agreement came into force on 1 October 1997. |
| 1 July 1997 | **COMPASS (Programme implemented nationwide)** | The *COMPASS Programme* was extended to all *Department of Social Welfare* sites. Up until this time, four control sites (Auckland City, Lower Hutt, Papanui and Whakatane) had remained outside of the pilot for evaluation purposes. The national caseload for *COMPASS* was extended to 16,000. The programme remained voluntary, but the primary emphasis was shifted to focus on encouraging participants to seek paid employment. |
| 1 July 1997 | **Public hospital outpatient charges abolished** | Public hospital outpatient chargers were abolished. Part-user charges had been applied from 1 February 1992. |
| 1 July 1997 | **Family Support increased** | *Family Support* for the first child or only child increased to $47.00 a week. For subsequent children aged 0-12 to $32.00 a week, and for subsequent children aged 13 and over to $40.00 per week. |
| 1 July 1997 | **Independent Family Tax Credit increased** | The *Independent Family Tax Credit* for non-beneficiary families was increased to $15 per child per week. |
| 1 July 1997 | **BOOST pilot concluded** | Following an evaluation which indicated that the programme’s key outcomes of stabilising lifestyles and increasing participation in education, training and employment had not been realised in the period the pilot was running, the *BOOST Programme* ceased from 1 July 1997. The pilot programme for recipients of the *Independent Youth Benefit* had been running in six *Department of Social Welfare* sites since December 1994. |
| 1 July 1997 | **Community Services Card: Income thresholds increased** | The qualifying family income levels for the *Community Services Card* were increased to make allowance for the increases to *Family Support* and the *Independent Family Tax Credit*. Family income for the purpose of assessing eligibility to the community services card includes taxable income plus *Family Support* and the *Independent Family Tax Credit*.  The new income levels were:   * Single (sharing) $17,769 * Single (alone) $18,846; * Couple $28,000; * 2 person family $28,000; * 3 person family $32,846; * 4 person family $37,692; * 5 person family $42,538; and * 6 person family $47,385. |
| 1 July 1997 | **Accommodation Supplement changes: Subsidy rate and board calculation** | The *Accommodation Supplement* subsidy rate was increased from 65 percent to 70 percent.  The *Accommodation Supplement* formula for boarders was changed. The proportion of board costs regarded as accommodation costs was reduced from two thirds to 62 percent. |
| 1 July 1997 | **Accommodation Supplement: Some maximum amounts increased** | Some of the maximum rates of the *Accommodation Supplement* were increased. The following changes were made:  **Auckland (Area 1)**   * 1 person household, increased by $20 to $100; * 2 person household, increased by $15 to $115; and * 3+ person household, increased by $25 to $150.   **Wellington (Area 2)**   * 1 person household, increased by $5 to $65; * 2 person household, unchanged at $75; and * 3+ person household, increased by $5 to $100.   **Rest of NZ (Area 3)**   * 1 person household, unchanged at $45; * 2 person household, unchanged at $55; and * 3+ person household, unchanged at $75. |
| 1 July 1997 | **Community Task Force Scheme expanded** | National targets for participation in the *Community Task Force Scheme* were increased from 2,500 at any one time to between 7,000 and 10,000 at any one time, by June 1998. |
| 1 July 1997 | **Orphan’s and Unsupported Child’s Benefit: Rates increased** | Rates of the *Orphan’s Benefit* and the *Unsupported Child’s Benefit* were increased by $5 per week. This increase also applied to *Foster Care Board Payments (Foster Care Allowance)* paidby the *Department of Social Welfare* to foster caregivers. |
| 1 July 1997 | **Special Benefit: Deficiency reduced** | The deficiency used as part of the assessment procedure for *Special Benefit* was reduced from $10 to $5 per week. |
| 1 July 1997 | **Report of the Prime Ministerial Task Force on Positive Ageing** | The *Prime Ministerial Task Force on Positive Ageing* presented its report to the Government. At the same time the Task Force also reported back to the public.  The recommendations of the Task Force were presented in the form of 34 Action Plans, eight of which were highlighted for initial action. The eight priority or initial actions were:   * create a Senior Citizens Division to provide intellectual leadership and a policy framework; * establish a Positive Ageing Fellowship within the *Institute of Policy Studies* to do research and monitor progress against the Task Force’s recommendations; * a comprehensive communication campaign, led by the Senior Citizens Division to build community understanding about positive ageing; * social science research agenda with the Government to decide the form and function of the future capability of social science research in New Zealand; * a government-sponsored Age and Work Conference in 2000, to explore the relationship between work (both paid and unpaid) and age; * removal of age-related criteria with public sector organisations showing leadership; * completion of the 1997/1998 Time-use Survey to provide benchmark information; and * establishment of a standard-based *Positive Ageing Certification Programme*, based on positive ageing goals.   The Government indicated that a response to recommendations of the Task Force would be provided after the *Referendum on Compulsory Superannuation Savings* (September 1997). |
| 1 August 1997 | **Youth Care Supplement Introduced** | The *Youth Care Supplement* provided additional assistance to recipients of the *Unsupported Child’s Benefit* in relation to 16-17 year olds who had been discharged from the care of the *Director General of Social Welfare*. The “top-up” increased payment to the rate of the *Foster Care Allowance* for young people of the same age and was payable to the foster parent. |
| 17 September 1997 | **Training Benefit changes** | From this time applicants for a *Training Benefit* had to be unemployed. This reinforced the intention that employers were fully responsible for the training of their staff, and confirmed that the following types of applicant were not eligible for a *Training Benefit*:   * applicants on leave without pay from an existing job; * applicants who leave an existing job to do some training; and * applicants who will be taking up employment at the end of their training course. |
| September 1997 | **Referendum on a proposed Superannuation Savings Scheme** | A referendum was held on a proposed *Compulsory Retirement Savings Scheme* (CRSS). The proposal involved contribution rates rising from three to eight percent of income between 1997/1998 and 2002/2003, matched by an equitable programme of tax cuts. It provided for retirement annuities to be paid at age 65 which were to be purchased from individual contribution accounts with Government providing capital top-ups for those who had been unable to reach the required CRSS target. Over time the build-up of CRSS annuities was to be matched with a phase down in *New Zealand Superannuation*.  The CRSS was rejected in the referendum by 91.8 percent of voters. |
| 1 October 1997 | **Social Security Agreement with Denmark** | The *Social Security Agreement* with Denmark came into force. Under the Agreement:   * residence and or contributions in Denmark could be regarded as residence in New Zealand in order to meet the residence qualifications for some New Zealand benefits and pensions; * residence in New Zealand could be regarded as residence and or periods of contributions in Denmark to meet the residence qualifications for some Danish benefits and pensions; * some Danish pensions could be paid in New Zealand; and * some New Zealand benefits and pensions could be paid in Denmark.   War pensions from either country were not included in the agreement. |
| November 1997 | **Government response to the recommendations of the Prime Ministerial Task Force on Positive Ageing** | On 1 July 1997, the *Prime Ministerial Task Force on Positive Ageing* had submitted its final report to the Government. The Task Force presented 34 action plans, eight of which were highlighted for initial action. The Government response included that:   * Government had already embarked on 16 of the action plans, through numerous policy initiatives; for example, the proposed *Time-use Survey* to be conducted by *Statistics New Zealand* in 1997/1998; * Government had agreed to examine an additional six action plans as part of the 1998/1999 Budget process, including the development of an enhanced *Senior Citizens Unit*; and * Government did not proceed with action on seven action plans because they were either outside government’s purview, or in the government’s view would have budget implications that outweighed the benefits. This included the action to establish a standards-based framework based on positive ageing goals. |
| December 1997 | **1997 Periodic Report Group: Final report** | The *1997 Periodic Report Group* released its final report which endorsed the voluntary savings option and the continued existence of a tax-funded public pension. They discussed a number of ways New Zealand might adjust to demographic change, which included phasing out the difference between payment rates based on marital status.  The 1997 Periodic Report Group had published an interim report in July 1997 to inform the debate on the referendum on a proposed compulsory retirement savings scheme. Their July 1997 report had expressed regret at the Government decision to abolish the *Superannuation Taxation Surcharge*, and at the broken link between public and private provision. |
| 1 January 1998 | **Training Benefit and Sickness Benefit: Minimum age of eligibility increased from 16-18 years.** | The minimum age of eligibility for the *Training Benefit* and the *Sickness Benefit* was increased from 16 to 18 years. Existing recipients aged 16-17 years had their entitlement grandparented. People who were married with a dependent child or children continued to have access to the *Unemployment Benefit, Training Benefit* or *Sickness Benefit* from the age of 16 years. People aged 16-17 years who were attending drug and alcohol rehabilitation programmes and 16-17-year-old pregnant women continued to have access to assistance via the *Emergency Benefit*. The *Independent Youth Benefit* remained as safety net for young people who were not able to be supported by their families, had suffered a family breakdown and were attending secondary school, unemployed, sick or in full-time employment-related training. |
| 1 January 1998 | **Independent Youth Benefit: Eligibility criteria tightened** | The *Independent Youth Benefit* was no longer available to 16-17-year olds who had moved away from home in search of employment or training opportunities. |
| 1 January 1998 | **Job Search Allowance abolished** | The *Job Search Allowance* payable to 16-17-year olds for up to 13 weeks following cessation of a training programme or employment was abolished. Existing recipients aged 16-17 years had their entitlement grandparented. |
| 1 January 1998 | **Young Job Seekers Allowance introduced** | The *Young Job Seekers Allowance* (YJSA) replaced the *Unemployment Benefit* for 18-24-year olds. The YJSA was payable for the first 13 weeks of unemployment after which recipients were transferred to the *Unemployment Benefit*. Eligibility criteria and rates of payment were the same as for the *Unemployment Benefit*. |
| 1 January 1998 | **Family Support: Increased rate of payment for children aged 16-17 years** | A new higher rate of *Family Support* became payable in respect of any dependent child aged 16-18 years. It was set at $60.00 per week. |
| 1 January 1998 | **Student Allowances: Secondary school students** | For secondary school students, eligibility to a *Student Allowance* commenced from their 18th birthday. Prior to this, they were only eligible if they were aged 18 or over on 1 January of the current school year. |
| 1 January 1998 | **Student Allowances: Age of Eligibility for Tertiary students** | For tertiary students, the age of eligibility for a *Student Allowance* was increased from 16 to 18 years. 16-17-year-old tertiary students could receive a *Student Allowance* if they were legally married, had a dependent child or met the criteria for the *Independent Circumstances Allowance*. |
| 1 January 1998 | **Transitional Training Support Allowance abolished** | As 16-17-year olds were no longer eligible for *Social Security Benefits* or a *Student Allowance*, the *Transitional Training Support Allowance* for sole parents was abolished.  This Allowance had been introduced in January 1989 as part of the *Youth Allowances* Scheme to maintain the income of a sole parent household, when a lower rate of benefit and *Student Allowance* was introduced for 16-17-year olds*.* |
| 19 January 1998 | **Away From Home Allowance introduced** | The *Away From Home Allowance* was introduced. This was payable to the parents of a 16-17 year old dependent child who was living away from home while undertaking tertiary study or approved employment-related training. To be eligible, parents were required to have an income that qualified them for *Family Support*.  The level of the allowance was equivalent to the amount of *Accommodation Supplement* the 16-17-year-old would receive if they were aged 18 and receiving an *Unemployment Benefit*. |
| February 1998 | **Proposed Code of Social and Family Responsibility** | The Coalition government announced it was going to introduce a *Code of Social and Family Responsibility*. The aim of the Code was to clarify the relationship between the state and citizens, including such things as responsibilities surrounding raising children and the welfare system. The Code was seen as a forerunner to legislation that would bind parents and beneficiaries.  A wide consultation process was initiated, with a discussion booklet distributed to over 1 million households and post office box holders. There were 94,303 responses. Eleven issues were specified in the draft code:   * looking after children; * pregnancy care; * keeping children healthy; * learning for the under-fives; * getting children to school ready to learn; * young offenders; * sharing parenthood; * training and learning for employment; * work obligations and income support; * managing money; and * keeping ourselves healthy.   The Code was never enacted into legislation because of public opposition.  This political exercise gave the clear message that the Coalition government did not intend to expand social provision, but rather would focus on welfare-to-work strategies. |
| 1 April 1998 | **New Zealand Superannuation: Taxation surcharge abolished** | The *Superannuation Taxation Surcharge* was abolished. From this time, *New Zealand Superannuation* became universally available to all New Zealanders who met the age and residence criteria. |
| 1 April 1998 | **Benefit rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions, New Zealand Superannuation/Veteran’s Pension* *and other Social Security Allowances* were increased by 0.83 percent to reflect the increase in the cost of living over the previous 12 months. No additional adjustment was required to rates of *New Zealand Superannuation* or *Veteran’s Pension* to maintain the required relativity with the average wage. |
| 1 April 1998 | **ACC Earner Premium increased** | The *Earner Premium* was increased to 1.2c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $81,008 with the maximum premium of $972.10 for the 1998/1999 tax year. |
| 1 April 1998 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $14,716 for the 1998/1999 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. |
| 1 April 1998 – 1 April 1999 | **Rural Assistance Provisions activated** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in Marlborough and North Canterbury who were affected by drought. Assistance was available until 1 April 1999. |
| 27 April 1998 – 27 April 1999 | **Rural Assistance Provisions activated** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in Hawkes Bay who were affected by drought. Assistance was available until 27 April 1999. |
| 11 May 1998 – 27 April1999 | **Rural Assistance Provisions activated** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in Wairarapa and Tararua who were affected by drought. Assistance was available until 27 April 1999. |
| June 1998 | **Social Security Agreement with Italy** | A *Social Security Agreement* with Italy was signed. As at December 2021, the Agreement had not been implemented. |
| 30 June 1998 | **Farm Ownership Savings Scheme: Closure of accounts** | From this time, savers under the *Farm Ownership Savings Act 1974* could withdraw all their funds without penalty, provided that they closed their account.  All remaining accounts were closed by 30 June 2001 and savers received their savings plus accumulated subsidies.  Since June 1987, no new accounts had been opened under the *Farm Ownership Savings Act 1974*. |
| 1 July 1998 | **Unemployment Benefit/Sickness Benefit/Training Benefit: At- home rates of benefit introduced** | A lower rate of *Unemployment Benefit, Young Job Seekers Allowance, Training Benefit, Sickness Benefit* and related *Emergency Benefits* was introduced for single 18-19-year olds who were living at home with one or both of their parents. The at home rate was set at 80 percent of the after-tax rate of benefit payable to 18-19-year olds living away from home. Existing recipients living at home were grandparented at their current benefit rate. |
| 1 July 1998 | **Unemployment Benefit: Residency criteria tightened** | The residency requirement for eligibility to the *Unemployment Benefit, 55+ Benefit, Training Benefit, Sickness Benefit, Independent Youth Benefit* and *Young Job Seekers Allowance* was increased from one year to two years. For those with less than two years residence, entitlement to the *Emergency Benefit* remained in cases of financial hardship (subject to an income and asset test). |
| 1 July 1998 | **Sickness Benefit and Unemployment Benefit: Rates aligned** | The rates of *Sickness Benefit* were reduced and aligned with the rates of *Unemployment Benefit*. With the exception of sole parents, this reduced the amount payable to a person who qualified for a *Sickness Benefit*. Existing recipients were grandparented at their current rate until their circumstances changed. |
| 1 July 1998 | **Emergency Benefit: Eligibility criteria for tertiary students tightened** | Full-time students were not eligible for an *Unemployment Benefit*. However, they could be eligible for an *Emergency Benefit* on the grounds of hardship if they were unable to find work during the long vacation. From 1 July 1998 policy was changed to provide that only students who had received a *Student Allowance* during the academic year (or would receive one during the next academic year) or who had exceptional circumstances would be eligible for the *Emergency Benefit* over the long vacation. |
| 1 July 1998 | **Tax rate reductions** | For wage and salary earners, the tax rate applying to income between $9,501 and $34,000 was reduced from 24 percent to 21 percent. The rate of tax applying to income between $34,200 and $38,000 was reduced from 33 percent to 21 percent. Incorporating the *Low-Income Earner Rebate* resulted in the following effective tax rates:   * $0-$9,500 15% * $9,501 to $38,000 21% * $38,001 plus 33%   For beneficiaries with part-time employment, the rate of secondary tax on their non-benefit income was reduced from 24 percent to 21 percent. After tax rates of benefits were not affected. For some beneficiaries, gross rates of benefit were adjusted downward to ensure that the after-tax rate remained at the same level. |
| 1 July 1998 | **Tax rate reductions: Increase to rates of New Zealand Superannuation and the Veteran’s Pension** | For recipients of *New Zealand Superannuation* or a *Veteran’s Pension* the tax rate reductions resulted in an increase in after-tax rates (at G tax rate). The increases were $2.17 per week for single living alone, $1.51 per week for single sharing and $0.25c per week for a married person. |
| 1 July 1998 | **Guaranteed Minimum Family Income increased** | *Guaranteed Minimum Family Income* for non-beneficiary (working) families was increased from $284 to $290 net per week. *Family* Support and the *Independent Family Tax Credit* were paid in addition to this. |
| 3 August 1998 – 31 March 1999 | **Rural Assistance Provisions Activated** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in South Canterbury/North Otago and Gisborne who were affected by drought. Assistance was available until 31 March 1999. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 1 September 1998 | **Invalids Benefit: Minimum period for which restricting sickness, injury or disability must be expected to continue** | The *Social Security (Invalid’s Benefit) Regulations 1998* provided for a minimum period of two years for which a person's sickness, injury, or disability must be expected to continue, for the purpose of determining a person's eligibility for an *Invalid's Benefit* under section 40 of the *Social Security Act 1964*. |
| 1 September 1998 | **Handicapped Child Allowance renamed** | The *Handicapped Child Allowance* was renamed the *Child Disability Allowance*. The Allowance remained non-taxable and was paid without a means test to the principal caregiver of a dependent child who had a serious disability. The amount payable was $32.58 per week. |
| 14 September 1998 – 31 March 1999 | **Rural Assistance Provisions Activated** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in Whakatane and Opotiki who were affected by flooding. Assistance was available until 31 March 1999. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 1 October 1998 | **Department of Work and Income (DWI) established.** | The *Income Support Service* (*Department of Social Welfare*) *Community Employment Group* (*Department of Labour*) and the *Employment Service* (*Department of Labour*) were merged to form the *Department of Work and Income*. This meant that people in receipt of a work-tested benefit need only contact one agency rather than two as previously. Within the *Department of Work and Income*, *Regional Commissioners* were established to provide a link with local communities. |
| 1 October 1998 | **Community Wage replaced a range of former benefits** | The *Community Wage* replaced the *Unemployment Benefit, 55+ Benefit, Young Job Seekers Allowance, Training Benefit*, S*ickness Benefit* and related *Emergency Benefits*.  Provision was made within the *Community Wage* for people who did not meet all the eligibility criteria but who were suffering hardship. As a result, working-age recipients of the *Emergency Benefit* were progressively transferred to the *Community Wage* (hardship categories). Those remaining in receipt of the *Emergency Benefit* were generally people outside the working-age population and people who were not able to meet the employment-related criteria associated with the *Community Wage*.  To be eligible for a *Community Wage* a person must have been:   * not in full-time employment; and * seeking and available for full-time employment; and * willing and able to undertake full-time employment; and * have taken reasonable steps to find full-time employment; or * not in full-time employment, was willing to undertake it, but because of sickness, injury or disability was limited in their capacity to seek, undertake, or be available for it; or * in employment, but losing earnings because, through sickness or injury, he or she is not actually working, or is working only at a reduced level.   The requirement that had previously applied to the *Unemployment Benefit* and *Sickness Benefit* to demonstrate a loss of earnings and provision that the rate of the benefit could not exceed the loss of earnings was not incorporated within the *Community Wage*. An applicant for the *Community Wage* was required to have either no income, or an income of less than the amount that would fully abate the applicable rate of *Community Wage*.  For administrative purposes the *Community Wage* had the following categories:   * Community Wage (Job Seeker); * Community Wage (Job Seeker Hardship); * Community Wage (Sickness); * Community Wage (Sickness Hardship); * Community Wage (Training); * Community Wage (Training Hardship) and * Community Wage (Student Hardship). |
| 1 October 1998 | **Community Wage: Work test obligations**  **Job Seeker Contract** | Applicants for a *Community Wag*e (and other work-tested benefits) were required to sign a *Job Seeker Contract* which specified their reciprocal obligations and outlined the consequences of failure to comply with the work test. A *Community Wage* recipient must accept any offer of suitable employment (this included, full-employment, part-time employment, temporary employment or subsidised employment). When requested, a *Community Wage* recipient was required to participate in organised activities. These activities included, employment-related training, attending interviews for suitable employment, attending interviews with the *Department of Work and Income*, creating an individual action plan, complying with an individual action plan, participation in a programme, seminar or specified activity, participation in work experience or community work. *Community Wage* recipients could be required to participate in *Community Work* for up to 8-hours a day, three days a week. |
| 1 October 1998 | **Community Wage: Work test obligations for spouses** | With the introduction of the *Community Wage*, all spouses of *Community Wage* recipients became subject to the work-test. The requirements were:   * a full-time work test for spouses with either no children or a youngest child aged 14 or more; and * required to attend an annual mandatory interview to discuss their future employment for spouses with a youngest child aged 7 to 13 years and who had been receiving a benefit for 12 months or more.   Prior to this, the work test provisions had only applied to spouses of *Unemployment Beneficiaries*.  In some situations, a spouse could be exempt from the work test or some or all of the work test requirements deferred. |
| 1 October 1998 | **Community Task Force Scheme replaced by the Community Work organised activity.** | In the nine months to the end of June 1999, 17,741 beneficiaries were placed in *Community Work* projects. At the end of each month the average number of current participants was 8,700. The objectives of the *Community Work* activity remained the same as the *Community Task Force Scheme*. Projects had to be of benefit to the community, participation had to be the most effective means of moving the beneficiary toward paid work, there should be no private benefit to sponsor organisations and there must be no displacement of current or future paid workers. |
| 1 October 1998 | **Participation Allowance introduced** | A *Participation Allowance* of $21 per week ($7 per day) was introduced to cover the costs associated with participating in community work projects. An additional $20 per week could be claimed if actual costs of attendance exceeded $21. The allowance was non-taxable and not treated as income for benefit purposes. |
| 1 October 1998 | **Work tested beneficiaries: Sanctions for non-compliance**  **“Clean Slate” provisions**  **Hardship Assistance** | Work tested beneficiaries who breached their work test obligations without a good or sufficient reason could be sanctioned. The sanction comprised either a percentage reduction in their benefit for one week, or suspension of the benefit for a minimum of one week and until such time as the beneficiary re-complied with the work test. The sanctions were graduated depending upon the number of times the beneficiary has previously failed the work test. For persistent breaches and as a last resort, a 13-week non-entitlement period was imposed. Reductions in benefit for unsatisfactory participation in an organised activity or tasks associated with a mandatory interview were:  Late arrival, or absence from an organised activity, exercise or tasks associated with a mandatory interview:   * 15 minutes to 2 hours: 8 percent; * 2-4 hours: 16 percent; * 4-6 hours 24 percent; * 6-8 hours 32 percent; * more than 8 hours 40 percent; * failure to complete a task or a mandatory interview: 10 percent; and * failure to answer questions during or to co-operate in a mandatory interview: 10 percent.   For people subject to a reduction in their benefit, their benefit was restored to the full rate as soon as they complied with their work test responsibilities. For people subject to a 13-week non-entitlement period, a benefit could not be paid until four weeks of the 13-week period have elapsed. From this time, a benefit could be granted on a provisional basis if a person was participating satisfactorily in an organised activity. Should a person fail to complete an organised activity, any benefit paid in the 13 weeks following the imposition of the 13-week non-entitlement period was required to be paid back.  Satisfactory completion of at least six weeks employment (counted from week five of the non-entitlement period) resulted in the remaining three weeks of the non-entitlement period being waived.  For people subject to a 13-week non-entitlement period, a spouse could continue to receive half the married rate and the *clean slate* provisions were available. During the first four weeks of the 13-week non-entitlement period recoverable S*pecial Needs Grants* were available. From week five, the *clean slate* provision was available. |
| 1 October 1998 | **Community Wage: Work test exemptions and deferrals** | Recipients of the *Community Wage* were exempt from the work test in the following situations:   * they were aged 55 years or over and hand been subject to the work test for at least six months since reaching that age; * they were aged 60 years or over; or * they were pregnant.   Recipients of the *Community Wage* were deferred from the work test if they were incapacitated for work due to sickness, injury or disability. |
| 1 October 1998 | **Student Allowances: Administration transferred to the Department of Work and Income** | The *Department of Work and Income* assumed responsibility for administering *Student Allowances*. The Allowances were previously administered by the *Ministry of Education*. |
| 1 October 1998 | **Rates of New Zealand Superannuation/Veteran’s Pension: Change to the relationship with the average wage** | The wage floor for *New Zealand Superannuation* was reduced from 65 percent to 60 percent of the average ordinary time weekly wage. From this time the after-tax rate of *New Zealand Superannuation* and a *Veteran’s Pension* payable to a married couple was required to be within the range of 60 percent to 72.5 percent of the average wage. From 1 April 1999 the rate payable to a married couple fell to 62.66 percent of the average wage. |
| 8 October 1998 | **Rural Housing Package/ Rural Housing Scheme** | The Government announced a plan to address the rural housing crisis. The *Rural Housing Scheme* was designed specifically for low income earners in Northland, East Cape, the eastern Bay of Plenty and Wairoa. People who qualified could get a loan from *Housing New Zealand* with a three percent deposit and have their interest fixed at 7.95 percent for seven years. |
| 2 November 1998 – 2 November 1999 | **Rural Assistance Provisions Activated** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in Buller/Grey/Westland/Waikato and Franklin who were affected by prolonged rainfall. Assistance was available until 2 November 1999. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 26 November 1998 | **Specified Superannuation Contributions (Taxation Rules)** | From this time employers and employees could agree to treat all or part of the value of the employer’s specified superannuation contributions as salary or wages and tax them at the employee’s personal tax rate. This benefited employees if their personal tax rate was less than 33 percent (i.e. their total income was less than $38,000. However, treatment of these contributions as income could affect employees’ *Family Assistance* entitlements, *Child Support* payments and *Student Loan* repayments. |
| 1 December 1998 | **Residential Care Subsidy: Asset limits increased** | *Residential Care Subsidy* provided financial assistance to people who are assessed as requiring long-term residential care and who were unable to pay the full cost of their care. Eligibility was subject to an income and asset test, administered by the *Department of Work and Income*.  From this time the cash asset limits (cash and readily realisable assets) were increased from $6,500 to $15,000 for a single person, from $13,000 to $30,000 for a married couple who are both in long-term residential care and from $40,000 to $45,000 for a married couple where only one partner is in long-term residential care.  If the client (aged over 65) had a partner or a dependent child or children still living at home, the family home was not considered an asset. |
| 1 December 1998 | **Housing Policy transferred to the Department of Social Welfare** | The housing policy function of the *Ministry of Housing* was transferred to the *Social Policy Agency* of the *Department of Social Welfare*. |
| December 1998 | **Super 2000 Task Force Appointed** | The *Superannuation 2000 Task Force* involving a range of people from all the major political parties and community leaders was charged with finding a sustainable superannuation solution for New Zealand. The Task Force was intended to offer an alternative to the *Superannuation Accord* and to progress the recommendations of the *1997 Periodic Report Group* to remove party politics from superannuation. Its membership was:   * Angela Foulkes, Chair, New Zealand Council of Trade Unions; * Murray Horn, Deputy Chair, Chief Executive, ANZ Banking Group; * Anne Knowles, Deputy Chief Executive, New Zealand Employers Federation; * Colin Blair, Retirement Commissioner; * Lyn Noble, Past President, Age Concern; * Paul Fyfe, Deputy Chair Savings & Insurance Association; * Rahera Ohia, Māori Policy Consultant; * Rodney Cook, Director, Group Finance and Development, AMP; * Alison Mau, journalist; and * Gary Hawke, Professor of Economics, Victoria University.   The Task Force was required to encourage the development of a widespread consensus, and report to the Government in November 2000 with a specific retirement income strategy. It was envisaged that the Task Force would:   * establish a set of policy principles to guide the process; * determine a set of policy details and parameters consistent with the long-term sustainability of *New Zealand Superannuation* (NZS), but broad enough to allow for some evolution; * develop a set of agreed modifications to NZS required in the medium term for the transition to long term sustainability and affordability; * develop a process for managing change in retirement income policies to reflect changing circumstances over time; * establish public support for the proposed retirement income strategy through consultation and a public communications programme; * produce a final report containing specific legislative proposals that could be enacted by parliament; * consider the following:   + the determinants of variations in the living standards of older people such as accommodation and health;   + linkages among savings, investment and economic growth, and income, net wealth accumulation, and the ability of people to make private provision for retirement;   + the rates structure for NZS to ensure that it is affordable, efficient and fair for recipients and taxpayers;   + options for the transition to a sustainable and affordable retirement income system;   + the interface between retirement incomes and working age benefits;   + the interface between supplementary assistance and NZS;   + the effects of pre-funding and tax smoothing options on intergenerational equity and on the age of eligibility; sustainability of NZS;   + issues relating to the tax and regulatory environment for the private provision of retirement income;   + options for introducing greater stability into retirement income policies;   + a strategic approach towards the long-term structure of public provision, the integration of public and private provision, and the provision of New Zealand pensions overseas; and   + such other matters as the Task Force sees fit.   In 1999, the *Super 2000 Task Force* commissioned a comprehensive survey of the living standards of older people. Three separate surveys were conducted in order to meet the objectives of the research. One survey was of older New Zealanders in general and the second was of older Māori. The third survey was a sample of working-age people.  In March 2000, following the election of the Labour-led Government, the Task Force was disbanded as the new Government considered that the Task Force has been established to cut the cost of *New Zealand Superannuation*. Although the *Super 2000 Taskforce* was disbanded in March 2000, the living standards survey and the related streams of research were continued by the *Ministry of Social Policy* (subsequently the *Ministry of Social Development*). |
| 1 January 1999 | **Children, Young Persons and their Families Agency** | The *Community Funding Agency* was merged with the *Children, Young Persons and their Families Service* to create a new entity within the *Department of Social Welfare* known as the *Children, Young Persons and their Families Agency* (CYPFA). |
| 1 January 1999 | **Changes to the Training Incentive Allowance** | The *Training Incentive Allowance* (TIA) was set at a maximum of $75 per week or $3,000 per annum. The TIA rate was no longer subject to an annual inflation adjustment on 1 April. Previously there was a two-tiered rate structure: a core TIA rate of $23.76 per week, with hardship components adding resulting in a maximum of $81.65 available to students of a *Tertiary Educational Institute* (TEI) and a maximum of $35.32 per week to students undertaking non-TEI courses.  Other changes to the *Training Incentive Allowance* included:   * for courses for which student loans were available, the TIA could only fund 60 percent of fees and course costs (co-payment); * TIA paid for childcare, transport and disability-related costs was no longer deducted from the maximum *Student Loan* entitlement. Previously all TIA received was deducted; * *Training Opportunities Programme* (TOP) courses and courses provided by the *Department of Work and Income* were excluded from TIA eligibility; * people who had completed a degree in the past five years were no longer eligible for the TIA; * TIA was no longer paid for courses outside of the NZQA accreditation framework; and * the administration of the TIA programme was amended with a greater focus on paid employment outcomes. |
| 1 February 1999 | **Community Wage: Work test obligations for spouses** | A part-time work test was extended to spouses of *Community Wage* beneficiaries who had a youngest dependent child aged six to 13 years. Spouses with a youngest child aged under six years were required to attend an annual mandatory interview and spouses with a youngest child aged five years could be required to participate in a work preparation activity.  The full-time work test remained for spouses who had either no children or a youngest child aged 14 or more years. |
| 1 February 1999 | **Emergency Benefit and Invalids Benefit: Employment-related obligations extended to spouses** | The work-test provisions applying to spouses of recipients of an *Invalids Benefit* or an *Emergency Benefit* were:   * a full-time work test applied to spouses with either no children or a youngest child aged 14 years or more; * a part-time work test applied to spouses with a youngest child aged six to 13 years; * a requirement to attend and annual mandatory interview applied to spouses with a youngest child aged under six years; and * a spouse with a youngest child aged five years could be requested to participate in a work preparation activity. |
| 1 February 1999 | **Domestic Purposes Benefit and Widows Benefit: Work test obligations** | A full-time work test was applied to recipients of a *Domestic Purposes Benefit* or a *Widows Benefit*, who had either no children or a youngest child aged 14 or over. A part-time work test was applied to those with a youngest child aged six to 13 years. Recipients of a *Domestic Purposes Benefit* or a *Widows Benefit* with young children could be requested to participate in one mandatory interview each year and in the year before they become subject to a part-time work test obligation they could be requested to participate in a *Work Preparation Exercise*. |
| 1 February 1999 | **Community Wage/Domestic Purposes Benefit/Widows Benefit: Work test exemptions** | In addition to the exemption criteria applying to recipients of the *Community Wage*, the following additional exemption criteria applied to work tested spouses and work tested recipients of the *Domestic Purposes Benefit* or *Widows Benefit*:   * the spouse is the principal caregiver of a child with special needs; * the spouse is engaged in full-time study and was so engaged at the time they became subject to the work test; * the spouse is caring full-time for a person with a sickness, injury or disability who requires full- time care; or * the spouse is actively engaged in home schooling a dependent child.   A spouse could be deferred from the work test if they were engaged in approved full-time study. |
| 1 February 1999 | **Domestic Purposes Benefit/Widows Benefit: Income test changed** | The income test applicable to the *Unemployment Benefit* was applied to recipients of the *Domestic Purposes Benefit* or *Widows Benefit* who were subject to the full-time work test. Income in excess of $80 per week ($4,160 per year) reduced the net benefit by 70c for each dollar. Other recipients continued to have the more generous income test which encouraged par- time employment. |
| 1 February 1999 | **New Employment Transition Grant introduced** | The *New Employment Transition Grant* was available to a sole parent who had cancelled their benefit due to employment. For the 6 months following the cancellation of the benefit the grant provided assistance when the sole parent was required to take unpaid leave (i.e. no paid leave was available or paid leave has been exhausted) due to illness of themselves or their child or as a result of a breakdown in their childcare arrangements. The maximum payable was the lesser of the loss of earnings or $50 per day (with a maximum of $500 over the six-month period). Eligibility was subject to a cash asset test (four times the appropriate net rate of *Invalids Benefit*). |
| 1 February 1999 | **Extension of Child Care Subsidy to OSCAR** | The *Child Care Subsidy* was extended to cover *Out of School Care and Recreation* (OSCAR) Programmes for children aged five to 13 years. |
| 1 February 1999 | **Community Services Card: Income limits extended** | The income limits for the *Community Services Card* were extended by $4,840 for each additional person in a family of more than six persons, in order to allow equity of access for larger families. |
| 1 February 1999 | **Removal of the compulsory retirement age** | Legislative amendment to employment legislation removed the provision that allowed for compulsory retirement when an employee reached the age of eligibility for *New Zealand Superannuation*. From this time, the anti-discrimination provisions of the *Human Rights Act 1993* applied to the ending of employment, which included a prohibition to discriminate on the basis of age. The amendment did not apply to a written employment agreement that was in force on 1 April 1992 and remained in force where such an agreement had specified a retirement age and the employer and employee had agreed in writing on or after 1 April 1992 to confirm or change this retirement age. Other exceptions included:   * certain non-New Zealand crews of ships and aircraft; * certain work performed outside New Zealand; * certain occupations, such as coroners and judges, where the retirement age was set out in legislation; * domestic employment in a private household; and * where being a particular age or in a particular age group is a genuine occupational qualification for the employment.   The *Human Rights Act 1993* also prohibited discrimination in working conditions based on age and in recruitment practices. |
| 1 April 1999 | **Benefit rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 0.37 percent to reflect the increase in the cost of living over the previous 12 months.  Single rates of *New Zealand Superannuation* and *Veteran’s Pension* were not increased due to the increases to these rates resulting from the tax rate reductions of 1 July 1998 and the requirement to maintain the relativities between the single rates and married couple rate. |
| 1 April 1999 | **ACC Earner Premium increased** | The *Earner Premium* was increased to 1.4c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $83,017 with the maximum premium of $1,162.24 for the 1999/2000 tax year |
| 1 April 1999 | **Disability Allowance: Ministerial Direction**  **Telephone Costs Payment Programme** | A *Ministerial Direction* under section 5 of the *Social Security Act 1964* was introduced to clarify the eligibility criteria (allowable costs) for the *Disability Allowance*.  From this time, telephone costs were no longer an allowable cost for the *Disability Allowance*, except where the on-going cost of a telephone was directly related to a person’s disability.  Some people receiving the *Disability Allowance* no longer qualified for assistance with telephone costs under the new criteria. To ensure these people did not experience hardship, a *Ministerial Welfare Programme* was introduced to allow their payments to continue. People in this group had their existing telephone costs payments under *Disability Allowance* capped and transferred to *Telephone Costs Payment Programme.* The combined amount of *Telephone Cost Payment* and *Disability Allowance* could not exceed the maximum rate of the *Disability Allowance*. |
| 1 April 1999 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $14,716 for the 1999/2000 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. |
| 24 May 1999 | **Work Track pilot commenced** | The *Work Track Programme*, an early intervention programme for job seekers was piloted in 26 sites. This involved a three-week course for job seekers considered to be at risk of long-term unemployment. The course aimed to assist job seekers with motivation and self-confidence to actively seek employment, by focusing on motivation, developing work search skills and supervised job search. For beneficiaries requested to participate, attendance was compulsory. |
| 1 July 1999 | **Changes to the ACC scheme: Private insurers to cover work- related injuries** | A competitive market for workplace injuries was established, with private insurers allowed to provide work- related accident insurance. ACC was excluded from the workplace accident insurance market, though self- employed people were allowed to choose to stay with ACC.  Penalties were introduced for employers who did not purchase private accident insurance. A non-compliers fund was set up to cover employees who were injured while working for an employer who had not taken out accident insurance.  The *Office of the Accident Insurance Regulator* was established to oversee the private market.  All the accounts under the ACC scheme were returned to “fully funded” rather than a “pay as you go” system.  Following the change in government, ACC was, from 1 July 2000, restored as the sole provider of accident insurance for all work and non-work injuries and took over all clients from private providers. |
| 1 July 1999 | **ACC Weekly Compensation: Direct deduction from all main social security benefits** | All ACC weekly compensation became a direct deduction from all main *Social Security Benefits*.  Prior to this, *Earnings Related Compensation* (ERC) was a direct deduction (net amount of ERC reduced the net benefit) only in situations where the ERC was payable for the same circumstances as those which gave rise to the application for the benefit (eg *Sickness Benefit, Invalids Benefit, Widows Benefit*). ERC was not paid to compensate for unemployment; therefore the *Unemployment Benefit* was excluded from the direct deduction. For the *Unemployment Benefit*, ERC was until this time charged as other income.  In cases where weekly compensation had commenced prior to 1 July 1999 and it was being paid for a different reason than the benefit, the weekly compensation continued to be charged as income.  Different rules applied to recipients of *New Zealand Superannuation* or a *Veteran’s Pension* (NZS/VP) who were required, after a transitional period, to elect to receive either weekly compensation or NZS/VP. |
| 1 July 1999 | **Conservation Corps: Trainees eligible for the Community Wage** | The *Ministry of Youth Affairs* ceased paying allowances to participants in the *Conservation Corps* and *Youth Service Corps*. Participants became eligible for the *Community Wage* from the *Department of Work and Income*. |
| 1 July 1999 | **Work Start Grant introduced**  **(Transition to Work Assistance)** | The *Work Start Grant Programme* replaced the *Job Start Programme* and the *Transition to Work Special Needs Grants*. People eligible for this assistance included all beneficiaries (both work-tested and non-work-tested) and non-beneficiaries who are registered as job seekers. Grants could be paid to assist with the cost of attending interviews for paid employment of 15 hours per week or more or to assist with the costs of taking up a position of paid employment of 15 hours per week or more (including bridging finance to assist during the period before the first wages are received). The maximum assistance available to an individual under the programme was $250 in any 12-month period. |
| 1 July 1999 | **Care Supplement replaced the Youth Care Supplement Programme** | The provisions of the *Youth Care Supplement* introduced from 1 August 1997 were extended and replaced by the *Care Supplement Programme*. The top-up to the *Unsupported Child’s Benefit* to equate with *Foster Care Board Allowances* was extended to all children discharged from the care of the *Director General of Social Welfare*. The *Youth Care Supplement* had been restricted to 16-17 year olds discharged from care. |
| 1 July 1999 | **Guidelines for Employment Products and Services introduced** | From this time, access to employment products and services was subject to a series of general Cabinet principles and a set of agreed Ministerial eligibility criteria. The *Department of Work and Income* made decisions on allocating employment resources through the case management process. Previously Cabinet determined access to specific employment products on an “ad hoc” basis. |
| 1 July 1999 | **Administration of the War Pensions Act transferred to the NZDF** | The administration of the *War Pensions Act 1954* was transferred from the *Department of Work and Income* to the *New Zealand Defence Force* (NZDF). *Veterans’ Affairs New Zealand* was created as a semi-autonomous unit within the NZDF for this purpose. The *Secretary of War Pensions* became an appointment of the *Chief of Defence Force*. The *Department of Work and Income* remained responsible for administering and paying the *Veteran’s Pension*. |
| 1 September 1999 | **Special Needs Grant: Citizenship Fees** | A programme for *Special Assistance* was introduced to provide assistance with the costs of applying for New Zealand citizenship for people who had immigrated to New Zealand as “Flock House boys” and were ineligible for a waiver of citizenship fees. This applied to people who came to New Zealand between 1 January 1949 and 31 December 1954, were aged under 18 years at that time, and did so under an arrangement between the New Zealand Government and his or her parents or guardian that the child would live in New Zealand. The amount of the grant was equivalent to the citizenship fee and paid directly by the *Department of Work and Income* to the *Department of Internal Affairs t*o the credit of the applicant. |
| 1 October 1999 | **Parental Tax Credit introduced**  **Family Assistance Tax Credits re-named.** | The *Parental Tax Credit* of $150 per week for eight weeks following the birth of a child was introduced. Only non-beneficiary (working families) were eligible. Abated on account of income at 30c in the dollar once entitlement to *Family Support* and the *Independent Family Tax Credit* had been fully abated.  From this time the *Independent Family Tax Credit* became known as the “*Child Tax Credit*” and *Guaranteed Minimum Family Income* the “*Family Tax Credit*”. The tax credits (in addition to *Family Support*) that were payable to non-beneficiary families became known generically as “*Family Plus*”. |
| 1 October 1999 | **Department of Child, Youth and Family Services established** | The *Children, Young Persons and Their Families Agency* of the *Department of Social Welfare* was established as a stand-alone Department. |
| 1 October 1999 | **Ministry of Social Policy established** | The remaining business units of the *Department of Social Welfare* were amalgamated to form the *Ministry of Social Policy*. The Ministry:   * provided strategic and more immediate policy advice over a broad range of social issues as well as giving the Government independent purchase and monitoring advice; * provided and supported the Information Technology Infrastructure for the *Department of Work and Income*, and *Child Youth and Family*; and * maintained the *Information Analysis Platform* (IAP) that provided the data warehouse for the social services sector. |
| 1 October 1999 | **New Zealand Superannuation: Special portability arrangements with Pacific Nations extended** | The special portability arrangements for *New Zealand Superannuation* and *Veteran’s Pension* were extended to 22 Pacific nations. After 20 years residence in New Zealand after the age of 20 years, retirees to a specified Pacific nation could take 100 percent of their *New Zealand Superannuation* or *Veteran’s Pension* with them. In the case of a person who had resided in New Zealand for ten years or more, but for fewer than 20 years a proportional amount was payable.  Entitlement to *New Zealand Superannuation* or a *Veteran’s Pension* had to be gained in New Zealand after which a recipient could move to a specified Pacific country. This recognised the contribution of these people to the New Zealand workforce.  Supplementary Benefits, lump sum payments, payments under any *Ministerial Welfare Programme* and the *Living Alone Payment* were not covered by the portability arrangement.  The specified Pacific countries were: American Samoa, Cook Islands, Federated States of Micronesia, Fiji, French Polynesia, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, Niue, Northern Mariana Islands, Palau, Papua New Guinea, Pitcairn Island, Samoa, Solomon Islands, Tokelau Islands, Tonga, Tuvalu, Vanuatu and Wallis and Futuna.  The special portability arrangements had been first introduced for the Cook Islands, Niue and Tokelau on 30 June 1993. |
| 1 November 1999 | **Defence Force Allowance Programme established** | A *Ministerial Welfare Programme* was established to provide for the payment of *Operational Allowances* to defence force personnel serving overseas. Initially this was for the deployment to East Timor, though this was subsequently extended to other overseas deployments. The *New Zealand Defence Force* (NZDF) provided the *Department of Work and Income* with a schedule of eligible personnel and the amounts payable. Payments were then approved by the *Department of Work and Income* who made a single payment to NZDF who in turn paid the allowances directly to personnel through their payroll system. Payment of allowances in this manner ensured that they were tax exempt and did not impact on the eligibility of personnel and their dependants for financial assistance (e.g. *Family Support, Accommodation Supplement, Disability Allowance* and *Community Services Card*). |
| 10 December 1999 | **Special Needs Grants: Hunger strikers** | On 1 December 1999, a group of immigrants who had been refused refugee status and were subsequently detained under the *Immigration Act 1987* in Mt Eden prison were released on conditions by the *District Court*. This followed a hunger strike. A weekly non-recoverable *Special Needs Grant* equivalent to the rate of *Unemployment Benefit* and the *Accommodation Supplement* that would otherwise have been received was made available. The grants were available until the applicants’ status was determined. Either they were granted refugee status (and became eligible for a benefit under s74A of the *Social Security Act 1964*) or they became liable to arrest and detention under s128A of the *Immigration Act 1987*. |
| 1 January 2000 | **Student Loans: Administration transferred to the Department of Work and Income** | The *Department of Work and Income* assumed responsibility for administering the *Student Loan Scheme* from the *Ministry of Education*. The *Inland Revenue Department* continued to have responsibility for collecting loan repayments via the tax system. |
| 1 January 2000 | **Changes to the Training Incentive Allowance** | The co-payment introduced from 1 January 1999 was abolished, with the *Training Incentive Allowance* (TIA) able to fund up to 100 percent of fees and course costs, subject to the weekly and annual maximum.  Beneficiaries who had completed a degree course in the past five years became eligible for the TIA in respect of employment-focused training courses of less than 12 weeks duration.  The annual inflation adjustment to the maximum rate of the TIA rate was restored from 1 April 2000. |
| 1 January 2000 | **Student Loans: Interest writ- off while studying full- time** | From this time, all full-time full-year students regardless of their income had the interest (full amount of interest) on their student loan written-off while studying. |
| 29 February 2000 | **Ministry of Economic Development established** | The *Ministry of Commerce* was renamed the *Ministry of Economic Development*. This was an *Alliance Party* initiative included in the coalition agreement with the *Labour Party*. It covered the areas of economic development, industry and regional development, energy, consumer affairs, communications and commerce.  On 1 July 2012, the *Ministry of Economic Development* became part of the new *Ministry of Business, Innovation and Employment*. |
| February 2000 | **Ministerial Inquiry into the Department of Work and Income announced** | A Ministerial Inquiry into the *Department of Work and Income*, sponsored by the *Minister of State Services* was announced. |
| 6 March 2000 | **Minimum Wage increased** | The before tax *Adult Minimum Wage* was increased to $7.55 per hour or $302 per week. This represented approximately 44 percent of the average ordinary time weekly wage. The *Youth Minimum Wage* was increased to $4.55 per hour or $182 per week. The increase of 7.8 percent reflected the increase in average ordinary time weekly earnings since March 1997 (when the *Minimum Wage* was last adjusted). |
| 1 April 2000 | **Personal Income Tax: Rate increased for higher income earners** | The tax rate applying to income above $60,000 per annum was increased from 33 percent to 39 percent. Other tax rates remained unchanged (including the low-income earner rebate) giving an effective tax scale of:   * $0-$9,500 15% * $9,501-$38,000 21% * $38,001-$60,000 33% * $60,001 and above 39% |
| 1 April 2000 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 0.51 percent to reflect the increase in the cost of living over the previous 12 months. |
| 1 April 2000 | **Additional adjustment to rates of New Zealand Superannuation** | An adjustment in excess of the *Consumer Price Index* was made to rates of *New Zealand Superannuation* and *Veteran’s Pension* to ensure that the after-tax rate payable to a married couple was above 65 percent of the average ordinary time weekly wage. The wage band was restored to 65 percent to 72.5 percent of the average ordinary time weekly wage. As at 1 April 2000, the rate payable to a married couple represented 67.73 percent of the average wage. |
| 1 April 2000 | **Disability Assistance Programme** | A *Ministerial Welfare Programme* was established to assist recipients of *New Zealand Superannuation* or a *Veteran’s Pension* who lost entitlement to the *Disability Allowance* because of the increase to rates of *New Zealand Superannuation* and *Veteran’s Pension* on 1 April 2000. The assistance was equivalent to the amount of *Disability Allowance* they would otherwise have received. |
| 1 April 2000 | **Community Services Card: Income cut-out points increased** | The qualifying family income levels for the *Community Services Card* were increased to make allowance for the increase to rates of *New Zealand Superannuation*. The new income levels were:   * Single (sharing) $18,586; * Single (alone) $19,689; * Couple $29,398; * 2 person family $29,398; * 3 person family $34,243; * 4 person family $39,089; * 5 person family $43,935; and * 6 person family $48,782.   For each additional child thereafter, income levels increased by $4,840. |
| 1 April 2000 | **ACC Earner Premium reduced** | The *Earner Premium* was reduced to 1.3c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $84,636 with the maximum premium of $1,100.26 for the 2000/2001 tax year |
| 1 April 2000 | **Student Loan Repayment Threshold** | The S*tudent Loan Repayment Threshold* was set at $14,768 for the 2000/2001 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. |
| 1 April 2000 | **Student Loans: Interest write-off for part-time students (income threshold increased)** | The income threshold at which a full interest write-off was available to part-time students was increased from $14,768 to $24,596. The new level equated to the level of earned income at which the *Domestic Purposes Benefit* (two or more children) was fully abated. This meant that virtually no beneficiary whether in receipt of earned income or not faced having interest charged on their student loan while studying. |
| 8 May 2000 | **Report of the Ministerial Inquiry into the Department of Work and Income released “ Hunn Report”**  **Government response**  **Department response** | The Report of the *Ministerial Inquiry into the Department of Work and Income* was released. The Inquiry, conducted by former *State Services Commissioner* Don Hunn found that ‘*while the Department had achieved a great deal in its first 18 months, the Department found itself the object of severe criticism and ridicule around the country and that it was not surprising that Ministers had concerns as to the Department’s ability to implement their decisions*’. The *Hunn Report* argued that the corporate business model adopted by the Department had been reinforced by the decision to establish the Department with limited policy functions and that the Department required large-scale reconfiguration to address its serious problems of public credibility and parliamentary confidence. To increase the focus on employment, Hunn recommended that the Department shift away from its “one size fits all” approach and devolve greater responsibility for service delivery to *Regional Commissioners*.  On 20 June 2000, the Government released its response to the *Hunn Report*, announcing that a line had been drawn under the first 18 months of the Department and that it would require the Department to implement an integrated plan to change its culture and approach, which would ultimately strengthen the Department’s focus on employment, its relationship with its stakeholders and the flexibility of regional decision-making. The Department was to tailor its services to better meet the specific needs of regions, as well as specific clients and client groups, particularly Māori and Pacific job seekers. As part of its response, the Government announced that it would transfer the *Community Employment Group* out of the Department, and re-establish it as a separate service-delivery unit in the *Department of Labour*.  From November 2000, the Department initiated a *Regional Flexibility Strategy*, which provided *Regional Commissioners* with the authority to specify the structure and roles for regional and local offices and reviewed the delegations for decision-making over funding and resources. The Department also developed regional flexibility plans, which allowed specialisation by benefit type or priority group, centralisation of some functions, new regional roles and greater partnership with community and Mäori organisations. |
| 5 June 2000 | **Department of Work and Income: Terminology changed** | From this time, *Department of Work and Income* publications and guidelines for staff referred to beneficiaries as ‘clients’ and to the Department as ‘Work and Income NZ’. This replaced ‘customer’ and ‘WINZ’ respectively. |
| 30 June 2000 | **Amended Social Security Agreement with the Netherlands** | A new *Social Security Agreement* with the Kingdom of the Netherlands was signed. Following further changes, the Agreement came into force on 1 November 2003. |
| 1 July 2000 | **ACC restored as sole provider of workplace accident insurance** | The *Accident Compensation Corporation* (ACC) was restored the sole provider of accident insurance for all work and non-work injuries for all New Zealanders. Private insurers could not provide insurance to employers after 30 June 2000, but they could continue to manage claims for injuries suffered between 1 July 1999 and 1 July 2000.  The *Accredited Employer Scheme* was also reintroduced. Employers who joined the programme take responsibility for managing their employees’ workplace injuries and are given financial incentives to create safer working environments. Greater flexibility was provided for determining self-employed premiums. |
| 1 July 2000 | **Special Benefit: Deficiency removed** | The $5 per week deficiency used as part of the assessment procedure for *Special Benefit* was removed. |
| 19 July 2000 | **Proposal for a single social security benefit announced** | The *Minister of Social Services and Employment* (Hon Steve Maharey) announced his intention to move to a single/universal *Social Security Benefit* (with add-ons) by 2002. A commitment was made that no beneficiary would receive a reduction in payment. The single benefit would apply to working-age beneficiaries. |
| 20 July 2000 | **Modern Apprenticeships Programme** | The *Modern Apprenticeships Programme* was launched. 12 Modern Apprenticeship Co-ordinators were elected to run pilot programmes in 18 industry sectors. Co-ordinators paid $2,200 per apprentice, with the wages of the apprentice set by the industry in which they were working. Up to 500 modern apprenticeships were to be put in place by the end of 2000. It was intended that the programme would expand nation-wide at the beginning of 2001 with the aim of providing training for 3,000 apprentices by 2002. |
| 31 July 2000 | **Community Employment Group (CEG) transferred to the Department of Labour** | The *Community Employment* function of the *Department of Work and Income* was relocated as a separate service unit within the *Department of Labour*. |
| 31 July 2000 | **Review of the Tax System: Government announces terms of reference for the Inquiry (McLeod Review)** | The Tax Inquiry (known as the *Tax Review 2001* or the *McLeod Review*) was intended to examine how the tax structure met New Zealand’s current and future needs.  The functions of the Inquiry were:   * to examine and inquire into the structure and effects of the present tax system in New Zealand: * to formulate proposals for improving that system, either by way of making changes to the present system, abolishing any existing form of tax, or introducing new forms of tax; and * to report to Parliament through the Minister of Finance, the Minister of Revenue and the Minister of Economic Development.   The Inquiry’s focus was deliberately broad. It was asked to consider the extent to which the tax system could contribute to broader social and economic objectives such as encouraging secure, high-quality employment, generating a fair distribution of income, maintaining a sustainable environment and promoting higher savings. In considering structural changes to the system, the Review was asked to consider the following questions:   * can the tax system be made fairer in its role of redistributing income; * how can the tax system be designed to encourage desirable behaviour (eg work and savings) and discourage undesirable behaviour (eg the wasteful use of non-renewable resources); * how can the level of tax that is reasonably required by government for the provision of essential social services be achieved reliably in the medium and long-term; and * do the tax system and tax rates need to be modified in light of new technology and international competition?   The membership of the Inquiry was announced in October 2001:   * Robert McLeod (Chair); * Srikanta Chatterjee; * Shirley Jones; * David Patterson; and * Ted Sieper.   The Tax Review held its first meeting November 2000. An initial consultation process was undertaken in early 2000, with an Issues Paper published released on 20 June 2001.  A second round of consultation was based on the Issues Paper, with 245 submissions received and meetings held with 20 submitters.  The Review submitted its final report to Ministers on 12 October 2001. |
| 2 October 2000 | **Employment Relations Act 2000** | The *Employment Relations Act 2000* came into force.  The objectives of the Act were:   * to build productive employment relationships through the promotion of [good faith] in all aspects of the employment environment and of the employment relationship by recognising that employment relationships must be built not only on the implied mutual obligations of trust and confidence, but also on a legislative requirement for good faith behaviour; and * by acknowledging and addressing the inherent inequality of power in employment relationships; and * by promoting collective bargaining; and  by protecting the integrity of individual choice; and * by promoting mediation as the primary problem-solving mechanism; and  by reducing the need for judicial intervention; and * to promote observance in New Zealand of the principles underlying International Labour Organisation Convention 87 on Freedom of Association, and Convention 98 on the Right to Organise and Bargain Collectively.   The *Employment Contracts Act 1991* was repealed. |
| 20 September 2000 | **Rural Assistance Provisions Activated** | The *Rural Assistance* *Provisions* (within the *Special Needs Grants Programme*) were activated for beekeepers in the North Island who were affected by Varroa Honey-Bee Mite. Assistance under the programme was made available on a case by case basis for a maximum period of two years.  This provision remained active until 3 December 2012. |
| 22 September 2000 | **Community Wage: Written income declarations ceased** | From this, time beneficiaries receiving the *Community Wage* no longer received declarations to declare their earnings. People currently declaring income in this manner were required to contact a Call Centre weekly to declare their earnings. |
| 1 October 2000 | **Community Employment Organisations** | A pilot of the *Community Employment Organisations* (CEOs) initiative commenced. CEOs are public sector or charitable enterprises that provide services of benefit to the economy or the environment, but which will not be in direct competition with the private sector or displace other paid workers. The *Community Employment Group* undertook the process of assessing likely community groups and developing them into CEOs. CEOs were eligible for a set up grant of $25,000. CEOs were also eligible for partial wage subsidies to employ disadvantaged job seekers. The CEO was expected to find other funding to top the subsidy up to at least the *Minimum Wage*. There was an expectation that CEOs should be trying to become independent of the wage subsidy over time. |
| 17 November 2000 | **State Housing Appeal Authority established** | The *State Housing Appeal Authority* was re-established under the *Housing Restructuring and Tenancy Matters (Appeals) Regulations 2000*. It sat as a judicial body to determine appeals from applicants in relation to decisions made by *Housing New Zealand Corporation* on assessments of *Income-Related Rent*, as well as an applicant's eligibility and assessed need for *Housing New Zealand Corporation* housing.  From April 2014, its functions were taken over by the *Social Security Appeal Authority*. |
| 1 December 2000 | **Income-Related Rents restored for state house tenants**  **Allocation System for State Housing: Social Allocation System** | Income-related rents for state housing tenants that had applied prior to 1994 were restored.  For income up to the threshold the rent was set to reflect 25 percent of after-tax income. The rent reflected 50 percent of after-tax income above the threshold. Income included the income of the tenant and his or her spouse. For people with children, income included the first child rate of *Family Support*. For single people the income threshold was set at $225.55 (single living alone rate of *New Zealand Superannuation*) and for other family types $347.00 (married couple rate of *New Zealand Superannuation*) - adjusted in line with movements in after tax rates of *New Zealand Superannuation.* The maximum rent on a property was the market rent, (even if it was less than 25 percent of income). The minimum rent payable was 25 percent of the applicable rate of the *Community Wage (Unemployment Benefit)*.  From this time, state house tenants were ineligible to receive the *Accommodation Supplement* or the *Student Allowance Accommodation Benefit*.  Applicants for state housing were required to meet a number of eligibility requirements, including residency status, income, assets and housing need. In terms of housing need, the *Social Allocation System* (SAS) assessed applicants on:   * the affordability of their current housing; * the adequacy of their current housing; * the suitability of their current housing (house size and overcrowding for example); * their ability to access housing; and * their ability to sustain housing.   Applicants were segmented on the waiting list according to the following categories that reflected their housing need:  **Category A – At Risk**: Households with immediate serious housing need (i.e. current circumstances create an immediate risk to health and safety of household member(s) and they are unable to function within the housing market);  **Category B – Serious Housing Need**: Households with a serious housing need (i.e. current circumstances affect the health and safety of household members in a significant and negative way and they are unable to function within the housing market);  **Category C – Disadvantage:** Low-income households experiencing low-level housing need (i.e. current housing circumstances disadvantage household member(s) and this will be compounded over time if this need is not addressed, and they are unable to function within the housing market); and  **Category D – No Housing Need or Disadvantage, and or are able to function in the housing market** (i.e. low-income households experiencing low level housing need for whom there are other housing options and/or low-income households not experiencing housing need).  [*Note: Categories C and D were removed for new applicants from 1 July 2011*] |
| 1 December 2000 | **Tenure Protection Allowance abolished** | With the restoration of income-related rents for State tenants, the *Tenure Protection Allowance* was no longer required. The allowance was introduced in 1993 to provide additional assistance to *Housing New Zealand* *Corporation* tenants who would face difficulty if market rents forced them to move. |
| 1 December 2000 | **Special Transfer Allowance: Frozen for existing recipients** | For existing recipients of the *Special Transfer Allowance* (STA), the allowance converted into a permanent rent rebate that remained at the level of their allowance in absolute terms at 1 December 2000. The STA remained payable until they died or moved out of their current property.  This STA previously provided continuing financial assistance to recipients of the *Tenure Protection Allowance* (TPA) who lost entitlement to the TPA as a result of moving out of *Housing Corporation* premises. |
| December 2000 | **Canterbury Youth Strategy launched** | The *Canterbury Youth Strategy* represented collaboration between central and local Government to ensure that all youth are participating in education, employment, training or community activities. Linked to the vision in the Mayors’ Taskforce for Employment that *“every person under 25 will be in employment, training or further education by 2005”.* Through the *Actionworks Programme*, the *Department of Work and Income* and CSC responded to the challenge by establishing the following high-level goals linked to the Mayor’ vision:   * reducing the number of 16-17-year olds moving on to the unemployment benefit; and * every registered unemployed 18-19-year-old to be participating in employment, education or training by December 2002. |
| December 2000 | **Chief Executive of Work and Income advised she would not be reappointed** | The *State Services Commissioner* informed the Chief Executive of the *Department of Work and Income* that she was not to be reappointed when her contract expired in July 2001. The reasons given were her failure to establish a good working relationship with the Minister and the lack of policy capability within her Department. |
| 1 January 2001 | **Disability Assistance Ministerial Welfare Programme** | The *Disability Assistance Programme* provided for the payment of special assistance (equivalent to the amount of *Disability Allowance*) to people who were otherwise qualified for a *Disability Allowance*, but for the amount of their income. Assistance was provided to people who would otherwise qualify for the *Disability Allowance* if their income was reduced by 4.25 percent.  The former *Disability Assistance Programme*, (established from 1 April 2000) was revoked. |
| 1 February 2001 | **Child Care Assistance: Hours increased** | The maximum number of hours qualifying for the *Child Care Assistance* and *OSCAR Subsidy* were increased from 30 to 37 hours per week. |
| 21 February 2001 | **Housing Corporation Community Renewal programme established** | The *Housing Corporation* Board approved the establishment of a *Community Renewal Project* in Christchurch (Aranui) and work began. The *Aranui Community Renewal Project* was expected to continue for about four years and was run on a partnership basis, between:   * *Housing Corporation*; * *Christchurch City Council*; and * the Aranui community.   The *Aranui Community Renewal Project* aimed to enhance Aranui as a good place to live. The additional broad aims were:   * to broaden the capacity of the community to take greater ownership of Aranui's future; * to improve the physical environment; * to improve housing management; and * sustainability.   The *Aranui Community Renewal Project* area contained a total of 1,560 properties, of which 454 were *Housing Corporation* homes. There were also 103 private rentals and four schools within the area.  Community renewal projects were subsequently established in the following areas:   * Rotorua (Fordlands) [July 2001]; * Manukau City (Clendon) [August 2002]; * Auckland (Talbot Park) [October 2002]; * Porirua (East) [November 2002]; and * North Shore City (Northcote) [August 2003]. |
| 26 February 2001 | **Changes to the Australian Residency Rules and Social Security Agreement announced** | From this time, New Zealanders arriving in Australia needed to apply for and be granted permanent residency before they could access a number of *Social Security Benefits,* student support and services. The current two-year waiting period for benefits not covered by the *Social Security Agreement* (e.g. the *Unemployment Benefit, Sickness Benefit*) continued to apply for people who had been granted permanent residency status.  The *Invalids Benefit*, *New Zealand Superannuation* and *Veteran’s Pension* continued to be covered by the *Social Security Agreement*, though from 1 July 2002 payment arrangements changed with both New Zealand and Australia making a part payment to people who have lived in both countries. The combined payment was comparable to what they would get if they were receiving the benefit or pension from the country they are living in. From this time, New Zealanders living in Australia were only be able to access other *Social Security Benefits* if they had permanent residence and meet the residency criteria (i.e. the two-year requirement) and other eligibility criteria for the benefit concerned.  For people living in Australia who had not been granted residency, there were restrictions on employment. For example, non-residents could not be employed by the Australian Federal Public Service.  New Zealanders who had entered Australia prior to 26 February 2001, were considered Australian residents and had access to most *Social Security Benefits*, some with stand-down periods.  New Zealand opted not to change conditions for Australians living in New Zealand. As a result, Australians were automatically issued with a resident visa upon entry to New Zealand, and were entitled to *Social Security Benefits* on the same basis as New Zealanders. |
| February 2001 | **Primary Health Care Strategy Launched** | The *Primary Health Care Strategy* was launched. It built upon the population health focus and the objectives of the *New Zealand Health Strategy* and the *New Zealand Disability Strategy* and outlined how a different approach to primary health care would improve the health of all New Zealanders through:   * a greater emphasis on population health, health promotion and preventative care community involvement involving a range of professionals and encouraging multidisciplinary approaches to decision-making; * improving accessibility, affordability and appropriateness of services; * improving co-ordination and continuity of care; and * providing and funding services according to the population's needs as opposed to fee for services when people are unwell.   Primary health care included first level services such as general practice services, mobile nursing services and community health services targeted especially for certain conditions, for example maternity, family planning and sexual health services, mental health services and dentistry, or those using particular therapies such as physiotherapy, chiropractic and osteopathy services. |
| 5 March 2001 | **Minimum Wage increased**  **Youth Minimum Wage: Applied only to workers aged 16-17 years** | Thebefore tax *Adult Minimum Wage* was increased by two percent to $7.70 gross per hour to reflect the change in the average wage since the last adjustment to the minimum wage. This represented approximately 42 percent of the average ordinary time weekly wage.  The age of eligibility to the adult minimum wage reduced from 20 years to 18 years. The *Youth Minimum Wage* (applicable to 16-17-year olds) increased to $5.40 gross per hour (approximately 70 percent of the *Adult Minimum Wage*). |
| 7 March 2001 – 1 March 2002 | **Rural Assistance Provisions Activated** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for orchardists in Masterton who were affected by a hailstorm on 7 January 2001. Assistance was available until 1 March 2002. The period of assistance was subsequently extended until 30 June 2002. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |

## Part V: Managing for outcomes, April 2001 – November 2008

| **Date** | **Change** | **Description** |
| --- | --- | --- |
| 1 April 2001 | **Activity in the Community replaced the Community Work Scheme** | The *Community Work Scheme* was replaced by the *Activity in the Community Programme*. Projects continued to require approval from the *Department of Work and Income* under similar guidelines to those used for mandating community work projects. Participation was no longer mandatory for work tested beneficiaries and beneficiaries who chose to participate were not subject to sanctions if they ceased to participate in the project. A P*articipation Allowance* of $21 per week (with a further $20 per week available if actual costs of participation exceed $21 per week) continued to be payable. |
| 1 April 2001 | **Recognition of Voluntary Work for work-tested beneficiaries** | Voluntary work became a recognised activity for work-tested beneficiaries. Where paid work or other suitable organised activities were not available, work- tested beneficiaries were able to fulfil their employment-related responsibilities through participation in suitable voluntary work. Participation was on a voluntary basis and sanctions were not applicable if a beneficiary ceased to participate in voluntary work. |
| 1 April 2001 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 3.98 percent to reflect the increase in the cost of living over the previous 12 months. No additional adjustment was required to *New Zealand Superannaution/Veteran’s Pension* to maintain the required relativity with the average wage. |
| 1 April 2001 | **ACC Earner Premium reduced** | The *Earner Premium* was reduced to 1.1c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $85,795 with the maximum premium of $943.74 for the 2001/2002 tax year |
| 1 April 2001 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $15,132 for the 2001/2002 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. For part- time students a full interest write-off applied during study to students with an income of $25,073 or less. |
| 10 April 2001 | **New Zealand Positive Ageing Strategy launched** | In 2000, the *Minister for Senior Citizens* had appointed the *Positive Ageing Reference Group*, consisting of community representatives, to provide advice to the *Ministry of Social Policy* on positive ageing issues and provide input to the development of the *Positive Ageing Strategy*. The development of the *Positive Ageing Strategy* also reflected consultation with communities, the non-government and aged-care sectors and various advisory and expert groups. Feedback was sought on the positive ageing principles and to identify priority issues for action. Community consultation was undertaken through focus groups managed by the *Senior Citizens Unit* of the *Ministry of Social Policy*, *Te Puni Kokiri* and the *Ministry of Pacific Island Affairs*.  The *Positive Ageing Reference Group* developed the following vision that formed the basis of the 2001 *Positive Ageing Strategy:*  *Our vision is for a society where people can age positively, where older people are highly valued and where they are recognised as an integral part of families and communities. New Zealand will be a positive place in which to age when older people can say that they live in a society that values them, acknowledges their contributions and encourages their participation.*  The *Advisory Council for Senior Citizens* developed a draft set of statements to guide the development of policies and services across the public sector. The *Positive Ageing Strategy* established a set of principles as a framework for integrating policies and programmes across the government sector.  To deliver on the vision, the *Positive Ageing Strategy* contained the following ten goals, each with a series of associated actions:   * secure and adequate income for older people; * equitable, timely, affordable and accessible health services for older people; * affordable and appropriate housing options for older people; * affordable and accessible transport options for older people; * older people feel safe and secure and can age in place; * a range of culturally appropriate services allows choices for older people; * older people living in rural communities are not disadvantaged when accessing services; * people of all ages have positive attitudes to ageing and older people; * elimination of ageism and promotion of flexible work options; and * increasing opportunities for personal growth and community participation.   Positive ageing policies were seen as those designed to support people, as they grow older, in leading productive lives in the economy and society. Government policies across a range of issues including employment, health, housing and income support allowed and encouraged older people, and future generations of older people, to experience ageing as a positive and productive phenomenon.  An annual *Positive Ageing Strategy Action Plan* provided a way to report progress on the positive ageing goals. Chief Executives of government agencies were required to identify and discuss with their Ministers proposed work items that will form their department's contribution to the *Positive Ageing Strategy Action Plan*.  An annual report set out what progress had been achieved on specific work items. |
| 11 April 2001 | **Establishment of the Ministry of Social Development announced** | The Government announced that the *Department of Work and Income* and the *Ministry of Social Policy* would be merged to create the *Ministry of Social Development*. It was intended that the new Ministry would be the Government’s primary adviser on strategic and cross-sectoral social policy, as well as continuing to deliver income support, employment services and other services to the community. It was stated that the restructuring would not impact on other agencies in the short-term.  The following day, lawyers for the Chief Executive of the *Department of Work and Income* filed legal action against the Crown alleging political interference in the decision not to reappoint her. In August 2001, after some ‘interesting revelations’ before the *Employment Court,* the action was dismissed. |
| 23 April 2001 | **Payments to ex-prisoners of war and civilian internees of Japan** | The Government announced that it would make an ex-gratia payment of $30,000 per person to ex-prisoners of war and civilian internees of Japan, or their surviving spouse. The payment was to be made by the New Zealand Government in recognition of the extraordinary hardships endured by prisoners of war and civilian internees. The payments were administered by the *Office for Veterans’ Affairs* and it was estimated that around 150 people would be eligible for the payment. |
| 30 April 2001 | **New Zealand Disability Strategy launched** | The Government launched the *New Zealand Disability Strategy*. The Strategy aimed to remove the barriers which prevented disabled people from participating fully in society.  The Strategy outlined 15 objectives and 113 actions. These covered educating society, rights, education, employment, leadership, public service, support systems, living in the community, lifestyles and recreation, information and research, participation of Mäori, Pacific peoples, children, youth and women, and valuing families, whanau and others who provided support.  Government departments were required to prepare an annual work plan outlining how they intended to implement the Strategy. Eleven key departments were required to develop a work plan for 2001/2002. From 2002/2003, all government departments were required to develop annual plans. Department’s performance would be monitored with input from disabled people.  Overall progress on implementing the Strategy was to be reviewed after five and ten years. |
| 18 June 2001 | **Statement on Social Security: “Pathways to Opportunity”** | The Government released its statement on the development of the social security system – *Pathways to Opportunity* and outlined the moves to rebuild the social security system around a social development model. The approach to reforming the social security system contained six key components:   * building a simpler benefit system; * making work pay and investing in people; * supporting families and children; * building partnerships with the community; * outlining mutual responsibilities; and * tackling poverty and social exclusion. |
| 1 July 2001 | **Actionworks expanded (Canterbury)** | The *Actionworks Programme* was expanded to include:   * Outreach via youth specialists based in *Department of Work and Income* offices; * additional staff at the *Actionworks* office including a youth vacancy co-ordinator, an education team including a youth specialist to work with schools; and * a youth collaborative interagency advisory group to support the vision behind the *Canterbury Youth Strategy* and the *Actionworks Programme*. To facilitate closer liaison between social services, health and employment services and support progress toward meeting the outcomes in the *Canterbury Youth Strategy*. |
| 1 July 2001 | **Community Wage replaced** | The *Community Wage* was replaced with an *Unemployment Benefit* and a separate non-work tested *Sickness Benefit*. The eligibility criteria were similar to those previously applicable to the *Community Wage*. For people who did not meet all the standard eligibility criteria (e.g. the residency requirement), provision was made for an *Unemployment Benefit* or a *Sickness Benefit* to be granted in cases of hardship. |
| 1 July 2001 | **Social security beneficiaries: Work-test changes**  **Job Seeker Agreement** | From this time the work-test obligations applied to specific groups of beneficiaries (eg the unemployed) were:   * to be available for, and take reasonable steps to obtain suitable employment; * to accept any offer of suitable employment; * to attend and participate in an interview for suitable employment, when requested; * to attend and participate in an interview with or on behalf of the *Department of Work and Income*, when requested; * when required, to co-operate in the development of a *Job Seeker Agreement* and sign it; * when required to select at least one job seeker development activity from a list of suitable activities; * once a *Job Seeker Agreement* had been signed, to carry out the job search activities set out in the agreement and to undertake and complete any *Job Seeker Development Activity* or other activities included in the agreement.   The *Job Seeker Contract* applicable under the *Community Wage* was replaced with an individual J*ob Seeker Agreement* (JSA). The JSA set out the assistance that the *Department of Work and Income* would provide to assist the beneficiary to obtain employment or to improve their employment prospects and outlined the responsibilities arising from the receipt of a work-tested benefit. The JSA was developed through a process of negotiation between the beneficiary and the Department. A JSA:   * included an acknowledgement that the beneficiary was subject to work test obligations; * specified job search activities (actions to obtain work) the beneficiary would undertake; * included a *Job Seeker Development Activity* (e.g. employment-related training, work experience, participation in a programme or seminar etc) that the beneficiary could be required to undertake. If a such a request was made by the Department, a choice of *Job Seeker Development Activities* was offered to the beneficiary; * could include *Recognised Community Activities* (e.g. voluntary work or *Activity in the Community*) and other activities that the beneficiary agreed to undertake; * specified the assistance that the Department would provide to assist the beneficiary to obtain employment; and * explained that sanctions could be imposed if the beneficiary failed to comply with certain parts of the work-test. |
| 1 July 2001 | **Social security beneficiaries: Work-test exemptions** | In addition to the work-test exemptions that had previously applied to the *Community Wage*, the following additional work test exemptions were provided:   * people serving a period of home detention; and * people who due to the conditions of a court sentence or other order of the court were considered unable to meet all their employment-related obligations.   For a work-tested spouse engaged in full-time study or unable to meet their obligations due to sickness, injury or disability, the previous deferral of some or all of their work test obligations was replaced with an exemption from the work-test. |
| 1 July 2001 | **Social security beneficiaries: Work-test sanctions**  **“Clean Slate” Provisions**  **Emergency Assistance** | The work-test sanction regime was simplified. From this time, work tested beneficiaries who failed without a good reason to meet their employment-related obligations had their benefit suspended until they met their obligations. Immediate re-compliance resulted in no monetary sanction, though a work-test failure was recorded. A third work test failure resulted in cancellation of the benefit and a non-entitlement period of 13 weeks being imposed.  For people subject to a 13-week non-entitlement period, a provisional benefit could be paid subject to satisfactory participation in a *Job Seeker Development Activity*, *Recognised Community Activity* or part-time work. (Previously, a provisional benefit was not available until week five of the non-entitlement period). Failure to satisfactorily complete the activity required repayment of any benefit received during the 13-week period.  A spouse of a beneficiary subject to a 13-week non-entitlement period (due to a work-test failure) was able to continue to receive their portion of the benefit. |
| 1 July 2001 | **Work Start Grant increased** | The maximum amount of assistance under the *Work Start Grant Programme* was increased from $250 per year to $500 per year in respect of the following costs associated with taking up paid employment of 15 hours per week or more:   * relocation costs if a person needed to relocate to take up a specific vacancy; * safety equipment that the employer was not required to provide; and * bridging finance to cover the period between the last benefit payment and first payment of wages (if the person was cancelling their benefit to move into employment). |
| 1 July 2001 | **New Employment Transition Grant extended** | Eligibility to the *New Employment Transition Grant* was extended to married people with a dependent child or children. Previously the grant was available only to sole parents. For the six months following cancellation of the benefit for employment, the Grant provided assistance to people who were required to take unpaid leave due to illness of themselves, their partner or their child or as a result in a breakdown in their childcare arrangements. The maximum payable was the lesser of the loss of earnings or $50 per day (with a maximum of $500 available over the six-month period). Eligibility was subject to a cash asset test (four times the appropriate after-tax rate of the *Invalids Benefit*). |
| 1 July 2001 | **Contestable Transition to Work Fund established** | A contestable fund for regional transition to work initiatives was established. The fund was available to *Regional Commissioners* within the *Department of Work and Income* to assist beneficiaries to make the successful transition to paid employment. The desired outcome was to assist beneficiaries to take up paid employment (either part-time or full-time) where they would otherwise be unlikely to do so. Funding of $1.8 million was provided in 2001/2002 and $2.2 million in 2002/2003 (including administration and evaluation costs). Initiatives undertaken in 2001/2002 included:   * assistance for migrant professionals (Auckland North); * transition to work assistance for sole parents (Auckland South); * small business securitisation fund (Waikato); * drug and alcohol programme (BoP/Nelson); * night childcare and transport (East Coast); * mobility and transport and the first job programme (Taranaki); * youth employment scholarship programme (Wellington, Nelson, Christchurch); and * youth grow programme (Dunedin).   In addition, some funding was set aside for initiatives developed in conjunction with the M*ayors’ Taskforce for Jobs*. |
| 1 July 2001 | **Community Group Housing: Rent Relief Fund established** | The R*ent Relief Fund* (RRF) was introduced as an interim measure to alleviate the funding stress facing some *Community Group Housing* providers resulting from increasing housing costs. It was intended to make up the shortfall between the market rent charged by *Community Group Housing* and the actual funding received from Government agencies for the housing related costs of delivering a service. The allocation of funding was carried out on an annual basis with entitlement guaranteed for the current financial year only. Applications were considered on a contestable basis and processed against a formula giving priority to those with an operating deficit. Applications were weighted depending upon whether the provider is fully or partially funded for their contracts and how the activity fits with Government’s wider priorities. The maximum level of rent relief provided for any individual property was 90% of the chargeable market rent. The RRF was capped at $4.5 million per annum. |
| 1 July 2001 | **Heartland Service Centres** | *Heartland Service Centres* provided a “one-stop shops” in rural areas where the local population may access a range of government and other related services. *Heartland Services* began in 2001 and by 2004 there were 28 rural centres around New Zealand, with two urban centres being developed for Christchurch and Auckland. The aims set out for the service were to:   * improve access to government services for people in rural areas; * improve interagency collaboration; and * support community/voluntary agencies in rural areas.   The *Heartland Services* model was also one that was seen as one that could work for some isolated urban communities. In March 2005 a *Heartland Service Centre* was opened in Hornby, Christchurch. |
| 1 July 2001 | **Housing New Zealand Corporation established**  **Housing policy transferred to HNZC** | *Housing New Zealand Corporation* (HNZC) was established as a Crown entity (with a Board) under the *Housing Corporation Act 1974,* as amended by the *Housing Corporation Amendment Act 2001*.  The new Corporation combined into one organisation the previously known agencies of *Housing New Zealand Limited*, *Community Housing Limited*, *Housing Corporation of New Zealand* and the housing policy function of the *Ministry of Social Policy*.  HNZC was responsible for delivering state housing assistance through the state rental housing portfolio. It was also the Government’s principal adviser on housing and housing policy and as such it was responsible for providing the Government with strategic, sectoral and operational policy advice on housing. |
| 1 July 2001 | **Disability Allowance: Medical Alarms** | An amendment to the *Ministerial Direction on Disability Allowance* required the *Department of Work and Income* to establish processes for approval of suppliers of medical alarm services and set criteria for the assessment of whether and to what extent the cost of such services is an additional cost for the purposes of eligibility to the *Disability Allowance*. |
| 9 July 2001 | **Enterprise Allowance and Business Training and Advice Grant Increased** | The *Enterprise Allowance Subsidy* was increased from $214 per week (GST incl.) to $380 per week (GST incl.). The maximum payable for a 52-week period was increased from $10,000 (GST incl.) to $11,000 (GST incl.). The enterprise allowance is a temporary subsidy to job seekers entering self-employment. The subsidy can be paid weekly or as a capitalisation grant. Generally, the eligible population are the long term unemployed (26 weeks plus) who are dependent upon Government financial assistance. The applicant must submit a business plan and invest $1,000 of their assets or cash into the business.  The *Business Training and Advice Grant* was increased from $600 (GST incl.) to $1,000 (GST incl.). This grant is available to job seekers who are considering self-employment and are intending to take up the *Enterprise Allowance*. The grant pays for business skills training, development of a business plan and advice during the start-up period for a business. |
| 27 July 2001 | **Residential Care Subsidy: Ex-gratia payments made to formers prisoners of Japan excluded from the means test** | An amendment to Regulations provided that any ex-gratia payment made by any Government because an individual or their spouse was a prisoner of war or civilian internee of Japan during the Second World War, was excluded from the financial means assessment for the *Residential Care Subsidy*. |
| 1 August 2001 | **Avenues Pilot: Applicants for the Domestic Purposes Benefit** | The *Avenues Pilot* tested a modified application process for the *Domestic Purposes Benefit* (DPB) and tested the assumption that an enhanced case management process would reduce the number of people who pursued an application for the DPB. Sole parents who applied for the DPB participated in an interview with a client advisor to explore issues faced by and options available for potential DPB applicants. Compared to the standard application process, there was flexibility in the interview site and allocation of more interviewing time. The pilot ran for 6 months in 25 service centres across 6 *Department of Work and Income* regions (Auckland South, Bay of Plenty, East Coast, Central, Nelson and Wellington). The pilot ceased operating as planned on 30 January 2002. The evaluation concluded that *Avenues* met the objectives to inform participants and assist them to consider a range of possible options available, but that *Avenues* did not alter the proportion that proceeded to apply for the DPB. |
| 7 August 2001 | **Rate of benefit for a person whose partner is not residentially qualified to receive a benefit** | From this time, a person received the single rate of benefit, when they were married to a person who was not lawfully resident and present in New Zealand or was lawfully resident and present in New Zealand but only by virtue of a temporary visa. Prior to this, they received the rate of benefit payable to a married couple. |
| 16 August 2001 | **Pilot “Students Work Programme” launched**  **New “Student Work Start” Grant Established** | A package of student summer employment and assistance initiatives was announced. ‘*Students Work’ Programme* ‘SNAP’ was a trial business growth and student employment project and was established to test ways of matching the needs of businesses with the qualifications of students (funded through Industry New Zealand). The programme responded to the difficulty many businesses had in finding affordable and capable short-term employees and the need students had for meaningful holiday work. The ‘Snap’ programme was piloted in five regions (Auckland, Hamilton, Gisborne and Invercargill), including a pilot aimed specifically at Māori students (Canterbury). In addition, there were two industry-specific pilots and two more specialised pilots. Employers needing skilled labour could join the ‘Snap’ programme through *Student Job Search*. It was the intention that up to 1,000 tertiary students would be matched with skilled short-term jobs, which were related to their courses of study.  Part of the programme included a new *Student Work Start Grant* to assist with the essential costs faced by students starting work over the summer vacation. The maximum payable was $250 to assist students with the essential costs of entering employment expected to last for six weeks or more. Eligibility was subject to an income and asset test (on the same basis as the *Work Start Grant*). |
| 1 October 2001 | **Work Start Grant Programme Amendment** | From this time, a full-time student was no longer eligible for a *Work Start Grant*. The period of ineligibility included vacation periods in relation to a student who was a full-time student during the academic year just ended and intended to enrol as a full-time student in the following academic year. From this time, assistance with the essential costs of entering employment was available to full-time students via the separate *Student Work Start Grant Programme*. |
| 1 October 2001 | **Ministry of Social Development established** | The *Department of Work and Income* and the *Ministry of Social Policy* were merged to form the *Ministry of Social Development*. |
| 2 October 2001 | **Government Superannuation Fund Authority established** | The *Government Superannuation Fund Amendment Act 2001* established the *Government Superannuation Fund Authority* (the Authority) to manage and administer the assets of the Government Superannuation Fund (GSF) and the *Government Superannuation Fund Schemes* (GSF Schemes) in accordance with the *Government Superannuation Fund Act 1956*. The Authority was an autonomous Crown entity under the *Crown Entities Act 2004*.  Before the Authority took over in 2001, the Fund was invested entirely in New Zealand fixed-interest securities. This kept investment risk to a minimum, but it also meant that returns were lower than they might have been over the longer term had the GSF assets been invested in a diversified portfolio.  Since 1996, the number of annuitants had exceeded the number of contributors and it was expected that entitlements would continue to be paid by GSF for the next 60 years or so. [As at 2012, there were some 68,000 members, made up of some 15,000 contributors, 6,000 deferred pensions and 47,000 annuitants.]  The [Fund’s assets](http://www.gsfa.govt.nz/content/3bd63121-2eb1-4f83-b93d-3aaec21ff954.html) were insufficient to cover its projected liabilities (i.e. its commitments to pay future entitlements). This shortfall was caused primarily by previous governments deciding not to make employer contributions to the Fund during the term of contributors’ government service. The annual shortfall in the cost of entitlements is met by a ‘top up’ from the government each year. |
| 12 October 2001 | **New Zealand Superannuation Act 2001 came into force**  **New Zealand Superannuation Fund** | This legislation moved provisions governing *New Zealand Superannuation* from the *Social Welfare (Transitional Provisions) Act 1990*. It included provision for the annual adjustment to rates of *New Zealand Superannuation* (NZS) and a requirement that the rate (after standard tax) of NZS payable to a couple who both qualified was between 65 percent and 72.5 percent of the after-tax ordinary time weekly wage.  It also established the *New Zealand Superannuation Fund* to partially pre-fund the future cost of NZS, provided for Crown contributions to the Fund, established a Crown Entity to administer the Fund, and set out the political commitment to NZS*.*  In 2005, the Act was amended to include the functions of the *Retirement Commissioner* and renamed the *New Zealand Superannuation and Retirement Income Act 2001*. |
| 24 October 2001 | **Report of the Tax Review 2001 (McLeod Review)** | The report of *Tax Review 2001* was released by the Government.  The report concluded that radical restructuring of the tax system was not required and that the broad architecture of the tax system was sound. This contrasted with the conclusions of the last general tax review (*1982 McCaw Report*) that concluded that the tax system needed a major overhaul. The Review concluded that generally the reform programme since 1982 had been a success and should not be reversed.  The report highlighted that the main issues were the:   * level of tax; * appropriate bases for tax; * detailed definition of those bases; and * rates of tax that should apply.   The key recommendations of the Review were:   * adopting a two-step rate for personal tax: 18 percent on income up to $29,500 and 33 percent thereafter; * aligning the tax rate for companies and trusts with the top 33 percent rate; * reducing the company tax rate to the extent of a company’s foreign ownership; * taxing savings and investment vehicles and offshore portfolio investments by a consistent method on a risk-free rate of return; and * removing excise taxes on tobacco, alcohol, gaming and roading and replacing the lost revenue by increasing the *Goods and Services Tax; and* * repealing cheque duty as it was easily avoided by using alternative means of payment and revenue was declining as use of cheques declined.   The Review did not recommend introducing a tax on owner-occupied housing or a general capital gains tax.  In response the Government re-affirmed that it was committed to a more progressive personal income tax regime than the two-steps recommended by the Review. It also confirmed that an increase to *Goods and Services Tax* was unacceptable and that it valued excise taxes and duties as a mechanism to discourage certain behaviours.  The Review had been established in July 2000, with a broad focus to consider how the tax structure met New Zealand’s current and future needs. |
| 7 November 2001 | **Paid Parental Leave Scheme announced** | It was announced that the *Paid Parental Leave Scheme* (PPL) would commence on 1 July 2002. The scheme would have the following parameters:   * a maximum payment of $325 gross per week (a maximum of $256 net) or their full weekly wage, whichever was the lower; * payment rates would be adjusted in line with average weekly earnings; * payable for 12 weeks; * employees must have worked for their current employer for a period of one year for at least 10 hours per week, on the expected date of the birth; * PPL would not be available to the self-employed; * entitlements would be able to be transferred from eligible mothers to their partners (including same sex partners) where they are also eligible for parental leave; * it would not be a requirement that women return to work after the 12-week PPL period; * the *Parental Tax Credit* (PTC) would be retained but without overlap (eligible people can choose either PPL or PTC but not both); * PPL would be funded from general taxation.   PPL would be administered by the *Department of Labour* and delivered by the *Inland Revenue Department* (IRD). |
| 9 November 2001 | **Arts Employment Initiative launched** | The *Pathways to Arts and Cultural Employment* (PACE) initiative was launched. This was a new programme to assist job seekers to develop a career in the arts and creative industries. Under the PACE programme, job seekers and case managers were given access to information about assistance available for arts and cultural workers nationwide and in their region. The information was used to compile personalised job seeker agreements for people who wished to pursue a career in the arts. Cultural workers were still required to meet the conditions of the work test and this was reflected in the agreed steps that they had included in their job seeker agreement. While the cultural worker is undertaking these steps and progressing their career development, they were considered to be meeting the work-test requirements. The programme was administered by the *Ministry of Social Development*. |
| 1 December 2001 | **Family Support: Administrative changes** | The *Ministry of Social Development* (MSD) paid *Family Support* at the maximum rate to beneficiary families. From this time a letter was automatically generated to beneficiary families whose total taxable income (benefit plus earnings) was approaching the *Family Support* abatement threshold ($20,000). They were advised that in order to avoid a *Family Support* debt they needed to apply to receive the correct (abated) amount of *Family Support* from the *Inland Revenue Department* (IRD).  A more flexible *Family Support* extension payment was introduced. From this time MSD could continue paying *Family Support* for a maximum of 8 weeks following cancellation of the main benefit. This was available to families who were moving into paid employment or full-time study. The actual period covered by the F*amily Support* *Extension Payment* (one to eight weeks) was determined with reference to individual circumstances and the interface with the IRD payment cycle.  The changes were designed to reduce the risk of beneficiaries who had other earnings from incurring *Family Support* debts and to ensure continuity of payment of *Family Support* when a family was moving from benefit to paid employment. |
| 2001 | **Rural Housing Programme established** | The *Rural Housing Programme* was an initiative to reduce sub-standard housing in Northland, East Coast and the Eastern Bay of Plenty (NECBOP). The *Rural Housing Programme* also addressed social and economic development in its target areas, as substandard housing is often a sign of wider social problems.  The five-year programme started in 2001 and involved communities, iwi social service housing providers, the *New Zealand Fire Service, Te Puni Kokiri*, *Community Employment Group*, *Skill New Zealand*, local government, health agencies and the *Ministry of Social Development*. *Housing New Zealand Corporation* (HNZC) worked with these groups to improve the quality of housing in these areas, increase the supply of affordable, quality houses, and to assist communities to manage their own housing needs. Suspensory loans were available from HNZC for essential repairs and improvements to infrastructure. There was also a focus on increasing the stock of state housing in these areas – approximately 50 houses were added to the state rental stock per year in the NECBOP regions during the period of the programme.  From July 2004, activities for essential repair suspensory loans were extended to areas outside Northland, East Coast and the Eastern Bay of Plenty. |
| 1 February 2002 | **Earnings Supplement Pilot Commenced** | The *Earnings Supplement Pilot Programme* for new entrants into the forestry industry in the East Coast region commenced. The pilot was designed to address disincentives associated with high work start-up costs and low income during the initial period in work (when new workers were learning the trade).  Participants for the pilot were selected by the *Ministry of Social Development*, taking into account suitability for a career in forestry and motivation. To qualify for an earnings supplement the person must have cancelled their benefit to enter employment in the forestry industry (planting, pruning or thinning). For people with no previous experience in forestry, the supplement was available for the first 12 weeks in employment. The supplement was paid at a reducing rate, $80 for each of the first 3 weeks, reducing to $35 by week 12. The supplement was non-taxable and not counted as income for the assessment of in work assistance. Recipients of the supplement were also able to receive up to $500 to cover costs of clothing equipment necessary to enter forestry. (This was over and above the assistance available under the *Work Start Grant Programme*.)  The pilot was scheduled to run until June 2003 (or earlier if funding was exhausted) and it was anticipated that 200 former beneficiaries would participate. |
| 18 March 2002 | **Changes to the Minimum Wage**  **Training Minimum Wage replaced the training exemption** | The before tax *Adult Minimum Wage* was increased by 3.9 percent to $8.00 gross per hour ($320 for a 40-hour week) to reflect the change in the average wage since the last adjustment to the minimum wage (3.4 percent). The actual figure of $7.96 per hour was rounded up to $8.00 to minimise compliance costs for employers.  The *Youth Minimum Wage* (applicable to 16-17-year olds) increased from $5.40 gross per hour (approximately 70 percent of the *Adult Minimum Wage*) to $6.40 gross per hour (80 percent of the *Adult Minimum Wage*).  The training exemption to the minimum wage regulations was removed and replaced by a *Training Minimum Wage* set at the level of the *Youth Minimum Wage* ($6.40 gross per hour). This applied if an employment agreement included a certain level of relevant training toward a qualification registered on the *NZQA Framework*. |
| 28 March 2002 | **Domestic violence and witness protection:**  **Expenses associated with relocation overseas.** | A new *Ministerial Welfare Programme* made provision for travel, set up and living expense grants to be made to people who needed to relocate to an approved overseas country to avoid on-going threats of serious injury arising from domestic violence or as a witness.  The new programme replaced emergency provisions in the *Special Needs Grants Programme*. |
| 1 April 2002 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 1.82 percent to reflect the increase in the cost of living over the previous 12 months. No additional adjustment was required to *New Zealand Superannuation/Veteran’s Pension* to maintain the required relativity with the average wage. |
| 1 April 2002 | **Reductions in Family Support for some Beneficiaries** | From this time, the gross annual amount of some benefits exceeded the *Family Support* abatement threshold of $20,000 per annum.  As a result, Regulations under the *Income Tax Act* provided for the *Ministry of Social Development* to pay abated *Family Support* to a couple with a dependent child or children who were receiving and *Invalids Benefit, Transitional Retirement Benefit* or an *Emergency Benefit* (paid at the *Invalids Benefit* rate).  For the 2002/2003 tax year the total abatement of *Family Support* for these beneficiaries was $24.48 (0.47c per week).  This arrangement continued until 1 April 2005. From this time, these people received full *Family Support*. |
| 1 April 2002 | **ACC Earner Premium increased** | The *Earner Premium* was increased to 1.2c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $87,185 with the maximum premium of $1,046.22 for the 2002/2003 tax year. |
| 1 April 2002 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $15,496 for the 2002/2003 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. For part-time students a full interest write-off applied during study to students with an income of $25,378 or less. |
| 1 April 2002 | **Minimum Child Support Liability Increased** | The minimum *Child Support* payment for liable parents was increased from $520 per annum ($10 per week) to $663 per annum ($12.75 per week).  An amendment to the *Child Support Act 1991* provided for the minimum liability to be adjusted each year by the movement in the *Consumer Price Index.*  Liable parents receiving a social security benefit had the minimum *Child Support* liability deducted from their weekly benefit. |
| 1 April 2002 | **Community Services Card: Income cut-out point indexation** | The income cut-out points for the *Community Services Card* (CSC) were increased by 1.82 percent to reflect the change in the cost of living over the previous 12 months. From this time, CSC income cut-out points were adjusted on 1 April each year in line with the adjustment to rates of social security benefits. The new income levels were:   * Single (sharing) $18,924; * Single (alone) $20,047; * Couple $29,933; * 2 person family $29,933; * 3 person family $34,866; * 4 person family $39,800; * 5 person family $44,735; and * 6 person family $49,670.   For each additional child thereafter, income levels increased by $4,840. |
| 1 April 2002 | **Changes to the ACC Scheme** | A number of changes to the ACC Scheme came into force:   * lump sum payments for impairment were reintroduced (these had been removed in 1992); * recipients of the *Independence Allowance* were able to convert their entitlement into a lump sum payment; and * surviving spouses were able to convert their entitlement to weekly earnings-related compensation to a lump sum payment.   The lump sum payments for impairment and the *Independence Allowance* were exempt from the asset test for the *Accommodation Supplement* and the *Residential Care Subsidy* for a period of 12 months following the date of receipt. |
| 20 May 2002 | **Expansion of the Modern Apprenticeships Programme announced** | Extra funding ($41 million over four years) allocated more than double the number of *Modern Apprenticeships* to 6,000 by December 2003. Total funding over the next four years of $92.5 million has been allocated. The scheme was introduced as a pilot programme in 2000 and by May 2002 there were 3,000 modern apprenticeships across 27 industries including tourism, forestry, plastics, boat building and aquaculture. |
| 1 July 2002 | **Pathways Payment introduced** | The *Pathways Payment* was introduced for beneficiaries with a dependent child or children, who had been receiving a *Social Security Benefit* (or benefits) continuously for a period of 12 months or more and who were cancelling their benefit to enter employment. The payment was equivalent to two times the amount of main benefit that was payable in the week prior to cancellation. The payment was non-taxable and not counted as income for the assessment of other social assistance entitlements. The *Pathways Payment* was only available to beneficiaries who informed the *Ministry of Social Development* before commencing employment. Bridging finance under the *Work Start Grant Programme* was no longer available for the period covered by the *Pathways Payment*. |
| 1 July 2002 | **Work Start Grant amendment** | To coincide with the introduction of the *Pathways Payment*, the work start grant programme was amended to provide that bridging finance under the *Work Start Grant Programme* was not available in respect of the two-week period covered by the *Pathways Payment*. For recipients of the *Pathways Payment*, the *Work Start Grant* remained available to cover the essential costs associated with commencing employment or bridging finance in respect of any income gap in excess of two weeks. |
| 1 July 2002 | **Three-month benefit debt repayment suspension for new employees** | Beneficiaries who were eligible for the *Pathways Payment* (i.e. long-term benefit recipients with a dependent child or children) and who had benefit debt, had their benefit debt repayments suspended for a period of three months, while they remained off benefit. |
| 1 July 2002 | **New Zealand Superannuation Fund established** | The *New Zealand Superannuation Fund* was established. This was a pre-funding scheme which was to set aside a specific amount out of government surpluses to partially fund the future bulge in the numbers that will be receiving superannuation. The fund was expected to cover up to 8 percent of the cost of *New Zealand Superannuation* by 2050. The fund commenced investing in September 2003. The accumulated assets and income of the fund could not be drawn on until after 1 July 2020 and then only to fund *New Zealand Superannuation* payments. |
| 1 July 2002 | **Overseas pensions administered via the Special Banking Option: Payment to the NZSF** | With the establishment of the *New Zealand Superannuation Fund*, the *Ministry of Social Development* was required to pay all overseas pensions received via the *Special Banking Option*, directly to the *New Zealand Superannuation Fund*. |
| 1 July 2002 | **Paid Parental Leave Scheme commenced** | The *Paid Parental Leave* scheme commenced. The scheme provided a maximum payment of $325 gross per week (a maximum of $256 net) or their full weekly wage, whichever was the lower, for up to 12 weeks. |
| 1 July 2002 – 30 June 2003 | **Contestable Transition to Work Fund Initiatives** | For the period 1 July 2002 to 30 June 2003 the initiatives funded were undertaken in conjunction with the *Mayors’ Task Force for Jobs*. |
| 1 July 2002 | **Primary Health Organisations**  **Primary Health Care Strategy**  **Community Services Card** | The first two *Primary Health Organisations* (PHO’s) were established. PHOs were the local provider organisations through which *District Health Boards* (DHBs) implemented the *Primary Health Care Strategy*. Extra funding was made available to PHOs covering very deprived populations in order for them to have low fees for all their patients, provide services to ensure care gets to where it is most needed, include services to improve and maintain health as well as restore health, and to move to fairer funding allocations on a population needs basis.  It was announced that Government would progressively lower the cost of access to primary health care. As more funding became available from 2003/2004, free or low-cost access to primary health care services were extended through PHOs. The priorities were reducing costs for school-age children, the elderly and others with high health needs.  It was announced that the *Community Services Card* would be phased out over the next 8-10 years, though a range of measures would be introduced to improve take-up of *Community Services Cards* until such time as increased funding meant that cards were no longer needed.  With the roll out of PHOs, the *Community Services Card* was still required to obtain subsidies (doctor visits and prescriptions) for people who were travelling outside of their PHO area, as well as reduced fees for after-hours doctor visits. The *Community Services Card* also continued to be used by public hospitals to target other services including travel, accommodation assistance and home help. |
| 1 July 2002 | **Office for Disability Issues established** | The *Office for Disability Issues* was established within the *Ministry of Social Development*. The Office was responsible for leading the *New Zealand Disability Strategy* (NZDS) and providing policy advice and ministerial services to the *Minister for Disability Issues*.  In 1999, the Government had created the position of *Minister for Disability Issues*. However, no additional resources were allocated to departments for providing services to the new Minister. Prior to July 2001, support was provided to the Minister by the then *Disability Services Directorate* of the *Ministry of Health*. In 2001, this Directorate also led development and consultation on the *New Zealand Disability Strategy*.  From 1 July 2022, the *Office for Disability Issues* was incorporated within a new *Ministry for Disabled People*. |
| 7 July 2002 | **Seasonal Work Assistance Programme for Horticultural Workers** | The *Seasonal Work Assistance Programme* was established to provide assistance to seasonal horticultural workers who lost income due to the unavailability of work caused by adverse weather conditions. To be eligible, a person must have suspended or cancelled their benefit in the past 26 weeks to enter full-time unsubsidised seasonal employment. Eligible single people (without dependants) received $32 for each day missed and $60 for eligible people with a dependent spouse or child. The amount paid could not exceed the person’s actual loss of net earnings. A maximum of $600 was available during a 26-week period. Payments were non-taxable and not treated as income for the purposes of assessing entitlement to in work assistance (e.g. *Family Support* and *Accommodation Supplement*) but were considered in assessing entitlement to emergency assistance (e.g. *Special Needs Grants*). Eligibility was subject to an income test (weekly cut-out point for the *Invalids Benefit*) and cash asset test (four times the appropriate weekly net rate of *Invalids Benefit*).  Seasonal horticultural workers who were unable to work a full week due to adverse weather conditions were considered for the *Unemployment Benefit* or *Emergency Benefit*. |
| 30 August 2002 | **Special Assistance to Residents of Waihi** | Non-recoverable *Special Needs Grants* were made available to residents of Waihi who moved from their homes that had been identified as being at medium or high risk of land subsidence. Grants totalling $1,500 were available. This could be exceeded if exceptional circumstances existed. Grants could cover the cost of temporary accommodation, the cost of moving and temporary storage of household effects, reasonable costs of moving into permanent rental or other accommodation (e.g. bond, rent in advance, connection fees and deposits for services) and counselling services. Eligibility to grants was not subject to either an income test or a cash asset test.  Properties at risk had been identified in a report of 22 August 2002, by the Waihi Underground Mine Workings Technical Working Party to the Hauraki District Council – *Risk Assessment Report on Ground Collapse Events above abandoned mine workings in the town of Waihi, Hauraki District.* |
| 1 October 2002 | **Student Allowance Transfer Grant Programme introduced** | The *Student Allowance Transfer Grant*provided additional assistance to a person with a dependent spouse or child who was transferring from a *Student Allowance* to a social security benefit and who was experiencing financial hardship. The amount of the transfer grant was equivalent to the amount of main benefit that would have otherwise been payable, for the week that the initial stand down applied. The transfer grant was non-recoverable and subject to a cash asset test (four times the applicable after tax rate of the *Invalids Benefit*). |
| November 2002 | **Hobsonville housing development: Crown involvement commenced** | The Government’s involvement in the Hobsonville housing development began when the *New Zealand Defence Force* announced that the former air force base was surplus and that it intended to incrementally release the land associated with the base.  The Hobsonville site comprised approximately 167 hectares adjacent to the Waitemata Harbour in north-west Auckland.  There was a concern that no provision would be made for social and affordable housing if the entire site was sold off to and developed by a private developer. It was also recognised that the site presented a unique opportunity for Government to influence the shape of urban development in Auckland and to generate wider social and economic returns from the development. Cabinet agreed that *Housing New Zealand Corporation* (HNZC) work to facilitate the creation of an integrated urban community at Hobsonville which included state rental housing and sections from low and modest income families seeking to own their own homes, on the basis that such an undertaking was consistent with the Government’s broader housing and social objectives and fits with the role that Government envisaged for HNZC.  The Government’s development objective was to facilitate the creation of an integrated urban community of 3,000 homes (approximately 8,000 residents) to:   * include housing aimed at a variety of prices, including a mix of market-rate homes, affordable homes and state houses (500 or 15 percent would be state houses and a further 500 or 15 percent would be affordable housing); * include a mix of housing types – apartments, terraced homes and stand-alone houses for singles, couples and families; * build a vibrant community the includes people from all walks of life; * emphasise the historical and cultural heritage of the area; and * set new benchmarks for sustainable urban development.   In August 2005, HNZC established a wholly-owned subsidiary, the *Hobsonville Land Company* (HLC) to facilitate the development. The HLC had its own Board and Chief Executive, but was accountable to the HNZC Board. It was anticipated that the development would span at least ten years.  In December 2007, AV Jennings Limited was appointed the preferred development partner of the HLC to develop and deliver the first precinct of the Hobsonville development. Development work on the first precinct of around 30 hectares (Buckley Precinct) commenced in 2009 and was to be staged over a four-year period. It comprised 1,080 dwellings, shops, two schools and day care facilities. Earthworks commenced in October 2009, with roading and streetscapes competed in May 2010. Construction of the first 660 dwellings commenced in 2011, with the first houses occupied in September 2011.  Following the 2008 change in Government, there was a change in focus for the project with the removal of provision for state housing and a focus on the sale of land to contribute to urban land supply for a growing Auckland and to increase the supply of housing in Auckland. In 2012, the Government agreed to an accelerated divestment strategy for Hobsonville (a requirement for Crown divestment within a five-year timeframe). It was intended that as part of the divestment strategy, a minimum of 20 percent of the 3,000 houses built at Hobsonville would be affordable houses (in the Auckland context) built without government subsidies.  In November 2012, the Government announced that 20 percent of the 2,500 to 3,000 new homes at Hobsonville Point would be designated as affordable homes meaning that 500 to 600 new affordable homes would be constructed. Under the inflation-adjusted targets, of all homes built at Hobsonville Point:   * 10 percent would be sold for less than $400,000; and * 10 percent would be sold for between $400,000 and $485,000.   It was up to the HLC how it achieved the targets in a commercial development environment, but the Government provided the Company with greater flexibility around accelerating development to bring more supply to the market faster. It was envisaged that the Company would introduce a scheme to prioritise home-ownership access to some of the houses.  In October 2013, the land was given *Special Housing Area* status under the new *Housing Accords and Special Housing Areas Act 2013* and in June 2015 the HLC announced it was bringing forward the development of 1,000 new homes which would previously not have been available until 2019. |
| 23 December 2002 | **Periodic Report Group Appointed** | The *Retirement Income Act 1993* required that a *Periodic Report Group* be established at six-yearly intervals to prepare a report on the retirement income policies of the New Zealand government.  The appointment of the *2003 Periodic Report Group* was to focus on ways to improve private provision for retirement income. Particular issues that the group was asked to consider were:   * how savings for retirement are affected by saving for other purposes during a person’s working life; the specific issues faced by women, Māori and Pacific peoples when contemplating making private provision for retirement income; and * how government policy affects the decisions New Zealanders make about private retirement income savings.   The 2003 *Periodic Report Group* was:   * Vance Arkinstall (Chair), Chief Executive of the Investment Savings and Insurance Association of New Zealand; * Lynn Middleton, National Secretary of the Public Service Association; * Diana Crossan, Retirement Commissioner; and * Owen Nash, MCA Limited [resigned September 2003].   The *Periodic Report Group* released their report on 19 December 2003.  The *2003 Periodic Report Group* was the last six-yearly review undertaken on retirement income polices. A change to the legislation in 2005 transferred responsibility for reviews of retirement income policies to the *Retirement Commissioner,* with the first report due by 31 December 2007 and three-yearly thereafter. |
| 1 January 2003 | **Tertiary Education Commission established** | *Skill New Zealand* was replaced by the *Tertiary Education Commission* (TEC). Amongst its functions, TEC was contracted by the *Ministry of Social Development* to purchase *Training Opportunities* (TOP) training for beneficiaries who had a significant history of unemployment and no or low qualifications. |
| 1 January 2003 | **Student Allowance: Accommodation Benefit for sole parents increased** | The maximum rate of the *Student Allowance* *Accommodation Benefit* (AB) payable to a sole parent was increased from $40 to $60 per week. The rate for sole parents provided a subsidy of 75 percent on accommodation costs in excess of $40 for average rental costs, up to a maximum of $60. Unlike the *Accommodation Supplement* (AS), the student allowance AB was based on average rental costs for a particular area as opposed to actual accommodation costs. Recipients of a *Student Allowance* living away from home were paid the regional AB rate in addition to their *Student Allowance*. |
| 1 March 2003 | **Auckland City Council pensioner housing sold to Housing New Zealand Corporation** | Ownership of *Auckland City Council* social housing was transferred from the Council to the *Housing New Zealand Corporation*. The housing included:   * 1,542 pensioner rental units on 50 sites with a book value of $101 million; and * 129 residential units with a book value of $31 million.   *Housing New Zealand Corporation* paid $83 million for the two portfolios. For the Council, the deal allowed an exit from the social housing market and relieved ratepayers of approximately $75 million of housing upgrades and maintenance costs over the following 20 years.  The agreement guaranteed accommodation for life for all of the Councils’ existing pensioner tenants and for *Housing New Zealand Corporation* to invest $75 million over the following five years to upgrade or redevelop existing properties. All existing tenants became eligible to apply to the *Housing New Zealand Corporation* for an income-related rent.  The agreement had been approved by the *Auckland City Council* in October 2002 and by the Cabinet in September 2002. |
| 10 March 2003 | **Changes to the Domestic Purposes and Widows Benefit**  **(work testing abolished, more intensive case management/planning process introduced and a standardised income test)** | The work test for recipients of the *Domestic Purposes Benefit* and *Widows Benefit* was abolished and replaced with a planning process and more intensive case management. Recipients were required to draw up annual plans detailing the steps that they would take to prepare to re-enter the workforce when their family responsibilities would allow.  Sanctions for non-attendance at a meeting to participate in the planning process or refusing to develop a plan were a 20 percent reduction in the main benefit. If the beneficiary had not complied after four weeks, the main benefit was reduced by 50 percent.  Caseloads were reduced to 1 to 150 for sole parent and widows beneficiaries.  The income test for the *Domestic Purposes Benefit* and *Widows Benefit* was standardised. The following income test applied to all recipients:   * free zone $4,160 ($80 per week). * each dollar of income between $4,160 and $9,360 ($180 per week) reduced the net benefit by 30c, with each dollar in excess of $9,360 reducing the net benefit by 70c.   The *Domestic Purposes Benefit* and *Widows Benefit* remained subject to an annual income assessment, though a weekly assessment could be requested by the beneficiary. |
| 24 March 2003 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 6.25 percent to $8.50 gross per hour ($340 for a 40-hour week).  The *Youth Minimum Wage* (applicable to 16-17-year olds) was increased to $6.80 gross per hour (80 percent of the *Adult Minimum Wage*). |
| 1 April 2003 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 2.72 percent to reflect the increase in the cost of living over the previous 12 months. No additional adjustment was required to *New Zealand Superannuation/Veteran’s Pension* to maintain the required relativity with the average wage. |
| 1 April 2003 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by 2.72 percent to reflect the change in the cost of living over the previous 12 months. The new income levels were:   * $19,439 Single (sharing); * $20,593 Single (alone); * $30,748 Couple; * $30,748 2 person family; * $35,815 3 person family; * $40,883 4 person family; * $45,952 5 person family; and * $51,022 6 person family.   For each additional child thereafter, income levels increased by $4,840. |
| 1 April 2003 | **Child Support Assistance Programme revoked** | The *Child Support Assistance Programme* was established on 1 July 1992 to assist liable parents to meet their obligations under the *Child Support Act*, where paying the minimum amount would result in serious hardship. The programme was never operationalised and no payments were ever made under it. |
| 1 April 2003 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $677 per annum ($13 per week) to reflect the increase in the *Consumer Price Index*. |
| 1 April 2003 | **Changes to Family Support (overpayments resulting from an extra pay day written off)** | Because a year is slightly longer than 52 weeks, people who receive their *Family Support* payments weekly or fortnightly rather than at the end of the year in a lump sum sometimes get an extra payment. (i.e. there are either 53 weekly pay days or 27 fortnightly paydays)  From the 2003/2004 tax year, the *Inland Revenue Department* was able to write off overpayments resulting from an extra payment. |
| 1 April 2003 | **Family Tax Credit: Payable to the principal caregiver only** | From this time the *Family Tax Credit* (FTC) was paid solely to the *Principal Caregiver*. Previously it was split equally between the partners in a two-parent family. This aligned the FTC with *Family Support*, *Child Tax Credit* and *Parental Tax Credit* in that payments were made to the Principal Caregiver.  A Principal Caregiver was the person deemed to have responsibility for the day to day care of a dependent child, other than on a temporary basis. |
| 1 April 2003 | **ACC Earner Premium** | The *Earner Premium* remained at 1.2c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $88,728 with the maximum premium of $1,064.73 for the 2003/2004 tax year. |
| 1 April 2003 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $15,964 for the 2003/2004 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. For part-time students a full-interest write-off applied during study to students with an income of $25,909 or less. |
| 15 April 2003 | **Veteran’s Pension transferred to the War Pensions Act 1954** | The *War Pensions Amendment Act 2003* transferred the provisions in the *Social Welfare (Transitional Provisions) Act 1990* relating to the *Veteran’s Pension*, to the *War Pensions Act 1954*. |
| 1 May 2003 | **Individual Job Seeker Account (Choices) Pilot Commenced** | The pilot involved job seekers receiving a notional *Choices* account of up to $3,000 per participant over a 12-month period that they can access to purchase employment assistance to enable them to realise their employment goal. The pilot allowed job seekers greater choice about the type of employment assistance they access and allowed them the opportunity to purchase assistance on an individual basis (outside of *Ministry of Social Development* contracted services). Eligible job seekers were those registered as unemployed for 26 to 52 weeks and assessed as requiring a small to moderate level of assistance to gain employment.  Restrictions included no financial payments to job seekers, no funding of childcare assistance, no funding of capital items, no funding of training where student loans were available. Funding could not be used to purchase *Ministry of Social Development* programmes (e.g. wage subsidies), though pilot participants may be eligible for these under the standard criteria. Stage one was expected to provide assistance to 200 job seekers by May 2004.  The voluntary pilot operated in four *Ministry of Social Development* sites: Highland Park and Onehunga in Auckland and Dargaville and Kamo in Northland.  From 2004, the funding restrictions were broadened to allow the *Choices* account to be used for vehicle registration and maintenance and to purchase or lease capital items (e.g. computers) where there is a clear link with the job seeker’s employment goal. Limitation was $500. |
| 19 May 2003 - 31 August 2003 | **Rural Assistance for farmers in the lower North Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the lower North Island who were affected by drought conditions. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable.  A policy change to *Rural Assistance Payments* introduced an abatement free zone of $80 gross per week. Where farmers have off farm income in excess of $80 per week, the grant abates dollar for dollar. Prior to this, off farm income abated the grants dollar for dollar. |
| 25 June 2003 | **Minimum Wage for Trainees established** | From this time the *Minimum Wage* for trainees was set at $6.80 gross per hour (equivalent to the *Youth Minimum Wage*). Prior to this time there was no statutory *Minimum Wage* for trainees. A trainee was a person aged 16 years or over who was required by the contract of service to undertake at least 60 credits a year of an industry training programme for the purpose of becoming qualified for the occupation to which the service related. The industry training programme must have been registered on the NZQA framework. If the apprenticeship did not meet these criteria, they needed to be paid at least the *Minimum Wage* for their age. |
| 28 June 2003 | **Prostitution Reform Act 2003** | The *Prostitution Reform Act 2003* came into force. Its effect was to decriminalise prostitution. The Act provided that refusal to work as a sex worker would not affect entitlements under the *Social Security Act 1964*. A work tested beneficiary could not be required to accept employment as a sex worker. Likewise, a person employed as a sex worker who left their job without good reason or was dismissed for serious misconduct would not be subject to a 13-week non-entitlement period, if applying for a work-tested benefit. |
| 1 July 2003 | **Funeral Grant increased** | The maximum allowable level of the *Funeral Grant* was increased by 25 percent from $1,236.26 to $1,545.33. It continued to be adjusted annually in line with the cost of living. |
| 1 July 2003 | **Housing Innovation Fund established** | A $63 million *Housing Innovation Fund* (HIF) was established to increase the availability of rental housing and home ownership opportunities for low income households and people with special needs. Local government organisations were encouraged through provision of loans and grants to retain and increase their rental housing through buying new homes or improvements to existing housing. Funding was also available for community groups and organisations, Māori and iwi to increase their involvement in providing social housing. This included capital funding for demonstration projects and support for developing proposals.  From HIF’s inception until 30 June 2007, projects to a value of $73.9 million were achieved, with HIF funding of $49.7 million. A total of 729 units were approved as either new builds (355 units) or modifications (374 units).  Of these, *Community Based Organisations* (CBOs) had projects involving 210 built units and local authorities had projects approved for 145 built units and 374 modified units.  CBOs contributed around 30 percent of the total costs of their projects ($13.9 million of the $46.8 million total), and local authorities contributed 38 percent ($10.4 million of the $27.1 million total).  Appropriated funding of $1.28 million (excluding GST) was used to support the establishment and fund the operation of *Community Housing Aotearoa Incorporated* (CHAI). CHAI had the purpose to promote and advocate for community housing at the local and national level. It represented over 130 member organisations including churches, non-profit community groups, Māori and Pacific housing providers and others.  From 1 July 2011, the *Social Housing Fund* replaced the HIF. |
| 1 July 2003 | **Child Care Assistance: Hours increased** | The maximum number of hours qualifying for *Child Care Assistance* was increased from 37 hours to 50 hours per week for the *Child Care Subsidy* and the *OSCAR Subsidy* (during holiday periods). |
| 1 July 2003 | **Paid Parental Leave Increased** | *Paid Parental Leave* was increased from a maximum of $325 gross per week to a maximum of $334.75 gross per week. This reflected the three percent movement in average weekly earnings over the previous year. |
| 1 July 2003 | **Social Rehabilitation Assistance Programme** | *Social Rehabilitation Assistance* was paid to a beneficiary who was resident in an approved residential social rehabilitation programme and where the benefit was not sufficient to meet the fees charged. The maximum amount payable per week was equivalent to the maximum rate of the *Disability Allowance* ($47.44), plus the maximum rate of the *Accommodation Supplement*, plus $20. This gave the following maximum rates of payment from 1 July 2003: Area 1 $167.44, Area 2 $132.44 and “Rest of New Zealand” $112.44. The payment was made directly to the social rehabilitation provider. Prior to this time, *Special Benefit* had been used for this purpose.  The assistance was paid under the *Social Rehabilitation Assistance Ministerial Welfare Programme* under section 124 (1) (d) of the *Social Security Act 1964*. |
| 4 August 2003 | **“Jobs Jolt” Package announced** | The “*Jobs Jolt*” was a package of measures designed to assist people to get off benefits and into employment and also address the shortage of skilled labour was announced. Designed to assist employers facing skill shortages, the long-term unemployed, people with disabilities, long-term sickness and invalid beneficiaries, mature job seekers and youth. The package included the following measures:  *Active Case Management for the Older Unemployed*  Provision of greater support to the older unemployed by reducing case management ratios and removal of the work test exemption applicable to recipients of the *Unemployment Benefit* aged 55 and over.  *Clear and Strong Expectations*  The obligations to be available for work and to take reasonable steps to find work were clarified. Clients who lost potential employment due to a positive drug test were required to participate in a drug or alcohol programme or complete another *Job Seeker Development Activity*. The *Remote Area Policy* was applied consistently with people who chose to relocate to areas where there were limited employment opportunities losing their eligibility for a work-tested benefit. Operational processes that were used to contact and sanction clients who breached the work-test were streamlined.  *Cyber Communities*  Employment opportunities in the ICT industry were developed and promoted to long term unemployed clients in three communities. Co-ordinated by the *Community Employment Group*. The programme provided a range of training, work experience and employment opportunities. This was a three-year initiative that was expected to provide assistance to 140 long term beneficiaries.  *Employment Coaching*  One on one employment coaching was offered to specific groups of job seekers to address their employment barrier, increase their value to employers and improve their chances of moving into sustainable employment. The *Ministry of Social Development* contracted specialist providers who conducted assessments, assessed client needs and work potential. Clients received follow-up help with motivation, job seeking and job applications. Once in work, up to 6 months additional support was provided. Employment coaching was offered primarily to skilled and work ready clients for whom other interventions had proven unsuccessful. 4,000 job seekers were expected to be assisted over the following three years.  *Extra Help for the Long Term Unemployed*  Employment specialists were contracted to work with the long-term unemployed (8 years plus). Specialist one-on-one assistance was provided to identify and address specific employment barriers and to develop a better understanding of the reasons for long term unemployment. An estimated 4,200 clients were to be targeted over the next three years. All clients who have been receiving the *Unemployment Benefit* for 8 years or more and those moving into this bracket.  *Job Partnerships with Industry*  Additional funding was provided to allow the *Ministry of Social Development* and industry to work together more closely. National and regional co-ordination was designed to improve responsiveness to genuine skill and labour shortages. A national co-ordinator was appointed to oversee the immediate development of industry partnerships and help ensure that job seekers secure sustainable employment. The focus was on targeted training to meet industry identified skill and labour shortages. Initially, the partnership was to provide industry training for 500 job seekers at risk of long-term unemployment. This would rise to 1,000 by the following year. The initiative extended existing industry partnerships and complemented the wage subsidy programme.  *Mayors’ Taskforce Flexible Employment Fund*  A discretionary fund to assist young people in the transition from school to work was established as part of the Government’s commitment to the *Mayors’ Taskforce for Jobs*. It was used for initiatives to ensure that young people aged 15 -19 years enter appropriate education, training or employment when they left school. Funding of $1.5 million was provided over three years. This replaced the allocation to the Mayor’s Taskforce that had been made from the *Transition to Work Contestable Fund* (which ended on 30 June 2003).  *Remote Employment Services*  Additional assistance for employers and job seekers in isolated rural areas with the establishment of a new *Rural Employment Service*. It was designed to increase face to face employment services in areas where the *Ministry of Social Development* (MSD) had a limited presence, while developing untapped job opportunities in remote areas. Builds on initiatives already trialled in the West Coast and Nelson regions. It provided more intensive and directed service that MSD could usually provide. The initiative provided funding of $120,000 for each of 8 services in remote areas.  *Enhanced Service and Case Management for sickness and invalids beneficiaries*  A pilot programme was established in each *Ministry of Social Development* region to provide enhanced case management for sickness and invalids beneficiaries. Case managers worked more closely with clients to help them set goals for their future and develop individual plans addressing their strengths, needs, barriers and key issues. The pilots commenced from 2 February 2004.  The *Job Club pilot* was expanded. This builds on the trial operated by *Workbridge* which provided resources and support to job seekers with disabilities who are near work ready.  A fund was also established for innovative employment initiatives for sickness and invalids beneficiaries who wanted to enter the workforce. This initiative also continued the existing E*mployABLE Programmes*.  *Supporting Sole Parents into Work*  Sole parents received extra help to enter and remain in the workforce with regional employment programmes that recognise family commitments. Focused on assisting sole parents with parenting and childcare issues. The programme included piloting in-work support type services that involved liaison between clients, case managers and employers to resolve potential problems that may arise from moving into work. 5,000 sole parents were expected to be eligible for this assistance over three years. |
| 19 August 2003 | **Pro-Rata Wage Subsidies for all clients who are not subject to a full-time work test** | From this time, pro-rata *Wage Subsidies* and *Enterprise Allowance* became available to all clients who were not subject to the full-time work test. A pro rata wage subsidy (*Job Plus, Job Plus Māori Assets, Job Connection, Task Force Green and Community Employment Organisations*) could be paid for a client who is not subject to the full-time work test who is starting a part-time employment opportunity of between 15 and 30 hours per week, or a client with a disability who is starting a part-time employment opportunity. A pro-rata *Enterprise Allowance* subsidy could be paid for a client who is not subject to the full-time work test who is starting a part-time self-employment opportunity between 15 and 30 hours per week or a client with a disability who is starting a part-time self-employment opportunity.  Prior to this time, pro rata wage subsidies and *Enterprise Allowance* were only available to part-time work tested clients or clients with a disability. The removal of the work test obligations for recipients of the *Domestic Purposes Benefit* or *Widows Benefit* on 10 March 2003 removed the former eligibility to pro-rata subsidies. |
| 1 September 2003 | **Home Ownership Mortgage Insurance Scheme Pilot commenced**  **(Welcome Home Loan Scheme)** | From this time, people who would not usually get a home loan because they had an insufficient deposit or did not meet bank lending criteria could apply for a *Kiwibank “In Reach Loan*”. The Government, through *Housing New Zealand Corporation* subsidised a mortgage insurance programme to enable *Kiwibank* to lend to people with little or no deposit.  Eligible households were those with incomes up to and including $50,000, or up to $100,000 if there are more than two main sources of household income and they are all co-borrowers on the loan. Applicants were also required to have a good credit history and be able to meet repayments. Those who qualified did not require a deposit if buying a home up to $100,000 and only a five percent deposit if buying a home over $100,000.  The programme was a pilot scheduled to run for two years. In September 2006, the pilot was extended and later became known as the *Welcome Home Loan Scheme*. |
| 1 September 2003 – 30 November 2003 | **Rural Assistance extended** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) which were activated from 19 May 2003 (for farmers in the lower North Island who were affected by drought conditions) were extended until 30 November 2003. |
| September 2003 | **Expansion of Modern Apprenticeships** | The *Modern Apprenticeships Scheme* was expanded with additional funding to achieve a further 500 apprentices by June 2004.  Modern apprentices and their employers were assisted by a “Co-ordinator” who recruited and established the apprenticeship, developed a training plan and supported the training through to the apprentice’s completion of a national qualification at levels 3 or 4 on the NQF. |
| September 2003 | **Student Support: Public Discussion Document** | A public discussion document on student support was released. The document set out the Government’s goal to extend access to student allowances, thereby reducing reliance on the student loan scheme, but noted that changes would have to be incremental and made over successive Budgets.  The discussion document set out New Zealand’s shared contribution model of student support and tertiary education funding, compared our system with other countries and outlined future steps in improving the system of student support.  Public feedback on the best steps forward for student support was sought by 30 October 2003. |
| September 2003 | **New Zealand Superannuation Fund commenced investing** | The *New Zealand Superannuation Fund* (NZSF) commenced investing with $2.4 billion in cash. From this time, the Government made annual capital contributions to the NZSF of about $2 billion.  The NZSF had been established in 2001 and was intended to partially pre-fund the future cost of *New Zealand Superannuation*, which would increase as a result of New Zealand's ageing population.  In 2009, a decision was made to suspend contributions to the NZSF, as government finances were constrained due to the Global Financial Crisis (GFC). Contributions resumed in December 2017, by which time the value of the NZSF had reached $37.91 billion. |
| September 2003 | **Office for the Community and Voluntary Sector established** | The *Office for the Community and Voluntary Sector* (OCVS) was established within the *Ministry of Social Development* to strengthen the relationship between government and the community sector. Its key functions were to provide cross-sectoral policy development and advice, and to act as a contact point for community, voluntary and tangata whenua organisations at the national level. |
| 1 October 2003 | **Primary Health Care: Fees for under 18s** | All *Primary Health Organisations* (PHOs) introduced low fees for patients under 18 years. Prescription charges (co-payment) were reduced to a maximum of $3 for all children aged between six and 17 enrolled in interim PHOs, and for patients of all ages enrolled in Access PHOs. |
| 1 October 2003 | **Work Start Grant: Full-time students** | An amendment to the *Work Start Grant Programme* extended access to full-time students who required financial assistance to take up temporary employment or part-time work. This reversed the change that was made in October 2001. The separate *Student Work Start Grant Programme* was abolished from 1 October 2003. |
| 1 October 2003 | **Ministry of Youth Development established** | The *Ministry of Youth Development* was established within the *Ministry of Social Development*. This replaced the previously separate *Ministry of Youth Affairs*. The focus remained on policy advice and the funding of youth development programmes. |
| 22 October 2003 | **Drug Testing and the Work Test** | Policy guidelines were clarified to provide that a non-entitlement period for voluntary unemployment could be imposed when a work-tested client (or work-tested partner) had been dismissed for drug-taking, provided the *Ministry of Social Development* was satisfied that the person had been dismissed because of ‘misconduct’.  If a work-tested beneficiary attended an interview for a drug-tested job and either refused to undergo or failed a pre-employment drug test, they were deemed to have failed the work-test. |
| 1 November 2003 | **Social Security Agreement with the Netherlands: Amended agreement came into force** | The *Social Security Agreement* between the governments of [New Zealand](javascript:pop('http://doogle/map/definitions/New%20Zealand.htm')) and the Kingdom of the [Netherlands](javascript:pop('http://doogle/map/definitions/Netherlands.htm')) allowed former residents of one country access to certain benefits and pensions under the other country's social security system. Under the agreement:   * periods of contributions to the Netherlands national insurance scheme after attaining the age of 20 years could be regarded as periods of residence in New Zealand in order to meet the residence qualifications for some New Zealand benefits and pensions; * residence in New Zealand could be regarded as residence in the Netherlands in order to meet the residence qualifications for some Netherlands benefits and pensions; * some Netherlands pensions could be paid in New Zealand; and * some New Zealand benefits and pensions could be paid in the Netherlands.   The Agreement was originally signed on 30 June 2000, was later amended by an exchange of diplomatic notes and an amending protocol. It replaced an earlier Agreement with the Netherlands that had been signed in 1990 and implemented in 1992. |
| 4 November 2003 | **Mangere Integrated Service Pilot: Housing New Zealand Corporation and the Ministry of Social Development** | A pilot to trial a new approach to service delivery for mutual clients of *Housing New Zealand Corporation* and the *Ministry of Social Development* was introduced in Mangere. The objective was to deliver housing solutions from a single co-ordinated point, thus providing for a social development approach that would support the fundamental needs of clients, families and communities. In addition to housing the focus included ensuring full entitlement to benefits and provision of appropriate employment assistance. The four components were:   * co-location; * joint needs assessment; * work brokerage; and * assistance to take up or maintain private rental accommodation.   The pilot was schedule to run until 30 June 2004, but was extended to 30 November 2004. |
| 26 November 2003 | **Children’s Commissioner Act** | The *Children’s Commissioner Act 2003* came into force. *The Children’s Commissioner* was originally established in 1989 under the provisions of the *Children, Young Persons and their Families Act 1989*. The purpose of the new Act was to:   * + to continue, as the *Children's Commissioner*, the office of the *Commissioner for Children* and to state the *Commissioner's* functions and powers in a separate Act;   + to re-enact the *Commissioner's* functions with modifications that are consistent with the *Commissioner's* primary role as an advocate for children;   + to confer additional functions and powers on the Commissioner to give better effect in New Zealand to the *United Nations Convention on the Rights of the Child*;   + to require the *Commissioner* to have regard to the Convention when carrying out the Commissioner's functions and powers; and   + to give the *Commissioner* express powers to obtain information and documents, and to apply for access to court records, in order to enhance the effectiveness of the *Commissioner's* investigative and inquiry functions.   The *Office of the Children's Commissioner* is an independent *Crown Entity*. The *Commissioner* is independent of Government. The *Children's Commissioner* is appointed by the *Governor-General* on the advice of the government of the day |
| 1 December 2003 | **Special Needs Grants: Access during the benefit stand down period** | An amendment to the *Special Needs Grants Ministerial Welfare Programme* clarified that in the first instance, emergency assistance for benefit applicants during the initial stand down period, a benefit non-entitlement period and for spouses of striking workers was provided via recoverable *Special Needs Grants* (SNGs). Only when the maximum amount of recoverable assistance has been granted (and the applicant is still facing hardship or has some other emergency need) could additional assistance under other parts of the SNG programme be considered. |
| 1 December 2003 | **Transition from Care to Independence: Assistance for young people participating in a CYF pilot programme** | Assistance was available to under the *Special Needs Grants Programme* for young people transitioning out of care as part of the *Child, Youth and Family* (CYF) “*Transitions from Care to Independence*” pilot project. Each eligible young person could receive up to $800 recoverable and $1,200 non-recoverable in total over a two-year period to assist with establishment costs. The CYF pilot programme was restricted to the Auckland area. |
| 8 December 2003 | **Unemployment Benefit: Work-test exemption for people aged 55 to 59 years removed** | From this time people aged between 55-59 years who were in receipt of an *Unemployment Benefit* were no longer able to apply for an exemption from the work test. (This change was announced as part of the “*Jobs Jolt” Package*). This was implemented in conjunction with a new case management model for the older unemployed. To support mature focused case management for 45-59-year olds, each client in this age group was managed by a specialised Case Manager who had a maximum case load of 160.  Recipients of the *Unemployment Benefit* aged 60 years or more remained exempt from the work test. Spouses of beneficiaries who were aged 55 to 59 years continued to be able to apply for an exemption from the work test. |
| 19 December 2003 | **2003 Review of Retirement Income Policy released** | The *Periodic Report Group* released its 2003 *Review of Retirement Income Policy*.  The terms of reference for the *2003 Review of Retirement Income Policy* were focused on private provision and the Review’s recommendations were designed to enhance the voluntary approach that underpins retirement savings in New Zealand.  Recommendations included that:   * the *Retirement Commission* take responsibility for co-ordinating the ongoing monitoring of risks and opportunities to private provision; * a research fund, managed by the Retirement Commission is established to extend and develop research on household saving behaviour; * the Government establish a *Work-based Savings Group* (WSG) to develop an agreed approach to promote work-based savings by the end of 2004; * that the *Retirement Commission* increase its promotional campaigns to encourage New Zealanders to use Sorted and other programmes; * that the *Retirement Commission* make it a key education priority to increase the knowledge of women about the need to save for retirement on their own behalf; * that the *Retirement Commission* in consultation with Te Puni Kokiri, develop a research programme to address the information gaps regarding Māori experience and attitude to savings and to facilitate a better understanding of Māori attitudes to retirement saving; * that the Government make it a priority in its tax work programme to resolve the tax non-neutralities arising from the indistinct capital/revenue boundary; * that the Government for equity reasons, either remove the tax advantage for employees earning over $60,000 on employer contributions to superannuation funds or make it available to all taxpayers, irrespective of their marginal tax rate; * that the financial services sector develop an agreed approach to self-regulation of financial advisors and report to Government with a comprehensive proposal by the end of 2004; * that Government’s proposed review of the tax rules applying to life insurance consider the tax barriers to the development of annuities, in particular, home equity reverse annuity mortgages; * an ongoing work programme is established to replace the six-yearly reviews of retirement income policy.   The 2003 Review was the last undertaken by a *Periodic Report Group* appointed under the provisions of the *Retirement Income Act 1993*. From April 2005, the *Retirement Commissioner* took over responsibility for reporting on retirement incomes policy. An amendment to the *New Zealand Superannuation Act 2001* required that the first report from the *Retirement Commissioner* be provided by 31 December 2007 and three-yearly thereafter. |
| 1 January 2004 | **Student Allowances: Access for some 16-17 year olds** | *Student Allowances* were made available to 16 and 17-year-old students who had completed year 13 (or had successfully passed University Bursary/NCEA Level 3 if they have not completed year 13). For those aged 16 or 17 who had received a student allowance during a period of tertiary study, they became eligible for the *Unemployment Benefit* (and *Accommodation Supplement*) if unemployed and in hardship during the vacation period.  The parents of 16-17-year olds who received a *Student Allowance* are not eligible to receive any family assistance (e.g. *Family Support*) or any assistance under the *Social Security Act 1964* in respect of the student as a dependent child (e.g. the *Away from Home Allowance*). |
| 1 January 2004 | **Student Loans: Access for part-time part- year students** | Access to the tuition fee component of the *Student Loan Scheme* was extended to part-time students studying for part of the year. Their study programme must be 0.3 EFTS or more. Previously a part-time full year student was able to access a loan, but a part time student undertaking an equivalent course of study over a semester was not able to get a loan. |
| 1 January 2004 | **“Step Up” Scholarship Scheme Pilot commenced** | “*Step Up” Scholarships* were available to students from low income families taking up degree level study in the fields of human and animal health. Under the scholarship scheme, students paid a flat $2,000 per year course fee, with the scholarship paying the balance. Scholarships were targeted at people who qualify for a student allowance and who are either just leaving school or are already in a course aimed at helping get them accepted into a course in the field of human or animal health. The scheme bonded students to work in New Zealand after they had completed their studies for the same number of years as their studies (although a break of one year was allowed). Those breaking the bond were assigned a student loan for the remaining proportion of their student fees that the Government had paid. Each scholarship was awarded for the length of the degree. Up to 500 scholarships were expected to be awarded in 2004. The programme was to be piloted for two years, following which consideration would be given to extending it to people studying in other fields. |
| January 2004 | **Ministry of Education Boarding Bursaries increased** | The value of *Boarding Bursaries* was increased by $350 per child per annum (an increase of 17 percent) from $1,990 to $2,340. The increase reflected inflation since the last adjustment in 1994. Bursaries enabled isolated rural families to access education when there is no suitable school nearby.  A *Boarding Bursary* could be obtained if the student:   * lived more than 4.8km from school or a school transport route; * wished to study specified subjects at a senior level that cannot be accessed at their local school; * wished to study agricultural or horticultural subjects at secondary school; * was considered to be at-risk in their current home or school environment; and * was not able to travel to school each day for health reasons. |
| 2 February 2004 | **Sickness Benefit and Invalids Benefit: Enhanced case management beneficiaries** | As part of the “*Jobs Jolt*” package enhanced case management of sickness and invalids beneficiaries was implemented in 14 sites. Caseloads in these sites were reduced from 1:300 to 1:160. |
| 24 February 2004 to 31 August 2004 | **Rural Assistance for farmers in the lower North Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the lower North Island who were affected by flooding. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 24 February 2004 | **Payments under the Civil Defence Scheme Revised** | In response to flooding in the lower North Island, payments under the *Civil Defence Scheme* to evacuees were revised. Payments to hosts for billeting evacuees (private homes, marae or community centres) were set based on average weekly board costs reported by *Accommodation Supplement* recipients. Payments for accommodation costs for evacuees in motels, hotels and other paid accommodation were set based on a sample of motel rates (Palmerston North was used as a mid-range price benchmark). Weekly payments for loss of livelihood were linked to *Unemployment Benefit* rates. Additional payments for food and clothing were set at two times the *Special Needs Grants* food grant limit.  Payments under the *Civil Defence Scheme* were made without an income or asset test, but did not cover costs met from insurance. Payments were non-taxable and did not impact on eligibility to other social assistance (with the exception of payments for loss of livelihood which were chargeable income for *Special Benefit*). Payments were made from the *Special Needs Grants* appropriation.  Provision for payments under the *Civil Defence Scheme* was made in a Ministerial Welfare Programme under section 124 (1) (d) of the *Social Security Act 1964*. |
| 5 March 2004 | **Transition to Work Programmes: Sex workers excluded** | Amendments to the *Pathways Payment* and *Work Start Grant* Ministerial Welfare Programmes clarified that people taking up work in the sex industry were ineligible for these payments. The exclusion included “sex workers” or an “operator” as defined in the *Prostitution Reform Act 2003* and employment of any other kind that provides or directly facilitates the provision of services for sexual gratification (e.g. strippers, lap dancers etc). |
| 8 March 2004 | **Remote Area Policy: Limited employment locations defined** | The “*Limited Employment Locations*” initiative announced in 2003 as part of the “*Jobs Jolt*” package was implemented. While this did not change the *Remote Area Policy*, a list of “limited employment locations” was drawn up in order to clarify the existing policy and to ensure that it was consistently implemented throughout the country. Work-tested beneficiaries who moved to limited employment locations faced having their benefit cancelled. If beneficiaries had reliable transport and could commute to an area where employment was available, they were still able to meet their work test obligations in a “*limited employment location*”. Beneficiaries already living in “*limited employment locations*” were not required to relocate. |
| 9 March 2004 | **Changes to the Paid Parental Leave Scheme announced** | It was announced that from 1 December 2004 *Paid Parental Leave* would be extended from 12 to 13 weeks and to 14 weeks from 1 December 2005. It was also announced that the qualifying period of employment with the same employer was to be reduced from 12 to 6 months from 1 December 2004 and that a person taking parental leave that has been in a job for 6-12 months would have job protection. Their job must be held open for the duration of their parental leave. Employees who have been in a job for 12 months or more were already entitled to have their job held open for 52 weeks during a period of parental leave. |
| 1 April 2004 | **Family Support/Child Tax Credit/Parental Tax Credit Changes (income thresholds increased)** | The income thresholds applicable to *Family Support*, the *Child Tax Credit* and the *Parental Tax Credit* were increased by 1.8 percent. This lifted the existing thresholds from $20,000 and $27,000 to $20,356 and $27,481 respectively.  The abatement rates remained unchanged at 18c for each dollar of income between $20,356 and $27,481 and 30c on each dollar of income above $27,481.  *Family Support* was abated first, followed by the *Child Tax Credit*. The *Parental Tax Credit* was available to families who qualified for *Family Support* and/or the *Child Tax Credit*. |
| 1 April 2004 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 1.55 percent to reflect the increase in the cost of living over the previous 12 months. No additional adjustment was required to rates of *New Zealand Superannuation* or *Veteran’s Pension* to maintain the required relativity with the average wage. |
| 1 April 2004 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by 1.55 percent to reflect the change in the *Consumer Price Index* the previous 12 months. The new income levels were:   * $19,741 Single (sharing); * $20,913 Single (alone); * $31,225 Couple; * $31,225 2 person family; * $36,371 3 person family; * $41,517 4 person family; * $46,665 5 person family; and * $51,813 6 person family.   For each additional child thereafter, income levels increased by $4,840. |
| 1 April 2004 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $688 per annum ($13.25 per week) to reflect the increase in the *Consumer Price Index*. The maximum earnings liable for *Child Support* was $93,522. |
| 1 April 2004 | **ACC Earner Premium** | The *Earner Premium* remained at 1.2c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $92,189 with the maximum premium of $1,106.27 for the 2004/2005 tax year. |
| 1 April 2004 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $16,172 for the 2004/2005 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. For part-time students a full interest write-off applied during study to students with an income of $26,140 or less. |
| 1 April 2004 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 5.9 percent to $9.00 gross per hour ($360 for a 40-hour week).  *Youth Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) was increased to $7.20 gross per hour (80 percent of the *Adult Minimum Wage*). |
| 1 April 2004 | **Transitional Retirement Benefit phased out** | The *Transitional Retirement Benefit* was phased out. All previous recipients now qualified for *New Zealand Superannuation*. The *Transitional Retirement Benefit* was introduced on 1 April 1994 to provide income support to people who were most immediately affected by the increase in the age of eligibility for *New Zealand Superannuation*. |
| 1 April 2004 | **Reduced Prescription Charges for PHO patients** | Prescription charges (for fully subsidised medicines) were reduced to $3 (from $15) for patients of a *Primary Health Organisation* (PHO) general practice that offers them low-cost fees. This included all people under 18 enrolled in PHOs from 1 April 2004 and all people over 65 enrolled in PHOs from 1 July 2004. |
| 28 April 2004 | **Sickness and Invalids Benefit Strategy launched**  **PATHS Pilot Scheme launched** | The *Ministry of Social Development’s Sickness and Invalids’ Benefits Strategy* focussing on broadening and strengthening the support provided to recipients of a *Sickness Benefit* or an *Invalids Benefit* was launched. The Strategy involved a mix of policy, research, evaluation, and service delivery work. Key parts of the work programme were case management, employment, research and a pilot service, supporting people who wanted to move into employment.  *PATHS (Providing Access to Health Solutions)* was a two-year pilot service drawing together existing services, and adding new ones to assist recipients of the *Sickness Benefit* and *Invalids Benefit* to return to work was launched in Manakau. The scheme provided support ranging from career advice to fast-tracked health care from the *Counties-Manakau District Health Board*. Delivered through enhanced case management lowering caseloads from 300 to 160. It also included better support for employers to retain staff experiencing illness or disability, as well as support to take on new employees. The pilot was to be reviewed in October 2004, prior to determining whether it should be offered nationwide. |
| 10 May 2004 | **Home Help Scheme: Income test aligned with the Community Services Card** | The income test for eligibility to assistance under the *Home Help Scheme* administered by the *Ministry of Social Development* was revised to align with income limits for the *Community Services Card*. Policy and operational guidelines for the scheme were formalised in a *Ministerial Welfare Programme* under section 124(1)(d) of the *Social Security Act 1964.* |
| 27 May 2004 | **Working for Families Package announced** | The *Working for Families* package to assist low- and middle-income families with children was announced. This included:   * increase to rates of *Family Support*; * removal of the child component from the benefit rate; * increases to the *Family Tax Credit*; * increases to the abatement threshold for *Family Support* and simplification of the abatement regime; * a new in-work payment to replace the *Child Tax Credit*; * increased housing assistance (via the *Accommodation Supplement*); and * increased assistance with child care costs.   Implementation was from 1 October 2004 to 1 April 2007. |
| June 2004 | **Domestic Purposes Benefit (Care of Sick or Infirm): Available to those caring for their own child** | A policy change provided that the *Domestic Purposes Benefit – Care of Sick and Infirm* could be paid to a parent caring their severely ill or disabled child who would otherwise need hospital care. Recipients of *Domestic Purposes Benefit - Sole Parent* were considered for eligibility at annual review or earlier if they came forward. Prior to this it was policy and practice not to pay *Domestic Purposes Benefit – Care of Sick and Infirm* to a parent in respect of caring for their own child. |
| 1 July 2004 | **State Sector Retirement Savings Scheme** | The *State Sector Retirement Savings Scheme* (SSRSS) commenced. It was a voluntary retirement savings scheme for state sector employees. Employees were able to choose their desired level of regular contributions, paid directly from their salary. Employers matched these contributions up to a maximum of:   * 1.5 percent of gross salary in year 1, and * 3.0 percent of gross salary in year 2 and beyond.   The employer contributions were in addition to total remuneration, and not exchangeable for cash or other benefits. The scheme was available to state sector employees in government departments, employees in the state school sector (including support staff) and registered teachers employed by free kindergarten associations, if they were not part of an existing employer-subsidised scheme. Employer contributions were back-dated to 1 April 2004, subject to them being matched by employee contributions. Contributions were “locked in” until retirement from the public service which could occur any time from age 50 years. Draw-down and retirement from age 50 did not disqualify a person from subsequent re-employment in the state sector. |
| 1 July 2004 | **Families Commission established** | The *Families Commission* was established under the *Families Commission Act 2003* as an autonomous Crown Entity. Its main function was to act as an advocate for the interests of families generally, collect data, commission research and promote awareness of stable family relationships. |
| 1 July 2004 | **Expansion of Modern Apprenticeships** | Additional funding was made available to support 8,000 *Modern Apprenticeships* by June 2006. The previous target was 7,500 by June 2006.  Modern apprentices and their employers were assisted by a “Co-ordinator” who recruited and established the apprenticeship, developed a training plan and supported the training through to the apprentice’s completion of a national qualification at levels 3 or 4 on the NQF. |
| 1 July 2004 | **Invalids Benefit: Restriction on paid employment changed** | The 15-hour restriction on employment was amended to provide that *Invalids Benefit* recipients were allowed up to six months (to be agreed with the *Ministry of Social Development*) to establish whether they could sustain 15 hours or more per week in open employment before they lost entitlement to the benefit. |
| 1 July 2014 | **Invalids Benefit: Stand down provisions amended for those with a recurring illness** | The stand down provisions for the *Invalids Benefit* were amended so they mirrored the stand down provisions for the *Sickness Benefit* for people with a chronic illness. From this time, applicants for an *Invalids Benefit* who had previously received the *Invalids Benefit* in relation to the same illness or disability would not be subject to a stand down unless they had a high income. |
| 1 July 2004 | **Assistance for Stranded Travel** | From this time non-recoverable *Special Needs Grants* were no longer available to assist stranded persons with the cost of returning to their home. Recoverable assistance was available via *Advance Payment of Benefit* or *Recoverable Assistance for Non-beneficiaries*. The maximum recoverable payment was $200 unless there were exceptional circumstances.  The policy change resulted from concerns raised over non-recoverable assistance paid to participants in the *Hikoi March* (May 2004) and an inconsistency with the provision of assistance with essential travel costs for people attending funerals or tangihanga. |
| 1 July 2004 | **Reduced Primary Health Care Costs for over 65s** | Additional funding provided to *Primary Health Organisations* (PHOs) to reduce fees for doctor visits for all people aged 65 and over who were enrolled with PHOs. Prescription costs reduced to $3. |
| 1 July 2004 | **Family and Community Services established as a new service within the Ministry of Social Development** | The role of *Family and Community Services* was to assist government and non-government organisations to work collaboratively to strengthen family support services and make them more effective for families. Its functions included:   * developing strategies to support and strengthen families; * improving information about and access to family support services; * leading a services planning and coordinated funding process across government agencies and communities; * co-ordinating and leading programmes to support families; and * co-ordinating and leading programmes to prevent family violence.   The Service developed from the 2003 *Review of Child, Youth and Family* (CYF). This review identified a need for better government leadership, and better coordination and alignment of the delivery family support services. *Family and Community Services* aimed to complement the services of CYF by strengthening the delivery of services to families to develop their capability and resiliency. By focusing on prevention and early intervention, *Family and Community Services* sought to reduce the number of families who are affected by family violence. |
| 1 July 2004 | **Paid Parental Leave Increased** | *Paid Parental Leave* was increased from a maximum of $334.75 gross per week to a maximum of $346.63 gross per week. This reflected the movement in average weekly earnings over the previous year. |
| 1 July 2004 | **Rural Housing Programme: Suspensory loans extended** | From July 2004, the provision of essential repair suspensory loans under the *Rural Housing Programme* was extended to areas outside Northland, East Coast and the Eastern Bay of Plenty. |
| 2 August 2004 | **Ministry of Social Development: Remote Client Unit established** | The *Ministry of Social Development* established a centralised *Remote Client Unit* (RCU) to remotely case manage clients who were abusive and continually threatening physical harm and where their behaviour posed a real danger to service centre staff or other clients.  Clients who had been issued with a trespass notice were referred to the RCU and their on-going suitability for management by the RCU was reviewed every six months. |
| 2 August 2004 to 31 December 2004 | **Rural Assistance for farmers in the Bay of Plenty and the lower North Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in Whakatane and Opotiki Districts who were affected by flooding. Assistance available until 31 December 2004. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable.  The provision of *Rural Assistance* to lower North Island farmers affected by the February floods was extended to 31 December 2004. |
| 5 August 2004 | **Non-recoverable assistance for flood victims in the Bay of Plenty** | From this time, non-recoverable assistance was available to assist low-income uninsured families who were affected by the flooding in the Bay of Plenty on 16-18 July. Grants were available to assist with essential re-establishment costs (e.g. fridges, washing machines, beds and bedding) or relocation costs. Payments were assessed on a case by case basis taking into account income, assets and assistance available from other sources (e.g. public donations of goods or funds from public appeals). As a general rule, the maximum amount payable was $2,000 (total of re-establishment and relocation costs). In exceptional circumstances this amount could be exceeded (eg in the case of large families).  This assistance was paid under the *Civil Defence Programme* (from the *Special Needs Grant* appropriation). |
| 13 August 2004 | **Home Help Scheme: Cash asset test simplified** | The cash asset test for the *Home Help Scheme* was simplified. From this time cash asset limits of $7,674 applied to a married person or sole parent and for a single person $4,300. These cash asset limits were aligned to those applicable to the *Emergency Benefit* and *Unemployment Benefit/Sickness Benefit Hardship*. |
| 1 September 2004 | **Disability Allowance; Vocational Services** | From this time, the *Disability Allowance* (DA) was no longer available to cover attendance fees for vocational services for people with disabilities. Funding of these services was streamlined to remove the need for fees to be covered via DA. The *Ministry of Social Development* increased funding to providers and ceased funding these services through DA. This meant that many people could use DA to fund other costs associated with their disability. There was a 9-month implementation period during which contracts were renegotiated and DA payments were reviewed. |
| 22 September 2004 | **Community Employment Group: Dis-established**  **“Enterprising Communities” established.** | The *Community Employment Group* (CEG) (within the *Department of Labour*) was dis-established and it was announced that the *Ministry of Social Development* would be the lead agency for local assistance and engagement with a focus on training to address skill shortages. From this time all CEG staff and functions were moved to a *Transitional Management Unit* which administered any on-going and new grants and provided continuity for staff and communities. CEG grants funding was transferred to the *Ministry of Social Development* by 31 March 2005 and management of all existing projects was transferred on 1 April 2005.  The *Enterprising Communities Programme* was established within the *Ministry of Social Development*. The main change from CEG was a strengthening of the focus on labour market outcomes. Enterprising *Community Grants* were available to help community organisations develop and implement projects that would help people who were finding it hard to obtain employment. |
| 25 September 2004 | **Skills Package Announced**  **(Additional Funding for Modern Apprenticeships and Post Placement Support for TOP trainees)** | Additional funding was announced to increase the rate of expansion of *Modern Apprenticeships*. An additional 1000 places were provided in 2004/2005 to bring the total number of Modern Apprenticeships to 8,500 by June 2005.  Additional funding was also provided to increase participation in *Industry Training*, providing for approximately 5,000 additional industry training places during 2005.  A P*ost-Placement Support and Training Programme* for former *Ministry of Social Development* clients who had completed training under the *Training Opportunities Programme* (TOP) and entered employment was announced. A pilot would fund up to 250 TOP graduates to obtain industry-specific qualifications, so they could enhance their career and earning prospects. |
| 1 October 2004 | **Changes to the Accommodation Supplement:**  **Abatement for beneficiaries**  **Entry threshold for non-beneficiaries**  **Income threshold for non-beneficiaries** | The abatement of the *Accommodation Supplement* for beneficiaries was removed to provide an additional incentive for beneficiaries to undertake part time employment. Abatement was also removed for recipients of *New Zealand Superannuation* or a *Veteran’s Pension* who were eligible to receive the *Accommodation Supplement*, though income above the applicable *Invalids Benefit* income cut-out point continued to preclude eligibility to the *Accommodation Supplement*.  The *Entry Threshold* for non-beneficiaries was lowered to align with the entry thresholds applicable to people receiving the *Unemployment Benefit*. Previously the entry threshold was set at 25 percent (for renters and boarders) and 30 percent for mortgagors) of the relevant rate of *Invalids Benefit*, plus where applicable the first child rate of *Family Support* (payable to a child under 16 years).  The income threshold for non-beneficiaries was increased to align with the income cut-out points for the *Unemployment Benefit*. Previously the income threshold was set at the relevant gross rate of *Invalids Benefit* plus $17.92. |
| 1 October 2004 | **Working for Families: Transitional Supplement introduced** | The *Working for Families Transitional Supplement* was introduced. This payment was designed to ensure that no person was worse off as a result of the changes included in the *Working Families Package* (changes to *Accommodation Supplement*, *Family Assistance*, benefit rate structure, *Childcare Assistance*, *In-Work Payment* and *Special Benefit*). The Supplement was paid by the *Ministry of Social Development* and phased out on 30 June 2008. |
| 4 October 2004 | **Childcare Assistance Increased**  **Childcare Assistance Regulations replaced the Childcare Assistance Ministerial Welfare Programme** | *Childcare Assistance* income thresholds were increased. New income thresholds were:   * 1 child household: $930 per week; * 2 child household: $1,130 per week; and * 3+ child household: $1,330 per week.   Future adjustments to the income thresholds would take place when *Consumer Price Index* applicable on 4 October 2004 has increased by 5 percent or more.  The rates of *OSCAR Subsidy* were increased to the same levels as the *Childcare Subsidy*. All *Childcare Subsidy* rates were increased by 10 percent.  Provision was made in Regulations under the *Social Security Act 1964* for the payment of *Childcare Assistance*. The *Childcare Assistance Ministerial Welfare Programme* was revoked. |
| 1 November 2004 | **Department of Building and Housing established** | Following a major review, the Government decided to bring together building and housing policy making, regulation and dispute resolution into one organisation. The new *Department of Building and Housing* took over the functions of the *Ministry of Housing.* Relatedfunctions previously undertaken by the *Building Industry Authority*, the *Ministry of Economic Development* and *Housing New Zealand* Corporation were also added to the new Department.  On 1 July 2005, the W*eathertight Homes Resolution Service* was transferred from the *Department of Internal Affairs* and responsibility for the administration of the *Retirement Villages Act* was also transferred to the new Department. The *Electrical Workers Licensing Group* joined the Department in September 2006.  The *Department of Building and Housing* had an overview of the entire building and housing sector and its main goal was to improve building quality and housing availability to all New Zealanders. The consolidation of the government's building and housing-related activities was designed to improve and streamline the delivery of building and housing services to the public, ensure an effective regulatory system and deliver good quality advice to government.  On 1 July 2012, the *Department of Building and Housing* became part of the new *Ministry of Business, Innovation and Employment*. |
| 8 November 2004 | **Work Strategy for Students during the summer vacation period** | A package of administrative measures was introduced to provide a stronger ‘work first’ message to students applying for the *Unemployment Benefit (Hardship Student)* over the summer vacation. Work obligations were reinforced at the time of application for the *Unemployment Benefit (Hardship Student)* and during the period of benefit receipt. The work test sanction process was strengthened, and measures put in place to ensure improved exchange of job information between the *Ministry of Social Development* and *Student Job Search*. |
| 29 November 2004 | **Social Security Benefits: Income disregard for home-based carers** | From this time a flat rate income disregard of $2.67 per child per hour was applied to home-based carers who were receiving a *Social Security Benefit*. This was in recognition of the average level of expenses incurred. This was only available in respect of caregivers meeting the requirements of the *Education (Home-based Care) Order 1992*. Caregivers could choose the flat rate income disregard, or provide receipts for actual expenses as allowed for under the *Social Security Act 1964*. The flat rate income disregard was adjusted on 1 April each year to reflect the movement in the *Consumer Price Index*.  Prior to this, various arrangements applied in respect of payments received by home-based carers. For example, *Barnardos* carers had none of their payments charged as income and carers contracted by *Empowering Educare* had 20 percent of their payments charged as income. Others had all payments charged as income, though verified expenses could be deducted. |
| November 2004 | **Financial Information Service for Students** | A pilot programme was established by the *Ministry of Social Development* (*StudyLink)* to assist students to make informed decisions about funding their tertiary studies and making them more aware of the commitment when they take out a *Student Loan*. It was expected to provide this service to 15,000 students in 2005/2006 rising to about 20,000 in 2006/2007. |
| 1 December 2004 | **PATHS Pilot extended to Wellington** | The *PATHS (Providing Access to Health Solutions)* pilot was extended to the Wellington region. *PATHS* helped people on the benefits get back into work by providing access to a range of health interventions, including intensive physiotherapy, access to pain clinics, fitness programmes and extra visits to health professionals for the management of chronic diseases such as diabetes and asthma.  PATHS was first introduced to the Manukau region in April 2004 and was jointly offered by the *Ministry of Social Development (Work and Income)* and the *Capital & Coast District Health Board* in the Wellington region. |
| 1 December 2004 | **Changes to the Paid Parental Leave Scheme** | The following changes were made to the *Paid Parental Leave Scheme*:   * employees could access parental leave payments and leave, if they had worked for the same employer for the immediately preceding 6 months or immediately preceding 12 months before the expected date of delivery or adoption of a child for:   + an average of at least 10 hours per week, including; or   + at least one hour in every week or at least 40 hours in every month. * the duration of parental leave payments increased from 12 weeks to 13 weeks; * one week’s partners/paternity leave was available for employees who have worked for the same employer for the immediately preceding six months; and * teachers employed by *School Boards of Trustees* and eligible junior doctors were entitled to count certain multiple employments as a single employment in determining eligibility.   These changes applied to employees whose baby was due or born on or after 1 December, or who started caring for a child they intended to adopt on or after 1 December. |
| 23 December 2004 | **Emergency Maintenance Allowance: Payable in split custody situations** | From this time, the *Emergency Maintenance Allowance* (EMA) was payable instead of the *Emergency Benefit* in situations where a sole parent did not qualify for *Domestic Purposes Benefit* or any other main benefit. EMA was paid at the same rate and under the same conditions as the *Domestic Purposes Benefit* (i.e. income test, planning process, no work test and access to the *Training Incentive Allowance*). As a result of High Court action the *Ministry of Social Development* accepted that the *Domestic Purposes Benefit-Sole Parent* was the analogous benefit in these situations and that accordingly EMA was payable. |
| 1 January 2005 | **Top Scholar Awards replaced A and B Bursaries** | *A and B Bursaries* were replaced by the *Top Scholar Awards*. NZQA was responsible for identifying recipients and the *Ministry of Social Development* (StudyLink) for delivery. The new awards were paid directly to students for study of more than 0.4 EFTS for a qualification that is approved for student loan or allowance purposes at a NZ tertiary education institution for a maximum of three years. The awards were non-taxable and were not counted as personal income for the assessment of student allowances. Top Scholar Awards were payable in the following categories:   * top overall scholars (1st award $15,000 per year for three years, 2nd award $10,000 per year for three years); * top subject scholars from Scholarship standard assessment ($5,000 per year for three years); * top subject scholars from Level 3 assessment (no scholarship standard offered) ($3,000 per year for three years); and * school awards $1,500 per year for three years. |
| 1 January 2005 | **Changes to Student Allowances** | The following changes to *Student Allowances* were introduced:   * the parental income threshold was increased from $28,080 to $33,696. The parental income abatement rate was set at 25 percent resulting in a top income threshold (cut-out) for a student living away from home of $62,148. From 1 April 2005, the parental income threshold was adjusted by the *Consumer Price Index* (to coincide with the *Consumer Price Index* adjustment to maximum rates of *Student Allowances*); * the criteria for eligibility to the *Independent Circumstances Grant* were tightened. Eligibility for previously married students and students who had been in paid employment for 96 weeks or more was removed. (Consistency with the *NZ Bill of Rights Act 1990*); * a parental income test was applied to married students under the age of 25 years who had no dependants. They were no longer subject to the spousal income test. (Consistency with the *NZ Bill of Rights Act 1990*); * the “60-day rule” was removed. From this time students were able to apply for a *Student Allowance* at any time (up to the end of study). They qualified for backdated payments if they applied within a week of gaining entitlement. Prior to this, students were required to apply for an Allowance within 60 days of becoming eligible otherwise they missed out on payment for the whole course; and * the *Ministry of Social Development* (*StudyLink*) was given discretion to assess on a case by case basis whether any scholarship or merit award should be treated as personal or spousal income for the purpose of assessing eligibility to an allowance. |
| 1 January 2005 | **Student Loans: Extended to part-time part-year students** | Access to the tuition fee component of the *Student Loan Scheme* was further extended to part-time part-year tertiary students by reducing the minimum study load over a course of a year required for eligibility, from 0.3 EFTS or more, to 0.25 EFTS or more. Only for study in courses in particular funding classifications that contain a vocational component and only for students in employment or students studying for a qualification that will lead to employment. |
| 1 January 2005 | **Training Incentive Allowance: Pilot for teen parents** | A pilot programme was established to provide the *Training Incentive Allowance* (TIA) to teen parents outside of the current population eligible for TIA. The target group was teen parents not receiving a benefit or teen parents who were partnered with a low-income earner or beneficiary. The pilot was scheduled to run for three years and was designed to test whether TIA could provide an incentive for teen parents to continue in or return to education or training. *[Implementation of the Pilot was subsequently delayed until 1 January 2006 and the pilot was refocused to provide childcare assistance to teen parents under 18 years who were attending secondary school]* |
| January 2005 | **Ministry of Education Boarding Bursaries increased** | The value of *Boarding Bursaries* was increased by $385 per child per annum (an increase of 16 percent) from $2,340 to $2,725. Bursaries enabled isolated rural families to access education when there was no suitable school nearby.  A *Boarding Bursary* could be obtained if the student:   * a student under 10 years, who lived 3.2 kilometres or more from the nearest state school or from the nearest bus stop; * a student 10 years or older, who lived more than 4.8km from school or from the nearest bus stop; * wished to study specified subjects at a senior level that cannot be accessed at their local school; * wished to study agricultural or horticultural subjects at secondary school; * was considered to be at-risk in their current home or school environment; and * was not able to travel to school each day for health reasons.   Boarding Bursaries were awarded according to the *School Boarding Bursaries Regulations 1972*.  Where the child was boarding privately, payment was be made by the *Ministry of Education* through the school Board of Trustees, to the parent or authorised agent. Where the child was boarding at a school hostel, payment was be made to the school Board of Trustees.  Payment was made retrospectively at the end of each school term. |
| 1 January 2005 – 31 March 2005 | **Rural Assistance Provisions extended** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were extended for farmers affected by flooding in 2004. For farmers in the lower north island affected by flooding in February 2004 the provision of *Rural Assistance* was extended until 24 February 2005 (one year from commencement). For farmers in the eastern Bay of Plenty affected by flooding in July 2004, Rural Assistance was extended until 31 March 2005 (9 months from commencement). |
| 19 January 2005 | **Additional Measures to target long-term unemployment** | A number of measures designed to reduce long-term unemployment were announced. These included:  *Intensive Case Management/Enhanced Wage Subsidies*  A programme of intensive case management for people unemployed for 3-4 years was launched in Wellington, Manukau and Northland. These clients were provided with intensive case management to identify serious barriers to employment and access to intensive work readiness training.  *Changes to Wage Subsidies*  Clients who had not been placed in work by October 2005 were to be offered jobs with an enhanced wage subsidy. The subsidy was available to employers involved in socially useful activity such as community or local authority work. It must be project based and additional to the employing organisation’s normal activities. Under the enhanced scheme, employers could receive up to $380 (GST inclusive) per person per full time week for up to nine months. The change meant that jobseekers with more than four years duration could now receive a wage subsidy of up to $16,900 per annum (instead of the former $11,000)  *Urban Employment Service*  An urban employment service was established nationwide that aimed to see all urban working-age clients who have been unemployed longer than three years visited in their homes. 23 Work Brokers were mobilised to work intensively and provide services and information on available jobs to these clients. |
| 19 January 2005 | **Enhanced Case Management for Sickness and Invalid beneficiaries** | It was announced that enhanced case management was being extended to recipients of the *Sickness Benefit* and *Invalids Benefit*. Resources were reallocated within the *Ministry of Social Development* (Work and Income) to move toward caseloads of 225 (down from 350). In the 14 *Jobs Jolt* concept sites caseloads were already 1:160.  PATHS was extended to an additional four regions including the Western Bay of Plenty.  Employment programmes tailored to beneficiaries receiving a *Sickness Benefit* or *Invalids Benefit* were introduced to overcome barriers to work. These included:  *WORKWISE* (a programme for people with long-term severe mental health conditions) and *KALEIDOSCOPE* (designed for people with spinal conditions)  *PREPARING FOR WORK*. A national rollout of an assessment tool that had been trialled in 16 sites. This assisted case managers to identify skills and abilities of clients who wanted to work.  A new programme was approved that provided support and information to employers to assist them to hire and retain staff with ill health or a disability. |
| 1 February 2005 | **Youth Transitions Service established** | The *Youth Transitions Service* was established in the following five areas (Waitakere, Whangarei, Porirua New Plymouth and Rotorua). The target group was young people at risk of becoming disconnected from society after leaving school. The Service was designed to ensure that young people get the information and support they need to take up work, education or training opportunities. Each Service was delivered by a lead provider who was required to:   * engage with school leavers and young people to develop informed consent referral processes with the help of schools, their families and the relevant agencies; * provide customised support and career planning to young people at risk of prolonged disengagement; * liaise with local employers, training and education providers to identify and support the development of appropriate opportunities for young people; and * help integrate youth services in each area.   It was intended to have 10 sites operational in 2006 and 14 sites by 2007. Priority was given to regions with both a high number of disengaged youth and socio-economic deprivation as well as the community capacity to deliver the service.  Designed to contribute to the shared goal of the *Mayors Taskforce for Jobs* and Government to have all 15-19-year olds in work, education or training by 2007. |
| 1 February 2005 | **Income Support for Live Organ Donors** | From this time a *Ministerial Welfare Programme* under the *Social Security Act 1964* provided financial assistance to live organ donors who lost income from employment, including self-employment in order to donate an organ. They received a weekly payment equivalent to the appropriate rate of *Sickness Benefit*. Payments were non-taxable and therefore not treated as income for *Child Support*, *Student Loan* repayments or *Family Assistance*. There was no income or asset test. Payment was available from the date of surgery and through post-operative recovery for a maximum of 12 weeks as certified by a physician or general practitioner.  Where a donor has new or additional childcare requirements arising as a result of organ donation, the *Ministerial Welfare Programme* provided assistance with these costs at a rate equivalent to the maximum rate and for the maximum number of hours (50 per week) allowed for under the *Childcare Assistance Programme*. Donors who did not incur a loss of income could still access the childcare component of the programme.  Where a donor was receiving an *Unemployment Benefit*, an *Emergency Benefit* was paid for the duration of surgery and recovery. Donors receiving other benefits continued to receive their benefit. These people did not have access to payments under the *Ministerial Welfare Programme*. |
| 18 February 2005 | **Special Benefit: Technical amendments to the Ministerial Direction** | A number of technical amendments were made to the *Special Benefit Ministerial Direction* to ensure consistency between operational practice, policy intent and the *Ministerial Direction*. These were:   * explicitly defining income as net income (gross income less tax on current earnings and the *ACC* *Earner Premium*); * including guidelines defining net income as the net rate before any deductions, sanctions or penalties imposed by a State Agency, other than tax and the *ACC* *Earner Premium*; * disregarding as dependent children all children for whom an *Orphan’s Benefit* or *Unsupported Child’s Benefit* was paid; and * excluding all repayments of recoverable assistance from *Allowable Costs* (Recoverable *Special Needs Grants, Advance Payment of Benefit* and *Recoverable Assistance for Non-Beneficiaries*). |
| 21 February 2005 | **Civil Defence Programme: Payments formalised in operational instructions** | The provision of *Civil Defence Payments* payable to evacuees during a *Civil Defence Emergency* was formalised in *Ministry of Social Development* operational instructions. These payments were made to meet the immediate needs of evacuees and were not subject to either an income or an asset test. Payments could be made for emergency accommodation (billets, community, marae or tourist accommodation), food and clothing and loss of livelihood. Generally, payments were only available for the duration of the emergency and covered immediate costs not met by insurance or other sources (e.g. charitable donations, other government assistance). Payments were made from the *Special Needs Grants* appropriation.  Provision for *Civil Defence Payments* to be made under s124(1)(d) of the *Social Security Act 1964* was provided by a *Ministerial Welfare Programme* for Special Assistance dated 24/09/1982.  The *National Civil Defence Emergency Management Plan Order 2005* formalised (from 1 July 2006) the role of the *Ministry of Social Development* in making these and other payments in emergency situations. |
| 22 February 2005 | **Single Core Benefit and new service model announced** | It was announced that a *Single Core Benefit* would be introduced in 2007/2008. It would combine, the *Domestic Purposes Benefit, Sickness Benefit, Unemployment Benefit, Widows Benefit* and *Invalids Benefit*. Add-ons would be available to people in and out of work (e.g. *Accommodation Supplement, Family Support* and *Disability Allowance*). Recipients of the *Single Core Benefit* would be grouped in two streams (expectation of a rapid return to work or expectation of a gradual return to work with exemption where appropriate). It was announced that policy decisions would be finalised by the end of 2005 with legislation introduced in 2006.  A new service delivery model was to be developed alongside the *Single Core Benefit*. This would be trialled in 11 *Ministry of Social Development* sites from May 2005. The focus was employment with early intervention and services to help people stay in employment being given priority. |
| 11 March 2005 | **Rate of benefit where a spouse detained overseas through no fault of their own** | From this time the appropriate single rate of benefit was paid to a married person whose spouse was detained overseas either through no fault of their own (e.g. in a refugee camp) or whose whereabouts were unknown. The discretion to set the rate of benefit under section 74(1)(a) of the *Social Security Act 1964* became subject to a *Ministerial Direction*.  Prior to this time, a non-standard rate of *Special Benefit* was paid at the difference between the half-married rate and the single/sole parent rate. |
| 11 March 2005 | **Civil Defence Payments: Greymouth tornado** | *Civil Defence Payments* were made available to people who had been required to leave their homes as a result of a Tornado in Greymouth. This departed from standard policy, as in this instance a *Civil Defence Emergency* had not been declared. |
| 21 March 2005 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 5.3 percent to $9.50 gross per hour ($380 for a 40-hour week).  The *Youth Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) was increased to $7.60 gross per hour (80 percent of the *Adult Minimum Wage*). |
| 1 April 2005 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 2.70 percent to reflect the increase in the cost of living over the previous 12 months. No additional adjustment was required to rates of *New Zealand Superannuation* and *Veterans Pension* to maintain the required relativity with the average wage. |
| 1 April 2005 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased to reflect the increase in rates of *Social Security Benefits* and *Family Support*. The new income levels were:   * $20,275 Single (sharing); * $21,478 Single (alone); * $32,069 Couple; * $33,369 2 person family; * $39,434 3 person family; * $45,498 4 person family; * $51,565 5 person family; and * $57,632 6 person family.   For each additional child thereafter, income levels increased by $5,620 (previously $4,840). |
| 1 April 2005 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $707 per annum ($13.60 per week) to reflect the increase in the CPI. The maximum earnings liable for child support was $97,167. |
| 1 April 2005 | **ACC Earner Premium** | The *Earner Premium* remained at 1.2c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $94,226 with the maximum premium of $1,130.71 for the 2005/2006 tax year. |
| 1 April 2005 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $16,588 for the 2005/2006 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. For part-time students a full interest write-off applied during study to students with an income of $26,799 or less. From this time these thresholds were adjusted by the *Consumer Price Index* (annual movement in the December CPI based on the latest Treasury forecast). The loan repayment threshold was rounded up so it divides in whole dollars by 52. Prior to this, the thresholds were linked to the gross rate of the *Domestic Purposes Benefit* (2+ children) [Repayment Threshold] and the cut-out point for the *Domestic Purposes Benefit* (2+ children) [Full interest write-off for part-time students]. The change to the adjustment mechanism was necessary due to the child component being removed from the core benefit rate from 1 April 2005. |
| 1 April 2005 | **Child Component removed from core benefit /student allowance rates** | The child component was removed from the rates of *Social Security Benefits* and *Student Allowances.* A simplified benefit/allowance structure introduced. From this time there was one rate for couples (with or without children) and one rate for sole parents (regardless of the number of children). |
| 1 April 2005 | **Changes to Family Income Assistance (Working for Families Package)**  **Family Assistance increased** | The maximum rates of *Family Support* were increased by $25 per week for the first or only child and by $15 per week for all subsequent children. New weekly rates were:   * first or only child 0-15 years: $72; * first or only child 16-18 years: $85; * subsequent child 0-12 years: $47; * subsequent child 13-15 years: $55; and * subsequent child 16-18 years: $75.   Families were able to choose whether to have their *Family Support* paid weekly (previously fortnightly) or as a lump sum each year. Information exchange between the *Ministry of Social Development* and the *Inland Revenue Department* was implemented to help identify families that may be entitled to family assistance and to reduce the risk of end of year debts. |
| 1 April 2005 | **Orphan’s Benefit, Unsupported Child’s Benefit and Foster Care Board Payments increased** | Rates of the *Orphan’s Benefit* and *Unsupported Child’s Benefit* were increased by $15 per week.  Rates of *Foster Care Board Payments* were increased by $15 per week. |
| 1 April 2005 | **Family Support: Full payment while receiving a main benefit** | Full *Family Support* while receiving a main benefit, was introduced. It ensured that families receiving a main *Social Security Benefit*, whose monthly gross income is below the *Family Support* abatement threshold of $1,696 (gross), are guaranteed the maximum *Family Support* entitlement for that month. This was regardless of their income in other months.  Full *Family Support* also meant that any income obtained in the calendar month as a result of an extra pay would not be included in the calculation for *Family Support*. For example, a client on a weekly benefit usually receives 4 benefit payments a month, if they received a fifth payment, this would not be counted.  From this time, married people with children and no other income who were receiving an *Invalids Benefit* or an *Emergency Benefit* (paid at the *Invalids Benefit* rate) received full *Family Support*. Prior to this they had received abated Family Support from the *Ministry of Social Development* as their annual benefit income had exceeded the *Family Support* income threshold |
| 1 April 2005 | **Child Support Scheme: Calculation of the Living Allowance** | The living allowance used in the *Child Support* assessment formula was de-linked from *Family Support*.  Until this time the living allowance for a liable parent (included in the assessment for child support) was based on the gross married rate of *Invalids Benefit* plus *Family Support* at the child rate for up to four children.  To prevent the increase in *Family Support* rates resulting in a decrease in *Child Support* payments for liable parents with children the allowance for dependent children was set at $2,444 per annum (the first child rate of *Family Support* in 2004/2005) and the link with *Family Support* rates removed.  The child allowance rates in the living allowance were to be adjusted each year by the movement in the *Consumer Price Index* (commencing 1 April 2006) |
| 1 April 2005 | **Accommodation Supplement**  **Area Structure and Maximum Rates Revised** | The number of *Accommodation Supplement* areas was increased from three to four with Auckland divided into two areas. Some localities were moved into higher maxima areas and the maximum supplement payable was increased. The new maximum weekly rates of the *Accommodation Supplement* were:   * (Area 1) $145 for a one-person household, $160 for a two-person household and $225 for a household of three or more people; * (Area 2) $100 for a one-person household, $125 for a two-person household and $165 for a household of three or more people; * (Area 3) $65 for a one-person household, $75 for a two-person household and $120 for a household of three or more people; and * (Area 4) $45 for a one-person household, $55 for a two-person household and $75 for a household of three or more people. |
| 1 April 2005 | **Initial Benefit Stand Down: Changes to the assessment formula** | For calculating the length of the initial benefit stand down, the average income allowance for each dependent child was increased from $50 per week to $80 per week. This was set to approximately align with the first child rate of *Family Support* payable in respect of a child aged less than 16 years. (This was increased from $47 to $72 from 1 April 2005 and a further increase to $82 from 1 April 2007 was proposed). |
| 1 April 2005 | **Income and Asset Assessment Thresholds for supplementary and hardship assistance: Link with the Invalids Benefit removed** | Prior to this time a number of grants and allowances used the *Invalids Benefit* cut-out point or *Invalids Benefit* rates to determine entitlement (e.g. *Special Needs Grants*, *Funeral Grants*, *Accommodation Supplemen*t for recipients of *New Zealand Superannuation* and *Veteran’s Pension*, *Work Start Grants, Recoverable Assistance, Seasonal Work Assistance, New Employment Transition Grant* and *Disability Allowance* for recipients of *New Zealand Superannuation* or a *Veteran’s Pension* and non-beneficiaries). With the removal of the child component from the benefit rate, it was necessary to introduce new assessment thresholds as some rates and cut-out points for the *Invalids Benefit* had reduced.  The new assessment thresholds were based on rates and income cut-out points for the *Invalids Benefit* applying prior to 1 April 2005 with provision to adjust these annually by movements in the *Consumer Price Index*. |
| 1 April 2005 | **Changes to Special Benefit** | The following changes to *Special Benefit* were made in recognition of the improvements in family incomes as a result of increases to *Family Support* and the *Accommodation Supplement*:   * *Family Support* was included as chargeable income in the assessment of *Special Benefit*; * for people with children, standard costs were set at 70 percent of the applicant’s unabated main benefit and unabated *Family Support*; * subject to discretion, the rate of *Special Benefit* for people with dependent children was fixed at the amount of the deficiency between income and costs or at 25 percent of the applicant’s allowable costs, whichever is the lower amount.   These changes applied to new applicants for *Special Benefit* and to people receiving *Special Benefit* at their first review following 1 April 2005. |
| 1 April 2005 | **Rates of Payment under the Home Help Programme standardised** | The rate of payment for all home helpers under the *Home Help Scheme* was set at $9.57 gross per hour (plus six percent holiday pay) or $10.14 per hour (inclusive of holiday pay).  Prior to this there were three rates of payment under the *Home Help Scheme* ($9.49 per hour [no experience], $9.70 per hour [over 12 months experience] and $10.14 per hour [merit grade], all inclusive of holiday pay). With the increase in the *Minimum Wage* on 21 March 2005, the lower two rates had fallen below the *Minimum Wage*.  From April 2006 the rate of payment for home helpers was linked to changes in the *Minimum Wage* to prevent the rate of payment from falling below the *Minimum Wage* in the future. |
| 21 April 2005 | **New Zealand Superannuation and Retirement Income Act**  **Retirement Income Act 1993 repealed**  **Retirement Commissioner became responsible for periodic reviews of retirement income policies** | The *New Zealand Superannuation and Retirement Income Amendment Act 2005*repealed the *Retirement Income Act 1993* and incorporated the functions of the *Retirement Commissioner* into the *New Zealand Superannuation Act 2001*, which was renamed the *New Zealand Superannuation and Retirement Income Act 2001*.  The *Retirement Commissioner* continued to be a ‘corporation sole’ and an *Autonomous Crown Entity* for the purposes of the *Crown Entities Act 2004*. The *Retirement Commissioner* was also the ‘board’ for the purposes of that Act.  The periodic reviews of retirement income policy implemented by the Government in 1994 (with the first report required by 31 December 1997, then six-yearly intervals thereafter) became the responsibility of the *Retirement Commissioner*. The first report was required by 31 December 2007 and then at three-yearly intervals thereafter. Prior to this, an independent group (*Periodic Report Group*) had been established every six years to provide the Government with a report on issues in retirement income policy.  The other functions of the *Retirement Commissioner* remained unchanged (see 1 April 1994). |
| 26 April 2005 | **Civil Union Act/Social Security Amendment Act** | The *Civil Union Act 2005* came into effect. This provided a mechanism for same and opposite sex couples to formally solemnise their relationship. From this time, Civil Unions were recognised for social security purposes for both same and opposite sex couples. Legislation also provided that for social security purposes same sex de-facto couples would be treated the same as opposite sex de-facto couples from 1 April 2007, though the legislation did not attempt to define a de-facto relationship. |
| 1 May 2005 | **Initial Stand Down: Change to the average income calculation** | From this time, applicants for a *Social Security Benefit* could nominate either a 52 week or 26-week income assessment period from which the length of the initial stand down was calculated. This was in recognition of the previous 26-week income assessment period creating hardship for some people who had earned a moderate income for a short period, but prior to that employment had a period of minimal income. This was expected to improve incentives for people to take up seasonal and/or intermittent employment. |
| 5 May 2005 | **New Zealand Housing Strategy released** | *Building the Future: The New Zealand Housing Strategy* was released by the *Minister of Housing*. The strategy set out a ten-year plan for housing under the following areas of action:   * sustainable housing supply; * assistance and affordability; * home ownership; * private rental sector; * housing quality; * sector capability; and * meeting diverse needs. |
| 16 May 2005 | **Information matching between the Ministry of Social Development and the Inland Revenue Department: Student Allowances included** | The purpose of this match was to compare *Inland Revenue Department* data against *Ministry of Social Development Student Allowance* data in order to identify students whose entitlement to *Student Allowance* may have changed due to income. The benefits of this new information match included:   * identification of Students who have worked at the same time as receiving a *Student Allowance*; * increased certainty that *Student Allowances* are only being paid to those who have entitlement; and * improvement in the accuracy of *Student Allowance* payments and integrity of the *Student Allowance* system. |
| 19 May 2005 | **KiwiSaver Announcement: Voluntary workplace-based savings scheme** | The *KiwiSaver Workplace Savings Scheme* to help people prepare for retirement was announced.  It would begin in April 2007 [*note: implementation was subsequently delayed until July 2007*] and have the following parameters:   * all new employees aged between 18 and 65 would automatically be enrolled, given an account at the provider of their choice; * the Government would kick it off with a $1,000 deposit; * it would be topped up by a contribution of four percent of income (two percent from the employee and two percent from the employer) deducted through the tax system, but employees could opt to take that up to eight per cent; * the Government would meet administration costs through the *Inland Revenue Department*, and savers will get a fee subsidy at a capped level; * provisions would allow withdrawals in cases of hardship or leaving New Zealand permanently; * under certain conditions, contributions would be able to be suspended for up to five years at a time; and * first home buyers signed up to the scheme for three years or more could get a subsidy of up to $5,000 for a deposit on a house.   It was estimated that there would be around 415,000 *KiwiSavers* by 2010. Following implementation of the scheme in July 2007, the number of people enrolling significantly exceeded forecast, with the number of *KiwiSaver* accounts exceeding two million by August 2012. |
| 19 May 2005 | **Modern Apprenticeships expanded** | Funding to provide an additional 500 *Modern Apprenticeship* places was announced, bringing the total number of *Modern Apprenticeships* to 9,000 by December 2006. |
| 2 June 2005 | **Assistance for Bay of Plenty flood victims** | From this time *Non-Recoverable Assistance* was available to assist low-income uninsured families who were affected by the flooding and landslides in the Bay of Plenty on 17-18 May 2005. Grants were available to assist with essential re-establishment costs (e.g. fridges, washing machines, beds and bedding) or relocation costs. Payments were assessed on a case by case basis taking into account income, assets and assistance available from other sources (e.g. public donations of goods or funds from public appeals). As a general rule the maximum amount payable was $2,500 (total of re-establishment and relocation costs). In exceptional circumstances this amount could be exceeded (e.g. in the case of large families).  Payments were made under the *Civil Defence Programme* (from the *Special Needs Grants* appropriation). |
| 7 June 2005 | **Ministry of Social Development: New Service Delivery Model (Pilot Sites)** | A new service delivery model for the *Ministry of Social Development* was piloted in twelve sites and two contact centres. These were: Kamo, Three Kings, Waitakere Contact Centre, Otara, Hamilton Contact Centre, Hamilton Central, Tokoroa, Gisborne, Waitara, Masterton, Naenae, Nelson, Riccarton and South Dunedin.  The Pilot provided for:   * a new and more comprehensive pre-assessment process at the first point of contact with all new clients at prototype sites; * where employment is a realistic option, clients will be offered lower-cost tailored services, such as information seminars and skill profiling, prior to receiving a benefit; * at subsequent assessment points employment programmes and services will be made available earlier to a wider group, including existing clients, where it is deemed appropriate; and * assistance was provided to connect people with other agencies and service providers.   From September 2005, three additional services were made available to clients with ill-health or a disability. These were:   * co-ordinated employment-focused services; * preparing for work assessments to identify employment skills, goals and supports; and * access to specific health interventions where appropriate to facilitate rapid return to employment. |
| 1 July 2005 | **Financial assistance for young people participating in a Child, Youth and Family pilot programme** | Two changes were made to the eligibility criteria for re-establishment *Special Needs Grants* for young people participating in the *Child Youth and Family* “transitions from care to independence” pilot project. Eligibility was extended to young people who turned 18 during the pilot and the income limit for 16-17-year olds was aligned with the limit applicable to people 18 and over. This was in response to low take-up and concerns that young people who turned 18 or were placed in low income employment were losing access to re-establishment *Special Needs Grants*.  Each eligible young person could receive up to $800 recoverable and $1,200 non-recoverable in total over a two-year period. The *Child, Youth and Family* pilot programme was restricted to the Auckland area. |
| 1 July 2005 | **Accommodation Supplement: Residents of Retirement Villages** | The *Accommodation Supplement* was extended to residents of Retirement Villages with “*Licence to Occupy*” tenure. These people were regarded as home-owners for the purpose of assessing entitlement to the *Accommodation Supplement*. |
| 1 July 2005 | **Sole parent beneficiaries: Penalty for not naming the other parent increased** | The penalty applying to sole parents who do not name the other parent in law or apply for *Child Support* was increased from $22 per week to $28 per week. From this time all people with a penalty were required to participate in an initial programme so they can make informed decisions about establishing paternity for their children. The penalty is not applied where the sole parent or their children would be at risk of violence if the other parent was named and/or *Child Support* was applied for. Discretion was provided for the *Ministry of Social Development* to waive the penalty in compelling circumstances where child support could never be collected and commencing legal proceedings would result in undue stress. |
| 1 July 2005 | **Paid Parental Leave increased** | *Paid Parental Leave* was increased from a maximum of $346.63 gross per week to a maximum of $357.30 gross per week. This reflected the movement in average weekly earnings over the previous year. |
| 1 July 2005 | **Special Benefit: No longer paid in respect of additional accommodation costs for trainees** | From this time, *Special Benefit* was no longer available to trainees in receipt of the *Unemployment Benefit* or *Independent Youth Benefit* who incurred extra accommodation costs while undertaking approved training away from their usual home. From this time the *Ministry of Social Development* funded course providers directly for eligible participants’ accommodation costs.  Previously *Special Benefit* of up to $100 per week was payable. This provision was introduced in 1992 and its use had been restricted to beneficiaries participating in the *Limited Service Volunteer Scheme* and the *Conservation Corps*. A *Special Benefit* of $50 per week was paid to eligible trainees participating in these schemes. |
| 1 July 2005 | **Residential Care Subsidy: Changes to asset limits, income from assets exemption and the maximum contribution**  **Asset limits to increase by $10,000 each year until 2025**  **Income from assets exemption**  **Maximum contribution** | From this time, single people and couples with both partners in care were able to keep up to $150,000 in total assets before their assets had to be used to contribute to the cost of their care. Couples where one partner is in care were able to keep up to $55,000 as well as their house and car. Alternatively, they could choose to have the same asset threshold as single people and couples with both partners in care ($150,000), but if they chose this threshold the value of their house and car was included in their means assessment.  From this time, the asset thresholds for all groups were to be increased on 1 July each year by $10,000 a year, progressively increasing the amount of assets clients are allowed to keep. Provision for the increase of $10,000 on 1 July each year (until 2025) was included in the 27th Schedule to the *Social Security Act 1964*. (*Note: In 2012, this provision was repealed and replaced with an annual adjustment reflecting the increase in the Consumers Price Index*).  The income from assets exemption was set at $780 (after tax) per person. This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. From this time, the income from assets exemption was to be increased on 1 July each year the movement in the all groups *Consumers Price Index* for the year ending the previous March.  For those who did not qualify for the subsidy the maximum contribution was set at $636 per week (GST inclusive) for any region where the rest home contract price is lower than $636. Regions where the maximum contribution was higher than this included Auckland City $674.28, North Shore City $671.58, Waitakere City $655.22, Rodney District $651.13, Wellington City $655.22, Papakura District $651.13, Tauranga $642.10, Lower Hutt City, $643.33, Nelson City $646.26, Queenstown-Lake District $643.56 and Hamilton City $638.08. Since March 1994, the maximum contribution had been set nationally at $636 (GST inclusive) per week. |
| 1 July 2005 | **Applications for Social Security Benefits: Process clarified** | On 25 August 2004, the *High Court* defined an application for a social security benefit, as ‘any request for assistance for a particular need or purpose’ and established that applications did not need to be in writing and could be made verbally to any staff member, during work hours, regardless of their role. This meant that all *Ministry of Social Development* staff were required to record an application and make it clear to an applicant what they need to do to continue their application for assistance. |
| 1 July 2005 | **State Sector Retirement Scheme: Employer contribution increased** | The maximum employer matched contribution under the *State Sector Retirement Savings Scheme* increased from 1.5 percent of gross salary to three percent of gross salary. |
| 1 July 2005 | **Rates of Home Help increased** | Hourly rates payable under the *Home Help Scheme* were increased to $10.00 gross per hour (excluding holiday pay) or $10.60 (including holiday pay). From this time, pay rates were to be adjusted on 1 April each year in line with changes in the *Minimum Wage*. |
| 1 July 2005 | **Mortgage Insurance Pilot Scheme extended** | The *Mortgage Insurance Scheme Pilot* was extended allowing lenders beyond *Kiwibank* to participate. The eligibility cap was increased from $65,000 to $85,000 annual income for a household with one or two borrowers and from $100,000 to $120,000 for households with three or more borrowers. No deposit was needed if buying a house up to $150,000 and five percent deposit was needed if buying a house of more than $150,000. The maximum amount that could be borrowed was $280,000. In addition to meeting the income eligibility cap, participants must have been considered able to repay the mortgage.  The scheme enabled people on modest incomes who are outside standard lending criteria to get a home loan with little or no deposit. It provided loan insurance support to lenders. In September 2006, the pilot was extended and later became known as the *Welcome Home Loan Scheme*. |
| 1 July 2005 | **Invalids Benefit: Employment Transition assistance**  **Invalids Benefit Employment Trial** | Financial support was made available to support people with disabilities who were formally in receipt of an *Invalids Benefit* to remain in employment following completion of an employment trial. To be eligible a person had to meet the following criteria   * have completed an *I*[*nvalids Benefit* employment trial](http://inet/tools/MAP/income_support/main_benefits/invalids_benefit/changes_and_reviews_-_invalids_benefit/employment_invalids_benefit-04.htm#P100_6354) and are no longer eligible for the *Invalids Benefit;* * will have a reduced level of income after completing the *Invalids Benefit* *Employment Trial;* * are still working in open employment (not [sheltered employment](http://inet/tools/MAP/definitions/Sheltered%20employment.htm#TopOfPage)) for 15 hours or more per week on a regular basis; * need the assistance to continue to work 15 hours or more per week in open employment. * are earning income below the [*Invalids Benefit* gross income cut-out point](http://inet/tools/MAP/deskfile/main_benefits_cut-out_points/invalids_benefit_cut-out_points.htm#TopOfPage); and * are eligible for a main benefit or non-beneficiary assistance.   The amount payable was the difference between average net weekly income earned during the *Employment Trial* (including amount of main benefit after abatement) and the net weekly income (including amount of main benefit after abatement). The maximum amount payable was equivalent to the amount of *Invalids Benefit* that would be payable to the applicant (and their spouse) if they were granted that benefit.  Assistance ceased if for 8 consecutive weeks the applicant’s income was equal to or above the cut-out point for the *Invalids Benefit* or if for 4 consecutive weeks the applicant received no income from employment. If an applicant is subsequently granted an *Invalids Benefit* the transition assistance ceased. |
| 1 July 2005 | **New Zealand Superannuation and Veterans Pension: Eligibility to the Living Alone Payment** | From this time a recipient of *New Zealand Superannuation* or a *Veteran’s Pension* had to be receiving a “regular and substantial” contribution to their household expenses for this to affect their eligibility to the *Living Alone Payment*. The regular contribution had to be on-going and follow a pattern. As a guideline, a “substantial” contribution was considered to be a third or more of total household expenses over a year. Prior to this time, clients sharing any household expenses were not eligible for the *Living Alone Payment*.  The *Ministerial Direction on Living Alone Payments* was amended to clarify that the sharing of a joint bank account between and applicant and their spouse/partner was not by itself considered to be the sharing of household expenses. |
| 1 July 2005 | **Exempt Persons Personal Allowance Programme** | A *Personal Allowance* was provided to exempt persons in long term residential care who would otherwise be required to contribute all their benefits to the cost of contracted care services provided to them. The *Personal Allowance* was paid at the same amount as other residents assessed as requiring care are allowed to retain from their benefits (not exceeding the amount of the benefits received by the exempt person). |
| 1 July 2005 | **Medical Assessments (Designated Doctors, Fees and Processes)** | Fees paid for designated doctors who assessed medical eligibility for *Invalids Benefit* were increased to bring them in line with market rates. They had not been increased since 1995. Fees for designated doctors and psychologists were increased from $67.50 to $119.25 per visit. Fees for specialists were increased from $103.84 to $168.75.  From this time, doctors and *Ministry of Social Development* case managers could refer people to a designated doctor if they wanted a second opinion on a person’s medical eligibility for a benefit.  Medical assessment forms used by Doctors were changed so that more information could be provided on the type of work activities that people were able to undertake. |
| 6 July 2005 | **Disability Allowance for Vocational Service Fees** | From this time the use of *Disability Allowance* to pay for vocational service fees was discontinued. Payments for some transport costs also ceased from this date. Funding to providers was increased through service contracts. |
| 7 July 2005 | **Annual Maximum Wage Subsidy Increased** | The annual maximum *Wage Subsidy* payment for clients with more than four years duration was increased from $11,000 to $16,900 per annum. The weekly maximum was not increased. This applied to the following wage subsidies:   * [*Job Connection*](http://inet/tools/MAP/employment_assistance/job_connection/job_connection.htm#P9_103)*;* * [*Job Plus*](http://inet/tools/MAP/employment_assistance/job_plus/job_plus.htm#P9_101)*;* * [*Job Plus Māori Assets*](http://inet/tools/MAP/employment_assistance/job_plus_maori_assets/job_plus_maori_assets.htm#P9_108); and * [*Task Force Green*](http://inet/tools/MAP/employment_assistance/taskforce_green/taskforce_green.htm#P9_61). |
| 1 August 2005 | **Child Care Assistance (“Licensed Care Facility” included care in child’s own home)** | From this time a [licensed pre-school facility](http://inet/tools/MAP/income_support/extra_help/childcare_assistance_programme/childcare_subsidy-18.htm#P451_22176) included a care programme approved by the *Minister of Education* (including care in the child’s own home). This meant that people with pre-school children using approved care in their own homes were able to access the *Childcare Subsidy*. This provided more options for parents who preferred individualised care for their child, or worked outside standard hours. |
| 1 September 2005 | **Prisoner Re-integration teams established** | The first *Ministry of Social Development* prisoner re-integration team was established at Hawkes Bay Regional Prison. These were extended to other prisons by the end of 2005. The initiative involved *Ministry of Social Development* staff working in prisons to assist prisoners in obtaining employment upon their release. These teams also processed benefit applications and applications for re-establishment grants (*Steps to Freedom Grants*). |
| 9 September 2005 | **Income Support for Live Organ Donors** | An amendment to the *Income Support for Live Organ Donors Programme* allowed a person who had forgone employment for the purpose of undergoing an operation to retrieve kidney or liver tissue to be treated as a person who had forgone income from employment during the person’s convalescence from the operation. |
| 19 September 2005 | **Residential Care Subsidy: Gifting in recognition of care** | The *Social Security (Long-term Residential Care) Regulations 2005*, prescribed   * gifts in recognition of care as allowable gifts: * rules relating to deprivation of property and income.   If an applicant had received at least 12 months of continuous high-level care, they could gift in recognition of care a maximum of $5,000 for each 12 months of high-level care received. Totalling a maximum of $25,000 in the five years before the date of the financial means assessment, the 'gifting period' (this included any allowable gifting that had already taken place within the five-year gifting period). |
| 3 October 2005 | **Child Care Assistance: Rates and income thresholds increased** | Rates of the *Childcare Subsidy* and *OSCAR Subsidy* were increased by 10 percent. |
| 10 October 2005 | **Ministry of Social Development: Call recording by call centres** | From this time *Ministry of Social Development* Call Centres recorded all inbound and outbound calls. The benefits of call recording included:   * the ability to use recorded calls for call evaluations for our Quality Management process; * to prompt and provide coaching and training opportunities for our CSRs; * to help with the resolution of client disputes and complaints; and * to gain an insight into how calls are managed to encourage improvements. |
| October 2005 | **OSCAR Programmes: Increased funding for providers** | The maximum *Annual Assistance Grant* for *OSCAR* providers was increased from $9,000 to $16,000. |
| 10 October 2005 | **Emergency Benefit: Payments at the Invalids Benefit rate** | Policy clarification provided that an *Emergency Benefit* (EB) could be granted at the *Invalids Benefit* (IB) rate, only if the applicant (permanently and severely restricted for work) meets all the criteria for IB with the exception of residence. If the applicant did not meet the medical criteria for IB then an alternative benefit must be considered. Prior to this, some people were receiving EB at the IB rate when they did not meet the IB medical criteria. |
| November 2005 | **Information Match: Ministry of Social Development and Department of Internal Affairs – marriage records** | The first weekly match of all marriages registered with the *Department of Internal Affairs* (DIA) was run by the Ministry of Social Development’s *National Data Match Centre* (NDMC) to identify records where the *Ministry of Social Development* may not have been aware of the client’s change in circumstances. The purpose of this match was to compare DIA marriage data against *Ministry of Social Development* data in order to identify clients whose entitlement to *Ministry of Social Development* benefits and services had changed due to marriage. |
| November 2005 | **Information Match: Ministry of Social Development and the Accident Compensation Corporation – weekly compensation** | The first *Accident Compensation* (ACC) weekly match of all *Ministry of Social Development* clients was run by the *National Data Match Centre* (NDMC) to identify records where the *Ministry of Social Development* was not aware of the client’s change of circumstances. The purpose of this match was to compare ACC data against *Ministry of Social Development* client data in order to identify clients whose *Ministry of Social Development* entitlement had changed due to their receipt of weekly ACC payments. |
| 1 December 2005 | **Paid Parental Leave extended to 14 weeks** | For babies due or born on or after this date, or people who started caring for a child they intended to adopt on or after this date, *Paid Parent Leave* payments were available for up to 14 weeks. |
| 1 December 2005 | **Early Learning Payment Pilot commenced**  **Family Start and Early Start (Childcare Assistance) Programme** | The *Early Learning Payment* (ELP) provided up to $6.00 per hour for the cost of attending approved early childhood education for children aged between 18 months to 3 years. The ELP was available for up to 20 hours per week for an eligible child under 30 months of age or 15 hours per week for an eligible child 30 months of age or older.  To be able to receive the ELP, families had to be enrolled in selected *Family Start* or *Early Start Programmes*. The locations of these programmes were:   * Christchurch; * Gisborne; * Horowhenua; * Hastings; * Hamilton; * Rotorua; and * Kawerau.   Families who were enrolled in *Family Start* or *Early Start* were assigned a Family/Whanau Worker who acted as a liaison between the family and the *Ministry of Social Development*.  Provision for the ELP was made under the *Family Start and Early Start (Childcare Assistance)* *Ministerial Welfare Programme* under s124 (1) (d) of the *Social Security Act 1964*.  From 1 October 2017, the coverage of the ELP was expanded. |
| 2 December 2005 | **Changes to the Training Incentive Allowance to strengthen links with paid employment.** | A number of changes to the *Training Incentive Allowance Programme* (TIA) were made to strengthen the links with employment and focus more on training outcomes. The changes included:   * making detachment from the labour market, the applicant’s skills, qualifications and recent work experience prime considerations in the decision whether to grant a TIA; * provision that in considering an application the *Ministry of Social Development* may have regard to any report of a careers counsellor on the outcome of career counselling that the Ministry has arranged for the applicant to undertake; * strengthening the links between courses for which the TIA may be granted and employment and with an applicant’s personal development and employment plan (if applicable); * allowing for refusal to grant a TIA where an applicant does not provide information about any previous course for which the TIA was paid or if the applicant left a course without good and sufficient reason; and * allowing the *Ministry of Social Development* to seek a refund for payment made via the TIA for books, materials or equipment, where the applicant does not enrol in or complete the course. |
| 23 December 2005 | **Special Benefit: Policy clarification** | An amendment to the *Ministerial Direction on Special Benefit* clarified that:   * all repayments of *Recoverable Assistance* were excluded as allowable costs; * payments of past, present and future liabilities (e.g. *Child Support*) were excluded as allowable costs; and * partners of people in civil union relationships were recognised in the same way as the spouses of married couples. |
| 1 January 2006 | **Changes to Student Allowances** | The following changes were made to *Student Allowances*:   * the amount of income students could earn before their *Student Allowance* was affected was increased from $135.13 gross per week to $180 gross per week. Instead of loss of entitlement when income exceeded $180, a dollar for dollar abatement was applied; * the combined income thresholds for couples were also increased.  If a couple's before tax combined income was over $360 before tax per week, they received the earning spouse rate of *Student Allowance*. (The previous threshold was $270.26 before tax). Couples earning $750 or more per week between them were not eligible for a *Student Allowance* (The previous thresholds were $610 or $630 per week when dependent children were involved); * the annual adjustment to income in respect of parents where more than one child aged 16-24 years was in full-time study was increased from $2,200 to $7,000 for each additional student child; and * an income adjustment of $3,400 of joint taxable income was introduced in respect of the income of parents who live in separate residences. This was on top of the ‘other dependent student income disregard’. |
| 1 January 2006 | **Bonded Merit Scholarships introduced** | *Bonded Merit Scholarships* were new scholarships awarded to 500 students each year to help them pay their course fees. They recognised top academic students and aimed to provide an incentive for them to remain in New Zealand after they study.  The scholarships provided $3,000 per year for course fees from the second year of study for up to four years, for students enrolled in a bachelor’s degree or post graduate study.  Students awarded the scholarship must agree to certain terms and conditions, including signing a binding Scholarship Agreement and being bonded to New Zealand for a period after they complete their degree(s). For example: If the student received the Scholarship for 3 years, they were bonded to remain in New Zealand for 3 years following the completion of their qualification. If they did not, they had breached their bond, and a proportion of the Scholarship was recoverable as if it were a *Student Loan* under the *Student Loan Scheme Act 1992*. |
| 1 January 2006 | **Study Awards for NGO staff** | Two new study awards were introduced. These were paid to NGO employers and tertiary institutions to contribute to the study costs of recipients. Fifty awards were offered each year. The awards were:   * *NGO Study Awards*: -targeted at NGO staff (including social workers) undertaking study towards a level 7 social work qualification; * *Family Start Study Awards*: -aimed at increasing the qualification levels of Family Start, family/whanau workers studying for a level 6 qualification in social work, nursing or early childhood education.   The Awards were paid by *StudyLink* on behalf of *Family and Community Services*. |
| 1 January 2006 | **Step-Up Scholarships expanded** | From this time *Step-Up Scholarships* were available to students studying science and technology tertiary degrees. To receive a *Step-Up Scholarship* (Science and Technology) in 2006 as student had to meet the following criteria:   * have recently left secondary school (2004 or 2005); * be entitled to and receiving a *Student Allowance*; * studying an approved science or technology degree level qualification; and * have course fees of at least $3,000 per year.   Students needed to pay the first $2,000 of their tuition fees (a *Student Loan* could be used for this).  *Step-Up Scholarships* had been available since 2004 for students studying towards human and animal health degrees. To be eligible, these students were required to be aged between 16 and 24 at the start of their study and need to contribute the first $1,000 of their course costs. |
| 1 January 2006 | **Training Incentive Allowance Teen Parent Pilot (Young Parent Childcare Payment)** | The *Training Incentive Allowance (TIA) Teen Parent Pilot* (originally scheduled for introduction on 1 January 2005) was implemented in a revised format. Provision was made for a *Young Parent Childcare Payment*, payable to teen parents aged under 18 years who were the principal providers of day to day care for their children, and were participating in secondary education. The payment was available in respect of formal (licensed or chartered) childcare, up to a maximum of $6 per hour, $180 per week and up to 40 weeks per year. The payment was not available to teen parents who qualified for the standard TIA. There was no income or asset test, but in cases where it was clear that a teen parent had access to sufficient support, the Ministry could decline assistance.  The pilot was scheduled to run for three years (until 31 December 2008).  Provision for the *Young Parent Childcare Payment* was included in the *Training Incentive Allowance Ministerial Welfare Programme*. |
| 30 January 2006 | **Steps to Freedom Re-establishment Grant (Administrative Changes)** | A number of administrative changes were made to the *Steps to Freedom Re-establishment Grant* (paid under the *Special Needs Grant Programme*) which was available to people released from prison, who had been imprisoned for at least 31 days and met an income and asset test. The changes:   * clarified that the grant was available to meet actual re-establishment costs; * made provision for more than one grant to be paid, as long as the total did not exceed $350; * allowed payments to be made up to 5 days before release so that re-establishment costs could be met without delay (e.g. accommodation); * allowed the *Ministry of Social Development* to, where appropriate, make payments directly to suppliers of goods and services; and * confirmed that re-establishment grants were payable to a person subject to a benefit non-entitlement period or benefit stand down, prior to consideration of recoverable *Special Needs Grants*. |
| January 2006 | **Home Ownership Education Programme** | The *Home Ownership Education Programme* aimed at improving the knowledge of first home buyers was introduced. This covered the risk and responsibilities of buying and owning a home as well as the process of applying for finance. The purpose was to assist people to make better decisions about home ownership. There was no cost to attend the programme. |
| 1 March 2006 | **Information Sharing (Child Sex Offenders)** | From this time some government agencies were able to share information about child sex offenders to better protect the public and reduce the risk of re-offending. An agreement between the *Department of Corrections* and the *Ministry of Social Development* was developed and information sharing commenced from 1 March 2006. Nationally there were around 300 people who were defined by law as ‘child sex offenders’, though not all of these were clients of the *Ministry of Social Development*. Any person identified as a child sex offender had their benefit record secured with a new code. Training was provided for specialist *Ministry of Social Development* staff that were required to work in a different way with these clients. |
| 23 March 2006 | **PATHS extended to the Taranaki region** | *PATHS* *(Providing Access to Health Solutions)* was extended to the Taranaki region. *PATHS* helped people receiving benefits to get back into work by providing access to a range of health interventions, including intensive physiotherapy, access to pain clinics, fitness programmes and extra visits to health professionals for the management of chronic diseases such as diabetes and asthma.  *PATHS* was first introduced to the Manukau region in April 2004 and subsequently extended to other regions. |
| 27 March 2006 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 7.9 percent to $10.25 gross per hour ($410 for a 40-hour week).  *Youth Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) was increased to $8.20 gross per hour (80 percent of the *Adult Minimum Wage*). |
| 31 March 2006 | **Child, Youth and Family Permanency Programme** | From this time the *Department of Child, Youth and Family Services (CYF)* introduced a new policy that established permanency for most caregivers who received a *Foster Care Allowance* or *Board Payments*. Children were discharged into the permanent care of their caregiver and a permanency order established. These orders could have a financial component in which CYF was responsible for certain financial costs associated with past abuse/neglect.  Children affected by the permanency policy became qualifying children for *Unsupported Child’s* *Benefit* or *Orphan’s Benefit*. Financial assistance received from CYF was not chargeable income for benefit purposes. |
| 1 April 2006 | **Tax Treatment of Board Payments** | From this time the *Inland Revenue Department* standardised the tax treatment of board payments from private boarders (including student homestays). Standard costs were established for boarders, set initially at $200 per week for one or two boarders and $162 for the third and fourth boarders (these costs to be adjusted by the *Consumer Price Index* each year). Where board payments were less than the standard costs, no tax was payable and a tax return was not required. People with five or more boarders could not use the standard cost method and were required to complete a tax return, including all payments as income, and records-based claims for actual expenditure.  Any person with boarders could choose the actual cost method and file a return of actual income and expenses for the year. Full records required a tax return required to declare any profit or claim any loss. |
| 1 April 2006 | **Temporary Additional Support replaced Special Benefit** | The discretionary *Special Benefit* was replaced with a new rules-based hardship benefit called *Temporary Additional Support* (TAS). The purpose of TAS was to provide temporary last resort financial assistance to alleviate financial hardship for people whose essential financial costs could not be met from their chargeable income and other resources, while ensuring that applicants take reasonable steps to reduce their costs or increase their income.  A formula, similar to that used as a guideline for *Special Benefit* was used. [**Chargeable Income - Allowable Costs = Disposable Income] [Standard Costs – Disposable Income = Deficiency of Income]**. Within the formula, standard costs were set at 70 percent of the unabated main benefit (plus family support where applicable).  In addition to the removal of the general discretion, changes from *Special Benefit* included:   * an upper limit of 30 percent of the applicant’s main *Social Security Benefit* applied (relevant rate of the *Unemployment Benefit* for non-beneficiaries). As an interim measure, pending completion of the work on the Integrated Disability Payment, the 30 percent limit could be exceed in cases where an applicant had disability costs that qualify for the *Disability Allowance*, but were in excess of the maximum rate of that allowance [*Note: The work on the Integrated Disability Payment did not progress*]; * a $20.96 per week loading on accommodation costs (previously all accommodation costs were included in a *Special Benefit* assessment); * a definitive list of *Allowable Costs* and upper limits on a range of allowable costs; * no lump sum grants of TAS; * full-time students not receiving a benefit were not eligible for TAS, unless they had a dependent child or disability costs that qualified for but were in excess of the maximum *Disability Allowance;* * rounding was removed from the TAS calculation (previously *Special Benefit* was rounded up to the nearest 50c); * an applicant’s assessed deficiency must be at least $1 per week before TAS could be granted; and * TAS was granted for a maximum period of 13 weeks, though a subsequent grant could be made subject to a further assessment.   Allowable costs contained the following weekly upper limits:   * vehicle repayments $52.97; * dining suite $24.76; * beds (including mattresses) $24.76; * combined fridge-freezer, or fridge, or 1 freezer, or fridge and freezer $19.60; * lounge suite $24.76; * stove $19.60; * television set $18.57; * washing machine $19.60; * laundry/laundrette costs $19.60; * dryer $19.60; and * portable heaters $13.41.   The *Ministry of Social Development* continued to have discretion to refuse to grant TAS or grant TAS at a reduced rate where it was considered that a person had arranged their circumstances in order to qualify for TAS or to qualify for a higher rate.  People receiving a *Special Benefit* on 31 March 2006, were grandparented until their circumstances changed. |
| 1 April 2006 | **Special Benefit Grandparenting** | Changes to the rules for grandparenting *Special Benefit* were announced. If a person applied for *Special Benefit* or *Temporary Additional Support* and had received a *Special Benefit* within the previous eight weeks they could have their *Special Benefit* re-granted. This ensured that people would continue to receive *Special Benefit* following a short-term change in their circumstances (e.g. a period of temporary work). |
| 1 April 2006 | **Temporary Additional Support: changes to the upper limit for refugees** | A change to the provision of *Temporary Additional Support* (TAS) for refugees, people lawfully in NZ awaiting outcome of an application for refugee status and people applying for a residence permit who were compelled to remain in NZ due to unforeseen circumstances was announced. The upper limit for TAS applicable to people in these situations was set at the greater of:   * the usual upper limit (30 percent of unabated main benefit); or * the *Accommodation Supplement* maximum rate that would apply if the applicant was eligible to receive it.   Prior to this, *Special Benefit* was paid (in conjunction with *Emergency Benefit*) to ensure an adequate minimum income to meet essential costs. The change allowed TAS to be paid with an *Emergency Benefit*. |
| 1 April 2006 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions, New Zealand Superannuation, Veteran’s Pension* *and other Social Security Allowances* were increased by 3.16 percent to reflect the increase in the cost of living over the previous 12 months.  No additional adjustment was required to rates of *New Zealand Superannuation or Veteran’s Pension* to maintain the required relativity with the average wage. [Note: The Government had committed to maintain the married couple rate of *New Zealand Superannuation* to at least 66 percent of the average wage.] |
| 1 April 2006 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by the movement in the *Consumer Price Index*. The new income levels were:   * $ 20,916 Single (sharing); * $ 22,157 Single (alone); * $ 33,083 Couple; * $ 39,633 2 person family; * $ 47,085 3 person family; * $ 53,138 4 person family; * $ 59,050 5 person family; and * $ 65,743 6 person family.   For each additional child thereafter, income levels increased by $5,962. |
| 1 April 2006 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $730 per annum ($14.05 per week) to reflect the increase in *the Consumer Price Index*. The maximum earnings liable for *Child Support* were $100,157 for the 2006/2007 tax year. |
| 1 April 2006 | **ACC Earner Premium** | The *Earner Premium* was increased from 1.2c to 1.3c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $96,619 with the maximum premium of $1,256.05 for the 2006/2007 tax year. |
| 1 April 2006 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was set at $17,160 for the 2006/2007 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. The increase represented the change in the *Consumer Price Index* over the year to the end of September 2005.  For part-time students, a full interest write-off applied during study to students with an income of $27,699 or less. (The removal of all interest charges on student loans meant that only part- time part-year students who breached the 183-day rule between the cessation of their studies and the end of the tax year would continue to come within the income-contingent full interest write off provisions.) |
| 1 April 2006 | **Student Loan Scheme: Interest charges removed** | From this time, all interest charges on *Student Loans* were removed. Interest continued to be charged for borrowers who were away from New Zealand for more than 183 consecutive days. In these cases, interest charges were backdated to the day after the borrower left New Zealand. Upon return to New Zealand, interest ceased to be charged had been in New Zealand for more than 183 consecutive days. Periods overseas of 31 days or less during the 183-day period were counted as if the borrower was in New Zealand. The *Inland Revenue Department* was given discretion to grant an exemption to the rules covering time spent overseas to borrowers overseas in the following situations:   * studying full-time at post-graduate level; * government employees; * volunteering or working for a token payment for a charitable organisation (up to two years); * unexpected delay in returning to New Zealand or unplanned absence overseas; * in employment that requires a significant amount of travel; or * partners of persons than would meet one of the exemptions. |
| 1 April 2006 | **Volunteers Serving overseas exempt from interest on student loans** | Regulations listed 48 charitable organisations whose volunteers could be exempted from interest on their *Student Loan* while working for these organisations overseas. It was still up to the *Inland Revenue Department* to decide on a case by case basis whether an individual would qualify for the exemption. The exempt could apply for a maximum of two years. The list of approved organisations included *Amnesty International, Voluntary Service Abroad, World Vision, Salvation Army International, Rotary Internationa*l etc |
| 1 April 2006 | **Student Loan Scheme: Amnesty on Penalties** | For *Student Loan* borrowers not resident in New Zealand, who returned to New Zealand or entered into an acceptable payment arrangement, were not required to pay penalties they had incurred. Borrowers were required to keep the liability up to date as it arises for a two-year period. For borrowers returning to New Zealand this meant meeting their income contingent liability (repayment deductions from wages/salary) and for these remaining overseas it meant making each quarterly instalment as it fell due. The Amnesty continued until 31 March 2007. |
| 1 April 2006 | **Child Tax Rebate increased** | The *Child Tax Rebate* was increased from $156 to $351. This increased the amount of income (excluding interest and dividends) that a child could earn tax free from $1,040 ($20 per week) to $2,340 per year ($45 per week). The rebate provided a 15 percent tax rebate up to the income limit.  The rebate applied to children under the age of 15, or under the age of eighteen and attending secondary school or who turned 18 in the preceding income year and are still at school.  The rebate was last adjusted in 1983. |
| 1 April 2006 | **In Work Payment Replaced the Child Tax Credit** | The *In Work Payment* (IWP) replaced the *Child Tax Credit* (CTC). The IWP paid up to $60 per week per family and up to an extra $15 a week per child for the fourth and subsequent child in a family. Eligible families were:   * two parent families not receiving a *Social Security Benefit*, working at least 30 hours per week between them; * sole parent families not receiving a *Social Security Benefit* working at least 20 hours per week; * recipients of *New Zealand Superannuation* or a *Veteran’s Pension* who work the required hours and have dependent children; * caregivers who work the required hours and receive F*oster Care Allowance, Orphan’s Benefit* or *Unsupported Child’s Benefit*.   The CTC was phased out from this time with current recipients not receiving a benefit or eligible for the IWP continuing to receive the CTC. |
| 1 April 2006 | **Family Tax Credit increased** | The *Family Tax Credit* was increased from $15,080 to $17,000 per annum. This ensured a minimum net income for:   * two parent families not receiving a benefit, working at least 30 hours per week between them; and * sole parent families not receiving a benefit working at least 20 hours per week. |
| 1 April 2006 | **Income threshold for Family Support, In Work Payment, Child Tax Credit and Parental Tax Credit increased**  **Abatement rate reduced** | The income threshold applicable to *Family Support*, the *In Work Payment, Child Tax Credit* and the *Parental Tax Credit* was increased from $20,356 and $35,000.  The abatement regime was simplified (the previous two step abatement was removed). Income in excess of $35,000 reduced the assistance available by 20c for each dollar of such income.  These changes were in addition to those previously announced in 2004 as part of the *Working for Families Package* (an increase in the income threshold to $27,500) and reflected Government election manifesto commitments. |
| 1 April 2006 | **Community Costs Programme established** | This *Community Costs Programme* *Ministerial Welfare Programme* provided for discretionary grants of financial assistance to residents of certain short-term residential programmes, to meet essential costs in the community needed to help them integrate back into the community as the end of their residence in the programme. Community costs included:   * cost of retaining any premises; * where premises not retained, the storage costs for the resident’s vehicle and household effects; * agreed payments for essential household furniture or appliances acquired before becoming a resident; * costs of childcare for any dependent child of the resident; and * costs relating to the resident’s retention of employment or place in an employment-related training course.   The total payment could not exceed $300 per week, unless there were exceptional circumstances.  A short-term residential treatment programme, meant a programme that provided alcohol or other drug treatment or treatment of any other medical or psychological disorder (including eating disorders), and was:   * of an intended duration of not more than 39 weeks; and * funded by the *Ministry of Health* under the *New Zealand Public Health and Disability Act 2000* orcertified under the *Health and Disability Services (Safety) Act 2001*. |
| 10 April 2006 | **Benefit Stand Downs: applicants for the Independent Youth Benefit who were at secondary school** | From this time policy and operational practice were changed and the initial stand down (and where applicable a non-entitlement period for voluntary unemployment or loss of employment through misconduct) was no longer applied to applicants for the *Independent Youth Benefit* (IYB) who were unemployed and engaged in full-time secondary education. This change in policy was required to comply with the legislation which from April 1997 had provided that the stand down provisions did not apply to IYB applicants who were engaged in full time secondary education. Retrospective reviews of cases where the stand down had been applied were carried out by the *Ministry of Social Development*. |
| 10 May 2006 | **Disability Allowance extended to people receiving Residential Support Subsidy** | From this time, people receiving disability-related care through the *Residential Support Subsidy* could access the *Disability Allowance* on the same basis as those living in the community. The *Disability Allowance* was available to help with their additional disability-related costs, such as medical fees and pharmaceutical costs.  On 10 May 2006, legislation was introduced to clarify that older people receiving *Residential Care Subsidy* were not eligible for *Disability Allowance* as disability-related costs were covered by the cost of their care. |
| 23 May 2006 | **Ministry of Social Development: New service model introduced** | A *New Service Model* was introduced in all *Ministry of Social Development* (*Work and Income)* offices and contact centres. This provided for:   * a new and more comprehensive pre-assessment process at the first point of contact with all new clients at prototype sites; * where employment is a realistic option, clients will be offered lower-cost tailored services, such as information seminars and skill profiling, prior to receiving a benefit; * at subsequent assessment points employment programmes and services will be made available earlier to a wider group, including existing clients, where it is deemed appropriate; and * assistance was provided to connect people with other agencies and service providers.   For clients with ill health or a disability:   * co-ordinated employment-focused services; * preparing for work assessments to identify employment skills, goals and supports; and * access to specific health interventions where appropriate to facilitate rapid return to employment.   *Work and Income* had been piloting the *New Service Model* in 12 service centres and two contact centres since June 2005 |
| 1 July 2006 | **Rates Rebate Scheme expanded** | The maximum rebate under the *Rates Rebate Scheme* was increased from $200 to $500, the income abatement threshold was increased from $7,400 to $20,000 per annum and the income allowance for each dependent was increased from $156 to $500 per annum. The previous maximum rebate of $200 was set in 1979. The income threshold was last adjusted in 1990.  The scheme enabled *Territorial Local Authorities* to provide a rebate to eligible ratepayers. The Local Authority was then reimbursed by the *Department of Internal Affairs*. A ratepayer was eligible for the maximum rebate if their income was $20,000 or less. The amount of the rebate was calculated by taking two thirds of the rates bill and reducing this amount by $1 for every $8 of income above $20,000. An additional $500 of income per dependent was allowed before income abatement was triggered (eg a ratepayer with one dependent can receive income of $20,500 before the maximum rebate begins to decrease). The rebate was then calculated as the lesser of the abated amount or $500. |
| 1 July 2006 | **Reduced Primary Health Care Costs for people aged 45 to 64 years** | Additional funding was provided to *Primary Health Organisations* (PHOs) to reduce fees for doctor visits for all people aged 45-64 years who were enrolled with PHOs and to reduce charges for medicines. This represented the next phase in the rollout of the Government’s *Primary Health Care Strategy* (it was already in place for people under 25 and those 65 and over) and reduced the cost of a doctor visit by around $27. |
| 1 July 2006 | **Paid Parental Leave Increased** | *Paid Parental Leave* was increased from a maximum of $357.30 gross per week to a maximum of $372.12 gross per week. This reflected the movement in average weekly earnings over the previous year. |
| 1 July 2006 | **Paid Parental Leave Extended to the Self-Employed** | *Paid Parental Leave* became available to self-employed mothers who had been working an average of 10 hours per week during the six months before the birth or date of adoption of  A child (with the same right to transfer to their partners as applies for employees).  Like employees, the self-employed women were able to transfer all or part of their *Paid Parental Leave* to their eligible partner. Their eligible partner could be either self-employed or an employee.  Self-employed parents had to stop working whilst they received payments but were able to maintain a level of oversight in their business and complete occasional administrative tasks.  Payment was set at a rate equal to their average weekly income, up to a maximum consistent with that applying to employees.  Self-employed people who made a loss or earned less than the *Minimum Wage* for a minimum of 10 hours per week were entitled to parental leave payments at a flat rate equivalent to 10 hours per week paid at the rate of the *Minimum Wage* ($102.50 as at 1 July 2006) |
| 1 July 2006 | **Department of Child, Youth and Family Services incorporated within the Ministry of Social Development** | The *Department of Child Youth and Family Services* was incorporated within the *Ministry of Social Development*.  This followed a March 2006 review by the *State Services Commission* which recommended that the *Department of Child, Youth and Family* be merged into the *Ministry of Social Development*, describing it as dysfunctional and with a culture resistant to change. |
| 1 July 2006 | **New Zealand Superannuation and Veteran’s Pension: Single rate for a married person with a partner in long-term care** | Eligibility to the single rate of *New Zealand Superannuation* or a *Veteran’s Pension* was extended to all married superannuitants, with a partner in long-term residential care. These people became entitled to the single rate of *New Zealand Superannuation* or a *Veteran’s Pension* and if they qualified, the *Living Alone Payment*. The partner in long-term residential care continued to receive half of the married rate of *New Zealand Superannuation* or a *Veteran’s Pension*. Prior to this, the single rate of payment could generally only be paid to married or civil union clients who lived in the community and have a partner in long-term residential care, if the partner in care was receiving *Residential Care Subsidy* (RCS). |
| 1 July 2006 | **New Zealand Superannuation and Veteran’s Pension: Eligibility to the Living Alone Payment amended** | An amendment to legislation removed the sharing expenses rule which had prevented some recipients of *New Zealand Superannuation* or a *Veteran’s Pension* from receiving the *Living Alone Payment*. Previously modest contributions to their household expenses from others (e.g. family members) had denied eligibility to the living alone payment. From this time, access to the *Living Alone Payment* was based on actual living arrangements. |
| 1 July 2006 | **New Zealand Superannuation and Veteran’s Pension: Payment to aid workers overseas** | The period of time a person could continue to receive *New Zealand Superannuation* or *Veterans Pension* while overseas and working voluntarily for an Aid Agency was increased from 52 to 156 weeks. This removed a financial disincentive for older volunteers to contribute to service abroad. |
| 1 July 2006 | **Residential Care Subsidy: Changes to asset limits and the income from assets exemption** | The asset levels for eligibility to the *Residential Care Subsidy* were increased by $10,000. Single people and couples with both partners in care were able to keep up to $160,000 in assets - up from $150,000, before they are used to contribute to the cost of their care. Couples both 65 years or over with one in residential care $65,000 (excluding family home and car) or they could elect the higher asset threshold of $160,000 (including family home or car).  The income from assets exemption was increased from $780 per annum (after tax) to $805 per annum (after tax) per person, reflecting the increase in the all groups *Consumers Price Index* for the year to March 2006. This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2006 | **National Civil Defence Emergency Plan Order 2005** | The *National Civil Defence Emergency Management Plan* came into effect. The plan provided for effective management of, and recovery from, states of national emergency or civil defence emergencies of national significance through a planned and co-ordinated whole-of-government response. The *Ministry of Social Development* was the lead agency for welfare co-ordination and the agency primarily responsible for delivery financial support and information. Financial assistance consisted of:   * national co-ordination of benefits; * payments to meet the immediate and continuing needs of people in an affected area through benefits, pensions and supplementary assistance; * non-means tested payments to meet the immediate needs of evacuees from an area affected by a civil defence emergency (temporary accommodation, food and clothing); and * other financial assistance approved by Cabinet or Ministers to cover specific situations.   The plan remained operative until 30 June 2011. |
| 24 August 2006 | **KiwiSaver Scheme: Implementation delayed** | A number of changes to the proposed *KiwiSaver Work Based Savings Scheme* were announced. These included:   * employer contributions were exempt from tax up to a maximum of four percent; * up to half of a *KiwiSaver* member’s contribution could be diverted toward mortgage repayments; * the minimum contribution remained at four percent, but employers’ contributions could count towards this (eg two percent plus two percent); * employee deductions begin on the first pay day, rather than after 11 weeks; and * the opt-out period was extended from six to eight weeks.   Implementation of the Scheme was delayed from 1 April 2007 to 1 July 2007.  The scheme was originally announced as part of the 2005 Budget (19 May 2005). |
| 1 September 2006 | **Community Housing Rent Support Scheme introduced (replaced the Rent Relief Fund)** | The *Community Housing Rent Support Scheme* (CHRSS) was introduced to provide a rent relief subsidy to community group service providers. *Housing New Zealand Corporation* (HNZC) rented approximately 1,500 houses to *Community Group Housing* providers who provide support to people with disabilities and people unable to live in their own home due to violence, abuse or other social dislocation. In order to qualify for an HNZC house, a provider must have a funding contract with a Government agency (e.g. *Ministry of Social Development*).  Delivered by HNZC, CHRSS replaced the assistance provided since 2001 under the *Rent Relief Fund*.  Rent subsidies were delivered to *Community Group Housing* (CGH) service providers on the basis of living arrangements rather than operating deficits. This ensured that subsidies were meeting housing costs. Providers were prevented from using this funding to fund other services. It also meant that CGH properties that provide independent living would be ineligible for support. Residents of these properties were eligible for the *Accommodation Supplement*. |
| 8 September 2006 | **Home Ownership Scheme Expanded**  **(Welcome Home Loan Scheme)** | The *Welcome Home Loan* *Scheme* was widened. The scheme underwrote private lenders to give loans to people on the margin of traditional mortgage criteria (i.e. people who lack a sufficient deposit to meet standard lending criteria). Since the scheme was introduced in 2003, the increase in lower quartile house prices had effectively hindered its usefulness. To combat this, the limit for lending with no deposit was increased from $150,000 to $200,000. The minimum deposit required for lending over $200,000 was changed from five percent of the total loan, to 15 percent of the portion of the loan, which is above the 100 percent lending limit.  The changes meant that a household could borrow $200,000 without a deposit and could borrow up to a total of $280,000 under the scheme. Any borrowing in excess of $200,000 required a deposit (15 percent of the borrowings in excess of $200,000. For example, a loan of $250,000 required a deposit of $7,500 (15 percent of $50,000)  Households could qualify to use the scheme if the consist of one or two people earning up to $85,000 per annum or three or more people earning up to a total of $120,000 per annum. |
| 18 September 2006 | **Information Matching between HNZC and MSD** | An information match was established between *Housing New Zealand Corporation* (HNZC) and the *Ministry of Social Development* (MSD). This involved HNZC supplying MSD with tenant information which was then used to check benefit entitlements and to enforce collection of benefit debt. [Note: Tenants of HNZC properties were not eligible for the *Accommodation Supplement* or the *Student Allowance Accommodation Benefit.*] |
| September 2006 | **Integrated Service Response: family- focused case management** | The *Integrated Service Response* (ISR) was established. The ISR was a new way of working that offered a family-focused case management. The primary objective was to work with families who have high and complex needs to ensure that their children are given the best opportunity to grow and develop in a safe environment. The ISR programme identified families with multiple and complex needs and provided them with services that aimed to reduce their level of risk. Integrated Service Co-ordinators (ISCs) were based in Work and Income offices in the communities where the service operated and their role was to focus on working with families rather than individual clients. They also worked to strengthen networks between government agencies, NGOs and the local community. Families could be referred to the service by the Ministry or staff in other agencies, or they could make a self-referral.  The ISR was developed by the *Ministry of Social Development* (Work and Income, Child, Youth and Family, Integrity Services, and Family and Community Services) *Housing New Zealand Corporation* and the *New Zealand Police*.  The ISR was initially established in nine communities, Kaitaia, Kaikohe, Papakura, Manurewa, Rotorua, Flaxmere, Porirua, New Brighton and Dunedin.  The learnings from the initial phase were then used to refine the engagement and support processes and the service was expanded to an additional 44 locations during October 2007 and November 2007. |
| 1 October 2006 | **Special Needs Grants: Repair and maintenance of on-site effluent treatment systems** | From this time non-recoverable *Special Needs Grants* (SNGs) were available to assist low income home owners in rural areas with the maintenance and repair of on-site effluent treatment systems (including septic tanks, long-drop and composting toilets). These were subject to the following criteria:   * income and asset limits applicable to the SNG programme; * available to homeowners who reside in the property or the occupier of a dwelling on Māori land in multiple ownership; * need for repairs and maintenance must be identified; and * maximum payable was $300 in a two-year period.   Prior to this, assistance with the costs of repairs and maintenance was available to low income homeowners via the *Advance Payment of Benefit Programme* or the *Recoverable Assistance for Non-Beneficiaries Programme.*  This was a time-limited provision, set to expire on 1 July 2008. |
| 1 October 2006 | **Healthcare: Very Low Cost Access Scheme introduced** | The *Very Low Cost Access* VLCA scheme commenced. It provided extra funding to a general practice with an enrolled population of 50 percent high needs population (defined as Mäori, Pacific or New Zealand Deprivation Index quintile five), who agreed to maintain fees at or below set thresholds.  It was a voluntary scheme that a general practice could opt out of at any time, if they considered it was no longer appropriate for them.  As a result of the targeting mechanism, not all people who benefited from reduced fees were high needs and some high needs communities were not included in the VLCA scheme. |
| 3 October 2006 | **Childcare Assistance: Income limits increased** | The income limits for *Childcare Assistance* (*Child Care Subsidy* and *Oscar Subsidy*) were increased by around $5,000. The new income limits were $54,000 for a one child family, $65,000 for a family with two children and $75,400 for a family with three or more children. |
| 26 October 2006 | **Working New Zealand: Work Focused Support**  **Announcements on Welfare Reform and Delay of Universal Benefit** | **Phase One** of *Working New Zealand: Work-Focused Support* involved:   * extending employment assistance to people receiving the *Independent Youth Benefit, Domestic Purposes Benefit*, *Sickness Benefit* or *Invalid's Benefit*; * setting stronger work expectations for clients in some circumstances; * providing targeted employment initiatives to reduce the high Māori unemployment rate; * offering a Job Search Service for all work-ready clients; and * continuing to align rules and criteria of different benefits.   Proposals to enhance expectations included:   * introducing a new pre-benefit activity requirement for applicants for *Unemployment Benefit* and enhancing the activity requirements for recipients; * the current age-related work test exemption will be removed for *Unemployment Benefit* clients aged 60 years and over, and all partners of beneficiaries from age 55 years and over, meaning they will have work test expectations; * introducing a part-time work test for partners of beneficiaries who have a youngest child aged six years or over (currently those with a youngest child over the age of 14 years have a full-time work test); and * introducing planning and activity requirements for *Sickness Benefit* and *Invalid's Benefit* clients (unless exempt).   **Phase Two** of Working New Zealand: Simplification of the Welfare System  It was announced the further measures to reform the benefit system, including the move to Universal Benefit were to be delayed until the next term of Government.  **A number of changes to benefit criteria were announced (subject to legislation), including:**  From May 2007 (subsequently implemented from 2 July 2007 due to a delay in the enactment of the legislation):   * simplifying and aligning the residency eligibility requirements across all benefits to two years. (Refugees with permanent residence would be exempt from the two year residency requirement); * amending the eligibility criteria for *Domestic Purposes Benefit* and *Widow's Benefit* to remove the requirement that the child be born in New Zealand, and to enable people who are caring for a dependent child who was not their own to qualify in some instances; * extending the eligibility for *Domestic Purposes Benefit for the care of the Sick or Infirm* to include people who would otherwise require care in a community residential service, rest home or equivalent levels of care in the community; * reducing the current maximum income stand-down period to two weeks for all main benefits; and * extending the current exemption from the stand-down for people applying for *Domestic Purposes Benefit* who have entered a refuge following a breakdown in their relationship. The exemption would be extended to apply to people applying for *Unemployment Benefit, Invalid's Benefit, Sickness Benefit* and *Independent Youth Benefit* in the same circumstances.   From 1 July 2007:   * aligning the current payment periods so that all benefits are paid in respect of a seven day pay period; * ensuring that all new benefit applicants initially have weekly income assessments, with a move to annual assessment possible in some circumstances; and * weekly payment of all benefits.   From 1 September 2007:   * aligning change-in-circumstances rules for sole parents so that they can continue to receive a benefit for up to eight weeks in some situations (the current rules only applied to sole parents receiving the *Domestic Purposes Benefit* and *Widow's Benefit*). |
| 11 November 2006 | **Gold Card for Senior Citizens Announced** | A concession card “*SuperGold Card*” providing discounts for senior citizens was announced. It would be implemented in August 2007 and have the following parameters:   * a concession card for New Zealand residents who are 65 or over, or who qualify for *New Zealand Superannuation* or a *Veteran's Pension;* * provide commercial discounts from participating businesses, and easy access to concessions on government and local authority services; * credit card-sized, it would carry the holder's name, a number and whether the holder receives *New Zealand Superannuation* or a *Veteran's Pension*, or has a *Community Services Card*. A photograph for ID purposes would be optional; * About 540,000 people – including around 15,000 under the age of 65 – were expected to be eligible to receive the card; * the card would be sent automatically to people receiving *New Zealand Superannuation* or a *Veteran's Pension*, and to people aged 65 or over who were receiving main social security benefit. Other residents aged 65 plus who would qualify for the card would need to apply; * cardholders' spouses who were under 65 years would be able to access the commercial discounts; * Veterans would receive a specially-branded *SuperGold Veterans Card*; and * the *SuperGold Card* would replace the *Community Services Card* and the *Super Card*. People who previously held those cards would be able to access their entitlements through the *SuperGold Card*. |
| 22 November 2006 | **Residential Care Subsidy: Income from assets exemption** | The income from assets exemption was amended to include different levels reflecting the circumstances of people in residential care. The new income from asset exemptions were:  The new income from asset levels (after tax) were:  single people: $805 per annum;  couple (both in care): $1,610 per annum (twice the level for single people); and  couple (one in care): $2,415 per annum (three times the level for single people).  The income from assets exemption was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income.  Prior to this the income from assets exemption was $805 per annum per person. |
| 24 November 2006 | **Residential Care Subsidy: Compensation payments to former prisoners of war exempt from the means assessment** | The following payments were exempt from the means assessment for the *Residential Care Subsidy*:   * compensation or ex-gratia payment received by a person or his or her spouse or partner on account of that person or his or her spouse or partner having been: * a prisoner of war, civilian internee, or victim of persecution of * any country during the Second World War; or * a dependent child of a person who was a prisoner of war, civilian internee, or victim of persecution of any country during the Second World War. |
| 1 December 2006 | **Redundancy Tax Rebate**  **Introduced** | A *Redundancy Tax Rebate* was available to individuals who received a redundancy payment on or after this date were entitled to a tax rebate. This was calculated on the basis of a flat rate of 6 cents in the dollar, up to $60,000 for a single redundancy. The maximum tax rebate was $3,600. The rebate was not available in respect of a redundancy payment paid directly, or indirectly, by an employer who was “associated” or related to the employee (eg a company to its director, or to a shareholder employee). |
| 15 December 2006 | **Social Security Benefits: Cash asset and income exemptions** | The cash asset and income exemption under the *Social Security Act 1964* was extended to include:   * compensation or ex-gratia payments received by a person or the spouse of a former prisoner of war during the Second World War or their dependent children (**exemption as a cash asset**); and * ex-gratia payments to people who have been infected with Hepatitis C through the New Zealand Blood supply (**exemption as a cash asset or income derived from that asset**). For the *Residential Care Subsidy*, the payments were exempt from the asset assessment. This exemption applied for the 12 months following the receipt of the payment. Subsequently, an amendment was made to the *Social Security* *Temporary Additional Support (TAS) Regulations* to provide the same time-limited exemption for TAS. |
| 19 December 2006 | **Social Security Benefits: Payment during an epidemic** | The *Social Security Amendment Act 2006*, divided from the *Law Reform (Epidemic Preparedness) Bill* provided that for the period when a *Domestic Epidemic Notice* was in force and for a period after the notice expires that the Minister considers reasonable, the following provisions applied which allowed for variation in the rules for the administration and payment of *Social Security Benefits*:   * payment of benefits that would not otherwise be paid due to stand down provisions or suspension for failure to meet work-related obligations; * reinstatement of benefits that had been cancelled or terminated within the eight weeks before the commencement of the a domestic epidemic notice; * granting or reinstatement of benefits subject to a non-entitlement period; * refraining from exercising a power to cancel, suspend, vary or terminate a benefit where this would usually occur; * granting on a provisional basis, an *Emergency Benefit* to people who would not otherwise be entitled to be granted an *Emergency Benefit*; * granting benefits without normal investigations; and * payment of financial assistance to overseas visitors who are prevented from returning home due to an epidemic outside of New Zealand. |
| 1 January 2007 | **Student Loans and Allowances: Access tightened** | Access to *Student Loans* and *Student Allowances* was removed from students enrolled in qualifications that did not receive *Student Component Funding*. Students that were part way through a qualification had their access to loans and allowances grandparented for the duration of their qualification, providing they continued to meet the general eligibility criteria AND either they were studying in the non-student component funded qualification prior to 1 January 2007 or the qualification was student component funded but had its funding removed and the student was undertaking the qualification before the removal of funding. |
| 1 January 2007 | **Changes to Student Allowances** | The following changes to *Student Allowances* were implemented:   * the parental income threshold was increased by 10 percent from $35,700 to $39,270. Eligible students whose parents had an income of less than the threshold received a full student allowance; and * doctoral students had their entitlement to a *Student Allowance* increased with the addition of PHDs and professional doctorates to the list of *Recognised Long Programmes*. |
| 1 January 2007 | **Changes to the Student Allowances Regulations: Consistency will the New Zealand Bill of Rights Act** | A number of changes were made to the *Student Allowances Regulations 1998* to reduce the risk of inconsistency with the *New Zealand Bill of Rights Act 1990*. The changes included:   * the exclusion from consideration as personal income of parental financial assistance was tightened so it applied only to people subject to the parental income test (it had previously included students under 25 with dependent children); * the definition of personal income was tightened so that the exclusion of payments from the *Accident Compensation Corporation* received as the result of the death of a parent, applied only to students subject to the parental income test (it had previously included students under 25 with dependent children); * students who were married or in a civil union, but estranged and living apart from their spouse/partner were regarded as single (similar to section 63 (a) of the *Social Security Act 1964*); and * provision for *A and B Bursaries* were revoked, with existing recipients grandparented until they attained the age of 20 years. |
| 1 January 2007 | **Bonded Merit Scholarship Scheme expanded** | The *Bonded Merit Scholarship Scheme* was expanded by 500. From this time, 1,000 students a year received help with courses fees. The scholarships provided $3,000 per academic year for course fees, from the student’s second year for up to four years of study. After graduating, students were bonded to remain in New Zealand for a period as long as the duration of their scholarship. |
| 1 January 2007 | **Changes to the Training Incentive Allowance** | From this time an approved course of study for the *Training Incentive Allowance* (TIA) was required to attract *Student Component Funding* or other approved Government funding, or to be a *Specifically Identified Course*. Government funded and specifically identified courses were those that would help clients improve their skills and increase their chances of getting work, but may not have attracted *Student Component Funding*.  These courses included:   * *Training Opportunities Programme* (TOPS) courses * secondary school courses * university pre-enrolment courses.   Clients part way through courses that no longer met the qualifying criteria could have their TIA grandparented for up to three years. Clients undertaking a course that lost its *Student Component Funding* during the year, were able to complete the course.  The changes were made to focus more tightly on government quality and relevance standards for tertiary education. |
| 16 February 2007 | **Family Assistance Renamed (Working for Families Tax Credits)** | Payments made to families with dependent children were renamed *Working for Families Tax Credits* (previously *Family Assistance*).  The following name changes to specific payments were adopted:   * *Family Support* became the *Family Tax Credit*; * the *In-Work Payment* became the *In-Work Tax Credit*; and * the *Family Tax Credit* became the *Minimum Family Tax Credit*.   The *Parental Tax Credit* and *Child Tax Credit* remained unchanged. |
| 18 March 2007 | **Income Exemption: Defence Force operational allowances** | Regulations were made under the *Social Security Act 1964* to declare that *Operational Allowances* were not the income of those who receive the allowances. *Operational Allowances* were paid to members of the *New Zealand Defence Force* and *New Zealand Police* who serve in operational areas. An amendment to the Income Tax Act, (effective 18 March 2007) provided that these allowances were no longer taxable income.  Prior to this time, the *Ministry of Social Development* paid allowances to defence force personnel serving overseas in an “operational area”. These were paid via the *Defence Force Allowance Ministerial Welfare Programme* which meant that they did not impact on eligibility to Family Assistance under the *Income Tax Act* or assistance under the *Social Security Ac 1964* (with the exception of *Special Benefit/Temporary Additional Support*).  The *Defence Force Allowance Ministerial Welfare Programme* was revoked. |
| 1 April 2007 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was increased from $17,160 to $17,784 for the 2007/2008 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. The increase represented the change in the *Consumer Price Index* over the year to the end of September 2006. |
| 1 April 2007 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 2.63 percent to reflect the increase in the cost of living over the previous 12 months. |
| 1 April 2007 | **Rates of New Zealand Superannuation/Veteran’s Pension increased to 66% of the average wage** | An adjustment over and above the *Consumer Price Index* increase was made to rates of *New Zealand Superannuation* and *Veteran’s Pension* to ensure that the rate payable to a married couple (who both qualify) was not less than 66 percent of the average ordinary time weekly wage. [Note: This was a Government commitment as part of its *Confidence and Supply Agreement* with the *New Zealand First Party*].  This resulted in a 4.99 percent increase in net weekly rates. |
| 1 April 2007 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by the movement in the *Consumer Price Index*. The new income levels were:   * $ 21,676 Single (sharing); * $ 22,981 Single (alone); * $ 34,328 Couple; * $ 41,196 2 person family; * $ 49,364 3 person family; * $ 56,096 4 person family; * $ 62,684 5 person family; and * $ 70,073 6 person family.   For each additional child thereafter, income levels increased by $6,482. |
| 1 April 2007 | **Childcare Assistance: Income limits adjusted** | Section 132AC(2)(b) of the Social Security Act 1964 required that the income limits that determine the applicable rate of *Childcare Assistance (Childcare Subsidy and OSCAR Subsidy)* were adjusted when the cumulative percentage increase in the *Consumers Price Index* exceeded five percent, calculated from 4 October 2004.  In addition, the adjustment to the income limits that was required by legislation a further increase was applied. |
| 1 April 2007 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $749 per annum ($14.40 per week) to reflect the increase in the *Consumer Price Index*. The maximum earnings liable for *Child Support* were $104,312 for the 2007/2008 tax year. |
| 1 April 2007 | **ACC Earner Premium** | The *Earner Premium* remained at 1.3c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $99,817 with the maximum premium of $1,297.62 for the 2007/2008 tax year. |
| 1 April 2007 | **Rates of Family Tax Credit increased**  **Adjustment mechanism for rates and abatement threshold** | Rates of the *Family Tax Credit* were increased by $10 per child per week. New maximum weekly rates were:   * first or only child 0-15 years: $82; * first or only child 16-18 years: $95; * subsequent child 0-12 years: $57; * subsequent child 13-15 years: $65; and * subsequent child 16-18 years: $85.   From this time, future increases to *Family Tax Credit* (rates and abatement thresholds) would occur when changes to the *Consumer Price Index* reached a cumulative 5% from the date of the previous increase (The next adjustment was expected in April 2009). This was subsequently brought forward to October 2008 as part of the Government’s *2008 Budget Tax Package*. |
| 1 April 2007 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $18,044 ($347 net per week). The *Minimum Family Tax Credit* guaranteed low income families with a dependent child or children an after-tax minimum income. *Family Tax Credit* was paid in addition to this minimum level of after-tax income. |
| 1 April 2007 | **Temporary Tax Exemption on Foreign Income and Working for Families Tax Credits** | From this time, new migrants and returning New Zealanders could qualify for a temporary tax exemption on some of their foreign income.  If a person or their partner chooses to receive this tax exemption, they could not receive *Working for Families Tax Credits* (which included *Family Tax Credit*) at the same time.  The exemption could only be granted once in a life-time. It was available to a person who had not been resident for tax purposes in New Zealand for at least 10 years prior to their arrival in New Zealand. The temporary tax exemption for foreign income was for four calendar years (up to 49 months). |
| 1 April 2007 | **Rates of Orphans Benefit, Unsupported Child Benefit and Foster Care Allowance increased** | Rates of the *Orphans Benefit* (OB), *Unsupported Childs Benefit* and *Foster Care Board Payments* were increased by $10 per child per week in line with the increase to the *Family Tax Credit*. A further increase of $10 per child per week applied to *Orphans Benefit* and *Unsupported Child Benefit* payable without a *Care Supplement*. The increases were:   * $10 per child for people who receive OB or UCB with a *Care Supplement* or FCA; and * $10 per child for people who receive OB or UCB without a *Care Supplement*. |
| 1 April 2007 | **Student Loans: Information Match Between Customs and the Inland Revenue Department** | An information match between *New Zealand Customs Service* and the *Inland Revenue Department* commenced. The purpose was to identify people who were travelling overseas, had a *Student Loan* repayment liability and who had not informed the *Inland Revenue Department*, thereby avoiding repayments, penalties and interest on their *Student Loan*. |
| 1 April 2007 | **Student Loans:**  **Amnesty for Borrowers Overseas extended.**  **Changes to Repayment Rules for Borrowers Living Overseas.**  **Penalty Interest Rate Reduced.** | The *Student Loan Amnesty* for borrowers overseas was extended until 31 March 2008. This provided an amnesty for student loan borrowers who were resident overseas. Borrowers not resident in New Zealand, who returned to New Zealand or entered into an acceptable payment arrangement, were not required to pay penalties that they had incurred.  Four additional measures were introduced:   * provision was made for a three-year repayment holiday for borrowers going overseas (no repayments were required but interest continued to be charged); * the penalty interest rate was reduced to 1.5 percent, down from a compounding rate of 2.0 percent. This cut the effective rate from 26.82 percent to 19.57 percent; * a borrower oversees and who was not on a repayment holiday faced changes to their repayment obligations. Annual repayments were set at $1,000 on loans up to $15,000, $2,000 on loans between $15,000 and $30,000 and $3,000 on loans over $30,000. Previously the annual repayment obligation was set at one-fifteenth of the size of their loan; and * graduates studying full-time overseas became entitled to interest free loans on money borrowed before they left New Zealand, but not on money borrowed to study overseas. |
| 1 April 2007 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 9.8 percent to $11.25 gross per hour ($450 for a 40-hour week).  The *Youth Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) was increased to $9.00 gross per hour (80 percent of the *Adult Minimum Wage*). |
| 1 April 2007 | **Minimum Annual Holidays for Employees increased from three to four weeks** | Employees became entitled to a minimum of four weeks annual holiday. Employees become eligible for their extra week’s holiday on their first anniversary date (the date when they started their current job) after 1 April 2007. |
| 1 April 2007 | **Taxation of Employer Contributions to Specified Superannuation Schemes** | Employer contributions to *Specified Superannuation Schemes* were no longer subject to taxation. This extended the concession applicable to the *KiwiSaver* Scheme to private superannuation schemes which met specified criteria. |
| 1 April 2007 | **Social Security Benefits: Recognition of same- sex de-facto couples** | From this time, all couples in a same-sex de-facto relationship had the same status as married, civil union, and opposite sex de-facto couples when receiving financial assistance. Prior to this, same sex de facto couples had been treated as single for the purpose of accessing eligibility to *Social Security Benefits* and *Student Allowances*. |
| 27 April 2007 | **Ex-Gratia Payments to Vietnam Veterans: Income and Asset Exemption** | Ex-Gratia payments made to Vietnam Veterans were exempt as income (including interest derived from the payments) and as a cash asset under the *Social Security Act 1964*. The payments were also exempt as a cash asset for *Residential Care Subsidy* and *Temporary Additional Support*. |
| 30 April 2007 | **Transition to Work Grant replaced the Work Start Grant and Pathways Payment** | The *Transition to Work* (TTW) programme provided non-recoverable financial assistance to meet the essential costs of moving into employment. The maximum amount payable was $1,500 in a 52-week period.  A person was eligible for a grant if they were interacting with the *Ministry of Social Development* and seeking employment (including students registered with *Student Job Search*). Employment excluded employment as a sex worker or employment in the sex industry. Eligibility was restricted to people aged 18 years or over, unless there were exceptional circumstances. Eligibility to a grant was subject to an income and cash asset test.  The TTW Programme had three core components:   * job search costs; * work placement costs; and * bridging finance.   Job search costs included the costs involved with seeking work and attending and participating in job interviews (including, clothing child care, transport, interpreter, tattoo removal etc). Work placement costs included the costs required to enter employment (other than training costs (including job related clothing or equipment (not including clothing or equipment the employer is required to provide under Health and Safety Legislation), child care costs up until date of the first payment of wages, transport costs up until the date of first payment of wages, relocation costs etc). Bridging finance was available to people who had their benefit cancelled to enter full-time employment (not being temporary employment).  A grant for job search costs could not exceed $300 and a grant for bridging finance could not exceed $250 per week or be made for a period of more than two weeks at a time.  The *Work Start Grant* and *Pathways Payment Programmes* were revoked. |
| 30 April 2007 | **Social Security Debt Recovery Suspension Regulations** | Regulations under the *Social Security Act 1964* provided for the suspension of recovery of benefit debts for up to three months, when requested by a person who has cancelled a benefit to enter into permanent employment. The person was required to meet an income and cash asset test. |
| 30 April 2007 | **Special Needs Grants: Payment of occupational training course fees revoked** | Provision to make a non-recoverable *Special Needs Grant* of up to $200 to cover the occupational training course fees for recipients of the *Unemployment Benefit* and *Independent Youth Benefit* (or a related *Emergency Benefit*) was revoked. This was replaced with assistance provided under the *Course Participation Assistance Programme*. |
| 30 April 2007 | **Course Participation Assistance Programme** | From this time, grants under the *Course Participation Assistance Programme* of up to $1,000 over a 52-week period could be made to assist beneficiaries to participate in training and work-related skills development. Applicants must have been receiving a benefit (or granted a benefit and subject to the initial stand down) or be a non-qualified spouse of a recipient of *New Zealand Superannuation* or a *Veteran’s Pension*, and meet the income and cash asset test. Assistance included tuition and enrolment fees (up to $200 in respect of any one course), transportation costs, care costs (dependent children, people with disabilities, elderly).  A course meant a training or work-related skills development course provided under the *Cabinet Guidelines for Employment Assistance* or a course that the *Ministry of Social Development* determined was analogous to a course provided under the Cabinet Guidelines.  In deciding whether to make a grant, the *Ministry of Social Development* was required to consider whether then applicant would be unable to participate in the course without the grant, whether the course was appropriate to the applicant’s personal situation and skill development needs, whether the course is part of a planned progression towards employment and in line with the beneficiary’s plan and that the grant is likely to improve the likelihood of the beneficiary gaining employment. |
| 30 April 2007 | **Wage Subsidies Re-structured.**  **Skills Investment Subsidy introduced** | The seven existing types of wage subsidy were reduced to two. In addition, there continued to be a subsidy for disaster relief. From this time the three subsidies were:   * *Skills Investment Subsidy*; * *Taskforce Green Subsidy*; and * *Taskforce Green* *(Disaster Relief).*   The *Skills Investment Subsidy* incorporated *Job Plus Training* and replaced the following subsidies:   * *Job Plus;* * *Job Plus for People with Disabilities;* * *Job Plus Māori Assets;* * *Job Connection;* * *Job Support* (wage subsidy component); and * *Community Employment Organisation*.   The *Skills Investment Subsidy* could be paid for a maximum of 52 weeks up to a maximum of $16,900 per annum.  *Taskforce Green* remained as subsidy paid to an employer for project-based work of up to 26 weeks. It focused on people who are not yet work ready to provide an opportunity to train and develop work skills. |
| 30 April 2007 | **Work Experience Programme modified** | The *Work Experience Programme* was modified to enhance access and improve effectiveness by:   * capping the duration at four weeks with a maximum of 40 hours per week; * having no expectation of employment with the employer; * clearly stating the rights and responsibilities of all participants, the responsibility of the employer for health and safety within the workplace, and that participation is voluntary. This was formally recorded through a *Work Experience Agreement*; and * monitoring employers who provided work experience opportunities. |
| 30 April 2007 | **Unemployment Benefit: Community work no longer a recognised activity** | From this time *Activity in the Community* was no longer available to the unemployed (i.e. beneficiaries subject to the full-time work test). It remained available to people receiving other benefits (eg *Domestic Purposes Benefit, Sickness Benefit, Invalids Benefit* etc). |
| 30 April 2007 | **Ministerial Guidelines for Employment and Training Assistance** | New *Ministerial Guidelines for Employment and Training Assistance* were implemented. |
| 17 May 2007 | **Enhancements to the KiwiSaver Scheme Announced** | As part of the 2007 Budget it was announced that the *KiwiSaver* scheme would be enhanced to include a tax credit to match contributions (up to $20 per week) and that compulsory matching employer contributions would be phased in. Details were:   * from 1 July 2007 member contributions to *KiwiSaver* (and complying superannuation funds) would be matched by a tax credit of up to $20 per week ($1,040 per year) that will be paid directly to the individual’s Kiwi Saver account; * from 1 April 2008, employees contributing to *KiwiSaver* (and complying superannuation funds) will also be entitled to a matching employer contribution of 1 percent of gross salary, increasing to 4 percent by 1 April 2011. The minimum employee contribution required was 4 percent of gross salary; and * from 1 April 2008, employers were provided with a tax credit that reimbursed their contributions at a rate of 100 percent, up to $20 per week ($1,040 per year) per employee. |
| 6 June 2007 | **PATHS extended to the Wanganui Region** | *PATHS* (*Providing Access to Health Solutions*) was extended to the Wanganui area. *PATHS* Wanganui was a joint initiative between the *Ministry of Social Development*, Wanganui DHB and the *Wanganui Regional Primary Health Organisation*. The programme aimed to help recipients of an *Invalids Benefit* or a *Sickness Benefit* to return to work by providing access to a range of health interventions, including intensive physiotherapy, access to pain clinics, fitness programmes and extra visits to health professionals for the management of chronic diseases such as diabetes and asthma. *PATHS* Wanganui was the seventh service to be launched following on from the first *PATHS* programme in the Manukau region in April 2004. |
| 1 July 2007 | **KiwiSaver Workplace Savings Scheme** | The *KiwiSaver* *Workplace Savings Scheme* commenced. |
| 1 July 2007 | **Free Early Childhood Education for 3- & 4-Year Olds** | From this time up to six hours per day of free *Early Childhood Education* (ECE) (up to 20 hours each week) was available to 3-4-year-old children participating in kohanga reo and teacher-led ECE services (kindergartens, centre-based and home-based).  ECE providers could not require fees to be paid in respect of the hours covered by free ECE care. Optional charges were payable on a voluntary basis to cover features above regulations (eg hot lunches, trips, specialist teachers, additional teachers etc). |
| 1 July 2007 | **Reduced Primary Health Care Costs for people aged 25 to 44 years** | Additional funding was provided to *Primary Health Organisations* (PHOs) to reduce fees for doctor visits for all people aged 25-44 years who were enrolled with PHOs and to reduce charges for medicines. This represented the final phase in the rollout of the Government’s *Primary Health Care* strategy (it was already in place for people under 25 and those 45 and over) and reduced the cost of a doctor visit by around $27 and the co-payment on fully subsidised pharmaceuticals from $15 to $3 per item. |
| 1 July 2007 | **Paid Parental Leave Increased** | *Paid Parental Leave* was increased from a maximum of $372.12 gross per week to a maximum of $391.28 gross per week. This reflected the movement in average weekly earnings over the previous year.  The minimum payment for self-employed parents increased from $102.50 per week to $112.50 per week. |
| 1 July 2007 | **Residential Care Subsidy: Changes to asset limits and income from assets exemption** | The asset levels for eligibility to the *Residential Care Subsidy* were increased by $10,000 and the income from asset levels adjusted by the *Consumer Price Index*. Single people and couples with both partners in care were able to keep up to $170,000 in assets - up from $160,000, before they are used to contribute to the cost of their care. Couples both 65 years or over with one in residential care $75,000 (excluding family home and car) or they could elect the higher asset threshold of $170,000 (including family home or car).  The income from assets exemption was adjusted by the movement in the *Consumer Price Index* for the year ending 31 March 2007. The new income from asset levels (after tax) were:   * single people: $826 per annum; * couple (both in care): $1,651 per annum; and * couple (one in care): $2,477 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 2 July 2007 | **Social Security Benefits: Changes to benefit stand down periods** | The initial stand down for main *Social Security Benefits* was capped at two weeks (previously ten weeks). For a couple without dependants, an average income of less than the average wage resulted in a stand down of one week. For a couple without dependants, average income equivalent to or above the average wage resulted in a stand down of two weeks. The levels of allowable average income were adjusted to reflect the number of dependants. |
| 2 July 2007 | **Social Security Benefits: Changes to the residence criteria** | The residence criteria for main *Social Security Benefits* were aligned across all main benefit categories. Applicants were required to:   * be a New Zealand citizen or permanent resident (i.e. not be in New Zealand unlawfully or on a temporary permit; * have lived continuously in New Zealand for two years or more at any one time; and * generally be ordinarily resident in New Zealand.   Previously people who didn’t meet the residence criteria for *Invalids Benefit, Domestic Purposes Benefit* or *Widows Benefit* could apply for an *Emergency Benefit*. From this time, they qualified for the appropriate main benefit.  For refugees, there was an exemption to the requirement to have lived continuously in New Zealand for two years or more at any one time. |
| 2 July 2007 | **Domestic Purposes Benefit and Widows Benefit: Qualifying child criteria removed** | The “qualifying child” criteria for the *Domestic Purposes Benefit* and *Widows Benefit* was removed. Prior to this, a qualifying child was a child born in New Zealand when at least one parent is ordinarily resident. There were some circumstances where a child born outside New Zealand could be a “qualifying child” (eg the mother was temporarily outside of New Zealand when the child was born). |
| 2 July 2007 | **Independent Youth Benefit: Eligibility for 16-17-year olds discharged from state care** | From this time 16-17 year olds discharged from the care of *Child, Youth and Family* (CYF) could receive the *Independent Youth Benefit* (IYB) without having to establish a breakdown with their caregiver and applicants for the IYB who are engaged in approved employment-related training were no longer subject to a benefit stand down. |
| 2 July 2007 | **Domestic Purposes Benefit for Caregivers: New criteria** | The level of care requirement for *Domestic Purposes Benefit – Care of the Sick or Infirm* was extended. Applicants had to be caring full-time at home for someone (other than their partner) who would have to receive [full](javascript:pop('http://inet/tools/map/definitions/hospital%20care.htm'))-time care and attention, if they were not being cared for at home. This included people who would otherwise be in hospital, rest home care, residential disability care and extended care services for severely disabled children and young people.  Extra requirements were placed on 16-17-year-old applicants before they could receive the *Domestic Purposes Benefit – Care of the Sick or Infirm*. Specifically, that no other caregiver is reasonably available to care for the person. This reflected that being a full-time carer was not necessarily the best outcome for some young people, so assistance was limited only to those situations where there was no other appropriate carer. |
| 2 July 2007 | **Social Security legislation: Correction power introduced** | From this time the Minister was able to exercise a *Correction Power* under section 80AA of the *Social Security Act 1964* to pay a benefit retrospectively where a beneficiary:   * did not make or complete an application for benefit at an earlier date; and * the reason the client did not make or complete an application for benefit was due to an error or omission on the part of the *Ministry of Social Development*.   This was designed to cover situations where the *Ministry of Social Development* had made a mistake that resulted in a person not applying for a benefit at the earliest opportunity.  Exercise of the correction power was delegated by the Minister to the Chief Executive of the *Ministry of Social Development*, unless the net fiscal cost of the any one use of the power exceeded $500,000. |
| 2 July 2007 | **Transitional Protection Supplement introduced** | The *Transitional Protection Supplement* provided transitional protection to beneficiaries who were financially disadvantaged (i.e. the person’s total income from benefit payments reduced as a result of the benefit changes introduced as part of the *Working New Zealand* package) by amendments to the *Social Security Act 1964* that came into effect on 2 July 2007 and 24 September 2007. The provision expired on 30 June 2009. |
| 11 July 2007 to 31 December 2007 | **Rural Assistance for farmers in the east coast of the North Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the east coast North Island who were affected by drought. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable.  Access to assistance was subsequently extended until 30 June 2008 |
| 23 July 2007 | **Non-Recoverable Assistance for Upper North Island flood victims** | From this time non-recoverable assistance was available to assist low-income uninsured families who were affected by the flooding in the Upper North Island 10-11 July 2007. Grants were available to assist with essential re-establishment costs (e.g. fridges, washing machines, beds and bedding) or relocation costs. Payments were assessed on a case by case basis taking into account income, assets and assistance available from other sources (e.g. public donations of goods or funds from public appeals). As a general rule the maximum amount payable was $2,500 (total of re-establishment and relocation costs). In exceptions circumstances this amount could be exceeded (eg in the case of large families).  These grants were paid under the *Civil Defence Programme* (from the *Special Needs Grants* appropriation). |
| 24 July 2007 | **All main social security benefits paid weekly** | Beneficiaries in receipt of an *Invalids Benefit, Domestic Purposes Benefit* or *Widows Benefit* who remained on the fortnightly pay cycle were transferred to weekly payments. The last fortnightly payments were made on 10 July 2007 and the first weekly payments on 24 July 2007. A non-recoverable transitional payment was made to affected beneficiaries on 17 July 2007.  This change did not impact on payments of *New Zealand Superannuation*, *Veteran’s Pension* or *Child Disability Allowance* which continued to be paid fortnightly. Payments to beneficiaries living overseas and paid under reciprocal agreements with Canada, Ireland, Netherlands, Jersey, Guernsey, Denmark or Greece remained fortnightly. |
| 24 July 2007 | **All main benefits paid over a seven-day period** | From this time all *Social Security Benefits* were paid over a seven day pay cycle. Previously employment-related benefits were paid over 5 days. |
| 16 August 2007 | **Financial Support for Parents Awaiting the Outcome of an International Child Custody and Welfare Dispute** | From this time non-recoverable discretionary hardship grants were available under the *Special Needs Grants* programme for a parent in the following situations:   * a parent in New Zealand on a temporary permit who had accompanied a dependent child or children require to be returned to New Zealand in compliance with an order made in compliance with the *Hague Convention on the Civil Aspects of Child Abduction*; * a parent in New Zealand on a temporary permit who has voluntarily returned to New Zealand with a dependent child or children in order to resolve a custody and access dispute; * a parent who has entered New Zealand on a temporary permit as a partner of a New Zealander, and who remains in New Zealand when the relationship ends in order to resolve a custody and access dispute; * a parent who is in New Zealand as a New Zealand permanent resident or citizen, but accompanies overseas a dependent child or children voluntarily returned following a Hague Convention application or required to return to the country of habitual residence of the child or children, pursuant to an order made in compliance with the Hague Convention.   Payment could be made on a weekly basis up to a maximum rate equivalent to the sole parent rate of benefit plus the applicable rate of *Accommodation Supplement* that the applicant would receive if in New Zealand. The parent must have exhausted or be pursuing all other avenues of financial assistance that might reasonably be available to him or her. |
| 29 August 2007 | **SuperGold Card for Senior Citizens launched** | The *SuperGold Card* was automatically sent to all New Zealand residents who received *New Zealand Superannuation* or a *Veteran's Pension* (including non-qualified partners receiving *New Zealand Superannuation* or a *Veteran’s Pension)* and to those people who were aged 65 years and over receiving some other form of assistance from the *Ministry of Social Development*.  The *SuperGold Card* provided access to a wide range of business discounts and facilitated easy access to government and local council services, entitlements and concessions. It replaced both the *Community Services Card* and *New Zealand Super Card* previously issued to recipients of *New Zealand Superannuation* or a *Veteran's Pension.* From 1 October 2008, the *SuperGold Card* provided access to free off-peak public transport.  The legislative provisions governing the eligibility for, and use of, the *SuperGold Card* was the *Social Security (SuperGold Card) Regulations 2007* (commencement date 2 August 2007). |
| August 2007 | **House Prices Unit established** | The *House Prices Unit* was established within the *Department of the Prime Minister and Cabinet* to gain a better understanding of:   * the housing market as a national system; * the relative importance and size of the influences on house price inflation and its consequences; * what it would take to slow house price inflation and potentially to lessen the volatility of New Zealand’s house price cycles; and * the consequences – for the macro-economy, economic growth and social outcomes – of adjusting policy settings.   The *House Prices Unit* released its final report in March 2008. |
| 17 September 2007 – 30 June 2007 | **Rural Assistance for farmers in upper North Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants* *Programme*) were activated for farmers in the upper North Island who were affected by a storm event. The provisions were available to farmers and growers in the Far North District, Kaipara District, Rodney District and Whangarei District. Assistance was available until 30 June 2008. |
| 24 September 2007 | **Working New Zealand Benefit Changes**  **Purpose Statement and Principles included in the Social Security Act 1964** | A purpose statement and a set of principles were included as section 1A and section 1B of the *Social Security Act 1964*.  The purpose of the Act was stated as:   * to enable the provision of financial and other support as appropriate—   + to help people to support themselves and their dependants while not in paid employment; and   + to help people to find or retain paid employment; and   + to help people for whom work may not currently be appropriate because of sickness, injury, disability, or caring responsibilities, to support themselves and their dependants. * to enable in certain circumstances the provision of financial support to people to help alleviate hardship:   + to ensure that the financial support referred to in paragraphs (a) and (b) is provided to people taking into account—   + that where appropriate they should use the resources available to them before seeking financial support under this Act; and     - any financial support that they are eligible for or already receive, otherwise than under this Act, from publicly funded sources.       * to impose administrative and, where appropriate, work-related requirements on people seeking or receiving financial support under this Act.   The principles were:   * + - * work in paid employment offers the best opportunity for people to achieve social and economic well-being;       * the priority for people of working age should be to find and retain work;       * people for whom work may not currently be an appropriate outcome should be assisted to plan for work in the future and develop employment-focused skills; and       * people for whom work is not appropriate should be supported in accordance with this Act. |
| 24 September 2007 | **Benefit Application Process**  **Pre-benefit activities for applicants for the Unemployment Benefit** | A new application process for *Social Security Benefits* provided that a person had 20 working days from the date of first contact to complete a written application, provide reasonable supporting evidence and for applicants for an *Unemployment Benefit*, complete any assigned pre-benefit activities including:   * undertaking one or more assigned pre-benefit activities; * at any time before their benefit commences, attending and participating in any interview for suitable employment, to which they are referred; and * at any time before their benefit commences, accepting any offer of suitable employment. |
| 24 September 2007 | **Invalids Benefit: Medical Assessments** | From this time an applicant for the *Invalids Benefit* could provide a medical certificate or supporting information. In cases where eligibility remained unclear, the applicant would be referred to a designated doctor. Prior to this all applicants for the *Invalids Benefit* were required to undergo an assessment from a designated doctor. |
| 24 September 2007 | **Benefit Obligations: Personal development and employment planning extended** | The *Personal Development and Employment Planning* process was extended to *Invalids Benefit* and *Sickness Benefit* primary beneficiaries and all partners of other benefits with dependent children under 6 years of age. |
| 24 September 2007 | **Benefit Obligations: Work-test extended** | Partners of beneficiaries with no dependent children became subject to a full-time work-test. Partners of beneficiaries with a youngest dependent child aged between 6 and 18 years became subject to a part-time work-test (15 hours per week). |
| 24 September 2007 | **Independent Youth Benefit: Work test removed** | The work-test was removed for recipients of the *Independent Youth Benefit*. Instead they became subject to new activity obligations and had a *Youth Activity Plan*. A beneficiary could meet their full-time activity obligations by:   * participating in one or more approved activities of 30 to 40 hours a week; and * developing and agreeing to their *Youth Activity Plan*; or * being available for, and actively seeking, full-time employment. |
| 24 September 2007 | **Work Test: Age-related exemptions removed** | The age-related exemption from the work test was removed for people receiving the *Unemployment Benefit* (60 years and over) and for partners of beneficiaries (55 years and over) |
| 24 September 2007 | **Continued payment of benefit when last child left care** | The ability to continue the benefit or rate of benefit paid to a sole parent when the last child left care suddenly because of circumstances beyond the client’s control was extended to all benefit types (it previously applied only to the *Domestic Purposes Benefit*). This provision was also applied to a person receiving the *Domestic Purposes Benefit – Care of the Sick or Infirm* when the sick or infirm person entered residential care. The primary rate or entitlement to the benefit continued for eight weeks following the event. |
| 24 September 2007 | **Special Needs Grants: Benefit applicants facing financial hardship** | The provision to make recoverable *Special Needs Grants* to benefit applicants during the initial stand down was extended to provide this assistance from the date of first contact. Other assistance under the *Special Needs Grant* *Programme* was available once the maximum entitlement to non-recoverable grants had been received and an applicant was facing extreme hardship or an emergency situation. |
| September 2007 | **Review of the War Pensions Act 1954** | The Government requested the *New Zealand Law Commission* to review the *War Pensions Act 1954*.  The Review was commissioned on the basis that the *War Pensions Act 1954* no longer fitted the modern legislative and service context. The strains upon the administration and substance of the Act caused in part by the ageing veteran population, led the Government and veterans’ organizations to consider updating the Act.  The *New Zealand Law Commission* released a discussion paper in July 2008 and presented their final report in June 2010. |
| 26 October 2007 | **Means assessment for social security benefits: Compensation payments to former patients of Lake Alice Psychiatric Hospital exempt from the means assessment** | The following payments were exempt from the means assessment for the social security benefits including the *Residential Care Subsidy*:   * compensation payments made to a person by or on behalf of the Crown (on or after 1 September 2001) on account of that person or his or her spouse or partner being a former patient of Lake Alice Psychiatric Hospital   The exemption applied only for the first 12 months after the payments were made. |
| October 2007 to November 2007 | **Integrated Service Response expanded: Family- focused case management** | The *Integrated Service Response* (ISR), initially established in nine communities from September 2006 was expanded to an additional 44 communities. The service offered family-focused case management to clients with high and complex needs and provided co-ordinated inter-agency support. An Integrated Service Co-ordinator (ISC) was located in *Work and Income* offices in each of the locations. |
| 4 December 2007 | **Co-operation arrangement between MSD and Ministry of Internal Affairs and Social Services of the Cook Islands** | The New Zealand *Ministry of Social Development* and the *Ministry of Internal Affairs and Social Services* of the Cook Islands signed a Co-operation Agreement to promote a closer working relationship. The Agreement promoted co-operation and the sharing of information on social services policy and delivery, social sector strategies and strategic planning. The Agreement was signed by the Chief Executive of the *Ministry of Social Development* on 4 December 2007 and announced by Ministers on 15 February 2008. |
| 17 December 2007 | **2007 Review of Retirement Income Policies released** | The *Retirement Commissioner* submitted the *2007 Review of Retirement Income Policies* to the government. In general, the Review agreed with the assessment of the *2003 Periodic Report Group* that New Zealand retirement income policy was working reasonably well for the currently retired and those approaching retirement.  Recommendations included that:   * political consensus is sought for any future changes to the parameters of *New Zealand Superannuation* and such changes are made with long lead times; * by mid-2008, the Government complete a review of the portability aspects *of New Zealand Superannuation* for people who migrate to or from New Zealand; * the *Retirement Commission* develop financial education initiatives targeted at those on lower incomes, including Māori and Pacific groups; * the *Inland Revenue Department* fulfils and extends its plans beyond 2013 to evaluate *KiwiSave*r on the outcomes of this policy, and in particular whether *KiwiSaver* has improved retirement wealth overall for households and what its distributional impact has been; * Government instructs the *Ministry of Economic Development* to fast-track the intended regulation of financial advisors; * the *Retirement Commission* develop financial education initiatives targeted at those on lower incomes, including Māori and Pacific groups; * the *Department of Labour*, by mid-2008 develop a plan outlining how co-ordination could be improved amongst agencies involved in initiatives on the employment of older people; * the *Ministry of Social Development* by the end of 2008, consider how the issue of financial abuse of older people can be addressed within current social services; * the *Inland Revenue Department* by the end of 2008 reports on the feasibility and implications of achieving tax neutrality in the treatment of annuity products; * the *Ministry of Economic Development* by the end of 2008, puts code of practice for home equity release providers into legislation; * the *Ministry of Economic Development*, *Ministry of Social Development* and *Inland Revenue Department* consider the interfaces of home equity release products with state benefits to confirm a consistent policy; |
| December 2007 | **Financial assistance for witnesses of the International Criminal Court who were relocated to NZ.** | An amendment to the *Special Needs Grants Programme* provided for discretionary financial assistance to persons and their families who had been relocated to New Zealand under an arrangement between the New Zealand Government and the *International Criminal Court* or the *International Criminal Tribunal on Rwanda*.  The maximum weekly amount payable was equivalent to the rate of *Emergency Benefit* and *Temporary Additional Support* that the person would otherwise be entitled to, if eligible under the *Social Security Act 1964*. A maximum of $5,000 was available in set-up payments. |
| 31 December 2007 to 30 June 2008 | **Rural Assistance: Extended for farmers in east coast of the North Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) for farmers in the east coast North Island, who were affected by drought, were extended until 30 June 2008. The provisions had been first activated from 11 July 2007. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 1 January 2008 | **Student Allowance: Parental income threshold increased** | The *Parental Income Threshold* for *Student Allowances* was increased by 10 percent from $40,303.12 to $44,333.64 gross per annum. Eligible students whose parents have an income of less than the threshold receive a full student allowance and the following parental income cut-out points applied:   * $69,082.11 a year if the student lived at home **or** * $75,270.11 if the student lived away from home. |
| 1 January 2008 | **Student Allowances: Changes to Regulations to reduce legal risk** | All students without dependent children living in the parental home were excluded from eligibility to the *Student Allowance Accommodation Benefit* (except where they were considered to be paying a market rent). Previously married or civil union couples without dependent children living in a parental home were eligible.  This change was made to reduce the risk of inconsistency with the *New Zealand Bill of Rights Act 1990* and followed on from a number of other changes that took effect on 1 January 2007. |
| 12 February 2008 | **Interest free student loans for students on NZ exchange programmes** | The provision for interest-free *Student Loans* to was extended to people studying full-time overseas as part of formal exchange programmes. For these students to be granted the exemption, their New Zealand tertiary provider was required to certify that the study was full-time and towards a minimum of level seven on the *New Zealand Register of Quality Assured Qualifications*.”  The provision was backdated to 1 April 2007. |
| 25 February 2008 | **Ministry of Social Development: Community Link established** | The first *Community Link* centre was opened in Linwood, Christchurch. The centre represented a co-location of government services, NGO and community services and provided “wrap around” support for clients and their families.  The approach taken through *Community Link* allowed agencies the ability to work together to provide joint solutions. Where a person had multiple needs, agencies no longer dealt with their facet of a person's situation in isolation. The focus was on the whole person and/or their family's situation. This approach supported agencies to respond to complex situations. Agencies could now be part of the solution to issues that did not normally fall under their professional mandate. *Community Link* aimed to:   * deliver integrated case management, which seamlessly wrapped packages of support from various agencies around people and their families; * be places where public sector agencies, non-governmental organisations and community groups work together to support people to achieve their goals in an effective and efficient way; and * be adaptable and responsive to the community's needs - this could include the facilitation of virtual services or mobile services, or being mobile centres.   This way of working could operate anywhere providing all agencies and the local community was committed to working together. It encouraged a common vision, common language, common sense and common ground.  By June 2011, 50 *Work and Income* sites had been rebranded as *Community Link*. |
| 12 March 2008 | **House Prices Unit: Final report released** | The *House Prices Unit* of the *Department of the Prime Minister and Cabinet* released its final report: *House Price Increases and Housing in New Zealand.*  The Report identified the impacts of house price increases across a variety of topics. This report summarised the findings of the Unit’s analysis of the drivers of house price increases and their implications for economic and social outcomes. The Report contained the following key themes:   * housing affects a variety of social outcomes and is a critical component of household assets; * a surge in demand lifted prices, and while the number of dwellings has risen in line with the population, the cost of supply new dwellings has risen sharply; * the housing market is cooling, but prices are likely to remain high relative to incomes; * rising prices have contributed to lower home ownership rates and constrained the housing market choices available to a growing group of New Zealanders; * households require access to a wide range of choices, including tenure and location of housing; and * reducing costs (land and construction, regulation and consents processes) provides a sustainable way of making housing more affordable.   The report identified multiple causes of high house prices, on both the supply and demand side. It concluded that policy responses should not just add to the demand for housing as this is likely to fuel prices further, and that the focus of any response should be on increasing the supply of housing through reducing the input costs per dwelling and by building more affordable housing. |
| 1 April 2008 to 31 March 2009 | **Rural Assistance for farmers affected by drought** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the regions of Waikato, Bay of Plenty, Taranaki, Manawatu, Wanganui, Marlborough, Canterbury, Otago, and Southland whose income was affected by drought. Eligible farmers received 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 1 April 2008 | **Minimum Wage increased and Youth Minimum Wage replaced with a New Entrant Minimum Wage** | The *Adult Minimum Wage* was increased by 6.6 percent to $12.00 gross per hour ($480 for a 40-hour week).  The *Training Minimum Wage* (applicable to some trainees) was increased to $9.60 gross per hour (80 percent of the *Adult Minimum Wage*). From 1 April 2008, the *Adult Minimum Wage* applied to all workers aged 16 years and over and there was no longer a *Youth Minimum Wage*.  From 1 April 2008, there was a *New Entrant Minimum Wage* rate that applied to some employees. A new entrant is a worker who is 16 or 17 years old **except** if:   * they have completed 3 months or 200 hours of employment, whichever is shorter since reaching the age of 16 years (including employment undertaken with more than one employer), **or** * they have been supervising or training other workers, **or** * they are subject to the *Training Minimum Wage*.   From 1 April 2008, the *New Entrant Minimum Wage* was $9.60 an hour before tax |
| 1 April 2008 | **Redundancy Tax Rebate for low to middle income earners** | A simplified *Redundancy Tax Rebate* was introduced and applied to redundancy payments made on or after 1 December 2006. The rebate was based on the flat rate of six cents per dollar, for the first $60,000 of the redundancy payment received per redundancy with a maximum rebate of $3,600 claimable.  This made the taxation of redundancy payments fairer to people who were pushed into a higher tax bracket when they received a lump sum redundancy payment. |
| 1 April 2008 | **Student Allowance: Personal income abatement threshold increased** | From this time the personal income abatement threshold for *Student Allowances* was adjusted annually in line with the increase in the *Consumer Price Index*. From 1 April 2008 this resulted in an increase of 3.18 percent:   * single increase from $180 per week to $185.73 per week; and * couple income allowance from $360 per week to $371.46 per week. |
| 1 April 2008 | **Company tax rate reduced** | The company tax rate was reduced from 33 percent to 30 percent. |
| 1 April 2008 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions, New Zealand Superannuation, Veteran’s Pension and other Social Security Allowances* were increased by 3.18 percent to reflect the increase in the cost of living over the previous 12 months. |
| 1 April 2008 | **Rates of New Zealand Superannuation/Veteran’s Pension at least 66% of the average wage** | The *Consumer Price Index* adjustment of 3.18 percent ensured that the rates of *New Zealand Superannuation* and *Veteran’s Pension* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. [Note: The Labour-led Government’s commitment to 66 percent was part of the *Confidence and Supply Agreement* with the *New Zealand First Party*.]  The 3.18 percent increase resulted in the net rate payable to a married couple (who both qualified) representing 66.23 percent of the net average ordinary time weekly wage. |
| 1 April 2008 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by the *Consumer Price Index*. The new income levels were:   * $ 22,366 Single (sharing); * $ 23,712 Single (alone); * $ 35,420 Couple; * $ 42,507 2 person family; * $ 50,934 3 person family; * $ 57,880 4 person family; * $ 64,678 5 person family; and * $ 72,302 6 person family.   For each additional child thereafter, income levels increased by $6,689. |
| 1 April 2008 | **Minimum Child Support Liability increased** | The minimum liability under *Child Support Scheme* was increased to $773 per annum ($14.85 per week) to reflect the increase in the *Consumer Price Index*. The maximum earnings liable for *Child Support* were $109,682 for the 2008/2009 tax year. |
| 1 April 2008 | **Minimum Family Tax Credit Increased** | The *Minimum Family Tax Credit* was increased from $18,044 to $18,460 ($355 net per week). The *Minimum Family Tax Credit* guaranteed low income families with a dependent child or children an after-tax minimum income. *Family Tax Credit* was paid in addition to this minimum level of after-tax income. |
| 1 April 2008 | **ACC Earner Premium increased** | The *Earner Premium* was increased to 1.4c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $102,922 with the maximum premium of $1,440.91 for the 2008/2009 tax year |
| 1 April 2008 | **Student Loan Repayment Threshold** | The *Student Loan Repayment Threshold* was increased from $17,784 to $18,148 for the 2008/2009 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. The increase represented the change in the *Consumer Price Index* over the year to the end of September 2007. |
| 1 April 2008 | **State Sector Retirement Savings Scheme closed to new members** | The *State Sector Retirement Savings Scheme (SSRSS)* was closed to new members. Existing members of the SSRSS were able to continue with this scheme or they could choose to transfer to *KiwiSave*r and receive the standard *KiwiSaver* benefits (the $1,000 kick-start payment; up to $20 a week tax credit; and the $40 annual administration fee subsidy). |
| 1 April 2008 | **KiwiSaver: Employer contribution commenced** | The *KiwiSaver* employer contribution of one percent commenced. This was originally scheduled to rise to four percent by 1 April 2011.  An *Employer Tax Credit* of $20 per week became available as a partial offset for employers’ compulsory contributions. |
| 28 April 2008 | **New Zealand Carers’ Strategy and Five-year Action Plan** | The *New Zealand Carer’s Strategy* was launched by the *Minister for Social Development and Employment*. The Strategy outlined the Government’s vision for carers:   * *New Zealand Aotearoa is a society that values individuals, families, whānau or aiga who support others who need help with their everyday living.*   The Strategy also provided a framework of principles to guide policy development and the delivery of services by government agencies and Non-Government Organisations that work with carers. The four guiding principles were:   * recognising diversity: by acknowledging and responding to the diversity of needs and aspirations of carers; * being proactive: enabling family focused support to be in place for carers when they need it; * enabling carers: giving them the choices and the autonomy to develop, grow and sustain their personal, family and community support systems; ensuring that formal supports are reliable and are able to provide real support to carers; and * being inclusive: acknowledging that the needs of carers, family, whānau, or aiga and the person being supported, are often intertwined.   The first *Five-year Action Plan* (2008 – 2012) incorporated a range of actions under each of the following objectives:   * provide information; * protect the health and wellbeing of carers; * enable carers to take a break; * provide financial support for carers; and * provide training and pathways to employment for carers.   The second *Five-year Action Plan (2014 to 2018)* was launched in February 2014. |
| 1 May 2008 | **KiwiSaver: Treatment of funds for social security purposes** | From this date, Regulations under the *Social Security Act 1964* provided that funds with the *KiwiSaver* scheme and non-KiwiSaver schemes that are registered under the *Superannuation Schemes Act 1989* and the provisions of which included a qualifying lock-in clause, were exempted items from a beneficiary’s assessable income and cash assets for the period that the funds were locked-in. |
| 22 May 2008 | **Tax Reduction Package announced** | As part of the 2008 Budget, a three-year tax reduction package was announced by the Government.  A new personal tax scale was introduced and the low-income earner rebate was removed and replaced with a lower statutory rate of 12.5 percent. The new tax scale was:  **1 October 2008**   * $0-$14,000 12.5% * $14,001-$40,000 21.0% * $40,001-$70,000 33.0% * $70,001+ 39.0%   **1 April 2010**   * $0-$17,500 12.5% * $17,501-$40,000 21.0% * $40,001-$75,000 33.0% * $75,001+ 39.0%   **1 April 2011**   * $0-$20,000 12.5% * $20,001-$42,500 21.0% * $42,501-$80,000 33.0% * $80,001+ 39.0%   The three-year impact was estimated to be:   * $21.73 per week for someone earning the minimum wage ($24,960); * $32.12 per week for someone earning the average wage ($45,800); and * $55.19 per week for someone earning twice the average wage ($91,600).   In December 2009, following the election of the National-led government, this tax package was changed. |
| 3 June 2008 | **Human Rights Review Tribunal considers aspects of the Working for Families Package** | The *Human Rights Review Tribunal* began hearing a case from the *Child Poverty Action Group* (CPAG) that the “*In Work Tax Credit*” breached the *Human Rights Act 1993* because it discriminated on the basis of employment status (i.e. beneficiary families were excluded from the payment).  The case was first lodged with the *Human Rights Commission* in 2002.  In a decision released on 18 December 2008, the *Human Rights Review Tribunal* found that these provisions were not in breach of the *Human Rights Act 1993*. It found that the practical benefits of the *In-Work Tax Credit* outweighed any discriminatory effect and that accordingly the payments were not inconsistent with the right to freedom of discrimination in the *New Zealand Bill of Rights Act 1990*.  The case was subsequently appealed to the *High Court* which in a judgement of October 2011 dismissed the appeal. In May 2013, an appeal by CPAG from the decision of the *High Court* was considered by the *Court of Appeal*. |
| 1 July 2008 | **Paid Parental Leave Increased** | *Paid Parental Leave* was increased from a maximum of $391.28 gross per week to a maximum of $407.36 gross per week. This reflected the movement in average weekly earnings over the previous year.  The minimum payment for self-employed parents increased from $112.50 per week to $120.00 per week. |
| 1 July 2008 | **Right to request flexible work arrangements for employees who were also caregivers** | The *Employment Relations (Flexible Working Arrangements) Amendment Act* came into effect. It provided certain employees with the right to request a variation to their hours of work, days of work, or place of work.  To be eligible for the "right to request" an employee must have the care of any person and have been employed by their employer for six months prior to making the request. When making the request, the employee must explain how the variation will help the employee provide better care for the person concerned.  The Act required employers to consider the request for flexible working arrangements and provided the only grounds upon which they can refuse a request. The Act also provided a process for how requests are to be made and responded to. In the event that a disagreement arises, the Act provided a problem resolution process.  From 6 March 2015, the right to request flexible work arrangements was extended to all employees and such a request could be made from the first day of employment. |
| 1 July 2008 | **Shared Equity Home Ownership Pilot Scheme commenced** | The *Shared Equity Pilot Scheme* commenced. From this time, the pilot scheme provided an interest-free loan of between five percent and 30 percent of the house purchase price. The scheme was limited to those with a household income up to $85,000 and a deposit of five percent. A maximum house price cap applied to target the scheme toward starter homes. The scheme was restricted to homes in regions with higher than average prices (Auckland, Wellington, Nelson, Christchurch and Queenstown).  The Government’s loan existed as a second mortgage over the property. It had no interest costs and required no repayment until either the house was sold, or the loan term ended. Households could reduce their shared equity loan by buying out a proportion of the loan based on the market value of the home at the time. There were incentives for homeowners to buy out the Government share (one percent for each five percent repaid).  If demand exceeded supply, eligible households would go into a ballot, though new builds would be prioritised to try and encourage new starter homes being built.  The pilot was expected to assist up to 700 households into starter homes over two years and was administered by the *Housing New Zealand Corporation*. |
| 1 July 2008 | **Accommodation Supplement: Water rates included as an allowable cost** | From this time, water rates, other than those billed by local authorities (which were already allowable costs), were included as allowable costs for homeowners when calculating the *Accommodation Supplement*. This reflected that fact that several local authorities in Auckland had removed the water supply function from the local council (and from local authority rates) and households were billed separately for water. |
| 1 July 2008 | **Special Needs Grants: Repair and maintenance of on-site effluent treatment systems** | The provision of non-recoverable *Special Needs Grants* to assist low income homeowners in rural areas with the maintenance and repair of on-site effluent treatment systems (including septic tanks, long drop and composting toilets) was made permanent.  These non-recoverable grants had been available since October 2006 under a time-limited provision, set to expire on 30 June 2008. |
| 1 July 2008 | **Residential Care Subsidy: Changes to asset limits and income from assets exemption** | The asset levels for eligibility to the *Residential Care Subsidy* were increased by $10,000 and the income from asset levels adjusted by the consumer price index. Single people and couples with both partners in care were able to keep up to $180,000 in assets - up from $170,000, before they are used to contribute to the cost of their care. Couples both 65 years or over with one in residential care $85,000 (excluding family home and car) or they could elect the higher asset threshold of $180,000 (including family home or car).  The income from assets exemption was adjusted by the movement in the *Consumer Price Index* for the year ending 31 March 2008. The new income from asset levels (after tax) were:   * single people: $854 per annum; * couple (both in care): $1,707 per annum; and * couple (one in care): $2,560 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2008 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $500 to $530; and * the income threshold was increased from $20,000 to $21,180.   The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2008/2009 rating year was $21,180 increased by $500 for each dependant. |
| 3 July 2008 | **Single Core Benefit: Announcement** | The Government announced that the next step towards a *Single Core Benefit* would be implemented from 1 April 2009. From this time, it was intended to replace the existing social security benefit categories with a generic term “income support”. This project was discontinued following the change of Government in November 2008. |
| July 2008 | **Review of the War Pensions Act 1954** | The *New Zealand Law Commission* released a discussion paper: Towards a New Veteran’s Entitlements Scheme: A Discussion Paper on a Review of the *War Pensions Act 1954*.  The report set out a way forward, options for reform and the results of some preliminary consultation.  Written submissions were sought by the *New Zealand Law Commission* by 28 November 2008.  The Law Commission was scheduled to report back to the Government in June 2010. |
| 4 August 2008 | **Special Needs Grants: Changes to the criteria for food and “other”** | The time period in which the maximum limits for *Special Needs Grants* for food were applied, was reduced from 52 weeks to 26 weeks. This effectively doubled the maximum annual amount available.  The limit for *Special Needs Grants* in the “Other Emergency” category was increased from $200 to $500. Discretion remained to exceed the limit in exceptional circumstances. |
| 11 August 2008 | **Sustainable Urban Development Unit established** | The *Sustainable Urban Development Unit* (SUDU) was established in the *Department of Internal Affairs* to lead the second phase of policy development to establish an effective sustainable urban development approach in New Zealand, as well as progressing physical projects in identified locations.  In March 2008, following the release of the report of the *House Prices Project*, the *Urban Development Authorities Team (UDAT)* had been established in the *Department of the Prime Minister and Cabinet*. Between May 2008 and July 2008, Cabinet:   * agreed that there were opportunities to create a new enabling sustainable urban development approach to achieve sustainable urban development (regulatory powers and non-regulatory tools with a place-based focus) and the need for a public consultation process via a discussion document; * there were potential project locations in Auckland, Wellington and Christchurch where central government involvement and co-ordination may assist in sustainable urban development; and * agreed the contents of a proposed discussion document and a process for consulting on that document.   SUDU was tasked with investigating, facilitating and taking steps to progress the implementation of sustainable urban development by:   * undertaking public consultation and submission processes relating to the discussion document; * facilitating and promoting non-legislative measures assisting achievement of sustainable urban development; * encouraging ongoing analysis and improved understanding of current issues driving and arising from sustainable urban development; * championing sustainable urban development approaches that would work well in the New Zealand context; and * developing options in close association with key stakeholders to address the barriers identified and to achieve the desired outcomes.   The work of SUDU was split into two work streams:   * consultation and policy development; and * project development (primarily exploring Auckland projects in more depth).   On 1 September 2008, SUDU released a public discussion document: *Building Sustainable Urban Communities: A Discussion Document Exploring Place-Based Approaches to Sustainable Urban Development in New Zealand*.  In late 2008, following the change in Government, the name of the Unit was changed to the *Inter-agency Urban Development Unit* (IUD Unit). In July 2009, the Unit presented the key conclusions of its policy work programme (no policy recommendations were made) and opportunities for central Government involvement in urban development projects. Following this, the Unit was disbanded. The new Government did not see as a priority the explicit involvement of central government in urban development projects. |
| 11 August 2008 | **Annual Benefit Review Process streamlined** | From this time many beneficiaries were no longer required to provide information to complete an annual review of their circumstances, if nothing had changed. Annual reviews were replaced with an *Annual Circumstances Letter* (ACL) for clients without personal earnings who are in receipt of *New Zealand Superannuation, Veteran’s Pension* or *Invalids Benefit* (who never need their medical condition reassessed). The requirement to formally review the *Disability Allowance* (DA) each year was removed for clients for whom DA had been reviewed during the year. |
| 28 August 2008 | **Government and Wellington City Council agreement to upgrade Wellington City Council’s social housing stock** | The government and the *Wellington City Council* (WCC) entered into an agreement (Deed of Grant) to upgrade WCC’s council social housing stock.  Under the Deed of Grant, the government provided a conditional grant of $220 million to assist WCC to upgrade its housing stock. In return, WCC agreed to:   * upgrade its housing portfolio; and * retain its social housing stock at around 2008 levels (2,300 units) until 2037.   WCC’s obligations to upgrade the City Housing portfolio were reconfirmed in 2019. During Phase One of the Housing Upgrade Programme, WCC identified it had under-estimated the costs of upgrading three sites within its Arlington Precinct and its budgeted funding was only enough to upgrade one of the three Arlington sites. The government agreed to a Variation to the Deed of Grant to enable WCC to lease the remaining two Arlington sites to the *Housing New Zealand Corporation* (*Kāinga Ora*) without defaulting on its Deed of Grant obligations. The Deed Variation reduced WCC’s upgrade costs under the Deed of Grant by approximately $20m, as it no longer had to fund upgrades of two of the Arlington sites. The Deed Variation was granted subject to WCC continuing the renewal programme for the remainder of the City Housing portfolio.  WCC’s Housing Upgrade Programme was divided into two phases. By 2021, WCC had completed Phase One using the $220m government grant and $13.5m from WCC. WCC was scheduled to undertake Phase Two between 2021 and 2028.  A further amendment to the Deed of Grant was made in August 2023 to ensure that the Council’s obligations under the Deed of Grant were maintained following the transfer of the Council’s social housing portfolio to a *Community Housing Provider* – *Te Toi Mahana.* |
| 1 September 2008 | **Sustainable Urban Development: Public discussion document released** | The *Sustainable Urban Development* Unit (SUDU) released a public discussion document: *Building Sustainable Urban Communities: A Discussion Document Exploring Place-Based Approaches to Sustainable Urban Development in New Zealand*.  The discussion document was intended to:   * outline the urban development barriers and implementation difficulties in New Zealand; * outline international examples and mechanisms used; * explore the range of possible options, impacts, risks and opportunities; * propose the case for, and aspirations of, a new sustainable urban development approach; and * seek feedback from stakeholders.   Submissions were sought by 28 November 2008. A series of public meetings were held with key stakeholders and four hui were held with Māori to gauge responses to the discussion document. |
| 10 September 2008 | **Discretion for setting the rate of benefit for beneficiaries in hospital** | From this time, legislation provided that when exercising discretion to pay a benefit at other than the *Hospital Rate* for beneficiaries who had been in hospital for more than 13 weeks, that the amount paid could not be less than the *Hospital Rate*. |
| 15 September 2008 | **Special Needs Grants: To assist prisoners to obtain birth certificates** | Provision was made to use the *Special Needs Grants* assist prisoners to cover the cost of obtaining a birth certificate prior to their release from prison. This was intended to facilitate upon release opening a bank account and applying for a *Social Security Benefit*. |
| 16 September 2008 | **Rural Assistance Payments increased** | The level of *Rural Assistance Payments* provided under the *Special Needs Grants Programme* were increased from 75 percent of the applicable after-tax weekly rate of the *Unemployment Benefit* to 100 percent of the applicable after-tax weekly rate of the *Unemployment Benefit*. *Rural Assistance Payments* were non-taxable. |
| 17 September 2008 | **Affordable Housing: Enabling Territorial Authorities Act came into force**  **Covenants to prevent social or affordable housing** | The *Affordable Housing: Territorial Authorities Enabling Act 2008* enabled territorial authorities, based on evidence of affordable housing need and the development of an affordable housing policy, to require developers to make an affordable housing contribution of either houses, land, payment in lieu, or a mix of these.  The Act defined affordable housing as housing that:   * is for persons living in households that—   (i) have low to moderate income; and  (ii) have no, low, or moderate legal or beneficial interests in property; and   * is priced so that the persons are able to meet—   (i) their housing costs; and  (ii) their other essential basic living costs; and   * is within the regulatory criteria for determining what affordable housing is, if regulations setting criteria exist   The Act enabled territorial authorities to take into account the desirability of the community having a mix of housing sizes, tenures, and costs when requiring developers to make affordable housing contributions. The Act permitted incentives, such as density bonuses, to be used by territorial authorities to help off-set costs to developers making an affordable housing contribution.  The Act contained safeguards in the form of statutory requirements that territorial authorities must follow before they are able to require contributions, and an appeals process.  The affordable housing provisions were not utilised by territorial authorities and the Act was repealed in 2010.  The Act also prevented the use of covenants on land titles where the principal purpose was to prevent the purchase or lease of a property for social or affordable housing purposes. This provision applied only to covenants placed on titles after the legislation came into force.  In 2010, the *Affordable Housing: Enabling Territorial Authorities Act 2008* was repealed. An amendment to the *Property Law Act 2007* retained the provision relating to covenants. |
| 30 September 2008 | **Matching of beneficiaries to job opportunities: New job-matching tool implemented** | A new job-matching tool was implemented by the *Ministry of Social Development* to enable more efficient matching of beneficiaries (regardless of benefit type) to appropriate job opportunities. It was intended that this tool would be available online from late 2009. |
| 1 October 2008 | **Family Tax Credit Income Threshold Increased** | The income threshold for the *Family Tax Credit* was increased from $35,000 to $36,827. The composite threshold for the 2008/2009 tax year was $35,914. |
| 1 October 2008 | **Rates of Family Tax Credit Increased** | Rates of the *Family Tax Credit* were increased to take account of inflation (this brought forward an adjustment originally scheduled for April 2009). New weekly rates were:   * first or only child 0-15 years: $86.29; * first or only child 16-18 years: $99.96; * subsequent child 0-12 years: $59.98; * subsequent child 13-15 years: $68.40; and * subsequent child 16-18 years: $89.44 |
| 1 October 2008 | **Income Tax Reductions** | A new personal tax scale was introduced, and the low-income earner rebate was removed and replaced with a lower statutory rate of 12.5 percent. The new tax scale was:   * $0-$14,000 12.5% * $14,001-$40,000 21.0% * $40,001-$70,000 33.0% * $70,001+ 39.0%   The composite tax rates that applied for the 1 April 2008 to 31 March 2009 tax year were:   * $0-$9,500 13.75% * $9,501-$14,000 16.75% * $14,001-$38,000 21.00% * $38,001-$40,000 27.00% * $40,001-$60,000 33.00% * $60,001-$70,000 36.00% * $70,001+ 39.00% |
| 1 October 2008 | **Income Tax Reductions: Impact on beneficiaries** | The tax rate reductions had no impact on after tax rates of main *Social Security Benefits* and *Student Allowances*. The gross rates of benefits and student allowances were reduced accordingly.  There was also no change to the *Secondary Tax Rates* and codes, which meant beneficiaries with other earnings taxed at the secondary rate (21 percent), were paying too much tax. They were however, eligible for a tax refund at the end of the tax year or they could apply for a *Special Tax Code* on their earnings to ensure that they were paying the correct amount of tax. (The Government signalled that it would consider the need for introducing a new secondary tax code from April 2009). |
| 1 October 2008 | **Increase to after tax rates of New Zealand Superannuation/**  **Veterans Pension** | As a result of the tax rate reductions, after tax rates of *New Zealand Superannuation* and *Veteran’s Pension* increased. For people receiving *New Zealand Superannuation* and *Veteran’s Pension* taxed at the M rate, this resulted in a weekly increase of $11.92 (for single people living alone and single people sharing accommodation) and $22.94 per week for a married couple (who both qualified). There was no change to net rates for people using secondary tax codes. |
| 1 October 2008 | **Community Services Card (income thresholds increased for families with children)** | The income thresholds for the *Community Services Card* for families with children were increased to reflect the increases in the rates of *Family Tax Credit*. The new income levels were:   * $ 22,366 Single (sharing) * $ 23,712 Single (alone) * $ 35,420 Couple * $ 42,765 2 person family * $ 51,788 3 person family * $ 58,965 4 person family * $ 65,994 5 person family * $ 73,849 6 person family   For each additional child thereafter, income levels increased by *$6,920*. |
| 1 October 2008 | **SuperGold Card: Public transport concession introduced** | Free off-peak travel was introduced for New Zealanders aged 65 or over who were holders of the *SuperGold Card*. The concession applied to scheduled urban public transport between 9.00am and 3.00pm and after 6.30pm Monday to Friday and all day on weekends and public holidays. Transport providers were provided with a subsidy from the government. This comprised the major component of government concessions on the card. |
| 28 November 2008 | **Sustainable Urban Development: Submissions on the public discussion document** | During the three-month submission period the *Sustainable Urban Development Unit* (SUDU) received over 100 submissions from a wide variety of groups. Some represented a collated view of a wider group of stakeholders.  The key messages from the submissions were:   * a consistent call for leadership from central government; * government (local and central) needs to play a stronger role in support and stimulating urban development; * improved urban development matters because it has a direct positive effect on economic performance; * consistent urban policy and guidance on urban development is required along with changes to the Resource Management Act to streamline planning and consenting processes; * central government could significantly improve co-ordination and integration, particularly around infrastructure and investment; * a new range of funding tools, incentives and approaches needs to be considered to promote development; * the overseas concept of a value uplift levy was viewed negatively or cautiously; * a better understanding of urban economics and urban development is essential, with capacity building initiatives supported by targeted research; * the majority of submitters were cautious about compulsory acquisition of land for urban development; * some provincial councils indicated that the ideas and approaches would be used outside the main cities in the medium term; and * there was a significant level of interest in place-based approaches and partnerships with the public sector.   The submissions informed the policy development process and the briefings provided by SUDU to the new Government. |

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## Part VI: Responding to a slow economy, December 2008 – January 2011

| **Date** | **Change** | **Description** |
| --- | --- | --- |
| 11 December 2008 | **Legislation enacted to implement the new Government’s Tax Reduction Package** | Following the election of the new National-led Government, a revised programme of personal income tax reductions was legislated. The new tax scale was:  **1 April 2009**   * $0-$14,000 12.5% * $14,001-$48,000 21.0% * $48,001-$70,000 33.0% * $70,001+ 38.0%   **1 April 2010**   * $0-$14,000 12.5% * $14,001-$50,000 21.0% * $50,001-$70,000 33.0% * $70,001+ 37.0%   **1 April 2011**   * $0-$14,000 12.5% * $14,001-$50,000 20.0% * $50,001-$70,000 33.0% * $70,001+ 37.0%   The three-year impact was estimated to be:   * $21.73 per week for someone earning the minimum wage ($24,960); * $32.12 per week for someone earning the average wage ($45,800); and * $55.19 per week for someone earning twice the average wage ($91,600).   The first stage was implemented on 1 April 2009, but due to the *Global Financial Crisis*, it was announced (as part of the 2009 Budget) that the tax rate reductions scheduled for April 2010 and April 2011 were to be postponed indefinitely. |
| 1 January 2009 – 1 January 2011 | **Transitional package for redundant workers (RESTART)** | A two-year package *Transitional Package for Redundant Workers* was implemented to help workers made redundant during the economic slowdown (*Global Financial Crisis*). The programme was available for up to 16 weeks, or a return to full-time work, whichever was the earlier. It had three components:  ***ReCover*:** A payment for families with children who were no longer eligible for the *In-Work Tax Credit* of $60 per week, but were eligible prior to redundancy. *ReCover* provided $60 per week for families with one to three dependent children and $15 a week for each additional child.  ***RePlace*:** An additional payment for those who qualified for the maximum amount of *Accommodation Supplement* after they had been made redundant. Provided up to $100 per week (in addition to the AS, based on their actual accommodation costs). People who received a redundancy payment of more than $25,000 were not eligible for *RePlace*, though redundancy payments of up to $25,000 were exempt as assets when assessing eligibility for the AS.  ***ReConnect:***Employment and job services.  To be eligible for *ReStart* a person had to meet the following criteria:   * be a NZ citizen or permanent resident and be ordinarily resident in New Zealand; * have been working continuously for at least six months before being made redundant (though this could have been with more than one employer); * be looking for a full-time job [full-time was defined as 30 hours per week for any person or a couple or 20 hours per week for a sole parent}; * have been made redundant from a full-time job (i.e. their employer has stated that their job no longer exists) or have been self-employed and have no continuing work.   People made redundant following the election of the new Government (8 November 2008) were eligible to apply, though payments would not be backdated. People made redundant before 15 December 2008 (date of announcement of the *ReStart* package) had until 15 January 2009 to apply.  Following implementation of the package, people had 20 working days from the date they were made redundant to apply for assistance under the package. |
| 1 January 2009 | **Redundancy Payments exempt as cash assets for the Accommodation Supplement** | From this time, part or all of a redundancy payment up to maximum exemption of $25,000 (after tax) were exempt from the definition of cash assets applicable to the *Accommodation Supplement*. The exemption was time-limited and set to expire at the same time as the *ReStart Transitional Package for Redundant Workers*. |
| 1 January 2009 | **Changes to Student Allowances** | The following changes to *Student Allowances* were implemented:   * the *Parental Income Threshold* was increased by 10% to $50,318.32 which resulted in a parental income cut-out point of $75,855.32 if the student was living at home and $82,237.30 if the student was living away from home. It was announced that from April 2009 the parental income threshold would be adjusted annually to reflect the movement in the *Consumer Price Index*; * the age range at which parental income testing applies was changed from 16-24 years to 16-23 years and relationships were recognised for couples when both students were 24 years of age or over (previously 25 years); and * the maximum rate of *Student Allowance* for single students for students aged 24 was raised to align with that available to single students aged 25 and over. |
| 1 January 2009 | **Student Loan Scheme: Increased assistance for living costs under** | The maximum weekly amount for living costs available under the *Student Loan Scheme* was increased from $150 to $155. It was announced that this amount would be adjusted annually by the movement in the *Consumer Price Index*. |
| 1 January 2009 | **Additional Bonded Merit Scholarships** | The total number of *Bonded Merit Scholarships* was increased by 500 to 1,500 per year. Subsequently, as part of the 2009 Budget, the bonded merit scholarship scheme was disestablished. |
| 27 February 2009 | **Prime Minister’s Employment Summit** | A day-long summit between government, business leaders and unions was held to develop actions and ideas for preserving jobs through the *Global Financial Crisis* (GFC) and creating the best possible conditions for business to step up as economic conditions improved. |
| 1 March 2009 | **90-day employment trial period introduced** | An amendment to the *Employment Relations Act 2000* provided that employment agreements could include an employment trial period of up to 90 days. Features of an employment trial were:   * an employment trial could not be offered by employers with 20 or more staff; * an employer may terminate the employee's employment trial for any reason at any time before the end of the employment trial period even if the last day of work occurs after the expiry of the employment trial period; * an employer was not required to provide a reason for ending the employment trial if the notice of termination was given before the employment trial period ended; **and** * an employee could not generally bring a personal grievance against the employer in respect of the ending of their employment during the employment trial period.   An employee could still challenge the ending of their employment but only on the grounds of:   * discrimination; * sexual harassment; * racial harassment; **or** * duress imposed by the employer in relation to the employee’s union affiliations or not as the case may be.   If an employer did not give a reason for ending the trial then a voluntary unemployment stand-down was not applied. When an employer alleged misconduct by the employee and provides some evidence of the misconduct then a voluntary unemployment stand-down was considered and investigated in the usual way. |
| 2 March 2009 | **Special Needs Grants: Re-establishment Grants for sole parents in domestic violence situations** | The *Special Needs Grants Programme* was amended to expand the situations in which Grants could be made to victims of domestic violence. This included where an applicant suffered domestic violence from a person, other than their partner, with whom they reside and have a domestic relationship (for example in-laws).  The requirement that a member of the *New Zealand Police* provide a written statement that domestic violence has occurred before a grant can be made was removed. In practice a person must satisfy strict evidentiary requirements that show that domestic violence has occurred before the *New Zealand Immigration Service* will grant a special work permit for victims of domestic violence. The corroborative evidence provided by the *New Zealand Immigration Service* that a permit has been granted on the ground that the person is a victim of domestic violence was seen as sufficient. |
| 2 March 2009 | **Accommodation Supplement: Clarification that costs resulting from voluntary repayment of shared-equity loans were not an allowable cost** | It was confirmed that voluntary repayments made on shared equity loans were not allowable accommodation costs for the purpose of determining eligibility to the *Accommodation Supplement*.  The *Shared Equity Pilot Scheme* provided loans to first home buyers receiving a modest income. The *Shared Equity Pilot Scheme* was a two-year pilot administered by the *Housing New Zealand Corporation* and was introduced from 1 July 2008. |
| 27 March 2009 | **Jobs Support Scheme implemented** | The *Job Support Scheme* was aimed at helping businesses retain workers and was one of the ideas developed at the *Prime Minister’s Employment Summit*. The scheme provided an allowance to employers (to pass on to workers), where workers, employers and unions (where applicable) negotiate voluntary agreements to reduce hours of work to nine days a fortnight.  The scheme was targeted at businesses with over 100 staff and paid employers $12.50 per hour (the adult minimum wage) for each worker, for up to 5 hours per fortnight. The allowance was payable in respect of a maximum of 10 workers to each job that was being saved and the employer was required to make a commitment that workers would not be made redundant during the period they are receiving the allowance.  The allowance was available for up to 6 months and the scheme itself was available from 27 March 2009 to 31 December 2010. |
| 1 April 2009 | **Rates of Orphan’s and Unsupported Child’s Benefit increased** | The rates of *Orphan’s Benefit* and *Unsupported Child’s Benefit* were increased to align with rates of *Foster Care Board Payments* paid by *Child Youth and Family* to caregivers. Recipients of the *Unsupported Child’s Benefit* who were also receiving the *Care Supplement* did not receive an increase in their total payment, as the *Care Supplement* already topped up their assistance to this level.  The *Care Supplement Programme* was revoked. |
| 1 April 2009 | **Changes to KiwiSaver** | The following changes to *KiwiSaver* were announced as part of the new Government’s tax package were implemented:   * the minimum contribution rate was reduced from four percent to two percent and the minimum contribution rate became the default contribution for new members; * the member fee subsidy of $40 per annum was discontinued; * compulsory employer contributions were capped at two percent; * the *Employer Tax Credit* was discontinued; * the *Employer Superannuation Contribution Tax Exemption* as capped at two percent of the employee’s gross salary or wages; and * legislation was amended to make it clear that upon joining *KiwiSaver* no employee could have their gross pay reduced as a result of employer contributions and that the compulsory contributions from their employer were a genuine addition to their existing pay. |
| 1 April 2009 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 3.38 percent to reflect the increase in the cost of living over the previous 12 months. |
| 1 April 2009 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The *Consumer Price Index* adjustment of 3.38 percent ensured that the rate of *New Zealand Superannuation* or a *Veteran’s Pension* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage.  The 3.38 percent increase resulted in the net rate payable to a married couple (who both qualified) representing 66.15 percent of the net average ordinary time weekly wage. Relativities between the single rates and married couple rate were restored following the October 2008 tax changes, resulting in the single living alone and single sharing rates increasing by 4.42 percent and 4.07 percent respectively. |
| 1 April 2009 | **Childcare Assistance: Income limits adjusted** | Section 132AC(2)(b) of the *Social Security Act 1964* required that the income limits that determine the applicable rate of *Childcare Assistance (Childcare Subsidy and OSCAR Subsidy)* were adjusted when the cumulative percentage increase in the *Consumers Price Index* exceeded five percent, calculated from the date that the last adjustment had been required.  The cumulative percentage increase in the *Consumers Price Index* reached 6.1 percent in June 2008, therefore triggering an adjustment in April 2009.  The last adjustment required under the legislation had been triggered in June 2006 (and applied from 1 April 2007). An additional one-off increase had been applied to the income limits from 1 April 2007. This did not override the legislative requirement to make a future adjustment based on the rates applicable before the one-off adjustment.  The legislative requirement to adjust the income limits when the cumulative percentage increase in the *Consumers Price Index* reached five percent was repealed from 24 August 2010. From 27 September 2010, the income limits were reduced to their April 2008 levels. |
| 1 April 2009 | **Student Allowance Parental Income Threshold Subject to annual adjustment** | From this time the *Student Allowance Parental Income Threshold* became subject to an annual adjustment reflecting the increase in the *Consumer Price Index*. This resulted in an increase in the parental income threshold from $50,318.32 to $52,019.24 and a new parental income cut-out point of $78,418.34 if the student was living at home and $85,017.66 if the student was living away from home |
| 1 April 2009 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by the *Consumer Price Index*. The new income levels were:   * $ 23,122 Single (sharing); * $ 24,514 Single (alone); * $ 36,618 Couple; * $ 44,211 2 person family; * $ 53,539 3 person family; * $ 60,959 4 person family; * $ 68,225 5 person family; and * $ 76,346 6 person family.   For each additional child thereafter, income levels increased by $7,154. |
| 1 April 2009 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $799 per annum ($15.35 per week) to reflect the increase in the *Consumer Price Index*. The maximum earnings liable for *Child Support* were $114,191 for the 2009/2010 tax year. |
| 1 April 2009 | **Student Loan Repayment Threshold increased** | The *Student Loan Repayment Threshold* was increased from $18,148 to $19,084 for the 2009/2010 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. The increase represented the change in the *Consumer Price Index* over the year to the end of September 2008. |
| 1 April 2009 | **Income Tax Reductions** | The following new personal tax scale was introduced:   * $0-$14,000 12.5% * $14,001-$48,000 21.0% * $48,001-$70,000 33.0% * $70,001+ 38.0% |
| 1 April 2009 | **Independent Earner Tax Credit introduced** | The *Independent Earner Tax Credit* (IETC) provided $10 per week to individuals who had an income of between $24,000 and $44,000 per year and who did not receive a main benefit, *Working for Families Tax Credits* or *New Zealand Superannuation/Veterans’ Pension*. People who received a similar benefit or pension from an overseas government were also ineligible.  People who received a main benefit, pension or *Working for Families Tax Credit* for part of a year who would otherwise qualify for the IETC during that time, were eligible for a portion of the IETC. This was calculated on a monthly basis. For example, a person who received the *Unemployment Benefit* for half the year and then moved into paid employment and then moved into paid employment would, provided their total annual income (wages plus unemployment benefit) was between $24,000 and $44,000 receive half of the equivalent entitlement to the IETC for that full year.  Salary and Wage earners were able to receive tie IETC directly in their pay packets by electing a new tax code. The self-employed and other non-salary and wage earners received the IETC when they filed their tax return at the end of the year.  Individuals who received a *Student Allowance*, *ACC* payments, *Paid Parental Leave* or supplementary benefits (eg *Accommodation Supplement*) were eligible for the IETC if they met the other eligibility criteria. |
| 1 April 2009 | **Minimum Family Tax Credit Increased** | The *Minimum Family Tax Credit* was increased from $18,460 to $20,540 ($395 net per week) for the 2009/2010 tax year. |
| 1 April 2009 | **ACC Earner Premium increased** | The *Earner Premium* was increased to 1.7c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $106,473 with the maximum premium of $1,810.04 for the 2009/2010 tax year |
| 1 April 2009 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 4.2 percent to $12.50 gross per hour ($500 for a 40-hour week).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by 4.2 percent to $10.00 gross per hour. |
| 1 April 2009 | **Student Loan voluntary repayment top-up introduced** | From this time, voluntary repayments under the *Student Loan Scheme* which totalled more than $500 over the tax year, qualified for a 10 percent repayment top-up. The scheme was available to all loan borrowers, including those living overseas (who did not qualify for the interest-free policy). |
| 24 April 2009 | **Young Parent Childcare Payment extended** | The *Young Parent Childcare Payment* was extended. The payment had been introduced as a pilot on 1 January 2006 and the provision to make payments (included in the *Training Incentive Allowance* *Ministerial Welfare Programme*) expired on 31 December 2008.  The *Young Parent Childcare Payment* was payable to teen parents aged less than 18 years who were the principal providers of day to day care for their children and were participating in secondary education. The payment was available in respect of formal (licensed or chartered) childcare, up to a maximum of $6 per hour, $180 per week and up to 40 weeks per year. The payment was not available to teen parents who qualified for the standard *Training Incentive Allowance*. |
| 8 May 2009 | **Tax Working Group established** | *Victoria University* in partnership with *Treasury* and the *Inland Revenue Department* coordinated a small, high-level working group of experts who were tasked with identifying medium-term policy options for New Zealand’s tax system.  The *Tax Working Group* was tasked with considering the government's medium-term fiscal position, the pros and cons of possible reform options and whether or not any of these should be dismissed as unworkable.  The aim was to identify issues that need to be considered when reviewing medium-term tax policy, rather than to make specific policy recommendations. Topics to be considered included the fiscal framework, and the structure of personal income tax, corporate tax, GST and tax integrity.  Through a series of meetings between June 2009 and November 2009, and papers prepared by officials or commissioned from tax experts, the *Tax Working Group* provided a forum for informed discussion over medium-term tax policy that can feed into advice to Ministers and wider public debates on tax policy. The culmination of their work was a major public conference hosted by Victoria University in December 2009.  Membership of the *Tax Working Group* was:  Bob Buckle, Faculty of Commerce and Administration, VUW (Group Chair) Rob Cameron, Cameron Partners Paul Dunne, KPMG Arthur Grimes, Motu Economic and Public Policy Research Rob McLeod, Ernst & Young Gareth Morgan, Gareth Morgan Investments Limited Geoff Nightingale, PricewaterhouseCoopers Mike Shaw, Deloitte John Shewan, PricewaterhouseCoopers Casey Plunket, Chapman Tripp John Prebble, Law School, Victoria University Mark Weldon, NZX Limited David White, Centre for Accounting, Governance and Taxation Research, VUW  Members from *Inland Revenue Department* were: Matt Benge David Carrigan Robin Oliver  Members from the *Treasury* were: Norman Gemmell Michelle Harding Bill Moran |
| 18 May 2009 – 31 December 2009 | **Rural Assistance for farmers affected by drought** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the regions of Gisborne, Wairoa, Hawkes Bay, Wairarapa, Central Plateau, Taihape and North Canterbury whose income was affected by drought. Eligible farmers received the applicable after-tax rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 26 May 2009 – 31 December 2009 | **Rural Assistance extended** | The *Rural Assistance Provisions* for farmers affected by drought were extended to include farmers in the Whakatane District. Eligible farmers received the applicable after-tax rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 28 May 2009 | **Tax rate reductions postponed** | As part of the 2009 Budget, it was announced that further rounds of personal income tax reductions scheduled for 1 April 2010 and 1 April 2011 were to be postponed indefinitely. The increase in the *Independent Earner Tax Credit* planned for 1 April 2010 was also cancelled. |
| 28 May 2009 | **New Zealand Superannuation Fund: Contributions suspended** | As part of the 2009 Budget, it was announced that automatic contributions to the *New Zealand Superannuation Fund* would be suspended until the Crown operating balance returns to surplus. Contributions were scheduled to recommence in 2020/2021. It was projected that withdrawals from the fund would begin around 2031.  The Government would consider on an annual basis whether to make any partial contributions to the Fund. In 2009/2010 $250 million was contributed.  Overseas pensions retained as part of the direct-deduction policy through the *Special Banking Option* continued to be paid into the *New Zealand Superannuation Fund*. |
| 28 May 2009 | **Changes to the Training Incentive Allowance** | From this time the *Training Incentive Allowance* (TIA) was no longer payable in respect of courses that were level 4 or higher on the NZQA learning framework. This meant that courses funded by the TIA were mainly national certificates (foundation skills and introductory trade training). For people already receiving TIA for a course at level 4 or higher, eligibility to the TIA was grandparented until 31 December 2011. |
| 28 May 2009 | **Step-Up Scholarship and Bonded Merit Scholarship Schemes disestablished** | The *Step-Up* and *Bonded Merit Scholarship Schemes* were disestablished, and no new awards were made from this time. Students who had already been awarded a scholarship were entitled to continue receiving their scholarship, as long as they continued to meet the terms and conditions of the award.  For existing recipients of the scholarships, changes to the terms and conditions effective 28 May 2009 included:   * removal of bond obligations; * removal of repayment requirements where terms and conditions are breached (excluding fraud); and * removal of the requirement that there must be special circumstances before a scholarship can be postponed. |
| 1 June 2009 | **KiwiSaver Mortgage Diversion: Closed to new applicants** | The *KiwiSaver Mortgage Diversion Facility* was closed to new applicants. The facility had allowed members to divert up to half their *KiwiSaver* contributions to their mortgage repayments. Take-up of the facility had been very low (about 600 people out of more than one million *KiwiSavers*). |
| 2 June 2009 | **Community Response Fund established** | The *Community Response Fund* was established as a short-term, time-limited response to address immediate cost and demand pressures that the economic downturn was placing on key community-based critical social services for families, children, young and older people.  One-off grants for 12 months or shorter were available to providers of critical social services that were experiencing severe financial difficulty and were unable to maintain the level of their services and who were experiencing an increase in demand for their services as a direct result of the economic downturn. Priority areas included: family violence, child abuse and neglect, budget and financial advice, sexual violence, early intervention from vulnerable and at-risk children and families, families under stress, vulnerable and at-risk young people and vulnerable and at risk older people.  The maximum amount of each grant was $50,000, though there was a facility to award up to $100,000 in exceptional circumstances. Up to $40 million was available in the 2009/2010 year with a $64 million contingency for 2010/2011. Regional panels considered funding applications every four months, beginning in July/August 2009. Panels comprised representatives of the *Ministry of Social Development*, funding advisors from other government agencies and community representatives.  Funding was distributed based on population with weightings for socio-economic deprivation and the impact of the economic recession on a particular region. |
| 30 June 2009 | **Transitional Protection Supplement expired** | From July 2007 the *Transitional Protection Supplement* had provided transitional assistance to beneficiaries who were financially disadvantaged (i.e. the person’s total income from all benefit payments reduced) as a result of the benefit changes introduced as part of the *Working New Zealand* package. No beneficiaries were receiving payments under the programme as at 30 June 2009. |
| 1 July 2009 | **Residential Care Subsidy: Changes to asset limits and income from assets exemption** | The asset levels for eligibility to the *Residential Care Subsidy* were increased by $10,000 and the income from asset levels adjusted by the consumer price index. Single people and couples with both partners in care were able to keep up to $190,000 in assets - up from $180,000, before they are used to contribute to the cost of their care. Couples both 65 years or over with one in residential care $95,000 (excluding family home and car) or they could elect the higher asset threshold of $190,000 (including family home or car).  The income from assets exemption was adjusted by the movement in the *Consumer Price Index* for the year ending 31 March 2009. The new income from asset levels (after tax) were:   * single people: $879 per annum; * couple (both in care): $1,758 per annum; and * couple (one in care): $2,636 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2009 | **Paid Parental Leave Increased** | *Paid Parental Leave* was increased from a maximum of $407.36 gross per week to a maximum of $429.74 gross per week. This reflected the movement in average weekly earnings over the previous year.  The minimum payment for self-employed parents increased from $120.00 per week to $125.00 per week. |
| 1 July 2009 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $530 to $550; and * the income threshold was increased from $21,180 to $21,910.   The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2009/2010 rating year was $21,910 increased by $500 for each dependant. |
| 31 July 2009 | **Residential Care Subsidy (Allowable Gifting Levels increased)** | The allowable gifting level was increased from $5,000 to $5,500 per annum for each applicant. Gifts of investments made in the five years before a person applies for *Residential Care Subsidy* are included in the means assessment of assets (i.e. gifts above the allowable gifting level).  Gifts could also be made by the applicant or partner (if any) to another person who had provided a [high level of care](javascript:pop('http://doogle/map/definitions/high%20level%20of%20care.htm')) to the applicant. The gift must have been made within 12 months of the client's date of application for a financial means assessment. As long as the applicant had received at least one year of continuous high-level care, they could gift a maximum of $5,500 for each year of high-level care received, up to a maximum of $27,500 (less any allowable gifting that has already taken place).  The allowable gifting level was reviewed annually and adjustments applied in $500 increments. The next adjustment would be applied when the accumulated *Consumer Price Index* movement triggered an increase of $500 or more. This occurred from 1 July 2011. |
| 2 August 2009 | **Youth Opportunities Package Announced**  **Job Ops**  **Community Max** | The *Youth Opportunities Package* was a targeted, time-limited package of initiatives to help young people most at risk of long-term unemployment during the recession. It was designed to create new job and training opportunities for 16 to 24-year olds, with assistance being offered over a two-year period. The package included the following components:  **Job Ops:** provided employers with a $5,000 subsidy to provide an employment opportunity to a young person with low or no skills or work experience. To qualify for the subsidy the job had to be full time and at least 6 months in duration. The job had to be filled by a 16-17-year-old, or an 18-24-year-old who was previously receiving the *Unemployment Benefit*. The job could not replace current roles or roles lost to redundancy. An initial payment of $3,000 was made to the employer, with the balance ($2,000) payable after the young person had worked for 6 months.  **Community Max:** provided a wage subsidy for 6 months for young people helping complete community-based projects and to prepare for further opportunities in the workforce. It included projects such as renovating public buildings, marae or public spaces, or improving access to the local environment such as parks and reserves. To receive *Community Max* funding the project must be of benefit to the community, not displace existing staff or contractors, be additional to the normal work of the organisation, be non-commercial, last at least 26 weeks and provide at least 30 hours work per week. The wage subsidy payable for young people was equivalent to the minimum wage ($13.25 per hour). Funding was provided to cover supervision expenses where work for four or more young people was provided. Initially 3,000 places were funded. These were quickly taken up in 500 community-based projects around New Zealand.  The following groups were eligible for *Community Max*:   * 18 - 24 years old at the start of the placement and receiving *Unemployment Benefit*; * 18 - 24 years old at the start of the placement, have attended a *Work for You Seminar* and intend to apply for *Unemployment Benefit* and at risk of long-term benefit dependency; and * 16 - 17 years old and transitioning to work, including 16-17-year olds on benefit and transitioning to work.   Young people could take part in *Community Max* more than once if they would continue to gain new skills and work experience, but they must have had a period of at least one month between placements to allow for other job searching.  **Other initiatives included:**   * Reprioritisation of industry partnerships to increase the proportion of young people in industry partnerships from 40 percent to 50 percent. 3,000 places were reserved for young people over the two-year period; * Jobs on the National Cycleway; * Expansion of the *Limited Services Volunteer Scheme* (six-week residential scheme run by NZDF at Burnham Military Camp) to create two additional programmes from 2010 (Auckland and lower North Island) with an additional 1,250 places per year; and * Expansion of *Service Academies* (military focused programmes delivered in secondary schools for students who want to pursue a career with NZDF, targeting at risk youth aged 14-17 years).   While participation in these programmes was not compulsory, for young people receiving the *Unemployment Benefit*, participation could form part of the work test. The Government also signalled that it intended to amend legislation to withdraw eligibility to the *Independent Youth Benefit* for young people who were unemployed. |
| 19 August 2009 | **Extension of the Welcome Home Loan Mortgage Insurance Scheme** | The following changes were made to the *Welcome Home Loan Mortgage Insurance Scheme*:   * first home buyers could borrow up to $350,000 (an increase from $280,000); * extension of the scheme to cover new builds; and * extension of the scheme to include buying a first home on multiple-owned Mäori land.   The extension to cover new builds and first homes on multiple-owned Māori land were available to eligible borrowers from November 2009, once the product and processes had been agreed with participating lenders.  The increase in the maximum amount was primarily to help first home buyers living in higher priced areas. *Housing New Zealand Corporation*, who administered the scheme, was given the discretion to constrain lending large sums in areas where house prices were relatively low.  The maximum household income caps remained unchanged (one or two borrowers $85,000 and three or more borrowers $120,000). |
| 25 August 2009 | **HNZC Options and Advice Service (Pilot launched)** | The service provided an information session for clients, explaining the various housing options and government services that were available. After the session, if the client is interested in applying for a state house, they could make an appointment for a housing needs assessment. If they indicated that they are interested in pursuing housing in the private sector, *Housing New Zealand Corporation* provided information on homes that are available and assistance with the rental process. Appointments were made with a *Ministry of Social Development* case manager on the client’s behalf to establish what financial assistance was available to assist them into private sector rental housing.  The new service was intended to ensure that clients had information on all the housing options that were available to them (i.e. practical alternatives to state housing).  The new service was piloted in Whangarei, Onehunga, Panmure, Manurewa, Hamilton, Manawatu, Linwood and Timaru. An evaluation of the pilot was to determine whether it was rolled out nationally. |
| 7 September 2009 | **Online Benefit Applications** | From this time, working-age people (16-64 years) were able to complete applications for main *Social Security Benefits* and extra help online. |
| 15 September 2009 | **State Houses: Sales to tenants** | From this time, state house tenants were able to purchase their home at their current market valuation. Houses excluded from sale included unit titles, apartments and duplex properties, houses identified for strategic redevelopment and properties that may be land-banked for future Treaty settlements (i.e. land area greater than one hectare). If a tenant was unable to purchase a house because of one of these exclusions, the *Housing New Zealand Corporation* could offer a similar vacant property. Proceeds from sales were used to build, buy or lease replacement state house stock. Tenants who purchased their houses were ineligible for a state house for a period of 3 years following purchase. Of the total 5,500 tenants paying market rents, it was estimated that around 2,800 were living in state houses that would be offered for sale. No Government subsidies were available to assist a tenant in buying their home, but the tenant could qualify for a *Welcome Home Loan* which has a lower deposit requirement than other loans provided by the main banks. |
| 9 November 2009 | **Ministry of Social Development: Electronic payment cards Introduced** | Electronic cards replaced the hologram forms issued to people receiving *Special Needs Grants* for Food. The cards could be used in EFTPOS terminals for payments with an approved supplier. Cards could not be used to withdraw cash. It was intended that the cards would eventually be extended to replace hologram letters where *Special Needs Grants, Advances* and *Recoverable Assistance Payments* were made directly to suppliers of goods and services. |
| 25 November 2009 | **Job Search Service rolled out nationally within Work and Income** | The *Job Search Service* (JSS) provided an early response for applicants who wished to proceed with an application for the *Unemployment Benefit*. It involved intensive pre-benefit case management, irrespective of whether the benefit had been granted. It was a group facilitated service with a focus on the pre-assessment process for new job seeker and it was designed to assist job seekers to find work more quickly and to improve the ease of finding work for more highly skilled job seekers. The objective was to achieve employment within the first 13 weeks of unemployment (i.e. a quick return to employment).  Within the JSS newly unemployed clients were split into two groups:  *Self-directed*: these job seekers were more highly skilled and experienced and considered to be motivated to be able to job search by themselves. They were supported by a new Contact Centre. Nationally, around 25 percent to 30 percent of people assessed were identified as self-directed.  *Central service*: these job seekers were identified as requiring more intensive case management and assistance. They were required to attend the *Work for You Seminar* and have a jobz4u profile completed. They also had access to employment related activities including one-to-one case management and supported job search activities such as *Employment Workshops*.  A key component of the JSS was the *Planning and Assessment Module*.  The *Planning and Assessment Module* was a group seminar of up to 20 participants. It was aimed at clients who wished to proceed with an application for the *Unemployment Benefit*. Clients who may or may not have attended a *Work for You Seminar*. The objective of the *Planning and Assessment Module* was that at the completion of the module the client would:   * have an understanding of the local labour market; * have a ‘visible’ jobz4u profile that will match effectively to work opportunities; * have had their benefit application processed; * have agreed to and signed their Service Plan; * understand the next step of their job search activity or job seeker development activity; * understand what is expected of them while attending these activities; * be provided with their benefit payment information; and * have been referred to appropriate job opportunities.   If the jobseeker had not found employment after 13 weeks, they could continue in the JSS or be referred to one-on-one case management.  The other key component of the JSS involved vacancy management, with the separation of the work broker role into two functions (mobile work broker and service centre work broker).  The JSS had been piloted in 16 sites across New Zealand from 16 September 2009 (Avondale, Clendon, Glen Innes, Managere, Pukekohe, Westgate, Tokoroa, Shirley, Palmerston North, Napier, Richmond, Kaitaia, South Dunedin, Wanganui, Dinsdale and Upper Hutt). On 14 October 2009 the pilot had been extended to include the remaining 34 sites in Auckland. |
| November 2009 | **Predictive Modelling: Likelihood of long-term benefit receipt** | The *Ministry of Social Development* began using a predictive model to estimate the likelihood of a person remaining on benefit for the next two years (700 days or more in a two year window) The *Likelihood of Long-term Benefit Receipt Model* (LLTBR) took into account specific characteristics and allocated a rating of either low, medium or high to each person who received a main social security benefit. The LLTBR rating was generated from information recorded about a beneficiary’s know history. This included:   * benefit status and history; * labour market (i.e. region in which they live); * age and number of children; * skills, and receipt of student allowance; * for migrants, time since migrating to New Zealand; * declared earnings from part-time work; * for ex-prisoners, time since last prison event; * current and previous medical incapacities; * recent participation in employment programmes and services; and * work test history.   The LLTBR model was intended to assist case managers’ judgement about the service that could provide the most suitable support for a beneficiary’s circumstances. |
| 1 December 2009 | **Hardship Payments: Verification of income and assets** | From this time, people receiving on-going financial assistance (benefit, supplementary payments etc) did not have to provide verification of income and assets when applying for *Advance Payment of Benefit, Special Needs Grants* or *Recoverable Assistance Payments*. |
| December 2009 | **2010 Review of Retirement Income Policy: Terms of Reference** | As required by section 84 of the *New Zealand Superannuation and Retirement Income Act 2001*, the *Retirement Commissioner* was required to undertake, every three years, a review of retirement income policy in New Zealand.  In December 2009, a terms of reference set out the aspects of retirement income policy that the Government wanted to see covered in the 2010 Review and identified the following key standpoints:   * the way that Government agencies work together and contribute to effective retirement income policy; * the role of New Zealand’s financial services sector in relation to retirement income provision; and * the future wellbeing of New Zealanders in their retirement years, and what this may mean for their communities, and for local and central government.   The *Retirement Commissioner* was required to present her report by 31 December 2010. |
| 2009/2010 | **Summer scholarships for Students** | 1,600 full-time equivalent *Summer Scholarships* were provided at universities over the summer break for on-campus research-based projects. Each scholarship was worth $5,000 (paid directly to the student) and was funded jointly by the Government and the University. |
| 1 January 2010 | **Income and Asset Exemption for payments made by the Neville Wallace Memorial Children’s and Grandchildren’s Trust** | From this time, payments made by the *Neville Wallace Memorial Children’s and Grandchildren’s Trust* were not counted as income or assets under the *Social Security Act 1964*. The income exemption also included income derived from the payment. The payments and income derived were also excluded from the means assessment for *Residential Care Subsidy* and from cash assets in determining eligibility to *Temporary Additional Support*.  The exemption applied to payments made on or after 17 August 2007. The exemption applied only in respect of the first 12 months after the payment was made. |
| 1 January 2010 | **Income and Asset Exemption for payments made by the Crown to a person because they were a victim of a crime** | From this time, payments made by the Crown to a person because they were a victim of a crime were not counted as income or assets under the *Social Security Act 1964*. The income exemption also included income derived from the payment. The payments and income derived were also excluded from the means assessment for *Residential Care Subsidy* and from cash assets in determining eligibility to *Temporary Additional Support*.  The exemption applied only in respect of the first 12 months after the payment was made. |
| 5 January 2010 | **New Zealand Superannuation and Veteran’s Pension: Changes to the rules for payment overseas (portability)** | Prior to this time, people who moved overseas or travelled overseas for more than 26 weeks were entitled to flat rate proportional payment of 50 percent of the maximum rate of *New Zealand Superannuation* or a *Veteran’s Pension* (NZS/VP). This provision had been introduced in 1990.  As this amount was considered to be an insufficient amount of NZS/VP to live on in some countries, the proportional payment system was amended and the amount payable was calculated as being 1/540th of the maximum applicable rate of NZS/VP for each month of residence in New Zealand between the ages of 20 and 65.  The change meant that if people wanted to travel or reside overseas, they may be able to receive up to the full rate of NZS/VP, depending on how long they have lived in New Zealand between the age of 20 and 65 years.  For people who were receiving NZS/VP and wished to travel outside of New Zealand for 26 weeks or less, their payment could continue as if they were in New Zealand (existing policy). If people were away unexpectedly for more than 26 weeks, they were still able to receive payment for the first 26 weeks, provided they returned to New Zealand within 30 weeks.  For people travelling outside New Zealand for more than 26 weeks, application could be made before leaving New Zealand to have NZS/VP paid while overseas. The amount payable was calculated based on the number of months a person had resided in New Zealand between the ages of 20 and 65. The following amounts were applied:   * for those who had lived in New Zealand for 45 years (540 months) between the age 20 and 65 [full basic rate]; * for those who had lived in New Zealand for 10-45 years (120-540 months) between the age of 20 and 65 [1/540th of the full basic rate for each month they had lived in NZ]; and * for those that had lived in New Zealand for 10 years (120 months) between the age of 20 and 65 [120/540th of the full basic rate].   The changes did not affect people who were residing or planning to reside in some Pacific countries and countries that New Zealand had reciprocal agreements with (Australia, Canada, Greece, Netherlands, Jersey and Guernsey, Denmark, Ireland and the United Kingdom).  For people travelling for more than 26 weeks, payment of NZS/VP was made at the before tax rate. Individuals were required to contact the New Zealand *Inland Revenue Department* to determine their tax liability.  Extra assistance such as the *Living Alone Payment*, *Disability Allowance* or *Accommodation Supplement* were not paid overseas and payment of these ceased upon departure from New Zealand.  These changes were contained in the *New Zealand Superannuation and Retirement Income Amendment Act 2009*. |
| 14 January 2010 | **Youth Guarantee Programmes considered to be employment-related training programmes for benefit purposes.** | Clarification that people attending *Youth Guarantee Programmes* were considered to be attending an employment-related training programme and therefore eligible, if they met all the other criteria, for the *Independent Youth Benefit*.  The *Youth Guarantee Scheme* was a tertiary education initiative for 16-17-year-old students (see below). |
| 20 January 2010 | **Tax Working Group: Final report** | The *Tax Working Group* (TWG) released its final report: *A Tax System for New Zealand’s Future*. The report considered the main challenges facing New Zealand's tax system in the medium-term and suggested possible options to address them. The main recommendations in the *TWG* final report were:  1/ Company, top personal, and trust tax rates should be aligned to improve the system’s integrity. However, international pressures – especially if Australia lowers its corporate tax rate – could make alignment difficult to sustain. “At the very least the trustee rate, top personal tax rate and top rate for *Portfolio Investment Entities* (PIEs) and other widely held savings vehicles need to be aligned, accompanied by the introduction of suitable fiscal integrity measures;  2/ The company tax rate needed to be internationally competitive, particularly with Australia;  3/ The dividend imputation system preventing double taxation of company profits should be retained, although that may not be possible if Australia abandons its franking credits system;  4/ The top personal tax rates of 38 percent and 33 percent should be reduced as part of an alignment strategy. “Where possible, the Group would like to see a reduction in personal tax rates across-the-board to ensure lower rates of tax on labour more generally. This could be achieved as part of a package to compensate for any increase in *Goods and Services Tax*”;  5/ The tax base needed to be broadened to improve its efficiency and ability to raise the necessary amounts of tax to meet future government spending and debt repayments sustainably, especially if personal and corporate tax rates are to be cut;  6/ A *Capital Gains Tax* is theoretically the most comprehensive way to broaden the tax base, but “the TWG had significant concerns over the practical challenges … and the potential distortions and other efficiency implications that may arise from a partial *Capital Gains Tax*”;  7/ The “majority” of the TWG supported taxing returns from capital invested in residential rental properties on the basis of a deemed notional return calculated using a risk-free rate;  8/ “Most” of the TWG supported the introduction of a low-rate land tax as a means of funding other tax reductions;  9/ Quick implementation of three key changes should be considered:   * removing the 20 percent depreciation loading on plant and equipment, which is generous by international standards and may distort investment decisions; * removing tax depreciation on buildings “if empirical evidence shows that they do not depreciate in value”; and * changing thin capitalisation rules by lowering the “safe harbour” threshold to 60 percent from 75 percent or reviewing the way the measure is calculated.   10/ *Goods and Services Tax* should continue on a no-exemptions basis, although the TWG recommended against extending GST to cover financial transactions;  11/ Most of the TWG agree that increasing *Goods and Services Tax* to 15 percent would have merit because the tax is efficient and would help removal of barriers to savings and investment created in other parts of the tax system;  12/ Welfare policy requires comprehensive review because of the way it produces high effective marginal tax rates for many low- and middle-income people and families; and  13/ New institutional arrangements are required to ensure there is a stronger focus on achieving and sustaining efficiency, fairness, coherence and integrity in the tax system when changes are proposed. |
| January 2010 | **Ministry of Social Development: Employers on-line service established** | The *Employers On-Line Service* allowed registered employers access to the *Ministry of Social Development* website where they could create their own searches, view jobseeker profiles and advertise jobs. There was an automated system where employers could send a message about job vacancies to suitable candidates with whom they would like to talk. |
| January 2010 | **Limited Service Volunteer Scheme Expanded** | As part of the *Youth Opportunities Package* the *Limited Service Volunteer Scheme* (LSV) was expanded to provide an additional 1,250 places nationwide over the following two years. In addition to the programme run at Burnham Military Camp, LSV programmes were established at Trentham (from April 2010) and Hobsonville (from May 2010). The promotion and referral phase for the expanded scheme commenced in January 2010. |
| January 2010 | **Youth Guarantee Scheme for 16- and 17-year olds: First stage implemented** | Up to 2,000 full-time equivalent student places were created for the *Youth Guarantee* in each of the 2010 and 2011 calendar years. Students were selected from the areas of highest need, based on levels of youth unemployment and access to suitable vocational training programmes. Students taking part did not pay course fees, although they were not eligible for student loans, so as not to create an undue incentive to leave school. The courses were level 1-3 on the *National Qualifications Framework*. The courses provided students with knowledge and information on vocational pathways, and contained a mix of practical, specific and general skill development  The *Youth Guarantee* aimed to keep young people in education who might otherwise be left behind and recognised that some students are more motivated in non-school settings. It provided free study towards school level qualifications, in settings such as Polytechnics, wananga and private training establishments. |
| 1 February 2010-31 January 2011 | **Recoverable Assistance for Study Costs Programme** | A new *Ministerial Welfare Programme* provided recoverable study assistance of up to $500 for beneficiaries receiving a *Domestic Purposes Benefit, Invalids Benefit, Widows Benefit* or *Emergency Maintenance Allowance*. The assistance was only available to those who are studying to be nurses, doctors, midwives, vets or teachers. The initiative effectively provided these beneficiaries who are studying at level 4 on the NZQF and above access to an interest free loan of $500 per year on top of the $1,000 student loan they can access for study costs. The recoverable assistance did not have to be repaid until the person finished their course or cancels their benefit, whichever comes first.  This group of beneficiaries had, prior to May 2009, been able to apply for the *Training Incentive Allowance*.  The Programme was approved only until 31 January 2011, as supporting sole parents into education and training was to be considered further in light of the Government’s intention to introduce a part-time work obligation for sole parent beneficiaries.  In January 2011 the Programme was replaced with the *DPB-SP Study Assistance Loan*. |
| 15 February 2010 – 30 September 2010 | **Rural Assistance for farmers in Northland** | The *Rural Assistance Provisions* (within the *Special Needs Grants* programme) were activated for farmers in Northland who were affected by drought. Farmers in the following areas were eligible for assistance:   * Far North District; * Whangarei District; and * Kaipara District.   Eligible farmers received the applicable after-tax rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 16 February 2010 | **Housing Shareholders Advisory Group established** | An independent *Housing Shareholders Advisory Group* was established to review the Crown’s approach to delivering social housing. Specifically, the Government sought independent advice on:   * the most cost effective and efficient delivery model for state housing services to those most in need; * more productive and innovative ways to use current social housing assets to better support the objectives of government; and * transparent measures of how the above are being achieved.   The main tasks were:   * understanding the current and likely future demand for subsidised housing in New Zealand; * identifying the roles for the *Housing New Zealand Corporation* and government in delivering assistance; * considering how the Crown’s investment could be best employed, and the tenancy and asset management best engaged, to address these challenges; and * identifying a small number of appropriate performance measures that focus on the efficient delivery of the Crown’s subsidy to those most in need.   Members of the *Housing Shareholders Advisory Group* were:   * Dr Alan Jackson (Chair), former senior vice president in the Auckland office of *The Boston Consulting Group*; * Major Campbell Roberts, *Salvation Army*; * Andrew Body, Director *Crown Fibre Holdings*; * Martin Udale, Consultant, formerly Chief Executive of *McConnell Properties*; * Diane Robertson, Auckland City Missioner; * Brian Donnelly, Executive Director of the *New Zealand Housing Foundation*; and * Paul White, Principal of *Torea Tai Consultants*.   The Group was scheduled to report to Ministers by the end of April 2010. |
| 1 March 2010 | **Senior Services established within the Ministry of Social Development** | Responsibility for the delivery of *New Zealand Superannuation* was transferred from *Work and Income* to a new service line established within the *Ministry of Social Development*. *Senior Services* was responsible for the administration of *New Zealand Superannuation, Veteran’s Pension, SuperGold Card, Community Services Card, International Services* and the *Residential Care Subsidy and Residential Care Loans.* |
| 10 March 2010 | **HNZC Options and Advice Service: Nationwide rollout** | The *Housing New Zealand Corporation* Options and Advice Service which had been piloted in eight sites since August 2009 was extended nationally. The new service was intended to ensure that clients had information on all the housing options that were available to them (i.e. practical alternatives to state housing). The service worked closely with the *Ministry of Social Development* and private rental agents to assure that clients had access to the full range of housing options.  The first phase of the rollout included Invercargill, Hutt Valley, Blenheim, Linwood, Timaru, Hastings, Thames, Whakatane, Levin, Whangarei, Hamilton, Manawatu, Otara, Glen Innes, Henderson/Westgate, Onehunga, Panmure, Manurewa (and Clendon).  From 7 April 2010, the service was extended to the following Neighbourhood Units: West Coast, Porirua, Nelson, Gisborne, Huntly, Tauranga, Wanganui, Mt Roskill, Papakura and Otahuhu.  From 5 May 2010, the service was extended to: Dunedin, Wellington, Papanui, Napier, Te Kuiti, Rotorua, New Plymouth, Kaitaia/Kaikohe, Mangere (Central and East Service Centre) and Takapuna. |
| 23 March 2010 | **Future Focus Welfare Reform Package announced** | *Future Focus* was a package of reforms that aimed to break the cycle of welfare dependency. It balanced increased obligations and incentives to increase participation in paid work. Specific initiatives included in the package/legislation were:  *Obligations:*   * obligations for *Domestic Purposes Beneficiaries* to seek part-time work once their youngest child was aged 6 years or over. Those with a child aged under six would be required to complete employment plans (from 27 September 2010); * work test exemptions for *Domestic Purposes Benefit* sole parents studying at Level 4 and above and a $500 loan to be available for those studying at Level 4 and above (from 27 September 2010, *Study Support Loans* from January 2011); * new medical certificate for the *Invalids Benefit* to capture more relevant information about a beneficiary’s capacity to work with people who are expected to work part-time to receive a *Sickness Benefit* instead of an *Invalids Benefit* (from 27 September 2010); * income thresholds for *Childcare Assistance* reduced to 2008 levels and no future indexation for inflation to target assistance more closely to families in need (from 27 September 2010); * sanctions for failure to meet work obligations would be a 50 percent reduction in benefit payment for a first failure and 100 percent reduction for the second failure, with sole parents and couples with a dependent child or children facing a maximum 50 percent reduction in benefit. In order to re-comply, people would have to carry out the same activity/or substantially similar activity to the one that they had failed to undertake. The work test process was simplified, so that sanctions could be imposed earlier (from 27 September 2010); * requirement for the unemployed to reapply for the *Unemployment Benefit* after 12 months and complete a comprehensive work assessment. Those who didn’t reapply would have their benefit cancelled. (from 27 September 2010); * repeat applicants for hardship assistance (*Advance Payment of Benefit*, *Special Needs Grants*, *Recoverable Assistance Payments*) who apply for three or more payments in a 12-month period will be required to come into a Service Centre, complete budgeting activities and show that they have taken reasonable steps to increase their income, reduce their costs, or improve their financial management. People who apply for hardship assistance on a 6th occasion must undertake a comprehensive assessment and any further hardship grants had to be signed off by a Service Centre Manager (from 27 September 2010); * revised medical certificate for the *Sickness Benefit* to capture better information about the duration of a person’s incapacity to work, instead of duration of their medical condition (from 27 September 2010); * obligations to seek part-time work for people receiving a *Sickness Benefit* who are able to work part-time (from 2 May 2011); * additional medical assessment required after eight weeks in receipt of a *Sickness Benefit* and a compulsory review of eligibility to a *Sickness Benefit* after 12 months (from 2 May 2011); and * young people receiving the *Independent Youth Benefit* required to be in education, work or training, with education seen as the priority (from 27 September 2010).   *Incentives:*   * changes to the benefit income test for the *Domestic Purposes Benefit, Invalids Benefit* and *Widows Benefit* with the income free zone to be increased from $80 per week to $100 per week and the threshold after which the benefit is reduced by 70c increased from $180 to $200 per week (from 27 September 2010); * *New Zealand Superannuitants* and *Veteran’s Pensioners* with non-qualifying spouses who claim the married couple rate would be able to earn up to $5,200 per annum (an increase from $4,160 per annum) before their rate of benefit was reduced (from 27 September 2010); and * the income thresholds for the *Disability Allowance* were to be increased by $14.   *Other Proposed Legislative Changes (from 27 September 2010)*   * removing the negotiated *Job Seeker Agreement so* that a person receiving a work-tested benefit could be directed to a specified work-related activity; * removing the need for activities in the activity test for the *Independent Youth Benefit* to be agreed; * changing work-test exemptions so they would be exemptions from some or all work-test obligations instead of exemptions from the work test (i.e. all obligations); * changing *Personal Development and Employment Plans* for non-work-tested beneficiaries to employment plans and refocusing them so they were plans about returning to work; * annual adjustment of rates of *Social Security Benefits* (main benefits and *Student Allowances*) by the all groups *Consumer Price Index* to become a requirement contained in legislation; * clarification that the definition of accommodation costs did not include service costs included in the rent (other than water); and * introduction of a Regulation making power allowing for rules to be made in relation to the *Advance Payment of Benefit* and a new provision in the *Social Security Act 1964* allowing in certain circumstances for the refusal of an *Advance Payment of Benefit*. |
| 1 April 2010 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 25c per hour to $12.75 gross per hour ($510 for a 40-hour week).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by 20c per hour to $10.20 gross per hour. |
| 1 April 2010 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 1.96 percent to reflect the increase in the cost of living over the previous 12 months. |
| 1 April 2010 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The *Consumer Price Index* adjustment of 1.96 percent required a top-up to ensure that the rate of *New Zealand Superannuation* or a *Veteran’s Pension* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, rates of *New Zealand Superannuation* and *Veteran’s Pension* were increased by 2.31 percent. |
| 1 April 2010 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $815 per annum ($15.70 per week) to reflect the increase in the *Consumer Price Index*. The maximum earnings liable for *Child Support* were $120,463 for the 2010/2011 tax year. |
| 1 April 2010 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by the movement in the *Consumer Price Index*. The new income levels were:   * $23,576 Single (sharing); * $24,995 Single (alone); * $37,336 Couple; * $45,078 2 person family; * $54,589 3 person family; * $62,154 4 person family; * $69,563 5 person family; and * $77,843 6 person family.   For each additional child thereafter, income levels increased by $7,295. |
| 1 April 2010 | **Student Loan Repayment Threshold (unchanged)** | The *Student Loan Repayment Threshold* remained at $19,084 for the 2010/2011 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. The decision not to increase the threshold reflected the economic climate and the cost to the Crown of the scheme. |
| 1 April 2010 | **ACC Earner Premium increased** | The *Earner Premium* was increased to 2.00c in the dollar. The maximum earnings liable for the *Earner Premium* increased to $110,018 with the maximum premium of $2,200.36 for the 2010/2011 tax year |
| 1 April 2010 | **Minimum Family Tax Credit Increased** | The *Minimum Family Tax Credit* was increased from $20,540 to $20,800 ($400 net per week) for the 2010/2011 tax year. There was a further increase on 1 October 2010 to accompany to the changes in personal income tax rates. |
| 1 April 2010 | **Changes to resident withholding tax, prescribed investor rates and secondary tax rates** | The changes aligned these tax rates with the recent changes to company and personal tax rates. New rates of *Resident Withholding Tax* with the thresholds reflecting total income were:   * $0-$14,000 12.5% * $14,001- $48,000 21% * $48,001-$70,000 33% * $70,001+ 38% * Company rate 30% * No notification rate 38%   New rates of secondary tax, with the thresholds based on total income from all sources were:   * $0-$14,000 12.5% * $14,001-$48,000 21% * $48,001-$70,000 33% * $70,001 + 38%   *Prescribed Investor Rates* (PIRs) for NZ resident individual investors, were:  Taxable income of $14,000 or less and when combined with income from *Portfolio Investment Entities* (PIEs) total income was less than $48,000 **12.5%**  Taxable income of between $14,000 and $48,000 and when combined with income from PIEs total income was less than $70,000 **21%**  Taxable income was more than $48,000 and when combined with income from PIEs total income was more than $70,000 **30%** |
| 12 April 2010 – 30 September 2010 | **Rural Assistance for farmers in Auckland and Waikato** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in Auckland and Waikato who were affected by drought. Farmers in the following areas were eligible for assistance:   * Papakura District; * Franklin District; * Manukau City; * Rodney District; * Hamilton City; * Otorohanga District; * Hauraki District; * Matamata-Piako District; * South Waikato District; * Taupo District * Thames Coromandel District; * Waipa District * Waikato District; and * Waitomo District.   Eligible farmers received the applicable after-tax rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 13 April 2010 | **Welfare Working Group established** | The *Welfare Working Group* was an independent review group established by the Government to examine long-term welfare dependence. The Group was asked to provide advice to Government on how to make the New Zealand welfare system effective and sustainable over the coming decades. A particular focus of the Group was how to reduce the numbers of people on long-term benefits, and reduce the growth in numbers and expenditure on benefits. Specifically, the *Welfare Working Group* was charged with looking at:   * how to reduce long-term benefit receipt and improve work outcomes for sole parents; * how to promote opportunities and independence from benefit for disabled people and people with ill health; * how welfare should be funded, and whether there are things that can be learned from the insurance industry and ACC; and * whether the structure of the benefit system and hardship assistance is contributing to long-term benefit dependency.   Issues that were specifically out of scope included:   * New Zealand Superannuation; * issues being considered as part of the Stock-take of ACC Accounts; * the tax-benefit interface and Working for Families; and * the adequacy of income from welfare – although the gap between welfare and work was seen as relevant to discussions.   The *Welfare Working Group* was chaired by Paula Rebstock and contained a mix of business and community leaders, expert academics and employers. Members were: Associate Professor Ann Dupuis; Professor Des Gorman; Catherine Isaac; Professor Kathryn McPherson; Enid Ratahi-Pryor; Adrian Roberts; and Sharon Wilson-Davis. International experts assisting were: Christopher Prinz, Professor Bob Gregory and Professor Peter Saunders. The *Ministry of Social Development*, *Treasury* and other relevant agencies provided staff for the secretariat.  The *Welfare Working Group* held its first meeting on 29 April 2010, released an *Issues Paper* on 9 August 2010 and was scheduled to report to Government by the end of 2010. |
| 21 April 2010 | **New Zealand Superannuation/Veteran’s Pension: Policy clarification Living Alone Payment** | From this time a single person receiving *New Zealand Superannuation* or a *Veteran’s Pension* who had an adult (over the age of 18 years) child living with them who was financially dependent was eligible to receive the *Living Alone Payment*. This followed a decision of the *Social Security Appeal Authority* (2009) that a single person receiving *New Zealand Superannuation* who had an adult student child living with them, and where that student child was financially dependent (i.e. not in full-time employment, not receiving a *Student Allowance* or any other *Social Security Benefit*) that the superannuitant was eligible for the *Living Alone Payment*. |
| 28 April 2010 | **New Zealand Superannuation/Veteran’s Pension: Online application service** | From this time people were able to apply online for *New Zealand Superannuation*. They were also able to check what other assistance they might be eligible for (such as *Accommodation Su*pplement and *Disability Allowance*) using an online eligibility tool. |
| 28 April 2010 – 30 September 2010 | **Rural Assistance for farmers in Bay of Plenty, Taranaki and Great Barrier Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in Bay of Plenty, Taranaki and Great Barrier Island who were affected by drought. Farmers in the following areas were eligible for assistance:   * Western Bay of Plenty District; * Tauranga District; * Rotorua District; * Kawerau District; * Whakatane District; * Opotiki District; * South Taranaki District; and * Great Barrier Island.   Eligible farmers received the applicable after-tax rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 28 April 2010 – 31 December 2010 | **Rural Assistance for farmers in South Canterbury and Otago** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in South Canterbury and Otago who were affected by drought. Farmers in the following areas were eligible for assistance:   * Central Otago District; * Waitaki District; * Dunedin City; * Waimate District; and * Mackenzie District.   Eligible farmers received the applicable after-tax rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 7 May 2010 | **Housing Shareholders Advisory Group report** | The Report of the *Housing Shareholders Advisory Group* was delivered to the Minister of Finance and Minister of Housing. The report provided a vision for delivering social housing in New Zealand and an action plan. The report was not publicly released until 6 August 2010 (see below). |
| 13 May 2010 | **Travel Concession Scheme for Veterans** | A new *Travel Concession Scheme* was introduced for Veterans. It followed a proposal by the *Royal New Zealand Returned and Services Association* and provided a fairer and more equitable approach to the payment of travel concessions. All qualifying veterans were treated equally regardless of where they lived or to which part of New Zealand they undertook a journey.  Travel concessions could be paid for personal or private journeys within New Zealand for:   * one-way trips of 80 km or more or return trips of 160 km or more; and * trips taken by public transport service, scheduled air service, or private vehicle.   The Travel concession payable was:   * on a public transport service is a refund of the cost of the ticket; * on a scheduled air service is the lesser of either the cost of the ticket or 22.5 cents per kilometre; or * by private vehicle is 22.5 cents per kilometre.   Claims were processed by *Veterans’ Affairs New Zealand*. |
| 20 May 2010 | **Budget Package of Tax Measures announced** | As part of the 2010 Budget it was announced that personal income tax rates would be reduced from 1 October 2010 and the rate of *Goods and Services Tax* increased. As part of the package the company tax rate would be reduced from 30 percent to 28 percent from 1 April 2011. |
| 20 May 2010 | **Family Tax Credit: Future adjustment to rates** | As part of the 2010 Budget Tax Package it was announced that the rate of the *Family Tax Credit* would continue to be automatically adjusted for inflation (once the cumulative increase in the *Consumer Price Index* reached five percent from the last adjustment).  The level of the abatement threshold would no longer be adjusted automatically and would become a policy decision for the Government. This was to ensure that higher income recipients did not get bigger increases than those on lower incomes. |
| 1 June 2010 | **Review of the War Pensions Act 1954** | The *Law Commission* reported to the Government with a report titled, ‘*A New Support Scheme for Veterans*’. In its report, the *Law Commission* proposed that the current *War Pensions Act 1954* be replaced with new legislation and made 170 recommendations that it suggested form the basis of the new legislation.  The *Law Commission* proposed two distinct schemes to meet the needs of these two groups.   * **Scheme One** would apply to all personnel with service in the New Zealand Armed Forces prior to 1 April 1974, as does the current *War Pensions Act 1954*. For those with service in a routine environment, Scheme One would act as workers’ compensation for service in a routine environment in the New Zealand Armed Forces prior to 1 April 1974. For those who also have qualifying operational service, the new Act would cover disabilities related to that service. All the other groups currently covered by the *War Pensions Act 1954* would also be covered under Scheme One. This would provide a tax-free periodic pension, similar to the existing *War* *Disablement Pension* paid for service-related impairment. It was proposed that the rate of pension paid be based on a 100% scale calculated on a whole of person impairment, as opposed to a cumulative payment based on the assessment of each disability. The *Law Commission* recommended that a lump sum of one year’s worth of the maximum rate of *War Disablement Pension* be paid to a veteran who is diagnosed with a terminal service-related illness. For veterans under the age of 65 years who at this time could access *Veteran’s Pension* in lieu of an *Unemployment Benefit* or a *Sickness Benefit*, the *Law Commission* to replace this pension with weekly income compensation of 80% of the average wage. It was also proposed to introduce a lump sum payment of $25,000 upon retirement for a person who had been receiving compensation for ten years; and * **Scheme Two** would apply to personnel with qualifying service after 1 April 1974 and the introduction of *ACC*. This would include civilian personnel deployed as part of a *New Zealand Defence Force* (NZDF) contingent. The focus of Scheme Two was rehabilitation and restoration to pre injury capability to the maximum extent possible. Where rehabilitation was not possible, the intention was to provide support to the veteran and their family to ensure that they are able to maintain a quality of life. Scheme Two was designed to link to *ACC* to ensure that the two schemes are complimentary.   The *Law Commission* proposed that all veterans with qualifying service should be eligible for *Veteran’s Pension* when they reach the age of retirement, in lieu of *New Zealand Superannuation*. At this time, veterans who are over the age of retirement can only access *Veteran’s Pension* if they had a qualifying war or emergency service and receive a Disablement Pension of 70 percent or more.  The review arose out of the recognition that the current *War Pensions Act 1954* was outdated and no longer fitted the needs of the veterans it was intended to serve. The *War Pensions Act* *1954* had not been adapted to reflect the changed social, military and legal context and it did not recognise modern disability-management principles.  The *Law Commission* Review Team had previously released a discussion document “*Towards and New Veterans’ Entitlement Scheme: A Discussion Paper on the Review of the War Pensions Act 1954*”, undertaken a series of consultation meetings with the *Returned Services’ Association* and the *New Zealand Defence Force* and received 139 submissions on the questions and issues in the Discussion Paper. |
| 7 June 2010 – 30 September 2010 | **Rural Assistance for farmers in the Wairarapa District** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the Wairarapa District who were affected by drought. Farmers in the following areas were eligible for assistance:   * Tararua District; * Masterton District; * Carterton District; * South Wairarapa District.   Eligible farmers received the applicable after-tax rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 7 June 2010 – 31 December 2010 | **Rural Assistance for farmers in North Canterbury** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in North Canterbury who were affected by drought. Farmers in the following areas were eligible for assistance:   * Hurunui District; * Waimakariri District; * Selwyn District; * Christchurch City.   Eligible farmers received the applicable after-tax rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 9 June 2010 | **Civil Defence Payments: Availability extended** | From this time, *Civil Defence Payments* could be paid in a situation where a *Ministry of Social Development* *Regional Commissioner*, in consultation with a *Local Authority* and/or other relevant emergency service has directed that an event meets the established guidelines for a civil defence emergency or adverse event. Prior to this, *Civil Defence Payments* were restricted to locations where a *Civil Defence Emergency* had been declared, or the Minster had issued a specific direction. |
| 28 June 2010 – 6 August 2010 | **Self-Service Concept Trial in MSD Offices** | The *Self-Service Trial* consisted of:   * improving content available on computers for the general public to use known as *Work Point* or *Work Track* computers (in all *Ministry of Social Development* Offices, *Community Link*, *Heartland Services* and *StudyLink* sites); and * trialling self-service kiosks and furniture, including touch-screen kiosks and improved desk centres (in six *Ministry of Social Development* sites: Otara, Huntly, Porirua, Birkenhead, Queen Street and Glen Innes).   The trial was expected to deliver benefits including reduced queuing, increased client satisfaction and experience, better use of staff time/freeing up case manager time to work more intensively with clients who need it. The trial was aligned to the *Online Services Project*. |
| 1 July 2010 | **Whānau Ora**  **Governance Group**  **Regional Leadership Groups** | *Whānau Ora* was an inclusive interagency approach to providing services and opportunities to all New Zealand families in need. *Whānau Ora* was about the transformation of whānau (with whānau setting their own direction). It was driven by a focus on outcomes that whānau would be self-managing; living healthy lifestyles; participating fully in society; confidently participating in te ao Māori; economically secure and successfully involved in wealth creation; and cohesive, resilient and nurturing.  *Whānau Ora* was jointly implemented by *Te Puni Kokiri, Ministry of Social Development and Ministry of Health*. It required multiple Government agencies to work together with whānau rather than separately with individual family members.  Funding for *Whānau Ora* was established in Vote Māori Affairs under the responsibility of the *Minister for Whānau Ora*. This funding was established from a mixture of reprioritisation of agency funding (*Ministry of Social Development, Ministry of Health and Te Puni Kokiri*) and a transfer for unallocated *Pathways to Partnership* funding in Vote Social Development.  The 2010 Budget invested $134 million over four years in *Whānau Ora* with an additional $30 million added in the 2011 Budget.  The *Whānau Ora Governance Group* was responsible for overseeing the implementation of *Whānau Ora.* The Group advised the Minister responsible for *Whānau Ora* on policy settings, priorities and regional management. It also provided leadership and co-ordination across government agencies and other stakeholders. Membership included three community representatives and the Chief Executives of *Te Puni Kokiri, Ministry of Social Development* and *Ministry of Health*.  Ten *Whānau Ora Regional Leadership Groups* were established around New Zealand, based on *Te Puni Kokiri* administrative boundaries. Their role was to provided regional strategic leadership to ensure that whānau-centred initiatives contributed in a positive and realistic way to local communities. Membership included between three and seven community representatives and three Government officials (*Te Puni Kokiri, Ministry of Social Development* and the *Ministry of Health)*.  By 2011, it was envisaged that at least 20 providers would be contracted to implement *Whānau Ora,* that programmes of action would be developed by selected providers and ten *Regional Leadership Groups* established to ensure programmes were connected with whānau needs. |
| 1 July 2010 | **Residential Care Subsidy: Changes to asset limits and the income from assets exemption** | The asset levels for eligibility to *Residential Care Subsidy* were increased by $10,000 and the income from asset levels adjusted by the consumer price index. Single people and couples with both partners in care were able to keep up to $200,000 in assets - up from $190,000, before they are used to contribute to the cost of their care. Couples both 65 years or over with one in residential care $105,000 (excluding family home and car) or they could elect the higher asset threshold of $200,000 (including family home or car).  The income from assets exemption was adjusted by the movement in the *Consumer Price Index* for the year ending 31 March 2010. The new income from asset exemption levels (after tax) were:   * single people: $897 per annum; * couple (both in care): $1,794 per annum; and * couple (one in care): $2,690 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2010 | **Paid Parental Leave Increased** | *Paid Parental Leave* was increased from a maximum of $429.74 gross per week to a maximum of $441.62 gross per week. This reflected the movement in average weekly earnings over the previous year.  The minimum payment for self-employed parents increased from $125.00 per week to $127.50 per week. |
| 1 July 2010 | **Recoverable Assistance: Assistance with cost of driver licences increased** | An amendment to the *Special Needs Grants Programme* and the *Recoverable Assistance Programme* provided that the amounts of recoverable assistance payable for obtaining and renewing a driver licence corresponded to the actual cost under the *Land Transport (Driver Licensing and Driver Testing Fees) Regulations 1999*.  A further amendment that came into effect on 31 January 2011 e established a recoverable payment for the new licence reinstatement fee. |
| 1 July 2010 | **Community Max Programme expanded** | From 1 July 2010, the *Community Max* employment programme was expanded with an additional 1,500 places. The expansion involved four regions where Māori youth unemployment was the highest - Northland, Bay of Plenty, Waikato and East Coast.  In these regions, between 46 and 65 percent of people receiving the Unemployment Benefit were Māori.  *Community Max* provided a wage subsidy for 6 months for young people helping complete community-based projects and to prepare for further opportunities in the workforce. It included projects such as renovating public buildings, marae or public spaces, or improving access to the local environment such as parks and reserves.  The programme was phased out by 31 December 2010. |
| 1 July 2010 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $550 to $570; and * the income threshold was increased from $21,910 to $22,340.   The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2010/2011 rating year was $22,340 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2010/2011 rating year (1 July 2010 to 30 June 2011). |
| 1 July 2010 | **KiwiSaver withdrawal facility and deposit subsidy became available for first home buyers** | The *KiwiSaver* withdrawal facility and deposit subsidy for first home buyers became available to people who had been members of *KiwiSaver* for at least three years:   * after three years membership of a *KiwiSaver* scheme, or complying scheme could be eligible to withdraw all, or part, of their savings (but not the government contributions) to put towards buying their first home; and * first home buyers could apply for the deposit subsidy if they had belonged and contributed to a *KiwiSaver* scheme, complying scheme or exempt employer scheme for at least three years. The subsidy was $1,000 for each year of contribution to the scheme, up to a maximum of $5,000, after they had contributed for five years.   From 1 April 2015, the *KiwiSaver* withdrawal facility and deposit subsidy were increased (see below) |
| 1 July 2010 | **State Sector Retirement Savings Scheme: Withdrawal facility for first home buyers** | From this time, members of the *State Sector Retirement Savings Scheme* (SSRSS) who had saved for at least three years from 1 July 2007, could qualify to withdraw their own contributions to help pay for their deposit on their first home. For those who had previously owned a home they could also qualify if they were in the same financial position as a first home buyer. Employer contributions could not be withdrawn. |
| 1 July 2010 | **KiwiSaver: Member Tax Credit for people joining part-way through the year** | From this time, people who joined *KiwiSaver* part-way through a membership year (1 July to 30 June), received the *Member Tax Credit* only for the portion of the year that they had been a member.  Similarly, when a person turned 18, they could receive the *Member Tax Credit* only for the portion of the year that they were 18.  Prior to this time, the full *Member Tax Credit* for the membership year could be claimed (subject to the level of member contributions) regardless of the date a person joined the scheme. |
| 1 July 2010 | **SuperGold Card: Changes to the funding of the public transport concession** | Changes were made to the funding of the public transport concession to ensure its sustainability into the future. The key changes were an increase in funding to provide for growing demand and a moratorium on new services entering the scheme until 30 June 2012. The moratorium was subsequently extended to 31 August 2015 to allow a review of the funding model to be completed.  The SuperGold Card public transport concession had commenced on 1 October 2008 and allowed card holders to travel for free on scheduled urban public transport between 9.00am and 3.00pm and after 6.30pm Monday to Friday and all day on weekends and public holidays. |
| 6 August 2010 | **Affordable Housing: Enabling Territorial Authorities Act 2008 repealed** | The *Affordable Housing: Enabling Territorial Authorities Act 2008* was repealed. An amendment to the *Property Law Act 2007* provided that a covenant concerning land was void if a principal purpose of the covenant was to stop the land being used for housing for:   * + people on low incomes; or   + people with special housing needs; or   + people whose disabilities mean that they need support or supervision in their housing. |
| 6 August 2010 | **Report of the Housing Shareholders Advisory Group released** | The report of the *Housing Shareholders Advisory Group* [*Home and Housed: A Vision for Social Housing in New Zealand*] was released. The report made 19 Recommendations for change under four broad headings:   * empowering *Housing New Zealand Corporation* to focus on the high needs sector; * develop third-party participation; * investigate initiatives across the broader housing spectrum; and * clarifying sector accountabilities and delivery expectations.   Following the release of the report there was a six-week targeted consultation with key stakeholders, with a report to Ministers on the results of the consultation in October 2010. |
| 24 August 2010 | **Savings Working Group established** | An independent *Savings Working Group* was established to consider a range of options to improve the level and composition of New Zealand’s national savings, and through savings improve the capital stock. In particular, it was expected that the group would consider:   * fiscal policy – the role of Government saving as an important component of national saving; * taxation – the impact of the tax system, particularly the taxation of capital income on the level and composition of national saving and investment decisions; and * *KiwiSaver* – the role of *KiwiSaver* in improving national saving outcomes, including consideration of whether *KiwiSaver* should be voluntary or compulsory and the fairness and effectiveness of *KiwiSaver* subsidies.   *New Zealand Superannuation* and specific forms of income support were out of scope.  The *Savings Working Group*, chaired by Kerry McDonald was tasked with developing a menu of practical options for Ministers to consider by the end of January 2011. Membership of the Working Group was: John McDermott; Andrew Coleman; Dr Craig Ansley; Mary Holm; Stephen Toplis; and Paul Mersi. |
| 30 August 2010 | **Proposed change to the definition of family income for Working for Families Tax Credits, Student Allowances and Community Services Card.**  **“Family Scheme Income”** | The Government released a proposal to establish a wider definition of family income to ensure fairer access to social assistance (i.e. people should not receive different levels of social assistance according to how they structure their financial affairs or the manner in which they receive income upon which to live). This built on the announcement in the 2010 Budget that investment losses (such as rental loses) would be excluded from consideration from 1 April 2011. The proposed definition to be known as **“family scheme income”** would include:   * trustee income; * fringe benefits; * passive income of children above a threshold of $1,000 per year; * unlocked *Portfolio Investment Entity* (PIE) income; * income of non-resident spouses; * exempt income that is in the nature of wages or salary (eg salary received by employees of some international organisations); * main income equalisation scheme deposits; and * periodic payments.   It was proposed that the new definition would apply to *Working for Families Tax Credits* from 1 April 2011, new applications for the *Community Services Card* from 1 April 2011 and to *Student Allowances* from 1 January 2012.  Submissions on the proposal were sought by 24 September 2010. |
| 2 September 2010 | **Welfare Working Group: reporting date extended** | It was announced that the *Welfare Working Group* would now deliver its report to the Government in February 2011. It had been expected to report by the end of 2010. |
| 2 September 2010 | **Review of the Child Support Scheme** | The Government released a discussion paper on updating the *Child Support Scheme*. The paper included options for revising the *Child Support* formula to better recognise shared care, the income of both parents and the current expenditure for raising children in New Zealand. From an administrative perspective the paper suggested that in order to ensure timely payment that *Child Support* payments be deducted from salaries or wages and that penalties should be restructured to prevent escalating debt and that non-financial enforcement measures (eg departure prohibition orders) should also be considered.  The discussion paper considered the issue of pass on of *Child Support* to sole parent beneficiaries, though it concluded the disadvantages of passing on *Child Support* payments outweigh any likely benefits and that no changes were warranted at the time.  Submissions were sought by 29 October 2010.  Of the 2,000 submissions received, 70 percent wanted comprehensive changes to the system. The submissions generally reflected the view that the scheme could be fairer to all parties and of more direct benefit to the children it is set up to support. |
| 7 September 2010 | **Earthquake Support Subsidy** | Following the earthquake in Canterbury on 4 September 2010, the government announced an *Earthquake Support Subsidy* to assist small businesses disrupted by the earthquake. The support subsidy was paid to businesses with fewer than 20 employees where earthquake damage meant they could not operate and they could not pay staff wages. The earthquake support subsidy had the following parameters:   * $350 per week gross wage subsidy; * advance lump sum paid to the employer; * the employer could top-up the subsidy; * the subsidy was backdated to 4 September 2010; and * firms holding insurance cover for loss of earnings were expected to use this before accessing the subsidy.   The subsidy was initially available for four weeks, though businesses could reapply after four weeks if they were still unable to operate. |
| 13 September 2010 | **Payments made in relation to the Canterbury earthquake exempt from treatment as either income or cash assets** | Payments made in relation to the effects of the Canterbury earthquake on 4 September 2010, on or after 13 September 2010 out of the fund created by the Canterbury Earthquake Appeal of the *New Zealand Red Cross* were not treated as either income or a cash asset when assessing entitlements under the Social Security Act 1964 (including *Temporary Additional Support* and *Residential Care Subsidy*). Payments were declared not to be cash assets for a period of 12 months following the date of receipt. |
| 14 September 2010 | **Canterbury Earthquake Response and Recovery Act** 2010 | The *Canterbury Earthquake Response and Recovery Act 2010* created an *Order in Council* mechanism that—   * enabled the relaxation or suspension of some statutory requirements that may divert resources away from the effort to efficiently respond to the damage caused by the Canterbury earthquake and to minimise further damage, or that may not be capable of being complied with, or complied with fully, owing to the circumstances resulting from the Canterbury earthquake; and * facilitated the gathering of information about any structure or any infrastructure affected by the Canterbury earthquake that is relevant to understanding how to minimise the damage caused by earthquakes.   An *Order in Council* made under the Act could grant an exemption from, or modify, or extend any provision of any enactment, including the *Social Security Act 1964*. *[*Note: Temporary measures suspending some requirements for the long-term unemployed were implemented on 27 September 2010 by the *Canterbury Earthquake (Social Security Act) Order 2010* and authorisation to pay an *Accommodation* Supplement to homeowners who were not living in their home was provided from 24 December 2010 by the *Canterbury Earthquake (Social Security Act) Order (No 2) 2010.]*  The only restriction was that an *Order in Council* could not release a person from custody or detention or modify a requirement or restriction imposed by the *Bill of Rights 1688*, the *Constitution Act 1986*, the *Electoral Act 1993*, the *Judicature Amendment Act 1972*, or the *New Zealand Bill of Rights Act 1990*.  The *Order in Council* mechanism covered the period 4 September 2010 to 1 April 2012.  The Act also established the *Canterbury Earthquake Recovery Commission* to advise Ministers with respect to any *Orders in Council* that may be required, and how resources might be prioritised and funding allocated, for the response to the Canterbury earthquake. |
| 16 September 2010 | **Housing Emergency Lease Programme (HELP)** | The *Housing Emergency Lease Programme* (HELP) was a Government initiative to provide temporary housing to people whose homes were left uninhabitable after the Canterbury earthquake. HELP leased vacant homes (such as holiday homes or baches) from private property owners in Canterbury. Properties were then let to people who needed a temporary home for a few months until they found suitable long-term accommodation.  HELP leased the property at an average market rent for an agreed period (initially 2-4 months, but with the possibility of extension for up to 12 months). *Housing New Zealand Corporation* (HNZC) was then responsible for matching the property to someone needing accommodation, managing the tenancy and ensuring that the property was returned to the owner at the end of the lease period in the same condition. If the property was no longer required, HNZC could end the lease with three weeks’ notice. |
| 27 September 2010 | **Changes to the income test for some social security benefits and New Zealand Superannuation/ Veteran’s Pension** | Changes to the benefit income test for the *Domestic Purposes Benefit, Invalids Benefit* and *Widows Benefit* with the income free zone increased from $80 per week to $100 per week (after which the after tax benefit was reduced by 30c for each dollar of gross income above the free zone) and the threshold after which the benefit was reduced by 70c increased from $180 to $200 gross per week.  Recipients of *New Zealand Superannuation or a Veteran’s Pension* with non-qualifying spouses who claim the married couple rate were able to earn up to $5,200 gross per annum (an increase from $4,160 per annum) before their benefit was reduced. The abatement rate of 70c in the dollar remained unchanged (gross income reducing the gross amount of these benefits).  The income test for the *Unemployment Benefit, Sickness Benefit* and *Independent Youth Benefit* remained unchanged with a free zone of $80 per week, after which the after-tax benefit was reduced by 70c for each dollar of gross income above the free zone. |
| 27 September 2010 | **Disability Allowance: Income threshold increased** | The income threshold for the *Disability Allowance* was increased by $14 per week. This change was to ensure that people receiving *New Zealand Superannuation* or a *Veteran’s Pension* with a non-qualifying spouse who had earnings just below the current income threshold did not lose eligibility to the *Disability Allowance* due to the changes to the income test for *New Zealand Superannuation* and *Veteran’s Pension*. |
| 27 September 2010 | **Work obligations applied to Domestic Purposes Benefit for Sole Parents** | Recipients of the *Domestic Purposes Benefit* (who were receiving a *Domestic Purposes Benefit* for sole parents under section 27B of the *Social Security Act 1964*) were required to seek part-time work once their youngest child was aged six years or over and those whose youngest dependent child was 18 years (and still at school) were required to seek suitable work of 30 hours or more per week. Those with a child under six years were required to complete employment plans.  A recipient of the *Domestic Purposes Benefit* who was subject to work obligations also became subject to the rules around limited employment locations and pre-employment drug testing.  Applicants for the *Domestic Purposes Benefit* with work obligations were subject to a voluntary unemployment sanction if they had become voluntarily unemployed without a good reason. For sole parents the sanction for voluntary unemployment was a 50 percent reduction in benefit for 13 weeks.  A recipient of the *Domestic Purposes Beneficiaries* with work obligations was allowed to be absent from New Zealand for up to 28 days, provided they continued to meet the qualifications for the benefit and their work obligations.  Work obligations were not applied to the *Widows Benefit* or to the *Domestic Purposes Benefit for Women Alone*. |
| 27 September 2010 | **Work test exemptions**  **Exemptions from Planning Obligations** | An exemption from the work-test was available to recipients of the *Domestic Purposes Benefit* studying at Level 4 and above.  From this time work-test exemptions could be granted in respect of some or all work test obligations instead of blanket exemptions from the work test.  Beneficiaries subject to planning obligations could apply for a temporary exemption. They had to attend an interview to make an application for an exemption. To be granted an exemption they must have had either:   * temporary severe disability issues or temporary medical or psychological problems that will be resolved; or * pressures that meant that planning is currently impractical or unlikely to be helpful (eg issues related to the care of children). |
| 27 September 2010 | **Negotiated Job Seeker Agreements abolished, and Personal Development and Employment Plans refocused** | For work-tested beneficiaries the negotiated *Job Seeker Agreement* was removed. From this time, a person receiving a work-tested benefit could be directed to a specified work-related activity.  *Personal Development and Employment Plans* for non-work tested benefits were replaced with *Employment Plans* with a focus on returning to work. From this time, they could only include activities related to planning for employment. Social development and personal well-being goals were excluded. |
| 27 September 2010 | **Enhanced medical certificates for Invalids Benefit/Sickness Benefit and work capacity certification** | A new medical certificate for the *Invalids Benefit* was introduced to capture more relevant information about a beneficiary’s capacity to work. People who were expected to work part-time were eligible for a Sickness Benefit instead of an *Invalids Benefit*. For people in receipt of a *Sickness Benefit* who were assessed as capable of part-time work, a work-test was applied from 2 May 2011. |
| 27 September 2010 | **Sickness Benefit: medical examinations** | The *Social Security Act 1964* provided that applicants for a *Sickness Benefit* include a certificate from a medical practitioner, a dentist, a midwife or health practitioner of a kind specified in regulations, that certifies that the person’s capacity for work is affected by sickness, injury or disability. From this time, the *Social Security (Sickness Benefit – Medical Examinations) Regulations 2010* provided that a nurse practitioner could issue a certificate in respect of a condition within the ambit of their scope of practice. |
| 27 September 2010 | **Sanctions for beneficiaries failing to meet the work test or to participate in the work planning process** | Sanctions for failure to meet work obligations, without a good reason were a 50 percent reduction in benefit payment for a first failure and 100 percent reduction for the second failure, with sole parents and couples with a dependent child or children facing a maximum 50 percent reduction in benefit. In order to re-comply, people had to carry out the same activity/or substantially similar activity to the one that they had failed to undertake. The work test process was simplified, so that sanctions could be imposed earlier. The five-day notice period before a work test failure was recorded was removed. With work test failures initiated immediately, the beneficiary still had five working days to respond before their benefit was reduced. |
| 27 September 2010 | **Unemployment Benefit: Recipients required to reapply for their benefit after 52-weeks** | It became a requirement for the unemployed to reapply for the *Unemployment Benefit* after 52 weeks and complete a comprehensive work assessment. Those who didn’t reapply had their benefit cancelled. |
| 27 September 2010 | **New processes for granting hardship assistance** | Repeat applicants for hardship assistance (*Advance Payment of Benefit, Special Needs Grants, Recoverable Assistance for Non-beneficiaries*) who applied for three or more payments in a 12-month period were required to come into a *Ministry of Social Development* office, complete budgeting activities and show that they have taken reasonable steps to increase their income, reduce their costs, or improve their financial management. Hardship assistance could be refused if an applicant had not tried to reduce their costs, or increase their income or obtain funding from other sources, or had refused to attend a budgeting course. People who applied for hardship assistance on a 6th occasion were required to undertake a comprehensive assessment and any further hardship grants had to be signed off by a *Ministry of Social Development* Service Centre Manager. These requirements were contained in the *Social Security (Advance Payment of Benefit) Regulations 2010*. |
| 27 September 2010 | **Independent Youth Benefit: Change to eligibility criteria** | From this time, 16-17-year olds receiving the *Independent Youth Benefit* (IYB) were required to be in education, work or training. Case managers could direct IYB applicants to undertake or remain in:   * education; * work-related activities; or * training.   Job seeking activities could be assigned if education or training was not seen as appropriate for the beneficiary.  Education was seen as the priority and IYB recipients who were job seeking were required to meet with their case manager to discuss returning to education or training. |
| 27 September 2010 | **Childcare Assistance: Income thresholds reduced** | The income thresholds for *Childcare Assistance* (*Childcare Subsidy and OSCAR Subsidy*) were reduced to their April 2008 levels and there was to be no future indexation for inflation. This was to target assistance more closely to families in need.  Existing recipients and those who had received *Childcare Assistance* at any point between 28 September 2009 and 26 September 2010 were grandparented for a period of three years (i.e. *Childcare Assistance* for these people was to be assessed during the next three years using the income thresholds that applied on 1 April 2010). From 27 September 2013, the grandparenting provisions were extended until the start of the 2014 school year. The income thresholds remained frozen until 1 April 2023, when they were adjusted to reflect the increase in the average wage since 2010, and from this time future adjustment on an annual basis was linked to the increase in the average wage. |
| 27 September 2010 | **Response to the Canterbury earthquake: Changes to benefit rules deferred in Canterbury until 1 March 2011** | In response to the recent Canterbury earthquake Cabinet agreed to defer some *Future Focus* benefit changes until 1 March 2011.  The following changes were deferred:   * new processes/rules for hardship assistance; * the *Unemployment Benefit* (UB) 52-week reapplication; and * work obligations for the *Domestic Purposes Benefit* - Sole Parents (DPB-SP).   By deferring these changes in the Canterbury region, the *Ministry of Social Development* would have more time to:   * focus on supporting people affected by the earthquake; * manage demand for their services which peak during December and January and was likely to be higher than usual this year due to the earthquake; and * complete the *Future Focus* training, which was put on hold after the earthquake.   The *Canterbury Earthquake (Social Security Act) Order 2010* (made under the *Canterbury Earthquake Response and Recovery Act 2010*) provided that unemployment beneficiaries residing in specified areas affected by the Canterbury earthquake who had been receiving an *Unemployment Benefit* for a 12-month period did not have to reapply for their benefit and undertake a comprehensive work assessment. The specified territorial local authority areas were:   * Ashburton District Council; * Christchurch City Council; * Huranui District Council; * Selwyn District Council; and * Waimakariri District Council.   The exemption from these requirements for the *Unemployment Benefit* remained in force until 28 February 2011. |
| 27 September 2010 | **Requirement to adjust rates of main social security benefits on 1 April each year** | From this time, it became a legislative requirement to adjust rates of main *Social Security Benefits* on 1 April each year by the percentage movement in the *Consumer Price Index* (all groups) over the year to the end of previous December. Such an adjustment could not reduce the rate of social security benefit payable. |
| 27 September 2010 | **Requirement to adjust rates of foster care board allowances on 1 April each year** | From this time, it became a legislative requirement to adjust rates of *Foster Care Board Allowances* on 1 April each year by the percentage movement in the *Consumer Price Index* (all groups) over the year to the end of previous December. Such an adjustment could not reduce the rate of *Foster Care Board Allowance* payable. |
| 27 September 2010 | **Requirement to adjust rates of student allowances on 1 April each year** | From this time, it became a legislative requirement to adjust rates of *Student Allowances* on 1 April each year by the percentage movement in the *Consumer Price Index* (all groups) over the year to the end of previous December. Such an adjustment could not reduce the rate of S*tudent Allowance* payable. |
| 27 September 2010 | **Indexation of benefits to exclude cigarette and tobacco price impacts** | Legislation provided that the annual adjustment to benefit rates (main benefits, *Student Allowances*, *Foster Care Allowances* and *New Zealand Superannuation/Veteran’s Pension*) due on **1 April 2011, 1 April 2012 and 1 April 2013** exclude the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. For adjusting rates of benefit, the *Consumer Price Index*– (all groups excluding cigarettes and other tobacco products) subgroup was to be used.  In October 2012, this provision was extended up until and including the adjustment required on **1 April 2017**. |
| 1 October 2010 to 31 December 2010 | **Rural Assistance for farmers in Northland, Bay of Plenty, Taranaki, Great Barrier Island, Auckland, Waikato and Wairarapa extended** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) originally activated in Northland (15 February 2010) Bay of Plenty, Taranaki and Great Barrier Island (12 April 2010), Auckland and Waikato (28 April 2010) and Wairarapa (7 June 2010) for farmers who were affected by drought were extended until 31 December 2010.  Eligible farmers received the applicable after-tax rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 1 October 2010 | **A new personal tax scale was introduced** | A new personal tax scale was introduced. The new tax scale was:   * $0-$14,000 10.5% * $14,001-$48,000 17.5% * $48,001-$70,000 30.0% * $70,001+ 33.0%   The composite tax rates that applied for the 1 April 2010 to 31 March 2011 tax year were:   * $0-$14,000 11.5% * $14,001-$48,000 19.25% * $48,001-$70,000 31.5% * $70,001+ 35.5% |
| 1 October 2010 | **Income Tax Reductions: Impact on beneficiaries and students** | The tax rate reductions had no impact on after tax rates of main *Social Security Benefits* or *Student Allowances*. The gross rates of benefits and *Student Allowances* were reduced accordingly. |
| 1 October 2010 | **Income Tax Reduction: Impact on NZS/VP** | Recipients of *New Zealand Superannuation* or a *Veteran’s Pension* received an increase in their after-tax payments due to the reductions in income tax rates. |
| 1 October 2010 | **GST increased** | The *Goods and Services Tax* (GST) was increased from 12.5 percent to 15 percent. |
| 1 October 2010 | **Temporary GST Assistance Programme** | The *Temporary GST Assistance Ministerial Welfare Programme* provided a non-taxable payment of 2.02 percent of the full rate of benefit, paid alongside the main benefit, *Student Allowance* or *New Zealand Superannuation* from 1 October 2010 until 31 March 2011. This ensured that beneficiaries were compensated for the increase in GST immediately, rather than having to wait until the *Consumer Price Index* effect of the GST increase was applied to rates of *Social Security Benefits* and *New Zealand Superannuation* at the 1 April 2011 adjustment. |
| 1 October 2010 | **Temporary GST Assistance not Chargeable Income** | *Temporary GST Assistance* was excluded from the definition of chargeable income for the purpose of determining eligibility to *Special Benefit* or *Temporary Additional Support*. |
| 1 October 2010 | **Tax Transitional Supplement Programme** | The *Tax Transitional Supplement Ministerial Welfare Programme* acted as a backstop to the *Temporary GST Assistance Programme* to ensure that no-one receiving financial assistance from the *Ministry of Social Development* saw a reduction in their income as a result of the October 2010 tax changes.  The *Tax Transitional Supplement* postponed the effect of the changes to income tax rates and rates of the *Family Tax Credit* on certain benefits by ensuring that any reduction to these benefits between 1 October and 31 March due to the impact of changes to income tax thresholds and the *Family Tax Credit* takes place in the context of a review of their circumstances. |
| 1 October 2010 | **ACC Earner Premium increased** | As a result of the increase to the *Goods and Services Tax*, the *Earner Premium* was increased from 2.00c to 2.04c in the dollar. The maximum earnings liable for the *Earner Premium* remained at $110,018 for the 2010/2011 tax year but the maximum *Earner Premium* for the 2010/2011 tax year increased to $2,244. |
| 1 October 2010 | **Rates of Child Disability Allowance, Foster Care Allowance, Disability Allowance and Childcare Assistance were increased** | Rates of *Child Disability Allowance* and the *Foster Care Allowance*, and maximum rates of *Disability Allowance* and *Childcare Assistance* were increased by 2.02 percent. |
| 1 October 2010 | **Rates of *Family Tax Credit* increased** | Rates of *Family Tax Credit* were increased by 2.02 percent. New weekly rates were:   * first or only child 0-15 years: $88.04; * first or only child 16-18 years: $101.98; * subsequent child 0-12 years: $61.19; * subsequent child 13-15 years: $69.79; and * subsequent child 16-18 years: $91.25. |
| 1 October 2010 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $20,800 to $21,216 ($416 net per week). |
| 1 October 2010 | **Changes to resident withholding tax, prescribed investor rates and secondary tax rates** | Changes aligned these tax rates with the changes to personal tax rates and the forthcoming change to the company tax rate (1 April 2011).  The changes aligned these tax rates with the changes to company and personal tax rates. New rates of *Resident Withholding Tax* with the thresholds reflecting total income were:   * $0-$14,000 10.5% * $14,001- $48,000 17.5% * $48,001-$70,000 30.0 % * $70,001+ 33.0 % * No notification rate 33.0%   New rates of secondary tax, with the thresholds based on total income from all sources were:   * $0-$14,000 10.5% * $14,001-$48,000 17.5% * $48,001-$70,000 30.0 % * $70,001 + 33.0 %   *Prescribed Investor Rates* (PIRs) for NZ resident individual investors were:  Taxable income of $14,000 or less and when combined with income from *Portfolio Investment Entities* (PIEs) total income was less than $48,000 **10.5%**  Taxable income of between $14,000 and $48,000 and when combined with income from PIEs total income was less than $70,000 **17.5%**  Taxable income was more than $48,000 and when combined with income from PIEs total income was more than $70,000 **28.0%** |
| 1 October 2010 | **Redundancy Tax Credit repealed, but subsequently extended until 31 March 2011** | The *Redundancy Tax Credit* was to be repealed from 1 October 2010. The tax credit was designed to ensure that a redundancy payment did not cause a person to move up a tax threshold and to face a significantly higher tax rate. Due to the tax rate reductions from 1 October 2010, there was a much smaller gap between the top rate and the next highest rate, than had existed in 2008 when the tax credit was introduced.  In response to the Christchurch earthquake, the *Redundancy Tax Credit* was extended from 1 October 2010 until 31 March 2011. This extension is available to everyone receiving redundancy payments that are made before 1 April 2011.  The tax credit was paid at the rate of 6 cents in the dollar to a maximum of $3,600. |
| 1 October 2010 | **Assistance with cost of Driver Licences increased** | The amount of recoverable assistance payable through *the Recoverable Assistance Programme* and the *Special Needs Grant Programme* was increased to reflect the impact of the increase in *Goods and Services Tax* on fees for new and renewing driver licences. |
| 11 October 2010 | **Gateway Housing Scheme for First Home-Buyers** | The *Minister of Housing* launched the *Gateway Housing Scheme* designed to make it easier for first-time buyers and those on lower incomes to build or purchase a home. It was announced that 30 parcels of Crown or *Housing New Zealand Corporation* land had been identified and made available for the Scheme. The scheme was launched in Beauzami Crescent, Porirua, where *Habitat for Humanity* had undertaken to develop two sections into three, to create affordable housing opportunities. Of the remaining sites, 17 were in Hobsonville, Auckland. The others were in: Gisborne; Hamilton; Hastings; Palmerston North; Ashburton and Dunedin.  The *Gateway Housing Scheme* offered sections on advantageous terms for first home buyers. First home buyers and low-income families could build or buy their own home and defer payment on the land for up to 10 years, during which time the section could be purchased for a pre-agreed price. They must have a 10 percent deposit on the house cost. In return, households were required to build a new house and occupy it for at least the term of the deferred payment period.  There were two types interest on the land. A fixed rate set at 3 percent and calculated annually and added to the original balance. The second type of interest was not payable in the first five years, but levied at 1 percent of the original balance in years six and seven, 3 percent in years eight and nine and 5 percent for year ten.  The scheme aimed to increase housing supply, support home ownership and make better use of state land holdings.  Households who met the *KiwiSaver* home deposit subsidy criteria were eligible for the scheme. At that time this represented households with a gross income of up to $100,000 per annum (or $140,000 for three or more borrowers living in the same house). Borrowers who were members of *KiwiSaver* were able to apply their housing withdrawal and deposit subsidy towards the purchase of the house.  *Community Housing Organisations* were actively targeted for the scheme as they were able to develop land and use favourable capital and interest repayment terms to build even more affordable housing.  From May 2012, as a result of low take-up, the Scheme was discontinued. |
| 11 October 2010 to 30 June 2011 | **Rural Assistance for farmers in the southern South Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the southern part of the South Island who were affected by snow storms in September 2010. Farmers in the following Local Authorities, who met the eligibility criteria were eligible to receive *Rural Assistance Payments*:   * Southland District Council; * Gore District Council; * Invercargill City Council; * Clutha District Council; and * Dunedin City Council.   Eligible farmers received the applicable after-tax rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 24 October 2010 | **Housing Shareholders Advisory Group: Report on Stakeholder Feedback** | Following the release of the report of the *Housing Shareholders Advisory Group* (HSAG) in August 2010 there was a six-week targeted consultation with key stakeholders.  The HSAG reported to Ministers, with the results of their consultation and implications of the stakeholder feedback for the recommendations of the HSAG (see August report for recommendations). |
| 1 November 2010 | **Independent Youth Benefit and Unsupported Child’s Benefit: Changes to the application and assessment process** | The following changes were made to strengthen the application process for the *Independent Youth Benefit* (IYB) and *Unsupported Child’s Benefit* (UCB):   * an independent assessment was initiated to determine eligibility for UCB (14-17-year olds), similar to the process already followed for IYB applications; * for every application for IYB and UCB (14-17-year olds) the child and applicant were advised that the *Ministry of Social Development* or an independent assessment provider would contact the parents to confirm the family situation; * in Service Centres where an integrated service co-ordinator was in place, this person was nominated to manage all IYB and UCB grants. In Service Centres where this service was not available, a specialist was nominated; and * all grants were required to be signed off by a Service Centre Manager. |
| 24 November 2010 | **Options paper released by the Welfare Working Group** | The *Welfare Working Group* set out high level options for reform based on insurance principles (structured around helping people with a high risk of long-term benefit dependency into paid work and policy and delivery decisions made with respect to the expected life-time costs). The *Welfare Working Group* report set out options grouped under the following headings:   * What changes could New Zealand make to the structure of the benefit system to improve the focus on early intervention to reduce long-term dependency? * What changes could New Zealand make to the structure of the benefit system to improve the focus on paid work? * What changes do we need to the *Unemployment Benefit* to improve social and economic outcomes? * What changes do we need to reduce long-term benefit dependency of sole parents and reduce child poverty? * What changes do we need to reduce long-term benefit dependency of people on the *Sickness Benefit* and *Invalids Benefit*? * What changes do we need to improve paid work outcomes and reduce long-term benefit dependency amongst Māori? * What changes do we need to reduce long-term benefit dependency of people who enter the benefit system at an early age? * What changes do we need to financial incentives in the benefit system (including supplementary programmes) in order to reduce long-term benefit dependency and increase the uptake of paid work? * What changes do we need to improve the approach to funding and delivery of employment and other services? * What changes do we need to support employers to achieve better employment outcomes for beneficiaries? * What changes do we need to address fraud and abuse? * How should a new benefit system be introduced?   The report set out a range of questions about the options. Public feedback was sought by 24 December 2010. |
| 7 December 2010 | **2010 Review of Retirement Income Policies released** | The *Retirement Commissioner* submitted the *2010 Review of Retirement Income Policies*. The report recommended changes to *New Zealand Superannuation* to keep it affordable over the long-term and to strengthen the principle of universal individual entitlement. Recommendations included:   * + from 2020 gradually raising the age of eligibility by 2 months per year, so that it reaches 67 years in 2033;   + in parallel, introducing a transitional means-tested benefit for those aged 65 who are unable to financially support themselves;   + from 2020 adjust the formula by which the annual adjustment to the rate of *New Zealand Superannuation* is calculated so that the rate adjustment is the mid-point between the percentage increase in the *Consumer Price Index* and the percentage increase in the average weekly wage;   + removing the option of income-tested *New Zealand Superannuation* for people aged under 65 years, or who don’t meet the residence test, whose partners are superannuitants;   + equalising the rates of *New Zealand Superannuation* for people sharing accommodation (removing the difference between the rates for those who are partnered and those who are un-partnered); and   + abolish the direct deduction of a person’s overseas pension from their partner’s *New Zealand Superannuation*. |
| 12 December 2010 | **Recoverable Assistance for limited licence costs and impounded car fees** | Processes were tightened for access to *Recoverable Assistance* for either limited licence costs or impounded car fees.  When considering these applications, the *Ministry of Social Development* was directed to look closely at the reasons why an applicant had lost their licence or why their car was impounded and why they now need their driver licence or why they need their car out of impound. *Recoverable Assistance* could only to be granted if it was considered that exceptional circumstances existed.  The new processes required these grants to be approved by the Service Centre manager, followed by approval from the *Regional Commissioner* and *Deputy Chief Executive*. |
| 16 December 2010 | **Interim Report of the Savings Working Group** | The *Savings Working Group* released its interim report. The report signalled an urgent need for both government and households to lift productivity and the level of national savings. The working group strongly recommended pre-emptive policy changes to prevent further growth in net foreign liabilities to avoid the economic and social damage of an externally imposed shock. The “no change” option was not considered to be a viable position. |
| 21 December 2010 | **ACC Workplace Cover** | It was announced that the Government had agreed in principle to allow insurance companies to compete with *ACC* for workplace cover (i.e. the introduction of choice in the *Work Account*). Other changes announced were:   * no increase in workplace, motor vehicle or earner levies for 2011; * introduction of experience rating in the *Work Account*; * extension of the *Accredited Employers’ Programme* (AEP); and * greater independence of the *Disputes Resolution Service*. |
| 24 December 2010 | **Payment of Accommodation Supplement to Canterbury homeowners** | The *Canterbury Earthquake (Social Security Act) Order (No 2) 2010* authorised the payment of an *Accommodation Supplement* to homeowners in specified areas of Canterbury who were otherwise eligible (met the income and asset test and had on-going costs in relation to their house), but no longer lived in their home as a result of damage caused by the earthquakes or who had vacated their homes for a period while repairs were carried out.  The specified areas were the following territorial authorities:   * Ashburton District Council; * Christchurch City Council; * Huranui District Council; * Selwyn District Council; and * Waimakariri District Council.   This provision was set to expire on 30 March 2012, but was subsequently extended to 19 April 2016.  The *Order in Council* was made under the *Canterbury Earthquake Response and Recovery Act 2010*. |
| 31 December 2010 | **Job Support Scheme ceased** | The *Job Support Scheme* introduced in March 2009 was aimed at helping businesses retain workers and was one of the ideas developed at the *Prime Minister’s Employment Summit* (February 2009). The scheme provided an allowance to employers (to pass on to workers), where workers, employers and unions (where applicable) negotiate voluntary agreements to reduce hours of work to nine days a fortnight.  No new applications had been received since June 2010. |
| 1 January 2011-31 March 2011 | **Rural Assistance for farmers in the north and central North Island affected by drought** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in Northland, Auckland, and Waikato, who were affected by drought. Farmers in the following districts were eligible for assistance:   * Far North; * Kaipara; * Whangarei; * Auckland City; * Waikato; * Hauraki; * Thames-Coromandel; * Matamata-Piako; * Waipa; * Hamilton City; * Otorohanga; * Waitomo; * South Waikato; * Taupo; * Rotorua (part within the Waikato region); and * Ruapehu. |
| 1 January 2011 | **92-week lifetime limit on Student Allowances for secondary school study** | From this time, where a student had used their 92 weeks entitlement to a *Student Allowance* they ceased to be eligible for a *Student Allowance* for study at secondary school level.  In some situations, the weeks of *Student Allowance* received did not count toward the 92-week life-time limit. These were:   * weeks paid for secondary school study prior to 1 January 1999; * weeks paid for tertiary study; and * weeks exceeding 92 paid for secondary school level study prior to 1 January 2011. |
| 1 January 2011 | **Recipients of New Zealand Superannuation or Veterans Pension excluded from eligibility to a Student Allowance** | People receiving *New Zealand Superannuation* or a *Veteran’s Pension* was no longer able to receive a *Student Allowance*. If a person receiving *New Zealand Superannuation* or a *Veteran’s Pension* wanted to receive a *Student Allowance*, they could choose to receive one or the other. |
| 1 January 2011 | **Student Allowances for Transitional Courses** | The exemption to the 200-week life-time limit for *Student Allowances* for transition courses was removed. At the time there was only one approved transition course (University of Otago’s Foundation Studies Certificate). |
| 1 January 2011 | **Life-time limit on Student Loans** | From this time, a student had a maximum of 7 Equivalent Full-Time Student (EFTTS) for *Student Loans*. The 7 EFTS limit included all study for which a student loan was received, from 1 January 2010. A course with a study start date prior to 1 January 2010 and where a student has withdrawn from the course, and the education provider has refunded the full fees and a student hasn’t drawn down a loan for other study during the period, did not count toward the 7 EFTS limit.  In special circumstances a student could apply for an extension to the 7 EFTS limit. This could include where they are finishing a paper or a course, even if it takes them over the limit, they require an additional 1 EFTS to complete a post–graduate qualification, or they require an additional 3 EFTS (but not more than 10 EFTS in total) to complete doctoral study. |
| 1 January 2011 | **Performance requirement for Student Loans** | In order to keep eligibility for a *Student Loan* for their next study a student was required to pass at least half the EFTS of their previous study. Performance was assessed over a five-year rolling period (i.e. performance over the five years prior to their current application would be considered). The assessment of performance applied from courses of study ending in 2009 or later. |
| 1 January 2011 | **Residency criteria for Student Allowances and Student Loans** | Permanent residents and Australian citizens became subject to a two year stand down (i.e. had lived legally lived in New Zealand for at least two years) and they must be ordinarily resident in New Zealand to receive a *Student Allowance* or a *Student Loan*.  Exceptions to the two year stand down requirement included refugees, anyone sponsored into New Zealand by a family member who holds refugee status, and people with protected status. |
| 1 January 2011 | **Student Loan Administration Fee** | The *Student Loan Scheme Administration Fee* was renamed the *Establishment Fee* and increased from $50 to $60. The establishment fee was charged every time a student opened a new student loan account. |
| 1 January 2011 | **Changes to the Training Opportunities Programme (TOP)**  **Training for Work**  **Foundation Focused Training Opportunities** | From this time, 40 percent of the *Training Opportunities Programme* (TOP) funding was retained by the *Ministry of Social Development* to purchase shorter, industry-focused training linked to local employment needs.  ***Training for Work*** had a maximum duration of 13 weeks and was designed to provide beneficiaries with the necessary skills needed to enter employment.  The remaining 60 percent of TOP funding continued to be administered by the *Tertiary Education Commission* and used to purchase longer term training. ***Foundation Focused Training Opportunities*** had a maximum duration of 26 weeks and assisted beneficiaries to acquire the foundation skills needed to enter employment or further tertiary education.  The outcomes sought from *Foundation Focused Training* were:   * employment in the local labour market; * movement into higher levels of tertiary education; and * improved literacy and numeracy skills. |
| 1 January 2011 | **Domestic Purposes Benefit (Sole Parent): Recoverable assistance for study costs** | The provision of recoverable assistance of up to $500 per calendar year was introduced to assist beneficiaries in receipt of the *Domestic Purposes Benefit (Sole Parent)* to study at Level 4 and above on the *New Zealand Qualifications Framework*. The recoverable assistance was available to assist with course-related costs such as transport, childcare, books and stationery. The recoverable assistance was in addition to the $1,000 that was available through the *Student Loan Scheme*. The loan was only available in respect of a course provided by a Tertiary Institution that attracted *Student Component Funding* or other approved Government funding. The recoverable assistance was not available to beneficiaries who were receiving the grandparented *Training Incentive Allowance* or for post-graduate courses. Arrangements to repay the assistance did not need to be made until the beneficiary had completed their course, stopped studying or was no longer in receipt of a *Domestic Purposes Benefit (Sole Parent)*.  Provision was made in a Ministerial Welfare Programme under section 124(1)(d) of the *Social Security Act 1964* – *DPB Sole Parent Study Assistance* Programme (renamed the *Sole Parent Study Assistance Programme* from July 2013).  The loan replaced the *Recoverable Assistance for Study Costs Programme* which ended on 31 January 2011. |
| 1 February 2011 | **Office of the Community and Voluntary Sector relocated to the Department of Internal Affairs** | The *Office of the Community and Voluntary Sector* was moved from the *Ministry of Social Development* to the *Department of Internal Affairs*. This created one clear point of contact for the sector in government at national and local levels with which it could develop relationships and work together. The move was also designed to simplify access to government for the relevant community groups and meant they dealt with one department not two, with a single work programme. |
| 1 February 2011 | **Final report of the Savings Working Group released** | In its report [*Saving New Zealand: Reducing Vulnerabilities and Barriers to Growth and Prosperity*] the *Savings Working Group* concluded:   * New Zealand’s level of debt was too high; * this liability made the New Zealand economy vulnerable; * increased saving was essential to reduce vulnerability; and * urgent action was recommended.   Specific recommendations included:   * that Government pursue with urgency an increase in national savings of some two percent to three percent of *Gross Domestic Product* (GDP); * a return to fiscal surplus of not less than two percent of GDP earlier than the projected date of 2016; * that Government set a target for public sector productivity and performance improvements in the order of two percent per year for the next five years and one percent per year thereafter; * interest income and expenses be indexed at a notified standard rate for tax purposes that reflects the rate of inflation; * that *Portfolio Investment Entities* (PIE) tax rates should be changed to target a rate reduction for all investors closer to a benchmark of 5-10 percent below investors’ marginal tax rates; * supporting a continuing switch from income tax to consumption tax and a consideration of an increase in *Goods and Services Tax* from 15 percent to 17.5 percent; * that *KiwiSaver* remain voluntary at this time; * auto-enrolment of all employees who are not currently in *KiwiSaver*, but with the ability to opt out; * spreading the kick-start payment over five years, and making payments contingent on contributions; * keeping the minimum employee contribution of two percent, but increasing the default contribution to four percent; * rationalising the default scheme so it invests only in index-based shares and bonds and offers a limited number of basic combinations of such investments; * an additional low-fee, ultra-low risk fund that invests only in short-term government securities; * continuation of the *New Zealand Superannuation Fund*; and * considering changing the funding method of the *New Zealand Superannuation Fund*, for instance through the introduction of a dedicated social security tax, with an offset to ordinary income tax. |
| 9 February 2011 | **Compensation payments made as a result of the Canterbury earthquake not considered a cash asset** | Money paid to a person by the *Earthquake Commission* or an insurance company in respect of the destruction of or any damage to any property caused by the Canterbury earthquake (4 September 2010), or towards the costs of renting accommodation in place of residential premises destroyed or made uninhabitable by the Canterbury earthquake, was excluded from a person’s cash assets when considering eligibility to the following social security assistance:   * *Advance Payment of Benefit*; * *Emergency Benefit* and Benefits on the Grounds of Hardship; * *Special Benefit*; * *Away from Home Allowance*; * *Home Help Programme*; * *New Employment Transition Grant Programme*; * *Recoverable Assistance Programme*; * *Special Needs Grants Programme*; and * *Student Allowance Transfer Grant Programme*. |
| 17 February 2011 | **Temporary Accommodation Assistance for Canterbury Homeowners: Temporary Accommodation Assistance (Canterbury Earthquake) Ministerial Welfare Programme** | *Temporary Accommodation Assistance* was made available to Canterbury homeowners who had been required to leave their home as a result of the earthquakes and who, as a result, faced additional accommodation costs for their temporary accommodation.  To be eligible for *Temporary Accommodation Assistance* a homeowner must have:   * been unable to live in their own home because it was unsafe until it was rebuilt or repaired; or * required to leave their own home while land remediation and/or house rebuild, or repairs occurred; * intending to return to their home when the house is habitable; * had temporary accommodation costs (e.g., rent, board, motel etc); * had used all their insurance coverage for temporary accommodation costs; and * was not receiving an *Accommodation Supplement* or a *Student Allowance* *Accommodation Benefit* in respect of their temporary accommodation costs.   If a person did not have insurance cover, either for their home or for temporary accommodation costs, a grant could be made if exceptional circumstances existed.  *Temporary Accommodation Assistance* was not subject to an income or asset test, but an applicant was expected to have taken all reasonable steps to minimise their liability to pay temporary accommodation costs and the amount of those costs. The *Ministry of Social Development* could also consider the financial circumstances of the applicant when deciding whether to make a grant.  Temporary accommodation costs included:   * weekly rent, excluding any service costs and arrears; * the amount paid for boarding or lodgings, excluding any arrears; or * the cost of short-term accommodation in a holiday park, motel, hotel or serviced apartment, excluding any arrears.   *Temporary Accommodation Assistance* was paid at a flat weekly rate:   * single no children $180 per week; * married, de-facto, civil union with no children and a sole parent with one dependent child $275 per week; and * married, de-facto, civil union with children and a sole parent with two or more dependent children $330 per week.   The rates were based on an average between market rent data and rent data declared by people receiving the *Accommodation Supplement* in Canterbury in 2010. The rates remained the same for the duration of the programme.  *Temporary Accommodation Assistance* was available from the time that insurance coverage for temporary accommodation ceased until a person was able to reoccupy their home. The assistance was made available until 17 February 2013 (subsequently extended to 1 March 2015, to 31 October 2015, to 31 December 2019 and to 31 December 2020).  Between 2011 and the end of August 2019, the *Ministry of Social Development* paid $62 million in assistance to around 3,400 households. By the end of 2019, there were fewer than 15 recipients. From 1 January 2020, new applications were no longer be accepted.  Payments of *Temporary Accommodation Assistance* were not chargeable income for the grandparented *Special Benefit* or for *Temporary Additional Support.*  Temporary accommodation costs were not an allowable cost for *Temporary Additional Support* for people receiving *Temporary Accommodation Assistance* or for people who had been declined *Temporary Accommodation Assistance* due to the *Ministry of Social Development* determining that they were not eligible.  Applications for *Temporary Accommodation Assistance* opened on Monday 21 February 2011. |
| 21 February 2011 | **Canterbury Earthquake Temporary Accommodation Service (CETAS) established** | The *Canterbury Earthquake Temporary Accommodation Service* (CETAS) was established. There were three streams to the service:   * **Temporary accommodation**: assisting householders affected by the earthquakes (both homeowners and people in rented accommodation) who needed support finding suitable temporary accommodation while their home was repaired or rebuilt. * **Financial assistance**: temporary accommodation assistance was available for Canterbury homeowners who had to leave their home as a result of the earthquakes, and faced additional accommodation costs, such as rent, board or motel stays. Temporary accommodation assistance was not income or asset tested. * **Earthquake support coordination**: the service could also connect people to a team of earthquake support coordinators who assisted individuals and families directly affected by the earthquakes, including those who had to be relocated while their homes were rebuilt or repaired, or while land remediation was carried out.   Four CETAS offices were established – Work and Income High Street Christchurch, Linwood Community Link, Work and Income Papanui and the Waimakariri Earthquake Hub in Kaiapoi. A satellite service was also provided for residents of the Selwyn district.  Significant initiatives undertaken by CETAS included:   * More than 350 households were temporarily housed in three government-supported villages:   + The *Rawhiti Domain Temporary Accommodation Village* was opened in July 2012 providing 20 new government-supported temporary units, bringing the total number of units to 83.   + Partially furnished units were trialled at the Rawhiti and Linwood temporary accommodation villages. * The CETAS website launched an accommodation portal where landlords could list their property or room on the website at no cost. The portal enabled people to search for rooms and other properties, and to contact landlords directly before they contacted CETAS for temporary accommodation assistance.   CETAS was administered by the *Ministry of Social Development* and the *Department of Building and Housing*. |

## Part VII: Social Investment and Investing for Social Wellbeing, February 2011 – March 2020

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| 22 February 2011 | **Final report of the Welfare Working Group released** | The *Welfare Working Group* released its final report: *Reducing Long-term Benefit Dependency: Recommendations.* The report presented 43 recommendations centred on eight key themes to improve life-time outcomes for people at-risk of long-term welfare dependency.  The *Welfare Working Group* considered alternative approaches to funding and organising welfare, including social insurance and a guaranteed minimum family income. The Working Group concluded that while these have merits, they are greatly outweighed by the large costs and transitional problems. They recommended that New Zealand continue with a social assistance approach because it ensures that everyone who has no other means of support has access to assistance.  The *Welfare Working Group* proposed two fundamental changes to welfare in New Zealand on the grounds of social and economic sustainability:   * the establishment of a new single work-focused welfare payment to replace all existing categories of benefit, to be called Jobseeker Support; and * the establishment of a delivery agency, Employment and Support New Zealand which will implement the new approach.   In moving to a work-focused welfare system, the *Welfare Working Group* recommended:   * an increased emphasis on prevention, through access to appropriate and effective cross-sector services, including health and education; * replacing existing benefit categories with a single payment called ‘Jobseeker Support’; * reform of second and third tier assistance provisions that discourage recipients from moving into work or lead to poor outcomes; * increased, clearer expectations for more people in the welfare system to look for paid work; * low-cost assistance and clear expectations to help those that are work ready; * more active delivery and up-front investment for those most at risk of avoidable long-term welfare dependence, in order to minimise the long-term costs of welfare; * better support for people with no ability to work; * focus on improved outcomes for children; and * more effective delivery and expanded use of the private and community, not-for-profit sector agencies to deliver employment services.   The *Welfare Working Group* recommended that Government set a target of at least 100,000 fewer working-age people receiving welfare by 2021. This would reflect fewer people applying for welfare because of prevention activity and a reduction by at least 28 percent in the long-term cost of welfare as measured by the forward liability. They *Welfare Working Group* also recommended that Government initiate a formal partnership with Māori leaders, with associated goals and strategies, designed to result in enduring increases in Māori employment. |
| 22 February to 22 March 2011 | **Financial assistance to Canterbury businesses and residents** | In the month following the Canterbury earthquake a total of $145,917,480 was paid out in financial assistance. This included:   * 8,925 applications approved for employer job loss cover, supporting 45,628 employees; * 10,638 applications approved for sole traders or contractors job loss cover; and * 6,359 applications approved for earthquake job loss cover.   Over the same period *Civil Defence Payments* totalling $14,211,086 (average payment of $173.68) were approved. These payments were for:   * food 45,468 payments at $6,597,298; * clothing 14,583 payments at $2,712,482; * accommodation 8,167 payments at $2,165,640; * bedding 5,448 payments at $759,997; and * other 8,157 payments at $975,668. |
| 24 February 2011 – 30 June 2011 | **Christchurch Earthquake (Information Sharing) Code 2011 (Temporary)** | The Code, issued by the *Privacy Commissioner*, relaxed information sharing rules to enable response agencies, including the *Ministry of Social Development*, to better meets the needs of people in relation to the earthquake. Although the *Privacy Act 1993* already allowed disclosure of information for public safety, law enforcement and health reasons, the Code provided greater certainty and broader discretion. The code supplemented the existing law and provided wide authority to share personal information.  The Code was scheduled to expire on 24 May 2011, but was subsequently extended to 30 June 2011. |
| 24 February 2011 | **Canterbury Earthquake: Provision for Inland Revenue to disclose information to other Government agencies** | The *Canterbury Earthquake (Tax Administration Act) Order 2011* authorised the Commissioner of Inland Revenue to disclose information about a person to certain Government agencies to the extent that this was necessary to enable the Government agency to provide assistance or to fulfil any obligation to, that person as a result of the Canterbury earthquakes.  The sharing of information avoided unnecessary duplication of information and inefficiency and allowed a two-way information flow between the *Inland Revenue Department* and other Government agencies, particularly the *Ministry of Social Development*. The information sharing enabled a timely and efficient response to situations faced by earthquake-affected people and businesses in Canterbury.  The Order was necessary because section 81 of the *Tax Administration Act 1994* imposed an obligation of secrecy on every officer of the *Inland Revenue Department*.  The Order was set to expire on 31 October 2011, but subsequently extended until 31 October 2012. |
| 25 February 2011 | **Certain payments made as a result of the Canterbury earthquake exempt from the cash asset test and interest earned on the payments exempt from the income test.** | Regulations under the [*Social Security Act 1964*](http://doogle/map/legislation/acts/social_security_act_1964-02.htm)provided that certain payments made in relation to the Canterbury earthquakes were considered as neither income nor cash assets.  The Regulations:   * replaced and extended the income and cash assets exemptions in the *Social Security (Income and Cash Assets Exemptions-Canterbury Earthquake) Regulations 2010* (those regulations were revoked on 25 February 2011, and ensured that a payment was not a cash asset for only 12 months starting on the day that the payment was made); and * supplemented and extended the cash assets exemption in the modification (to the definition of cash assets in [section 61E(1)](http://doogle/map/legislation/acts/social_security_act_1964-243.htm) of the [*Social Security Act 1964*](http://doogle/map/legislation/acts/social_security_act_1964-02.htm)) effected by clause 5 of the *Canterbury Earthquake (Social Security Act) Order (No 3) 2010* (that order was due to expire on 31 March 2010).   The extensions made by these regulations also ensured that certain amounts of related interest on the payments was also not income for the purposes of the [*Social Security Act 1964*](http://doogle/map/legislation/acts/social_security_act_1964-02.htm). |
| 28 February 2011 to 4 April 2011 | **Christchurch Earthquake Support Package** | The *Christchurch Earthquake Support Package* provided financial support to employers and employees in Canterbury affected by the earthquake on 22 February 2011. The package was made up of two components:  ***Earthquake Support Subsidy***  A subsidy for employers who believed that they were going to remain in business and wanted to keep their staff. A subsidy of $500 gross per week (or $300 gross per week for part time staff) was payable for up to six weeks. The subsidy was also available to the self-employed and business owners who drew a wage.  The subsidy was available to New Zealand owned businesses operating in the Christchurch area where staff were unable to access the workplace due to damage, a cordon, or an essential service is not available, or who can open but are experiencing a significant loss of trade. Employers who had business interruption insurance where required to rely on this in the first instance, though if insurance payments were delayed the support subsidy could be accessed in the intervening period, subject to repayment when the insurance payment was received.  Employers were required to continue to pay ACC levies, PAYE, holiday and all normal employment related expenses. GST was waived on the *Earthquake Support Subsidy*.  ***Earthquake Job Loss Cover***  A $400 a week payment (in the hand) for a period of up to six weeks was paid to full time employees ($240 in the hand for part-time employees). This payment was available to those who are unable to contact their employer or where the business had closed permanently.  People receiving a social security benefit, ACC weekly compensation or a *Civil Defence Payment* for loss of livelihood were not eligible for the *Job Loss Cover*. Employees could not receive the *Job Loss Cover* if their employer was receiving the *Earthquake Support Subsidy*.  The package was initially available for up to six weeks from 22 February 2011 (i.e. until 4 April 2011). |
| 1 March 2011 | **Changes to benefit rules in Canterbury deferred until 1 December 2011** | The changes to benefit rules that were deferred from 27 September 2010 for beneficiaries in the Canterbury region (due to the impact of the September 2010 earthquake) were further deferred as a result of the earthquake on 22 February 2011. The following changes were deferred:   * new processes/rules for hardship assistance; * the *Unemployment Benefit* (UB) 52-week reapplication; and * work obligations for *Domestic Purposes Benefit - Sole Parents* (DPB-SP). |
| 1 March 2011 | **Trialling new approaches to social sector change: Social Sector Trials** | The *Ministry of Social Development*, *Ministry of Justice*, *Ministry of Education*, *Ministry of Health* and the New *Zealand Police* piloted a change in the way that social services were delivered to youth (12 – 18 years) in six provincial locations throughout New Zealand.  The purpose of the trials was to test the ability of an appropriate mandated individual or NGO to use cross-agency resources to effect change in a community. They aimed to stretch and test the limits of current legislative, contracting and financial management arrangements and to support decision making at the local level, build on existing networks and strengthen co-ordination at every level of Government and within the community. The approaches trialled were:   * **NGO Trials** – three locations focusing on empowering a contracted NGO and testing new approaches to determining the local mix and form of social services; and * **Committed Individual Trials** – three locations testing a committed individual model, where relevant state sector and contracted NGO resources were grouped under a public servant either employed by contracted to the *Ministry of Social Development*.   The trials were located in the following communities:   * Taumarunui: (individual model); * Te Kuiti: (individual model); * Kawerau: (individual model); * Tokoroa: *Raukawa Charitable Trust* (NGO model); * Levin: *Life to the Max Horowhenua* (NGO model); and * Gore: *Community Networking Trust* (NGO model).   The trails focused on improving outcomes for young people (aged 12-18 years) under the *Addressing the Drivers of Crime* approach. The outcomes the trials were seeking included reduced offending by young people, reduced truancy rates, reduced levels of alcohol and substance abuse and increasing the number of youths in education, training or employment.  The governance structure for the trials included:   * the *Minister of Health* had ultimate responsibility for the Trials;   + a *Ministerial Sub-Group* provided oversight and decision-making for the Trials, in consultation with relevant Vote Ministers. * the *Social Sector Forum* provided strategic oversight for the *Social Sector Trials* at departmental level; * a *Joint Venture Board* acted as a governance group for the Social Sector Trials and reported to the Ministerial Sub-Group; and * a *Joint Venture D*irector was responsible for the day-to-day operation of the *Social Sector Trials* including managing contracts with NGOs and employing committed individuals. This position was located within the *Ministry of Social Development*.   The trials were originally scheduled to run for two years (until 28 February 2013) but were subsequently expanded and extended until 30 June 2016. |
| 10 March 2011 | **Auckland Social Policy Forum established** | The first meeting of the *Auckland Social Policy Forum* was held.  The *Auckland Social Policy Forum* was established in response to the concerns of the *Royal Commission on Auckland Governance* about lack of co-ordinated action to address social policy issues across Auckland.  The Government had agreed the following high-level objectives for the Forum:   * progressing social issues in Auckland at the political level; * demonstrating strong leadership on social issues; * setting a clear strategic direction and identifying long-term social goals and strategies; * clearly identifying the roles and responsibilities Government and Auckland Council have in responding to critical social issues; and * driving the alignment of thinking and action on social issues.   Membership of the *Social Policy Forum* included:   * Minister for Social Development and Employment (Co-Chair); * Mayor of Auckland (Co-Chair); * Ministerial and Mayoral appointments; * Chairs of relevant Council Committees; and * select representation from Local Boards. |
| 11 March 2011 | **Temporary Additional Support: Payments under the Temporary Accommodation Assistance Programme not counted as income** | Payments made under the *Temporary Accommodation Assistance (Canterbury Earthquake) Programme* were excluded as income when calculating eligibility to *Temporary Additional Support*.  Temporary Canterbury earthquake-related accommodation costs were also excluded as an allowable cost for *Temporary Additional Support*. |
| 1 April 2011 | **Company Tax Rate reduced** | The company tax rate was reduced from 30 percent to 28 percent. |
| 1 April 2011 | **Redundancy Tax Credit Repealed** | The *Redundancy Tax Credit* was repealed. The *Redundancy Tax Credit* had been introduced on 1 April 2008 and had provided a flat rate rebated of six cents per dollar, for the first $60,000 of the redundancy payment received per redundancy, with a maximum rebate of $3,600 able to be claimed. |
| 1 April 2011 | **Broader definition of income for Working for Families Tax Credits and Community Services Card**  **“Family Scheme Income”** | Following changes announced as part of the 2010 Budget, a broader definition of income for *Working for Families Tax Credits* and the *Community Services Card* was implemented.  Families were no longer able to use investment losses, including losses from rental properties, to reduce their income and therefore become eligible for *Working for Families* (WFF) tax credits. Income now included income from family trusts, some fringe benefits in certain circumstances, income from a cash *Portfolio Investment Entity (*PIE) that is not locked in and income from a spouse living overseas. Shareholders were no longer able to use *Loss Attributing Qualifying Companies* (LAQCs) to claim losses against their personal income.  The change applied to *Community Services Card and* *Working for Families Tax Credits* from 1 April 2011, and it was announced that the change would also be applied to *Student Allowances* from 2012. |
| 1 April 2011 | **Student Loan Administration Fee** | An annual *Administration Fee* of $40 was charged for a *Student Loan* that had been transferred to Inland Revenue. The fee was not charged in any year where a student also had a *StudyLink* *Establishment Fee* charged or on any *Inland Revenue* loan balance of less than $20.  The *Administration Fee* was added to a student’s loan balance each tax year, from the tax year ending 31 March 2012. |
| 1 April 2011 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 25c per hour to $13.00 gross per hour ($520 for a 40-hour week).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by 20c per hour to $10.40 gross per hour. |
| 1 April 2011 | **Benefit Rates increased**  **Temporary GST assistance ceased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 3.75 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting benefit rates excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise.  *Temporary GST Assistance* and the increase to some allowances that was paid from 1 October 2010 until 31 March 2011 to help offset the October 2010 increase to the level of *Goods and Services Tax* ceased. |
| 1 April 2011 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 3.75 percent required a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, the net rate of *New Zealand Superannuation* paid to a married couple who both qualified was increased by 4.80 percent. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the rate paid to a married couple and a single person sharing accommodation 60 percent. Due to the impact of the tax changes in October 2010, this meant that the increase to the single rates of *New Zealand Superannuation* was slightly less than 4.80 percent. |
| 1 April 2011 | **Rates of Personal Allowance and Hospital Rate of Benefit increased** | An additional increase was applied to rates of *Personal Allowance* and the *Hospital Rate of Benefit*. The new rate of payment rate for the *Hospital Rate of Benefit* was $41.64 (net) per week. This represented an increase of $6.09 net per week (17.13 percent). |
| 1 April 2011 | **Productivity Commission examination of housing affordability** | The Government requested the *Productivity Commission* to evaluate factors influencing the affordability of housing (both rental and owner-occupied housing) and examine potential opportunities to improve housing affordability. Specifically, the Commission was asked to:   * identify and analyse all components of the cost and price of housing; * identify mechanisms to improve the affordability of housing, with respect to both the demand and supply of housing and associated infrastructure; and * identify the significant impediments to home ownership and assess the feasibility and implications of reducing or removing such impediments.   The Government asked the Commission to give particular attention to a number of factors including:   * factors influencing the supply of land and basic infrastructure for residential construction; * factors influencing the cost of residential construction; * the level and growth of productivity in the land development and residential construction industries; * the efficiency of taxes, levies and charges imposed at all stages of the housing supply chain; * the efficiency of the tax treatment of owner-occupied and rental housing; * the influence of changing consumer housing preferences, willingness to pay and financing costs on housing affordability; and * the operation of the overall housing market, with specific reference to the availability of a range of public and private housing types, the demand for housing, and the efficiency of the existing residential housing stock.   The *Productivity Commission* was an independent Crown Entity, established under the *New Zealand Productivity Commission Act 2010*. Its research and advice was guided by a statutory purpose to improve the wellbeing of the community as a whole.  The Commission was scheduled to release an issues paper in June 2011 and provide its final report to Government in February 2012. |
| 1 April 2011 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $848 per annum ($16.31 per week) to reflect the increase in the Consumer Price Index. The maximum earnings liable for *Child Support* were $121,833 for the 2011/2012 tax year. |
| 1 April 2011 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by the movement in the *Consumer Price Index* (less cigarettes and tobacco). The new income levels were:   * $24,461 Single (sharing); * $25,933 Single (alone); * $38,737 Couple; * $46,769 2 person family; * $56,637 3 person family; * $64,485 4 person family; * $72,172 5 person family; and * $80,763 6 person family.   For each additional child thereafter, income levels increased by $7,569. |
| 1 April 2011 | **ACC Earner Premium unchanged** | The *Earner Premium* remained at 2.04c (GST inclusive) in the dollar. The maximum earnings liable for the *Earner Premium* increased to $111,669 with the maximum premium of $2,278.05 for the 2011/2012 tax year. |
| 1 April 2011 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $21,216 to $22,204 ($427 net per week). |
| 1 April 2011 | **Student Loan Repayment Threshold (unchanged)** | The *Student Loan Repayment Threshold* remained at $19,084 for the 2011/2012 tax year. Loan repayments at 10c in the dollar were required on income above the threshold. The decision not to increase the threshold reflected the economic climate and the cost to the Crown of the scheme. This followed a nil increase in the loan repayment threshold on 1 April 2010. It was subsequently announced in the 2011 Budget that the repayment threshold would be frozen until 1 April 2015. |
| 1 April 2011 | **Changes to the tax treatment of rental property** | Landlords were no longer able to claim depreciation on their buildings or use ‘*Loss Attributing Qualifying Companies*’ (LAQCs) to offset their personal income with rental property losses. |
| 5 April to 18 April 2011 | **Earthquake Support Package extended** | The *Christchurch Earthquake Support Package* provided financial support to employers and employees in Canterbury affected by the earthquake on 22 February 2011. The package was originally available from 22 February 2011 to 5 April 2011 (6 weeks).  The package was made up of two components:  ***Earthquake Support Subsidy (ESS)***  Extended until 18 April 2011: A subsidy for employers who believed that they were going to remain in business and wanted to keep their staff. A subsidy of $500 gross per week (or $300 gross per week for part time staff) was payable for up to six weeks. The subsidy was also available to the self-employed and business owners who drew a wage. From 19 April replaced by a more tightly targeted subsidy for a further 6 weeks (see below)  ***Earthquake Job Loss Cover***  Extended until 18 April 2011: A $400 a week payment (in the hand) for a period of up to six weeks was paid to full time employees ($240 in the hand for part-time employees). This payment was available to those who were unable to contact their employer or where the business had closed permanently. From 19 April 2011, it was replaced by the individual support payment that provided a top-up to a social security benefit for a maximum of six weeks (see below) |
| 19 April 2011 to 31 May 2011 | **Earthquake Support Package: Further round of more tightly targeted assistance** | The *Christchurch Earthquake Support Package* was continued for a further six weeks. The criteria for this second round of assistance were tightened. The package continued to have two components:  ***Earthquake Support Subsidy (ESS)***  This was to enable employers who had been receiving the ESS and have viable businesses to keep paying employees while they got their operations up and running.  The criteria for businesses was that they demonstrate ongoing viability, were not insured to pay wages, were unable to operate because of the physical barriers caused by the earthquake and had already been receiving the ESS  The extended subsidy was not available to businesses suffering from loss of trade only or to sole traders with no employees.  Payments were gradually reduced over the six-week period. For the first two weeks (April 19 to May 3) payments continued at $500 gross for full-time employees and $300 gross for part-time employees. For the next two weeks payments were $375 per week for full-time employees and $225 per week for part-time employees. For the final two weeks (from May 17) the payments were $250 per week for full-time employees and $150 per week for part-time employees.  ***Individual Support Payment***  From 19 April 2011 the Job Loss Cover was replaced with the Individual Support Payment. This was a top-up to regular social security benefits for people who had lost their job because of the earthquake.  To be eligible a person must have already received payments under the Job Loss Cover Programme, or had worked for an employer who received ESS payments, or had worked for an employer who was based in the Christchurch City Council area. Applicants must also have met the normal eligibility requirements for a main social security benefit. For those who met the benefit eligibility criteria and were granted a benefit, the individual support payment was added to their benefit payment for up to six weeks. The payment in addition to the regular social security benefit was:   * $50 net per week for a single person; * $80 net per week for a couple or sole parent; and * $10 net per week for each dependent child, up to a combined maximum of $110 per week. |
| 19 April 2011 | **Changes to the “Significant Financial Hardship Rules” for the KiwiSaver Scheme** | In response to the Canterbury earthquake the significant financial hardship rules for the *KiwiSaver* scheme under which a person could withdraw some or all of the current value of their contributions and employer contributions were altered.  Any resident of Canterbury at the time of the earthquake was entitled to refer to the following circumstances when applying for a financial hardship claim:   * the destruction or damage of property as a result of the earthquake; * the loss of employment as a result of the earthquake; or * costs incurred as a result of the earthquake, including costs associated with moving home or dealing with trauma.   The changes made it easier for quake-affected Canterbury residents to withdraw their *KiwiSaver* contributions. The significant financial hardship provisions did not allow for the withdrawal of the current value of the $1,000 kickstart or member tax credits. |
| 2 May 2011 | **Sickness Benefit: Part-time work test**  **Appeals to the Medical Appeal Board**  **Exemptions from work obligations** | From this time, if a doctor (or a registered medical practitioner) considered that a *Sickness Beneficiary* was capable of working at least 15 hours a week, they were required be available for suitable work, take reasonable steps to obtain suitable work and accept any offer of suitable work. The work capacity medical certificate (introduced in September 2010) was used to determine capacity for part-time work.  A *Sickness Beneficiary* could appeal a decision to the *Medical Appeal Board* when a decision has been made to require the beneficiary to be subject, or continue to be, subject to part-time work obligations. The beneficiary could appeal to the *Medical Appeal Board* because the decision was based on medical grounds or on medical grounds relating to the beneficiary’s capacity to work.  All *Sickness Beneficiaries* and their partners with work obligations could be granted a full or partial exemption from their work obligations for the following reasons:   * family or domestic violence; * in approved study before becoming subject to work obligations; * in approved full-time training; or * court imposed conditions.   Sole parents with work obligations could also be granted full or partial exemptions for the following additional reasons:   * recent separate from a spouse or partner; * recent bereavement of a spouse or partner; * caring for a child with special needs; or * home schooling a dependent child.   Partners with work obligations could also be granted full or partial exemptions for the following additional reasons:   * [caring full-time for a sick or disabled person](http://doogle/map/income_support/main_benefits/sickness_benefit/sickness_benefit-114.htm); * w[ould qualify for *Sickness Benefit*](http://doogle/map/income_support/main_benefits/sickness_benefit/sickness_benefit-116.htm); * [would qualify for *Invalids Benefit*;](http://doogle/map/income_support/main_benefits/sickness_benefit/sickness_benefit-115.htm) * [*Orphans or Unsupported Childs Benefit* under six years](http://doogle/map/income_support/main_benefits/sickness_benefit/sickness_benefit-117.htm); * [caring for a child under six years who is not their dependent child](http://doogle/map/income_support/main_benefits/sickness_benefit/sickness_benefit-118.htm); * [pregnant (27 weeks or earlier if complications](http://doogle/map/income_support/main_benefits/sickness_benefit/sickness_benefit-119.htm)); * [caring for a child with special needs](http://doogle/map/income_support/main_benefits/sickness_benefit/sickness_benefit-111.htm); or * [home schooling a dependent child (sole parents or partners)](http://doogle/map/income_support/main_benefits/sickness_benefit/sickness_benefit-112.htm)   Each exemption had a specific duration for which it could be granted. In some instances exemptions could be extended if appropriate |
| 4 May 2011 | **Youth Employment Package announced** | The *Youth Employment Package* was a 4 year package of initiatives to assist 16-24 year olds at risk of long-term unemployment. The focus was new job and training opportunities. The package had three components:  *Skills for Growth*: providing a subsidy to employers to train young people in high demand industries (eg age care, construction and hospitality);  *Job Ops Training*: a refocused version of *Job Ops* providing a flexible subsidy to employers which could be used for both wages and training; and  *Limited Service Volunteers*: expansion to 1,500 places per year.  The total cost of the package ($55.2 million over four years) was funded through reprioritisation.  The measures contained in the package commenced on 1 July 2011. |
| 4 May 2011-30 June 2011 | **Short-term wage subsidy for Canterbury employers: ‘Job for a Local’**  **Jobs for Growth Package** | *Job for a Local* provided a $3,000 wage subsidy for Canterbury employers who took on disadvantaged Canterbury job seekers before the end of June 2011. The subsidy was paid in two parts - $2,000 when the employee started work and a further $1,000 when the employee had been in work for 13 weeks.  Generally, all employers were eligible; however, the job must:   * be a permanent position; * be a full-time position of 30 hours per week or more; * have an hourly rate equal to or higher than the adult minimum wage; and * be located within the Canterbury Region.   An employer could receive a *Job for a Local* subsidy for up to ten people provided each position met the criteria above.  Jobseekers eligible for the *Job for a Local* subsidy were required to be:   * a New Zealand Citizen or permanent resident; * unemployed but not necessarily receiving a benefit; * aged 18 to 64 years; * struggling to find work and at risk of long-term unemployment; and * living in the Canterbury region.   *Job for a Local* was part of a wider employment and training package called *Jobs for Growth*, which aimed to help get Canterbury people back into work following the September and February earthquakes. The package had three parts:   * *Job for a Local* subsidy; * boosting Work and Income’s *Straight to Work Programmes*; and * additional short-term training programmes. |
| 19 May 2011 | **Changes to KiwiSaver announced** | As part of the 2011 Budget, the following changes to the *KiwiSaver* scheme were announced:   * the tax-free status of employer contributions to *KiwiSave*r and other complying superannuation funds to be abolished from 1 April 2012. From this time employer contributions were to be subject *to Employer Superannuation Contribution Tax* (ESCT) paid at the employee’s marginal rate; * for the year ending 30 June 2012 the *Member Tax Credit* was to be halved from $1 to $0.50c for every $1 contributed by members, with a maximum *Member Tax Credit* of $521 per year (half the previous maximum); * the minimum employee contribution was to be increased from two percent to three percent from 1 April 2013; and * the compulsory employer contribution was to be increased from two percent to three percent from 1 April 2013. |
| 19 May 2011 | **Changes to the Working for Families Scheme announced** | As part of the 2011 Budget, a number of changes to the *Working for Families Scheme* were announced to make the scheme simpler and more sustainable. The next four times that the *Family Tax Credit* was adjusted for inflation it was announced that:   * the abatement threshold would decrease by $477 on the first adjustment and thereafter each time by $450; and * the abatement rate would increase each time by 1.25c in the dollar.   Based on inflation forecasts the next four adjustments were scheduled for April 2012, April 2014, April 2016 and April 2018.  After the four adjustments the abatement threshold would be $35,000 (compared to the existing $36,827) and the abatement rate would be 25c in the dollar (compared to the existing 20c in the dollar).  It was also announced that the rate of *Family Tax Credit* for children aged 16 and over would be frozen until the rate for children aged 13 to 15 years caught up. |
| 19 May 2011 | **Changes to the Student Loan Scheme announced** | As part of the 2011 Budget, the following changes to the *Student Loan Scheme* were announced to encourage personal responsibility and to get better value for taxpayers:   * restricting student loan eligibility for those with an overdue student loan repayment obligation of $500 or more who are in default for more than one year; * restricting borrowing for people aged 55 and over to tuition fees only; * removing the entitlement for part-time full-year students to borrow for course-related costs; * holding the student loan repayment threshold at $19,084 until 1 April 2015; * requiring every new loan application to include a contact person as one of the conditions of accessing a student loan; * shortening the repayment holiday for overseas-based borrowers from three years to one year, and requiring borrowers to apply for the repayment holiday and provide a New Zealand-based contact person before they go overseas; * improving fairness for New Zealand-based borrowers by beginning to broaden the definition of income for student loan repayment purposes, and investigating other options to further broaden the definition of income in the future; * extending the exemption to the two-year student loan and allowance stand-down for permanent residents and Australians to include the sponsored family members of protected persons. |
| 27 May 2011 | **Performance Improvement Framework: Formal Review of the Ministry of Social Development** | The *Performance Improvement Framework* (PIF) was a framework applied by a small group of respected organisational leaders to provide insights into Agency performance, identifying where agencies are strong or performing well and where they are weak and need to improve. The framework covered both results (in terms of effectiveness and efficiency) and the organisational management factors that underpin sustainable superior performance.  The report on the *Ministry of Social Development* was one of five comprising the second tranche of PIF reviews (the first being released in September 2010). The lead reviewers for the *Ministry of Social Development* were Peter Bushnell and David Butler, along with technical expert Jeff Whalan.  The PIF Review team found that the overall performance of the Ministry was very high, but identified some opportunities, some risks emerging and several areas for attention.  Opportunities included;   * strengthening the role of the *Ministry of Social Development* as the social sector leader; * broadening the *Ministry of Social Development’s* role following a major disaster; and * linking the *Ministry of Social Development*’s data with data from other social sector agencies.   Emerging risks included:   * the selection and transition to the new Chief Executive.   Areas for attention included:   * better alignment of the *Ministry of Social Development* and Ministerial leadership, structures and policy resources for whole of Government outcomes, including supporting cross-sector work with a dedicated strategic policy capability that is quarantined from being drawn off for other purposes. |
| 1 June 2011 | **Accident Compensation Scheme: Discussion document on increasing choice in workplace insurance** | The Government released a discussion document: *Increasing Choice in Workplace Accident Compensation* on options for extending the *Accredited Employer Programme* and introducing choice in the ACC work account. The proposal to introduce choice in the ACC work account did not go as far as that recommended by the *ACC Stocktake* or briefly allowed in 1999/2000, in that ACC would remain an option for employers.  The proposals that were consulted on included:   * extending the *Accredited Employer Programme* from April 2012; * allowing choice of workplace insurance cover from October 2012; * requiring at least existing minimum worker coverage and entitlements; * insurers being required to meet minimum prudential requirements, and in the event of an insurer failing, cost to be met by levy on all workplace insurers; * a market regulator to monitor and enforce employer/insurance compliance; * a single claim lodgement unit to minimise administration for the health sector; * minimum prices and conditions for treatment service providers like GPs; * easily accessible and independent dispute resolution service; and * contributions from all insurers for acute hospital/ambulance care.   The Government indicated that it wanted to introduce the changes from 2012. Public feedback on the proposals was sought by 15 July 2011. |
| 1 June 2011 | **Legal action commenced against student loan defaulters living in Australia** | The *Inland Revenue Department* commenced legal action against New Zealanders in Australia who were "deliberately flouting" repaying their student loans. The *Inland Revenue Department* began sending letters to Australian-based defaulters warning that legal action was being taken as a result of their ongoing refusal to pay up.  More than $15 million was owed by 3,500 expatriates in Australia and 1,000 of those had been contacted since October 2010. This had resulted in $818,392 in loans being paid by 243 borrowers by the end of April 2011. A further $1.09 million was paid by 400 borrowers after an indirect campaign via Facebook and Google. |
| 2 June 2011 | **Announcement of reciprocal arrangements with Australia for SuperGold Card holders** | The Government announced reciprocal arrangements for the *SuperGold Card* with Australian State and Territorial Governments.  The discounts involved were met by the businesses involved in the *SuperGold Card* scheme who could voluntarily opt into the agreement. *[At the time there were 1,300 New Zealand SuperGold business partners with 5,600 outlets.*]  It was confirmed that the arrangement would not include state or nationally funded initiatives such as the free off-peak travel available to *SuperGold Card* holders in New Zealand.  The reciprocal arrangement meant that Australians from the age of 60 would be able to get *SuperGold Card* discounts in New Zealand (Australians were eligible for their *Seniors Card* from the age of 60 years), despite New Zealand seniors having to wait until they are 65 for the same benefits.  It was announced that the reciprocal arrangements would come into effect in September 2011, before the start of the Rugby World Cup. |
| 9 June 2011 | **War Disablement Pension Gallantry Allowance increased** | The *War Disablement Pension Gallantry Allowance* was increased from $10.49 per week to $30 per week. The Allowance was paid to veterans who received a *War Disablement Pension* and had one of the gallantry decorations listed in the *War Pensions Act 1954*. The decorations were the:   * Victoria Cross; * Conspicuous Gallantry Medal (Flying); * Conspicuous Gallantry Medal (Navy); * Distinguished Conduct Medal; * Distinguished Flying Cross; * Distinguished Flying Medal; * Distinguished Service Cross; * Distinguished Service Medal; * Distinguished Service Order; * Military Cross; and * Military Medal.   At the time of the increase, there were 105 recipients of the Allowance. |
| 22 June 2011 | **Productivity Commission: Issues paper on housing affordability** | The *Productivity Commission* released an issues paper on housing affordability.  In April 2011 the Government had asked the *Productivity Commission* to evaluate factors influencing the affordability of housing (both rental and owner-occupied housing) and examine potential opportunities to improve housing affordability  Initial submissions were sought by 3 August 2011, with a draft report scheduled for release in October 2011 and a final report to Government in February 2012 (see below for summary of the draft report released on 16 December 2011). |
| 27 June 2011 | **Canterbury Earthquake Residential Red Zone Accommodation Assistance** | It was announced that financial assistance would be provided to Canterbury home-owners in the residential red zone who had to leave their home as a result of earthquake damage and faced additional accommodation costs (rent or board) until a financial settlement on their home was completed. To be eligible a person:   * must have owned a home in the red zone and occupied it as their primary residence immediately prior to the earthquake; * needed to vacate or had already vacated that home because of the earthquake; * have exhausted their insurance entitlement (if any) for temporary accommodation costs; and * have additional accommodation costs for their temporary accommodation, outside the residential red zone but within the Canterbury region.   The maximum weekly rate payable, dependent on the actual costs of temporary accommodation was:   * single no children [$180 rent, $112 board]; * married no children or sole parent 1 child [$275 rent, $171 board]; and * married with children or sole parent 2 or more children [$330 rent, $205 board].   The assistance was not subject to an income or asset test and available until the homeowner received settlement from the Government or their insurance company, or the homeowner no longer had two sets of accommodation costs.  The programme was scheduled to end on 30 June 2012. |
| 1 July 2011 | **Housing Policy relocated to the Department of Building and Housing** | The housing policy advice function of the *Housing New Zealand Corporation* was transferred to the *Department of Building and Housing*. This change was part of the Government’s response to the recommendations of the *Housing Shareholders’ Advisory Group*. |
| 1 July 2011 | **Responsibility for the Retirement Commission transferred to the Minister of Commerce**  **Commission for Financial Literacy and Retirement Income** | Responsibility for the *Retirement Commission* was transferred from the Social Development portfolio (*Ministry of Social Development*) to the Commerce portfolio (*Ministry of Economic Development*). The Commission was renamed the: *Commission for Financial Literacy and Retirement Income.* The *Minister of Commerce* became responsible for Part 4 and Schedule 6 of the *New Zealand Superannuation and Retirement Income Act 2001.* In 2015, the Commission was renamed the *Commission for Financial Capability*.  The *Retirement Commissioner* remained the head of the Commission. |
| 1 July 2011 | **Social Housing Unit established**  **(Interim social housing purchasing function)** | The *Social Housing Unit* (SHU) was established to the lead a programme of work to transform the social and affordable housing sector in New Zealand, to grow the volume of social, affordable and niche housing provided by the third sector and to maximize the effectiveness and efficiency of Government’s investment in social and affordable housing.  SHU’s specific role included:   * provision of advice on the allocation of all resources that the Government invests in the supply-side of social and affordable housing provision, with the aim of maximizing the effectiveness and efficiency over time; * establishing new programmes to support the development of third-sector provision, including a replacement for the *Housing Innovation Fund* and the new *Rural Community Regeneration Programme*; * developing relationships with key sector participants; * development standards for provision of social housing, to be used in future procurement; * developing procedures for running procurement processes and criteria for assessing the relative value for money of different proposals; and * seeking expressions of interest from potential providers for initial projects.   SHU was required to provide Ministers with a draft *Social Housing Investment Strategy* by the end of December 2011.  In its first year, SHU had access to funding set aside in the 2011 Budget to support social housing initiatives ($40 million in 2011/2012 allocated under the *Social Housing Fund*), but did not have powers to direct the use of specific *Housing New Zealand Corporation* assets. The costs of establishing SHU were $2.65 M, leaving $37.35M for the provision of social and affordable housing. The *Social Housing Fund* was administered by SHU and government signaled that it intended to see dividends from *Housing New Zealand Corporation* reinvested in social housing via SHU. Alongside funding, SHU would also have the option of land transfers and the sale or lease of surplus housing stock.  SHU was a semi-autonomous body located within the *Department of Building and Housing* but with direct reporting responsibilities to Ministers. Its establishment was part of the Government’s response to the recommendations of the *Housing Shareholders’ Advisory Group*. |
| 1 July 2011 | **Social Housing Fund established**  **(Replaced the Housing Innovation Fund)** | The *Social Housing Fund* was established. With $37.35 million in 2011/2012 it aimed to deliver niche housing at one end of the scale and volume social and affordable housing at the other. The *Housing Innovation Fund* was disestablished.  The funding was divided between the following groups, with flexibility to support good initiatives:   * niche providers $5.0 M * growth providers $24.35 M * Mäori providers $3.0 M * rural providers $5.0 M   **Total SHF $37.35 M** |
| 1 July 2011 | **Reviewable tenancies for new HNZC tenants**  **One-year ban for abusive tenants** | Reviewable tenancies were introduced for new state housing tenants. From this time, new state tenants had their tenancy reviewed every three years. Elderly or disabled tenants were not subject to review, unless their circumstances had changed.  State tenants who engaged in anti-social behaviour or who abused their State house could be banned for one year from reapplying for a state house.  These changes were part of the Government’s response to the recommendations of the *Housing Shareholders’ Advisory Group*. |
| 1 July 2011 | **State Housing: Changes to the management of the waiting list** | From this time, only applicants rated an ‘A’ or ‘B’ priority were eligible for state housing and able to be included on the waiting list for state housing. Lower priority applicants rated ‘C’ or ‘D’ were not included on waiting list but were recorded on housing needs register to get other assistance.  Applicants who were rated ‘C’ and ‘D’ and already on the waiting list were able to remain on the waiting list but were highly unlikely to get a state house.  Prior to this time the priority categories were:   * A. At Risk – households with a severe and persistent housing need that must be addressed immediately; * B. Serious Housing Need – households with a significant and persistent need; * C. Moderate Need – households that experience moderate disadvantage that is likely to compound over time; and * D. Low-level Need – households that are disadvantaged but may be able to function in the market. |
| 1 July 2011 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $570 to $580; and * the income threshold was increased from $22,340 to $23,240.   The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2011/2012 rating year was $23,240 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2011/2012 rating year (1 July 2011 to 30 June 2012). |
| 1 July 2011 | **Skills for Growth Programme commenced** | The *Skills for Growth* programme provided a subsidy of up to $5,000 for employers to employ and train young people (16-24 years) in high demand industries (including aged-care, construction and hospitality).  The subsidy was paid in stages:   * $1,000 when the employer provided the *Ministry of Social Development* with a training plan and confirmed job offer; * $3,000 after the young person had been in employment and training for three months; and * $1,000 after 12 months, if the young person had achieved a qualification (of a least Level Two on the NZQF), been in the job for a year or was still in training.   The programme was part of the *Youth Employment Package*. |
| 1 July 2011 | **Job Ops with Training commenced** | *Job Ops Training* was a refocused version of the *Job Ops* *Programme* (introduced in 2009). The programme provided a subsidy of up to $5,000 to employ a young person (16-24 years) for at least 6 months. The change required the employer to develop a training programme resulting in skill development for the young person for whom the subsidy was paid.  The subsidy of up to $5,000 could be used for both wages and training.  The programme was part of the *Youth Employment Package*. |
| 1 July 2011 | **Limited Service Volunteer Scheme expanded** | The *Limited Service Volunteer Scheme* (LSV) was expanded to 1,500 places per year.  LSV was a six-week residential programme run by the *New Zealand Defence Force* at Burnham, Trentham and Hobsonville. The scheme was first established at Burnham in May 1993.  The scheme was targeted at 18-24-year olds who lacked confidence and the motivation to find work and who had been receiving a *Social Security Benefit* for more than 6 months.  The expansion was part of the *Youth Employment Package*. |
| 1 July 2011 | **Residential Care Subsidy: Changes to asset limits and the income from assets exemption** | The asset levels for eligibility to the *Residential Care Subsidy* were increased by $10,000 and the income from asset levels adjusted by the *Consumer Price Index*. Single people and couples with both partners in care were able to keep up to $210,000 in assets - up from $200,000, before they are used to contribute to the cost of their care. Couples both 65 years or over with one in residential care $115,000 (excluding family home and car) or they could elect the higher asset threshold of $210,000 (including family home and car).  The income from assets exemption was adjusted by the movement in the *Consumer Price Index* for the year ending 31 March 2011 (less the price increases from cigarette and tobacco products). The new income from asset exemption levels (after tax) were:   * single people: $933 per annum; * couple (both in care): $1,866 per annum; and * couple (one in care): $2,798 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2011 | **Residential Care Subsidy: Allowable gifting levels increased** | The allowable gifting level was increased from $5,500 to $6,000 per annum for each applicant. Gifts of investments made in the five years before a person applies for *Residential Care Subsidy* were included in the means assessment of assets (i.e. gifts above the allowable gifting level).  Gifts could also be made by the applicant or partner (if any) to another person who had provided a [high level of care](javascript:pop('http://doogle/map/definitions/high%20level%20of%20care.htm')) to the applicant. The gift must have been made within 12 months of the client's date of application for a financial means assessment. As long as the applicant had received at least one year of continuous high-level care, they could gift a maximum of $6,000 for each year of high-level care received, up to a maximum of $30,000 (minus any allowable gifting that had already taken place).  In 2004, Cabinet directed that the allowable gifting amount be adjusted by $500 increments when the accumulated change in the Consumers Price Index reaches $500 or more. The accumulated *Consumer Price Index* movement since the last adjustment in July 2009 equated to an adjustment of $510, so an adjustment of $500 was applied. |
| 1 July 2011 | **Paid Parental Leave Increased** | *Paid Parental Leave* was increased from a maximum of $441.62 gross per week to a maximum of $458.82 gross per week. This reflected the movement in average weekly earnings over the previous year.  The minimum payment for self-employed parents increased from $127.50 per week to $130.00 per week. |
| 1 July 2011 | **Community Response Model**  **Community Response Forums**  **Quality Services and Innovation Fund** | Announced in the 2010 Budget, the *Community Response Model* (CRM) aimed to transform the way that the Government funded and supported services. It was a new way of working that gave communities a say in what services the *Ministry of Social Development* (*Family and Community Services*) funded and to deliver efficiencies in service price, quality and standard – getting better value for taxpayers and better results for families.  Under CRM, service and supports in the community were aligned with community need and government priorities.  The CRM covered $110 Million of funding administered by the *Ministry of Social Development* (*Family and Community Services*). The *Minister for Social Development* remained accountable for all funding under the *Public Finance Act 1989*.  A national *Community Response Forum* and 14 regional *Community Response Forums* were established. The *Community Response Forums*:   * enabled community voices to be heard. Their role was to listen to communities and develop new community-based solutions that provide better results for families; * they were are not representative bodies but approved by the *Ministry of Social Development* through an informal recommendations process to assess the impact of support services in their region against Government priorities; * membership was drawn from Government agencies, other funders and communities. Each Forum consisted of up to ten members and will be located in fourteen regions. There was also one national panel; * produced a *Strategic Funding Plan* each year that recommends to Government a range of services and related supports required over a three-year period to meet Government priorities in their region; * had responsibility for assessing the impact of $110 million of funding administered by Family and Community Services and developing a *Strategic Funding Plan* that meets government priorities and community need; * had access to the *Quality Services Innovation Fund* to develop proposals that improve, in the first year, the capability of community organisations; and * members were supported in their role by *Ministry of Social Development* (*Family and Community Services*) staff.   The *Quality Services and Innovation Fund* was established to encourage the social services sector to look at how they could better deliver services and supports now and into the future. The Fund:   * included supporting family and community organisations across the broad social services spectrum to develop their capability and workforce, work more closely together, develop and share what works, work in innovative ways to better meet the needs of the community and become more engaged in the funding and planning processes; * was accessed by the Forums and their role was to identify and support potential proposals at all stages of their development and implementation; * each Forum recommended suitable proposals to the *Minister of Social Development* for her approval; and * decisions on actual funding were made by the Minister. |
| 27 July 2011 | **Green Paper for Vulnerable Children released** | The *Green Paper for Vulnerable Children* was launched by the *Minister for Social Development* (Hon Paula Bennett). The *Green Paper* raised a number of important questions regarding possible ways to improve the lives of vulnerable children, including:   * has government got the balance right between supporting parents and families/whänau and protecting children? * how can government encourage communities to take more responsibility for the wellbeing of their children? * should there be an action plan for vulnerable children that focuses the activities of government and non-government agencies? * should the government focus its spending on programmes and services that have a sound evidential base? * should some people get priority over others when allocated support and services because they are caring for vulnerable children? * how much personal information should be shared between the professionals and others who are working with a particular child or family/whänau? * should we regularly monitor vulnerable children and their families/whänau to see how they are going? Who should do this and under what circumstances? * how can vulnerable families and children be better connected to all the services that they need? * is it appropriate that all government agencies promote and prioritise the wellbeing of vulnerable children in their day to day work?   The closing date for public submissions was 28 February 2012. A series of public meetings (17) was held and around 10,000 submissions were received.  Following analysis of submissions, the Government planned to release a *White Paper* and *Vulnerable* *Children’s Action Plan* later in 2012, in response to the *Green Paper*.  A *Reference Group* was established to provide a forum for officials providing advice on the *White Paper for Vulnerable Children* to test policy development from a “frontline” perspective. The particular function of the group was to test policy thinking for:   * robustness – is the policy approach coherent and focused on the key issues? * practicality - will it work on the frontline? * ease of understanding – will it be understood and owned on the frontline? |
| 14 August 2011 | **Announcements on welfare reform for young people** | The Government announced a number of changes, to be introduced in their next term, to ensure that young people were engaged in education, training or work.  To allow the Government to work with all 16-17-year olds who are not in education, training or employment it was proposed to amend the *Privacy Act 1993* to:   * require schools to inform the Government when a 16 -17-year-old leaves school during the year; and * allow the *Ministry of Education* and *Ministry of Social Development* to share information that they have on these young people.   The information would be used to link young people with organisations which would help them into education or training and mentor them. Government funding of these organisations would depend on young people meeting goals, like successfully completing a training programme.  A number of changes to the social security system for young people were announced including:   * essential costs, such as rent and power would be paid directly by the *Ministry of Social Development*; * money for basic living costs would be loaded onto a payment card that could only be used to buy certain types of goods; * a young person would get some discretionary spending money; and * young people receiving benefit payments would have to be in education, training or work-based learning.   These obligations would also apply to teen parents receiving a social security benefit, though they would have to undertake parenting programmes if required. Government would cover the cost of childcare as well as providing education and training opportunities.  The proposed changes would not apply to young people receiving an *Invalids Benefit*. Subsequent announcements on welfare reform were expected to impact on the *Invalids Benefit* (**see announcements of 1 November 2011**).  This new approach was expected to cost between $20 million and $25 million per annum at the outset but deliver future savings in welfare payments and other costs as well as improving social outcomes.  The proposed changes formed part of the Government’s response to the recommendations of the *Welfare Working Group*.  It was proposed that legislation would be introduced in 2012. |
| 21 August 2011 | **Changes to the Child Support Scheme announced** | Following submissions on the *2010 Review of the Child Support Scheme*, the Government announced the following changes:   * the formula would be based on more up-to-date estimates of expenditures for raising a child; * the number of nights per year used to determine shared care was to be reduced from 40 percent to 28 percent of nights; * the income of both parents would be taken into account, rather than just the paying parent’s income; * payments of *Child Support* would be directly deducted from the wages of paying parents; * the definition of income would be changed to exclude tax loses and include certain trust income; * the late payment penalty rates for *Child Support* would be changed; and * the circumstances in which penalties can be written off (e.g., when a repayment arrangement is entered into) would be relaxed.   It was announced that the changes to the *Child Support* formula would apply from 1 April 2013 with changes to the payment, penalty and debt rules applying from 1 April 2014. Implementation was subsequently delayed until April 2015 and April 2016. |
| 1 October 2011 | **Gift duty abolished** | Gift duty was abolished as it was no longer serving its intended purpose and placed high compliance costs on taxpayers and the *Inland Revenue Department*.  Prior to this time, subject to certain exemptions, gift duty was payable to the Crown on dutiable gifts with a total value of more than $27,000 in any 12-month period. The following amount of duty was payable, depending on the value of gifts in a 12-month period:   * $27,001 – $36,000: 5 percent of amount over $27,000; * $36,001 – $54,000: $450 plus 10 percent of amount over $36,000; * $54,001 – $72,000: $2,250 plus 20 percent of amount over $54,000; and * over $72,000: $5,850 plus 25 percent of amount over $72,000.   Prior to 1 October 2011, it was also a requirement that gifts must be recorded with the *Inland Revenue Department* even if they were not liable for duty. A donor was required to complete a Gift Statement if the donor had made gifts with a combined total value of over $12,000 in any 12-month period.  Distributions from trustees to beneficiaries under the terms of a Trust were not considered as gifts. |
| 5 October 2011 | **Canterbury Earthquake Scholarships established** | The Government announced funding for new scholarship awards for Year 13 Christchurch students whose plans for tertiary study may have been affected by the 2010 and 2011 earthquakes.  The *Canterbury Earthquake Scholarship* provided $2,000 each year for three years of study for 160 students.  The scholarships were available to students who were enrolled and studying at Year 13 in Christchurch, Waimakariri or Selwyn. Successful applications could then enrol for 2012 in a course of tertiary study for one year or longer.  The *Canterbury Earthquake Scholarship* was exempt as income for the purpose of calculating eligibility to a *Student Allowance*. |
| 1 November 2011 | **Canterbury Earthquake: Provision for Inland Revenue to disclose information to other Government agencies extended until 31 October 2012.** | The *Canterbury Earthquake (Tax Administration Act) Order (No 2) 2011* extended the provision for the Commissioner *of Inland Revenue* to disclose information about a person to certain Government agencies to the extent that this was necessary to enable the Government agency to provide assistance or to fulfil any obligation to, that person as a result of the Canterbury earthquakes.  The sharing of information avoided unnecessary duplication of information and inefficiency and allowed a two-way information flow between the *Inland Revenue Department* and other Government agencies, particularly the *Ministry of Social Development*. The information sharing enabled a timely and efficient response to situations faced by earthquake-affected people and businesses in Canterbury.  The Order was necessary because section 81 of the *Tax Administration Act 1994* imposed an obligation of secrecy on every officer of the *Inland Revenue Department*.  The original Order instituted on 24 February 2011, expired on 31 October 2011. |
| 1 November 2011 | **Announcements on Welfare Reform**  **Benefit Categories**  **Work-related Obligations**  **Work and Income Board** | The Government announced further reform of the social security system with new benefit categories and a long-term investment approach to assisting people to move from welfare to work. Intensive support would be provided to people who were capable of working, but who were likely to remain on benefit long-term without that support.  It was announced that the following three social security benefits would replace all the existing main *Social Security Benefits* by 2013 (with no change to benefit rates):  **Jobseeker Support:**   * *Unemployment Benefit*; * *Sickness Benefit*; * *Domestic Purposes Benefit (Sole Parent)* (youngest child 14 years or older); * *Widows Benefit* (no children or youngest child aged 14 years or older); and * *Domestic Purposes Benefit (Woman Alone)*.   **Sole Parent Support:**   * *Domestic Purposes Benefit (Sole Parent)* (children younger than 14 years); and * *Widows Benefit* (children younger than 14 years).   **Supported Living Payment:**   * *Invalids Benefit*; and * *Domestic Purposes Benefit (Care of Sick and Infirm)*.   Other proposed changes included:   * individuals receiving *Jobseeker Support* would have their work expectations set depending on their capacity – full-time employment, part-time employment or temporarily exempt; * sole parents would be expected to be available for part-time work once their youngest child reaches school age and available for full-time work once their youngest child reaches the age of 14 years; * sole parents who have another child while receiving a benefit, while be exempt for one year before their work obligations resume; * the existing regime of graduated sanctions would apply to beneficiaries who did not make a genuine effort to be available for and seek suitable work; * financial incentives would be offered to people receiving *Sole Parent Support* of the *Supported Living Payment* who took up work earlier than required by the work obligations placed on them. On top of their earnings, they would receive the equivalent of the benefit rate, which will reduce by $100 per week until extinguished; * a more comprehensive work-capacity assessment for the sick and disabled to get a better picture of what people can do and determine the correct work obligation for each person; * a new approach to employment services, including job training, search and placement support, increased money management and budgeting services and more childcare; and * better access to health services and drug and alcohol rehabilitation.   It was announced that a Board appointed by Ministers would be established to oversee the operation of the investment approach, the management of the long-term liability associated with the social security system and to support and assist the *Ministry of Social Development* in implementing the changes. The membership of the Board was announced on 15 May 2012  It was proposed that legislation would be introduced in early 2012, with changes beginning to be implemented from July 2012 and all the changes in place by late 2013.  The changes were expected to result in up to 46,000 fewer people receiving social security benefits and between 7,000 and 11,000 additional beneficiaries working part-time. The reforms were estimated to cost $130 million per year, with an expected saving of $1 billion over four years. |
| 2 November 2011 | **Rena Support Subsidy** | **The *Rena Support Subsidy* provided assistance to sole traders and small business owners who were adversely affected by stranding** of the container ship **Rena** on the Astrolabe Reef (about 12 nautical miles off Tauranga) in the early hours of 5 October 2011. The resulting oil pollution and the creation of an exclusion zone in the Bay of Plenty had a negative impact on business activity.  To be eligible for the subsidy, the following conditions must have been met:   * no other way of paying employees, including insurance cover; * the business operated in, or nearby the exclusion zone; * unable to transfer or relocate the business to another location; and * a sole trader or small business (generally less than 20 employees).   The subsidy was payable for a maximum of six-weeks, from 7 November 2011. It was paid at a rate of $500 gross per week (including GST) for full-time employees and $300 gross per week (including GST) for part-time employees. The employer remained responsible for paying GST, ACC, PAYE, holiday pay and any other employment-related expenses in respect of their employees. Payment was made by lump sum for a period of up to three weeks. Businesses had to verify that they still met the eligibility criteria to receive a further payment for another three weeks. A fund of $360,000 was set aside to cover six weeks support.  Applications to the *Ministry of Social Development* opened on 7 November 2011 and closed on 20 November 2011. |
| 7 November 2011 | **Disability Innovation Fund established** | The *Disability Innovation Fund* was established to fund innovative ways of getting disabled people into work and supporting employers to retain disabled workers. The fund was targeted at three areas:   * innovative projects from employers to retain current employees who have an existing disability of who have acquired a disability (including a chronic health condition or mental health condition); * innovative projects from employers to get disabled people into employment; and * innovative projects from the non-government sector (NGO’s) or disabled people’s organisations (DPO’s).   The intention was to fund projects that are not currently funded through existing employment programmes targeted at disabled people.  The fund was available to employers, non-government organisations and disabled people’s organisations. Initially, $500,000 was available, with applications for the first round of funding required to be submitted to the *Ministry of Social Development* by 16 December 2011. |
| 1 December 2011 | **Changes to benefit rules implemented in Canterbury** | The changes to benefit rules that were deferred from 27 September 2010 and further deferred from 1 March 2011, for beneficiaries in the Canterbury region (due to the impact of the September 2010 and February 2011 earthquakes) were implemented. |
| 16 December 2011 | **Productivity Commission released its draft report on Housing Affordability** | The *New Zealand* *Productivity Commission* released its draft report on Housing Affordability.  The *Inquiry into Housing Affordability* undertaken by the Commission made a number of recommendations aimed at improving housing affordability. These included:   * an urgent need for more land to be opened up for housing, especially in urban areas, because sections now average about 40 percent to 60 percent of the cost of a house; * reconsideration of Auckland’s draft Spatial Plan. Auckland faces significant housing affordability challenges and the Commission found its current draft plan, with a target accommodating 75 percent of new homes within existing urban boundaries, would be difficult to reconcile with affordable housing; * improved processes for consenting, to speed up service and lower costs; * improving how local council development charges for infrastructure are calculated and applied, including making them reviewable. The Commission found that the current model has too much regional variation and is not transparent; and * there is scope to improve productivity in the home construction sector and the Commission endorsed the work of the *Building and Construction Sector Productivity Partnership* established in 2010 as a joint industry-government initiative.   The Commission found that taxation was not a key driver of the recent housing boom (2001-2007 house prices almost doubled). The Commission considered the claim that housing is tax advantaged but concluded that any tax advantage is much smaller than often suggested.  Key housing affordability facts presented by the Commission were:   * housing is one of the largest sectors of the New Zealand economy. Total residential property stock has an estimated value of $625 billion (the equivalent of nearly three times GDP); * over the course of the 2000s housing boom, real house prices increased between 70 percent and 240 percent across different regions; * the responsiveness of housing supply in New Zealand is around average in international comparison, but about half as effective as in a number of better-performing OECD countries; * land prices now account for, on average, almost 60 percent of the cost of a dwelling in Auckland and 40 percent across the rest of New Zealand; * construction costs have increased by 30 percent in real terms in the nine years to 2011; and * the number of households renting with at least one member in paid employment, increased by 150 percent between 2001 and 2006. Numbers had since fallen slightly but were still significant.   Submissions on the draft report were sought by 10 February 2012, with a final report to be provided to the Government on 16 March 2012. |
| 16 December 2011 | **Civil Defence Payments: Flooding in Nelson -Tasman** | *Civil Defence Payments* were made available to people who had been required to leave their homes as a result of flooding and landslips in the Nelson-Tasman region. A *Civil Defence Emergency* was in place from 16 December 2011 to 27 December 2011. |
| 1 January 2012 | **Membership of Students’ Associations became voluntary for all students** | The *Education (Freedom of Association) Act 2011* amended the *Education Act 1989* by removing the requirement for a tertiary student to join a Students’ Association.  As a consequence, tertiary students were no longer able to borrow for Students’ Association Membership Fees through the compulsory fees component of the *Student Loan Scheme*. |
| 1 January 2012 | **Student Loan Scheme: Part-time full-year students no longer able to borrow for course-related costs** | From this time part-time full-year students were no longer able to borrow under the *Student Loan Scheme* for course-related costs. This aligned with the loan entitlements of part-time part-year students.  ‘Part-time-full-year’ was defined as being study for a minimum of 32 weeks in one year and with a course load of less than 0.8 *Equivalent Full-time Student* (EFTS).  This change was announced as part of the 2011 Budget. |
| 1 January 2012 | **Student Loans and Allowances: Exemption to the two-year stand down** | People who were sponsored into New Zealand by a family member with “*Protected Person*” status were exempted from the two-year stand-down that applied to Australian citizens and New Zealand residents who apply for *Student Allowances* and *Student Loans*. Prior to this, the only exemptions from the two-year stand down were:   * refugees; * people sponsored into New Zealand by family members who were refugees; or * *Protected Persons*.   In general terms, a *Protected Person* was someone who:   * under the *Convention Against Torture*, there were substantial grounds for believing that he or she would be in danger of being subjected to torture if deported from New Zealand, or * under the *Covenant on Civil and Political Rights*, there were substantial grounds for believing that he or she would be in danger of being subjected to arbitrary deprivation of life or cruel treatment if deported from New Zealand.   This change was announced as part of the 2011 Budget. |
| 1 January 2012 | **Student Loans: Transfer of Loan balance from MSD to IRD** | From this time, student borrower transactions were transferred from the *Ministry of Social Development* to the *Inland Revenue Department* daily and the *Inland Revenue Department* became responsible for sending statements to borrowers.  Prior to this transfer occurred yearly. |
| 1 January 2012 | **Tertiary Education: Changes to funding for aviation students** | From 2012, tertiary education providers delivering aviation (pilot training) programmes funded by the *Tertiary Education Commission* were able to charge students a maximum fee of $39,273 (GST exclusive) per equivalent full-time student. Prior to this there was no maximum fee limit.  In addition, students were not able to borrow through the *Student Loan Scheme* for the solo flight hour requirements for Private Pilots and Commercial Pilots Licences.  These changes were announced as part of the 2011 Budget. |
| 17 February 2012 | **Income and cash asset exemption: Backdated payments made to employees who were required to sleep overnight at their workplace** | Payments made because of entitlements under the *Sleepover Wages (Settlement) Act 2011* to back wages for sleepovers performed on or after 1 June 2004 up until 30 June 2011, were exempt as income for the purposes of the *Social Security Act 1964*. Backdated payments in respect of sleepovers performed during this period were not counted as a cash asset for 12 months after the payment was made.  Wage payments for sleepovers after 1 July 2011 were treated as income and a cash asset. |
| 27 February 2012 | **HNZC Options and Advice Service ceased** | *Housing New Zealand Corporation* (HNZC) announced that from April 2012 it was ending its *Options and Advice Service* and would be ‘concentrating on its core function of managing state houses’. An expansion of the HNZC call centre meant that this was the first point of contact for customers with HNZC offices open for scheduled appointments and housing assessments only. The call centre was able to arrange repairs, undertake pre-assessments, check accounts, provide advice on whether callers are likely to be eligible for a state house, provide waitlist updates and answer general enquiries.  The *Options and Advice Service* was intended to ensure that clients had information on all the housing options that were available to them (i.e. practical alternatives to state housing). It was piloted in eight sites from August 2009 and extended to all HNZC sites from March 2010. Following an assessment people were able to proceed with an application for state housing or if they decided to seek private sector rental they were referred to the *Ministry of Social Development* for an assessment of financial assistance that may be available. The *Options and Advice Service* had also worked with other agencies to find private rental accommodation for people who approached HNZC. |
| 27 February 2012 | **Pacific Trades Initiative for Christchurch** | Government announced an initiative to support Pacific peoples to enter trades training in 2012 and 2013 to assist with the rebuild of Christchurch. Up to 300 fees-free places in trade training were provided. *Pacific Trades Scholarships* were awarded in Auckland, Wellington and Christchurch. The initiative included the support of church ministers in providing pastoral care. The initiative was part of the Government’s wider ‘*Skills for Canterbury’* contingency package of $42 million. |
| 27 February 2012 | **Assistance with the cost of driver licences** | The amount of recoverable assistance payable through the *Recoverable Assistance Programme* and the *Special Needs Grant Programme* was amended to reflect changes to driver licensing, new testing requirements and fees. The restricted license fee was increased and the full licence fee decreased. |
| 27 February 2012 | **Welfare Reform announcements** | Details of the Government’s welfare reforms were announced. These changes had been signalled in the announcements on welfare reform for young people (14 August 2011) and welfare reform (1 November 2011).  It was announced that the first stage of legislation to deliver the Government’s reform to welfare would be introduced in March 2012, with changes to youth benefits taking effect from 30 July 2012 and further initiatives around work obligations taking effect from October 2012.  The July 2012 changes affecting young beneficiaries and teen parents were:   * a managed system of benefit payments, with essential costs like rent and power paid directly, with an allowance and a payment card for living costs; * *Youth Service Providers* incentivised to help young people into work, education or training. Young people encouraged to undertake budgeting and parenting courses; * *Guaranteed Childcare Assistance Payment*, so childcare costs did not stop young parents from studying; and * sharing information between Ministries to target school leavers most at risk of coming on to a benefit from age 18.   The October 2012 changes affecting *Domestic Purposes Benefit* and *Widows Benefit* were:   * ensuring that sole parents with children five and older were available for and supported into part-time work; * ensuring that sole parents with children 14 and older were available for and supported into full-time work; * extending these work expectations to women receiving the *Widows Benefit* and *Domestic Purposes Benefit for Women Alone*, and to partners of beneficiaries with children; * enabling the *Ministry of Social Development* to direct beneficiaries to prepare for work early; and * requiring sole parents who have another child while receiving a benefit to be available for work after one year, in line with parental leave provisions.   It was also announced that a second Bill containing an overhaul in benefit categories and a clamp-down on fraud would be introduced in July 2012, with these further changes taking effect from July 2013. |
| 1 March 2012 | **Disability Allowance: Accredited supplier arrangement for medical alarms** | From this time, people seeking assistance through the *Disability Allowance* with the cost of medical alarms were required to obtain their medical alarm from an accredited supplier. Payment could be made in respect of alarms supplied by a non-accredited supplier only in cases where there were exceptional circumstances (including contracts in place prior to 1 March 2012, there being no accredited supplier in the area that the client lives or that the client has special needs, such as non-English speaking, deaf or hearing impaired, that could not be met by an accredited medical alarm supplier). The change to the purchasing arrangements, designed to deliver savings were announced in the 2011 Budget. From 1 March 2012, nine suppliers of medical alarms were accredited, including the largest supplier, St. John, which serviced around 46 per cent of clients receiving the *Disability Allowance*. |
| 5 March 2012 | **Civil Defence Payments: North Island Storms** | *Civil Defence Payments* were made available to people who had been required to leave their homes as a result of storm damage in the South Taranaki and Wanganui regions. A *Civil Defence Emergency* was not declared. |
| 7 March 2012 | **Youth Guarantee Scheme 2012**  **Youth Training** | It was announced that a total of 9,916 training places would be available for 16-17-year olds under the *Youth Guarantee Scheme* in 2012.  There were 7,345 fees-free places available through Institutes of Technology, Polytechnics, Wānanga and Private Training Establishments, including priority trade areas such as carpentry, engineering, horticulture, plumbing gas fitting and brick and block laying.  Through amalgamating *Youth Training* into the *Youth Guarantee* an additional 4,663 fees-free places in tertiary education courses were created in 2012.  The *Youth Guarantee Scheme* gave young people an opportunity to gain practical skills and career, with a focus on those at risk of dropping out of school. |
| 7 March 2012 | **Ministerial Committee on Poverty** | The first meeting of the *Ministerial Committee on Poverty* was held. The focus of the Committee was on getting the best results from the millions of dollars spent by the Government on social service delivery. The Committee provided oversight for the welfare and housing reforms and work in the youth justice sector. It also provided oversight for developments in *Whānau Ora* and the *Social Sector Trials*.  The *Ministerial Committee on Poverty* was established under the *Relationship Accord* and *Confidence and Supply Agreement* between the National Party and the Māori Party. It recognised that poverty was a significant and long-standing issue, impacting on both Māori and non-Māori. The Committee was established to bring a greater focus to, and improve co-ordination of, government activity aimed at alleviating the effects of poverty in New Zealand.  The *Ministerial Committee on Poverty* was chaired by the Deputy Prime Minister, with the *Minister for Whānau Ora* as Deputy Chair. The membership of the Committee included the Ministers of Education, Health, Housing, Māori Affairs and Social Development.  The Committee was scheduled to meet quarterly and report back to Government every six months. |
| 15 March 2012 | **Better Public Services: Targets for the next three to five years** | The Prime Minister announced ten result areas for the public sector to achieve over the next three to five years. The result areas fell within five themes:  *Reducing long-term welfare dependency*   * reducing the number of working-age people who have been receiving a social security benefit for more than 12 months;   *Supporting vulnerable children*   * increasing participation in early childhood education; * increasing infant immunisation rates and reducing the incidence of rheumatic fever; * reducing assaults on children;   *Boosting skills and employment*   * increasing the proportion of 18-year olds with NCEA level 2 or equivalent; * increasing the proportion of 25-34-year olds with advanced trade qualifications, diplomas and degrees;   *Reducing crime*   * reducing the rates of total crime, violent crime and youth crime; * reducing reoffending;   *Improving interaction with government*   * New Zealand businesses have a one-stop online shop for all government advice and support they need to run and grow their business; and * New Zealanders can complete their transactions with Government easily in a digital environment.   Ministers and a public sector Chief Executive were appointed to lead each of the result areas and were to be accountable for demonstrating real progress.  In June 2012, the Government announced specific targets for the next five years. |
| 19 March 2012 | **Children’s Commissioner announced the formation of the Expert Advisory Group on Solutions to Child Poverty** | The *Children’s Commissioner* announced the formation of an experts’ group to find solutions to child poverty.  The *Expert Advisory Group on Solutions to Child Poverty* (EAG) was tasked with examining the best available local and international evidence and experience and to make recommendations that would make a tangible difference in New Zealand. They were asked to find realistic, pragmatic and effective ways to combat child poverty – both short-term answers and longer-term solutions.  The membership of the EAG was:   * Professor Jonathan Boston (Co-chair); * Dr Tracey McIntosh (Co-chair); * Dr Airini; * Dr Fiona Cram; * Professor Mark Henaghan; * Professor Philippa Howden-Chapman; * Phil O’Reilly; * Professor Richie Poulton; * James Prescott; * Major Campbell Roberts; * Bob Stephens; * Dr Nikki Turner; and * Sharon Wilson Davies.   The EAG were required to report to the *Commissioner* by the end of 2012 and prior to this to make available an *Issues and Options Paper for Consultation*.  The Commissioner intended to use the recommendations of the EGA to provide advice to the Government to inform the *Ministerial Committee on Poverty*. |
| 30 March 2012 | **Payment of Accommodation Supplement to Canterbury homeowners (authorisation extended to 31 March 2014)** | The *Canterbury Earthquake (Social Security Act) Order (No 2) 2010 Amendment Order 2012* extended the authorisation for the payment of an *Accommodation Supplement* to homeowners in specified areas of Canterbury who were otherwise eligible, but no longer lived in their home as a result of damage caused by the earthquakes or who had vacated their homes for a period while repairs were carried out.  The specified areas were the following territorial authorities:   * Ashburton District Council; * Christchurch City Council; * Huranui District Council; * Selwyn District Council; and * Waimakariri District Council.   This authorisation had commenced on 24 December 2011 and was set to expire on 30 March 2012. It was extended to 31 March 2014. |
| 1 April 2012 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 50c per hour to $13.50 gross per hour ($540 for a 40-hour week).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by 40c per hour to $10.80 gross per hour. |
| 1 April 2012 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 1.77 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting benefit rates excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. |
| 1 April 2012 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 1.77 percent required a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, the net rate of *New Zealand Superannuation* paid to a married couple who both qualified was increased by 2.65 percent. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2012 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by the movement in the *Consumer Price Index* (less cigarettes and tobacco). The new income levels were:   * $24,894 Single (sharing); * $26,393 Single (alone); * $39,423 Couple; * $47,597 2 person family; * $57,640 3 person family; * $65,627 4 person family; * $73,450 5 person family; and * $82,193 6 person family.   For each additional child thereafter, income levels increased by $7,703. |
| 1 April 2012 | **ACC Earner Premium reduced** | The *Earner Premium* was reduced to 1.70c (GST inclusive) in the dollar. The maximum earnings liable for the *Earner Premium* increased to $113,768 with the maximum premium of $1,934 for the 2012/2013 tax year. |
| 1 April 2012 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $863 per annum ($16.60 per week) to reflect the increase in the *Consumer Price Index*. The maximum earnings liable for *Child Support* were $126,577 for the 2012/2013 tax year. |
| 1 April 2012 | **Student Loan Scheme Act 2011 came into force**  **(note some sections of the Act came into force earlier)** | The *Student Loan Scheme Act 2011* (enacted in October 2011) reformed the way student loans were repaid, the way borrowers could manage their loans and the way loans were administered. The Act rewrote and replaced the *Student Loan Scheme Act 1992*.  The Act transformed the administration of the *Student Loan Scheme* through the:   * implementation of an electronic loan management system which allowed borrowers to manage their loans in an electronic environment, from the time that they borrow to the time that the loan is repaid; * replacement of the annual assessment for the vast majority of borrowers, whose income was largely from wages or salary only, with a pay-period assessment (borrowers with income from other sources continued to have an end of year square-up); and * replacement of the interest and penalties rules with those that apply for other taxes.   The Act provided a comprehensive set of rules governing how student loan as repaid and the process of making disclosures to borrowers, therefore compliance with the *Credit Contracts and Consumer Finance Act 2003* and *Credit Contracts Act 1981* was not required and an exemption was provided.  The 1992 Act remained in force in respect of all matters under that Act relating to the tax year ending 31 March 2012, and earlier tax years. |
| 1 April 2012 | **Student Loans Scheme: MSD no longer charged interest** | From this time, the *Ministry of Social Development* no longer charged interest on *Student Loans*. The administration and charging of any interest became the responsibility of the *Inland Revenue Department*.  Prior to this, the *Ministry of Social Development* added interest to *Student Loan Accounts* which was then subsequently written off, if the borrower qualified for the full interest write-off. |
| 1 April 2012 | **Student Loan Scheme: Losses added back to income for student loan repayment purposes** | From this time, New Zealand based borrowers were no longer able to use losses to reduce their repayment obligation under the *Student Loan Scheme*.  Prior to this, business and investment losses were allowed in calculating income for student loan repayment purposes, effectively subsidising business and investment decisions for student loan borrowers.  The change was also intended to make the definition of income for student loan repayment purposes more consistent with the *Working for Families* and *Community Services Card* definitions. |
| 1 April 2012 | **Student Allowance: Parental income threshold frozen** | The *Parental Income Threshold* for a *Student Allowance* was frozen at $55,027.96 for the 2012/2013 year. This was in response to fiscal constraints and the need to target allowances to those most in need. Since 1992, the *Parental Income Threshold* had increased well ahead of wage growth.  Between April 2009 and April 2011, the *Parental Income Threshold* had been subject to an annual adjustment based on the increase in the *Consumer Price Index*. Over the five years prior to 2009, several one-off increases had resulted in significant increases to the *Parental Income Threshold*.  Subsequently, as part of the 2012 Budget, it was announced that the *Parental Income Threshold* for a *Student Allowance* would be frozen at $55,027.96 until 2017. |
| 1 April 2012 | **Student Loan Scheme: Repayment threshold frozen until 31 March 2015** | The *Student Loan Repayment Threshold* remained at $19,084 for the 2012/2013 tax year. This followed the announcement in the 2011 Budget that the repayment threshold would be held at its current level until 31 March 2015. The repayment threshold was last adjusted on 1 April 2009.  Loan repayments at 10c in the dollar were required on income above the threshold (from 1 April 2013 this was increased to 12c). The decision not to increase the threshold reflected the economic climate and the cost to the Crown of the scheme. |
| 1 April 2012 | **Student Loan Scheme: Repayment holiday period reduced** | The repayment holiday when borrowers under the *Student Loan Scheme* left New Zealand was reduced from three years to one year and borrowers were required to apply to the *Inland Revenue* *Department* for the repayment holiday and provide or confirm contact details for an alternative New Zealand contact. Borrowers who did not apply or provide alternative contact details could no longer receive the repayment holiday.  From 1 April 2007, borrowers had received an automatic three-year repayment holiday from any repayment obligation when they left New Zealand (though interest on loans continued to be charged during the repayment holiday).  This change was announced as part of the 2011 Budget. |
| 1 April 2012 | **Employer contributions to KiwiSaver and other complying Superannuation funds subject to tax** | The tax-free status of employer contributions to *KiwiSaver* and other complying superannuation funds was abolished. From this time employer contributions were subject to *Employer Superannuation Contribution Tax* (ESCT) paid at the employee’s marginal rate. This meant that amount going into an employee’s *KiwiSaver* account from their employer, was reduced by an amount that reflected the employee’s marginal tax rate:   * $0 - $14,000 10.5 percent; * $14,001-$48,000 17.5 percent; * $48,001-$70,000 30.0 percent; or * $70,001+ 33.0 percent.   This change was announced as part of the 2011 Budget.  For the *State Sector Retirement Savings Scheme*, (SSRSS) the matching employer subsidy remained at three percent of the employee’s gross base salary. The SSRSS had been closed to new members from 1 October 2008. |
| 1 April 2012 | **Adjustments to the Working for Families Scheme:**  **Most rates of the Family Tax Credit increased**  **Rates of Family Tax Credit for children aged 16-18 years frozen**  **Abatement threshold reduced**  **Abatement rate increased** | Most rates of the *Family Tax Credit* were adjusted for inflation as the cumulative increase in the *Consumer Price Index* since the last adjustment had reached five percent. The actual adjustment was 5.3 percent. The new weekly rates were:   * first or only child 0-15 years: $92.73; * subsequent child 0-12 years: $64.44; and * subsequent child 13-15 years: $73.50.   As announced in the 2011 Budget, the rate of *Family Tax Credit* payable in respect of children aged 16 and over was frozen at $101.98 (first child) and $91.25 (subsequent children).  Following the announcements in the 2011 Budget, the following additional changes were also made:   * the abatement threshold was reduced by $477 from $36,827 to $36,350; * the abatement rate was increased from 20c in the dollar to 21.25c in the dollar; and   Further changes to the abatement threshold and abatement rate were scheduled to occur at the same time as the next three inflation adjustments (forecast at the time to be to be April 2014, April 2016 and April 2018). |
| 1 April 2012 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $22,204 to $22,568 ($434 net per week). |
| 1 April 2012 | **Childcare Cost/ Housekeeper Tax Rebate Rate/Tax Credit abolished** | The tax rebate/tax credit for childcare and housekeeper expenditure was abolished. For qualifying payments, a rebate of 33c in the dollar had been available up to a maximum annual rebate/credit of $310.  The rebate had last been adjusted in the 1984/1985 tax year and had been superseded by other policies (eg provision of 20 hours free Early Childhood Education and *Working for Families Tax Credits*). The rebate was also poorly targeted, with only 11 percent of claimants coming from the bottom 30 percent of households.  At the time of its abolition, the credit was being received by around 55,300 households, who received an average credit of $263.  The change was announced as part of the 2012 Budget. |
| 1 April 2012 | **Child Tax Rebate/Tax Credit for the Active Income of Children abolished** | The *Child Tax Rebate/Child Tax Credit for the Active Income of Children* which avoided the need for children to pay tax on small amounts of income from employment (excluding interest and dividends) was abolished.  The Tax Credit had allowed a child to earn up to $2,340 from employment, without being liable for tax. If a child had earned more than this, they were entitled to a tax credit of $245.70.  The *Child Tax Rebate* had been introduced in 1978 and had been designed to reduce the compliance costs of employing school children on a part-time basis. It had replaced the *Personal Rebate* which had provided a tax-free income band to all taxpayers prior to 1978.  The rebate had been available to children under the age of 15, or under the age of eighteen and attending secondary school or who turned 18 in the preceding income year and were still attending school. At the time of its abolition, the rebate was being received by approximately 68,000 children, with an average rebate of $240.  With the advent of electronic payroll systems most employers applied their normal payroll process to all employees, including children. This meant that that Tax Credit was mostly claimed via a child filing a tax return at the end of the tax year, thereby increasing compliance costs.  The change was announced as part of the 2012 Budget. |
| 1 April 2012 | **Limited tax exemption for children’s income from employment** | The *Child Tax Rebate*/*Child Tax Credit for the Active Income of Children* was replaced with a limited tax exemption.  This ensured that a child (attending school) was able to earn small amounts of income where there is no PAYE obligation (eg mowing a neighbour’s lawns) without being required to pay tax on that income. The income limit was $2,340 per child per tax year. The exemption did not allow a child to claim a refund of PAYE that had been paid.  The change was announced as part of the 2012 Budget. |
| 1 April 2012 | **‘Income under $9,880’ Tax Credit abolished** | The *Income Under $9,880 Tax Credit* was abolished.  The Tax Credit had provided a credit of $11.76 for a person with an annual income below $6,241 for every week they had worked more than 20 hours. The weekly amount of the credit was reduced by $0.0032 for every dollar over $6,240 meaning that it fully abated at an income of $9,880.  The *Transitional Tax Allowance* (as the Tax Credit was previously known) had been introduced as part of the October *1986 Taxation and Benefit Reform Package* to compensate a small group of workers who would otherwise have been worse off (those without children and working full-time and on a low income). It was intended to be a temporary measure.  At the time of its abolition, the ‘*Income Under $9,880’ Tax Credit* was received by approximately 49,000 people, with an average credit of $168. By this time, it was no longer available to the group who were originally its target. It was, in practice, only available to those without children who worked in low-paying jobs full-time for part of a tax year, the self-employed with low incomes or those who could offset their income with business losses.  This change was announced as part of the 2012 Budget. |
| 11 April 2012 | **Government released the Productivity Commission’s final report on Housing Affordability** | The *Inquiry into Housing Affordability* undertaken by the *Productivity Commission* identified a range of factors that were getting in the way of affordable housing. Findings included that:   * taxation was not a key driver of the recent housing boom (any tax advantage was much smaller than was often suggested); * any decision to adopt a capital gains tax on housing should be based on a coherent set of principles that have general application, not just to housing. This matter needed to be considered from an economy-wide perspective and ran beyond the scope of the *Inquiry into Housing Affordability*; * the literature points to *Smart Growth* polices having a significant adverse impact on housing affordability (e.g., containment policies (eg Auckland’s Metropolitan Urban Limit) have had an adverse effect on housing affordability); * the objectives for council plans for densification may not be reflected on the ground – developers can experience difficulty in getting infill and medium density housing underway because of planning rules and restrictions which are likely to add to short-term costs and frustrate the objective of increasing housing density; * the slow pace at which land for housing is planned, zoned and released contributes to the high price of sections and thereby house prices; * it is difficult to draw a general conclusion about how much development contributions increase house prices and reduce affordability – they vary considerably across New Zealand; * development contributions are particularly suited to recovering the incremental costs of major economic infrastructure (water, sewerage, drainage) and confining development contributions to this critical infrastructure would simply the charging regime for infrastructure arising from development; * a lack of statistical information on the quality of New Zealand housing compromises efforts to assess whether building outcomes are improving; * during the recent housing boom the cost of building a standard house had increased at a greater rate than inflation and the cost of building materials and building a standard house is substantially higher than in Australia (a trend toward larger and higher specification houses is also contributing to increased costs); * productivity in the building industry is ‘flat lining’ and this is reflected in growing building costs and evidence of poor building quality (evidence suggests that productivity performance in the construction industry of the past thirty years has been poor relative to other New Zealand industries); * the lack of scale in the New Zealand residential construction industry presents a significant barrier to productivity growth; * skills issues, particularly at a management level, require attention in order for the residential construction industry to better respond to industry cycles and to improve productivity performance; * rates can cause strains for those who are ‘housing rich but income poor’. There may be growing need for the assistance such as the rates rebate scheme as the population ages; * low levels of housing affordability for lower income households in the private rental market are longstanding. If rents had increased in line with house prices over the past decade, affordability for renters would have been considerably worse; * there is a high risk that the price-to-rent ratio will begin to return toward the long-run norm through an increase in rents, resulting in further pressure on lower-income households and the *Accommodation Supplement*; * poor quality rental accommodation and insecure tenure have a detrimental impact on tenants, particularly older people and families with children; * under current market conditions, the emergence of institutional investors into the private rental market is unlikely; * programmes to facilitate the transition to home ownership have generally proven ineffective in assisting large numbers of households to purchase a first home; * the community housing sector has a valuable role to fulfil (below market rents and tenure security) and is well suited to providing a ‘wrap around’ service to social housing tenants; * excessive reliance on the private rental market to accommodate former state house tenants may undermine the improvement in well-being that has been achieved for these people via state housing; * the community housing sector is unlikely to meet the demands and responsibilities being placed on it; * the way that the *Accommodation Supplement* abates hinders the ability of community housing organisations to improve housing affordability for their clients; * better utilisation of the public housing capital is always desirable, but needs to be managed in a way that does not create fiscal risks elsewhere in the welfare, social service and justice systems; * robust projections of unmet demand and future demand for social housing are essential for an honest assessment and conversation about what needs to be done; * social housing sector will need considerable assistance if it is to scale up to the extent required in a relatively short time-frame and the *Social Housing Fund* is not equal to the task demanded of it; and * for the *Social Housing Unit’s* social objectives to be delivered effectively, the agency will need greater autonomy, or alternatively greater alignment with a social delivery agency, such as the *Ministry of Social Development*.   The *Productivity Commission* made a number of recommendations aimed at improving housing affordability. These included:   * an immediate release of new land for residential development in high demand areas such as Auckland and Christchurch, including moderate density development of ‘brownfield’ sites and development of ‘greenfield’ sites close to existing centres, local employment and services; * that Councils review regulatory processes with the aim of providing simplified, speedier and less costly consenting processes and formalities; * that Government consider the case for a review of planning-related legislation to reduce the costs, complexity and uncertainty associated with the interaction of planning processes under the *Local Government Act*, *Resource Management Act* and the *Land Transport Management Act;* * that the *Department of Internal Affairs* facilitate a consultative process for updating the *Best Practice Guidelines to Development Contributions* and developing a set of high-level principles for development contributions; * that the *Productivity Partnership Skills Strategy* is the appropriate organisation to develop practical initiatives to improve productivity in the residential building industry; * that the *Department of Building and Housing* review the legislation and regulations relevant to rental accommodation quality for their effectiveness and consider options for improvement, including their implementation and enforcement; * that government agencies responsible for the development and implementation of home ownership assistance programmes review existing programmes against criteria based around clarity of objectives, effectively targeting recipients, flexibility and cost effectiveness; * that market rents be utilised when assessing levels for the *Accommodation Supplement* where *Community Housing Organisations* have reduced rents to their clients; and * that a comprehensive review of the Social Housing Unit’s funding process is undertaken to reduce the cost involved in applying. |
| 15 May 2012 | **Ministry of Social Development: Work and Income Board** | The Government announced the membership of the *Work and Income Board*, appointed to oversee the implementation of the investment approach to welfare.  The Board was tasked with responsibility for ensuring accountability and overseeing the delivery of reforms that would see fewer people on welfare for long periods. They helped make decisions about which interventions work best for individuals and oversaw trials to collect best evidence.  The *Work and Income Board* advised and supported the Chief Executive of the *Ministry of Social Development* on the implementation of welfare reforms and reported to the *Minister for Social Development*, *Minister of Finance* and *Minister for State Services* on the performance of the *Ministry of Social Development* (Work and Income).  Each year, an actuarial valuation was to be completed to determine the long-term future spend on the benefit system, taking into account how long beneficiaries are likely to remain on benefits and wider economic and demographic trends.  The *Work and Income Board* members were:   * Paula Rebstock (Chair); former chair of the *Welfare Working Group;* * Dr Ian McPherson, CEO of Southern Cross Healthcare Group; * Professor Kathryn McPherson, Auckland University of Technology and former member of the *Welfare Working Group*; * Andrew Body, member of the Crown Fibre Holdings Board; * Reg Barrett, Company Director and business consultant; and * Debbie Packer, company director and business consultant.   The Board appointments were for a period of 15 months, with the operation of the Board to be reviewed by the *Minister for Social Development* by June 2013.  The Board was dis-established in December 2015. |
| 17 May 2012 | **Gateway Housing Scheme for First Home Buyers discontinued** | The *Gateway Housing Scheme* for first home buyers was discontinued. The Scheme had allowed first home buyers to defer payment on government-owned land for up to ten years. The *Gateway Housing Scheme* had been launched in October 2010.  Under the scheme only 32 houses were built nationwide, with 17 of these in the Hobsonville development in Auckland. |
| 24 May 2012 | **Contracted Social Services: Investing in Services for Outcomes (ISO Programme)** | As part of the 2012 Budget, the Government announced changes in the way that social services were contracted by the *Ministry of Social Development* (MSD).  The *Investing in Services for Outcomes* (ISO) approach involved simpler and consistent contracting and alignment of MSD’s $550 million investment in social services with achieving Government’s results for families and communities. It was intended to ensure that Government priorities drive funding decisions, that funding was shifted to services that make a proven difference and that results are demonstrable. The key components of the new approach were:   * funding decisions were driven by Government priorities for families and communities (Government would detail its vision for the social services funded by MSD)*;* * a capability framework was developed which community services could use to strengthen their organisation, their responsiveness to their community and alignment with Government priorities; * community social services funded by MSD were to have results-based contracts which focus on achieving real and lasting results; and * MSD’s funding and contracting of services would move to a more streamlined approach.   The ISO approach was launched in June 2012 and was implemented over the following 18 months. |
| 24 May 2012 | **Tobacco Excise Increase: Impact on the mechanism for adjusting rates of benefits and pensions** | As part of the 2012 Budget, the Government announced that the excise on cigarette and tobacco products would be increased by 10 percent on 1 January 2013 and by a further 10 percent on 1 January 2014, 1 January 2015 and 1 January 2016.  The legislative requirements that the *Consumer Price Index* is used to annually adjust rates of *Social Security Benefits*, *Student Allowances*, *New Zealand Superannuation, Veteran’s Pension* and other allowances and thresholds was amended to exclude the impact of cigarette and tobacco prices. This applied to annual rate adjustments up to and including 1 April 2017. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. |
| 24 May 2012 | **Youth Guarantee Scheme extended** | The 2012 Budget provided for 3,000 more places in the *Youth Guarantee Scheme* over the next four years. This meant that in 2013 there would be 12,930 fees-free places in the *Youth Guarantee Scheme* for 16 and 17-year olds. |
| 28 May 2012 | **Restructure of the Families Commission announced** | The Government announced a major restructure of the *Families Commission*. This saw the Commission taking on a new role, providing independent monitoring, evaluation and research on the effectiveness of initiatives for families and society. Existing funding for the Commission was reprioritized to establish a new *Social Policy Evaluation and Research Unit* (SuPERU).  It was announced that there would be a single *Commissioner* (down from the original seven) and that the Commission would be governed by a *Board* comprising public sector, philanthropic and academic representatives. A new *Family Status Report* would be developed and the responsibility for the *Growing Up in New Zealand* longitudinal study would be transferred from the *Ministry of Social Development* to *SuPERU*.  The change process was scheduled to be completed by early 2013 [Note that the legislation providing for the changes came into force in March 2014].  The *Families Commission* had been established on 1 July 2004, under the *Families Commission Act 2003*. Its main function had been to act as an advocate for the interests of families generally, collect data, commission research and promote awareness of stable family relationships. |
| 31 May 2012 | **Enhanced information sharing between IRD and MSD** | The *Tax Administration (Information Sharing with Ministry of Social Development) Order 2012* made provision for expanded information sharing between the *Inland Revenue Department* (IRD) and the *Ministry of Social Development* (MSD). The change provided for client information to be shared automatically, rather than being provided upon specific request (which had previously been the practice). The change provided for a one-way electronic exchange of information from IRD to MSD, though only information needed to prove benefit entitlement was shared.  The information exchange applied only to beneficiaries and persons who had benefit debts and the following information could be provided to MSD:   * income details, including sources of income and employment details; * family details, including relationship details, number of dependants and details of living arrangements; * personal details, including name and any aliases, age, address, contact details and bank account details; and * any relevant information about the suspicion of benefit fraud.   The first transfer of information took place in July 2012 and included income and employer information for working-age beneficiaries receiving income from wages or salary.  The new protocols were part of a drive to improve information sharing between government agencies to help deliver better public services. |
| 25 June 2012 | **Better Public Services: Five year targets** | Following the announcement in March 2012 of ten public service results areas, the Government announced a set of specific targets for the next five years. There were 14 targets in total, as some of the result areas had more than one measurable target. These were:   * by 2017, a reduction in the number of people continuously receiving a working age social security benefit for more than 12 months by 30 percent (from 78,000 in April 2012 to 55,000); * by 2016, 98 percent of children starting school will have participated in quality early childhood education (this would require an additional 12,000 children to be enrolled, in addition to growth already predicted); * by 2017, an increase infant immunisation rates to achieve and maintain 95 percent coverage of eight-month-olds fully immunised with the scheduled vaccinations (the current rate was around 83 percent); * by June 2017, a reduction in the incidence of rheumatic fever by two-thirds, to 1.4 cases per 100,000 people (the current rate was around 4.2 cases per 100,000); * by 2017, a halt to the 10-year rise in children experiencing physical abuse and a reduction in current numbers by 5 percent (a reduction of around 25 percent in projected numbers); * by 2017, 85 percent of 18-year olds would have achieved NCEA level 2 or an equivalent qualification (up from around 67 percent in 2010); * by 2017, 55 percent of 25 to 34-year olds would have a qualification at level 4 or above (up from the current level of 52 percent); * by June 2017, a 15 percent reduction in the crime rate (around 45,000 fewer crimes); * by June 2017, a 20 percent reduction in the violent crime rate (around 7,500 fewer violent crimes); * by 2017, a 5 percent the rate of court appearances by 14 to 16-year olds (around 600 fewer court appearances by 14-16-year olds); * by June 2017, a reduction in re-offending (re-imprisonment rate and reconviction rates of community sentenced offenders) by 25 percent (around 600 fewer prisoners, 4,000 fewer community offenders and 18,500 fewer victims); * by 2017, a reduction in business costs from dealing with Government of 25 percent, through a reduction in the effort required to work Government agencies; * by July 2017, Government services to business would have similar key performance ratings as leading private sector firms, and businesses would be able to contribute to this through an online feedback system from July 2013; and * by 2017, an average of 70 percent of New Zealanders’ most common transactions with Government would be completed in a digital environment (up from the current level of 24 percent).   A Minister was appointed to lead each of the ten result areas, and Chief Executives were expected to demonstrate progress against them. Departments were tasked with developing action plans for achieving the targets. Progress was to be reviewed by Cabinet two times a year. |
| 30 June 2012 | **KiwiSaver: Member Tax Credit reduced** | The *KiwiSaver Member Tax Credit* was halved from $1 to $0.50c for every $1 contributed by members up to a maximum tax credit of $521 per year (half the previous maximum). Payments of the *Member Tax Credit* were made annually after the end of the Government financial year (30 June). The first payments at the lower level were made in the second half of the 2012 calendar year, for the year ending 30 June 2012.  This change was announced as part of the 2011 Budget. |
| 30 June 2012 – 28 February 2014 | **Digital Television: Targeted Assistance Package Scheme** | Between September 2012 and December 2013, New Zealand’s analogue television network was progressively switched off in favour of the digital signal. This meant that households needed to purchase additional equipment for their television to function in a digital environment.  To assist with the transfer, the *Ministry for Culture and Heritage* administered assistance to people in households that could not get digital television, though the *Targeted Assistance Package*.  People eligible for the *Targeted Assistance Package* were those who had a television and did not have Freeview, Sky or Cable TV and who were either:   * aged 75 years and over and had a *Community Services Card*; or * recipients of an *Invalids Benefit*; or * recipients of a *Veteran’s Pension*; or * former recipients of an *Invalids Benefit* or a *Veteran’s Pension* who had transferred to *New Zealand Superannuation*.   The following assistance could be provided through the *Targeted Assistance Package*:   * supply and installation of a set-top box if required; * supply and installation of an UHF aerial or satellite dish and cabling, if required; * training on how to use the new equipment; and * a helpline to provide ongoing technical support for 12 months.   It was expected that around 58,000 households would benefit from the scheme.  For those who did not qualify for the *Targeted Assistance Package*, financial assistance with cost of converting to digital television could be made available through an *Advance Payment of Benefit*, or a *Recoverable Assistance Payment,* if they met all the eligibility criteria and if a television was considered an essential and immediate need. |
| June 2012 | **Investing in Services for Outcomes (ISO) launched** | The *Investing in Services for Outcomes* (ISO) Programme announced in the 2012 Budget was launched. This changed the way that social services were contracted by the *Ministry of Social Development* (MSD).  In 2013/2014 there was approximately $602 million available for spending on social services ($271 million for employment-related services and $331miilion for services for vulnerable children, young people and adults) delivered by providers and community groups. The ISO programme was established to more clearly target services, streamline and simplify contracting and reporting requirements and to provide more effective support to providers while reducing their administrative burden.  ISO supported the Government’s expectations that support for vulnerable people and communities would be co-ordinated, integrated and targeted and tailored according to need. It supported flexibility to work differently in different communities. It included a reduction in compliance burdens on providers and monitoring visits for providers who contracted with multiple parts of the Ministry.  The ISO programme included:   * the development of a strategic investment framework and investment strategy to ensure that key priorities drove funding decisions; * the development of a more focused approach towards funding for meaningful, measurable outcomes; * provision of more effective support for provider capability, including funding through the *Capability Investment Resource*; and * implementation of the ISO contracting approach (initially rolled out to providers with Ministry of funding of over $1 million per annum) |
| 1 July 2012 | **State sector central fund for employer superannuation contributions terminated** | The *State Sector Central Fund for Compulsory Employer Superannuation Contributions* was terminated. From this time, state sector employers were required to fund compulsory employer contributions from within their existing budgets.  Prior to this time, the *State Services Commission* administered a central fund to reimburse state sector employers for their compulsory employer contributions to *KiwiSaver* and the *State Sector Retirement Savings Scheme* (including any applicable *Employer Superannuation Contribution Tax*).  The change was announced as part of the 2011 Budget. |
| 1 July 2012 | **Residential Care Subsidy: Changes to the annual adjustment of asset levels** | The provision to increase the asset levels for eligibility to the *Residential Care Subsidy* by $10,000 per year was scrapped. From this time, the applicable asset thresholds were instead adjusted on 1 July each year by the movement in the *Consumer Price Index* (all groups).The objective of the change was to decrease the cost to the Crown of aged residential care.  From 1 July 2012, single people and couples with both partners in care were able to keep up to $213,297 in assets - up from $210,000, before they are used to contribute to the cost of their care. Couples both 65 years or over with one in residential care $116,806 (excluding family home and car) - up from $115,000, or they could elect the higher asset threshold of $213,297 (including family home and car).  Since 1 July 2005, the asset levels for eligibility to the *Residential Care Subsidy* had been increased by $10,000 on 1 July each year. The 27th Schedule to the *Social Security Act 1964* had made provision for this annual increase to continue until 1 July 2025. The legislation was amended to provide for an annual adjustment on the basis of the *Consumer Price Index*.  The change was announced as part of the 2012 Budget. |
| 1 July 2012 | **Residential Care Subsidy: Increase to the income from assets exemption** | The ‘income from assets exemption’ for the *Residential Care Subsidy* was adjusted by the movement in the *Consumer Price Index* for the year ending 31 March 2012 (less the price increases from cigarette and tobacco products). The new income from asset exemption levels (after tax) were:   * single people: $945 per annum; * couple (both in care): $1,890 per annum; and * couple (one in care): $2,835 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2012 | **Paid Parental Leave Increased** | *Paid Parental Leave* was increased from a maximum of $458.62 gross per week to a maximum of $475.16 gross per week. This reflected the movement in average weekly earnings over the previous year.  The minimum payment for self-employed parents increased from $130.00 per week to $135.00 per week. |
| 1 July 2012 | **Ministry of Business, Innovation and Employment established** | The new *Ministry of Business, Innovation and Employment* combined the functions of the former *Ministry of Economic Development*, *Ministry of Science and Innovation*, *Department of Labour* and the *Department of Building and Housing.*  The new Ministry was seen as assisting the Government to forward its *Business Growth Agenda* and to make it easier for businesses to engage with the Government. |
| 1 July 2012 | **Coverage of War Pensions extended** | Coverage of the *War Pensions Act 1954* was extended to additional military deployments. This meant that veterans from these deployments became eligible for a *War Disablement Pension* for any disability that occurred as result of service overseas in these deployments. It was estimated that an additional 1,097 veterans would become eligible to receive assistance.  The following deployments were classified as ‘emergencies’ under the *War Pensions Act 1954*:   * Rhodesia – Operation Midford (1979-1980); * Afghanistan – Mine clearing team (1991); * Iraq – United Nations Special Commission (1991-1999); * Iraq – United Nations Monitoring, Verification and Inspection Commission (2002-2003); * Cambodia – United Nations Advance Mission (1991-1992); Mine Action Centre and Mine Clearance Training Unit (1991-1993); and United Nations Transitional Authority (1992-1993); * Somalia – United Nations Operations (1993-1995); * Haiti – United Nations Mission (1994-1995); * Bougainville – South Pacific Peacekeeping Force (1994); Truce Monitoring Group (1997-1998); and Peace Monitoring Group (1998-2000); * Sudan – United Nations Mission (2005-current); and * Southern Lebanon – United Nations Mine Action Co-ordination Centre (2007-2008). |
| 1 July 2012 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:  • the maximum rebate was increased from $580 to $590; and  • the income threshold was increased from $23,240 to $23,650  The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2012/2013 rating year was $23,650 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2012/2013 rating year (1 July 2012 to 30 June 2013). |
| 1 July 2012 | **Employment assistance re-focused: Job Streams** | Employment programmes administered by the *Ministry of Social Development* were re-focused to provide a simpler, more flexible and business friendly package of employment programmes. Employment assistance was targeted at those most at risk of remaining on benefit in the long-term.  *Job Streams* consolidated existing employment programmes, including *Job Ops* and *Straight to Work* into two streams:   * *Skills for Industry*: short-term job-focussed training for specific employment opportunities, with funding of up to $7,000 per person; and * *Flexi-Wage*: two types of wage subsidy: * *Flexi-Wage Basic*: wage subsidies up to a maximum of $21,060 per year for those at highest risk of remaining on benefit; and * *Flexi-Wage Plus*: wage subsidy with the option of using some funding for other assistance that employers need such as training, mentoring or in-work support, capped at a maximum of $21,060 per year.   Funding was not linked to a set number of places; rather it was allocated to the *Job Streams* package to be used flexibly across the two streams.  From 1 July 2012, priority was given to young people considered to be at high risk of long-term benefit dependence. From October 2012, *Job Streams* was extended to sole parent beneficiaries who became subject to new work obligations. |
| 23 July 2012 | **Mainstream Internship Programme for disabled tertiary students** | The *Mainstream Internship Programme* provided a wage subsidy and other support to enable employers to employ disabled tertiary students in short-term internships in their chosen field of study.  It provided a 100 percent wage subsidy for the length of the internship (four to 16 weeks).  Eligible tertiary students were those who were registered with the *Disability Resource Service* of the tertiary institution where they were studying. The *Disability Resource Centre* supported students in making their application.  Eligible employers were those who could provide relevant experience (ideally relevant to the student’s course of study) and offer a fixed-term employment contract. *Mainstream Internships* were to be created specifically for the intern, additional to the staff establishment and not an existing vacancy.  Applications were required to be received by the *Ministry of Social Development* by 31 October each year, for the upcoming Summer break. |
| 24 July 2012 | **Tamaki: Urban redevelopment company** | The Government and the Auckland Council signed a *Heads of Agreement* to jointly form New Zealand’s first urban redevelopment company to years to achieve social, economic and housing objectives and transform Tamaki (East Auckland) over the following 20 – 25 years. The new *Tamaki Redevelopment Company* was to be a special purpose company that would bring together public and private sector investment, a wide range of multi-sector partners and a mandate to spearhead implementation of transformation activities. Specifically, the Company was established to:   * lead and integrate a programme of activities to transform Tamaki; * procure and plan physical and spatial development in Tamaki (e.g., housing infrastructure and amenities); and * facilitate and co-ordinate the design and delivery of place-based social and economic programmes to lift prosperity and wellbeing in Tamaki.   The Company would work within a commercial framework, making it credible and attractive to private sector investors. The company was expected to be operational by the end of 2012. The first task of the new company was to bring all the current and future initiatives and projects together into a single strategic framework.  In the area designated for redevelopment (Glen Innes, Point England and part of Panmure), over half the housing (56 percent or around 2,850 houses) was owned by *Housing New Zealand Corporation*. [*Note in 2015, the properties previously owned by Housing New Zealand Corporation were transferred to the Tamaki Redevelopment Company*).  The *Tamaki Redevelopment Company* was incorporated on 20 August 2012. It was a Schedule 4A entity under the *Public Finance Act 1989*, with joint shareholdings by the Crown (59 percent) and the Auckland Council (41 percent). |
| 14 August 2012 | **Green Paper for Vulnerable Children: Submissions released** | The Government released a summary of the submissions received on the *Green Paper for Vulnerable Children* and over 600 full submissions from various organisations.  Almost 10,000 submissions were received on the *Green Paper for Vulnerable Children*. These were from children (over 2,000 children made submissions), young people, frontline workers, the general public, non-government organisations (NGOs) and other organisations.  The key themes of the submissions from children and young people were:   * + it was important that adults show them they care, keep them safe and secure, listen to them, see them as unique individuals and guide them.   They key themes from all other submissions were:   * + - support for more programmes and services to help parents and support families in difficult circumstances;     - the need to address the wider social and economic causes of vulnerability;     - government needed to put children first and remove them from dangerous situations;     - support for the government needing to build and support communities (partnerships and community development models as well as community-led action);     - support for a *Vulnerable Children’s Action Plan*, although opinion differed on who show be targeted (all children or children with specific needs);     - recognition of the need for government to work with Māori and provide services and supports that meet the needs of whānau;     - areas of action identified for the Plan included health, education, safety, family living circumstances and access to services     - support for the provision of universal basic services to all children with extra services targeted to children needing additional support;     - support for more funding for vulnerable children, as well as more funding for children overall;     - support for prioritising families of vulnerable children for services;     - support for early intervention supporting families so that children did not become vulnerable and intervening in the early stage of the problem;     - support for information-sharing where it would contribute to the wellbeing of the child;     - support for a well-trained workforce that collaborated effectively to support children;     - support for a single point of contact for families, reducing barriers and raising awareness of services; and     - support for co-location of services and contractual arrangements that encourage professionals to collaborate.   The submissions informed the development of the *White Paper for Vulnerable Children* and *Vulnerable Children’s Action Plan,* released on 11 October 2012. |
| 20 August 2012 | **Youth Service established**  **Predictive Modelling** | The *Youth Service* was a new approach to working with vulnerable young people where the *Ministry of Social Development* contracted a service provider to work actively and intensively with young people by providing on-going support and mentoring to improve their educational and employment outcomes. In areas where no service provider was appointed (Wanganui and Rangitikei), the Ministry provided an in-house service. The Ministry also provided a parallel in-house service in Wellington, as a comparable service. From this time a young person applying for financial assistance or disengaged from education was referred to the *Youth Service*, if they met the qualifying criteria. As part of the *Youth Service* there were two separate services delivered:   * *Youth Service (Youth Payment* and *Young Parent Payment)* for 16 to 18-year olds receiving financial assistance from the Ministry of Social Development; and * *Youth Service (NEET)* for 16 and 17-year olds who are Not in Education, Employment or Training (NEET) or at risk of being NEET.   The *Ministry of Social Development* assigned a score to each 15 to 17-year-old who left school. The score represented the predicted risk that they will enter the benefit system within three years. Young people with scores above a specific threshold were encouraged to join the *Youth Service*.  The service provider contract was an outcome-based contract with incentives, including milestone payments and success fees for achieving outcomes. The service provider was required to focus their effort on provided wrap-around support for:   * young people receiving the *Youth Payment* or *Young Parent Payment;* * young partners of a person receiving a main *Social Security Benefit*; and * young people identified as NEET or at risk of becoming NEET.   Provisions for the *Ministry of Social Development* to enter into contracts with service providers and for and the conditions surrounding information sharing were set out in the *Social Security (Youth Support – Contracts and Information Sharing with Service Providers) Regulations 2012*. The *Ministry of Social Development* retained responsibility for the administration of financial assistance and provided administrative support to *Youth Service* providers. The responsibilities of Youth Service providers included:   * assisting the initial application process and facilitating applications for supplementary and hardship assistance; * providing information to the *Ministry of Social Development* about a beneficiary’s change in circumstances; * providing on-going support and guidance, including budgeting services and parenting programmes; * providing information to the *Ministry of Social Development* about the beneficiary’s basic living costs, for the purpose of redirecting benefit payments; * completing a needs assessment to identify the person’s circumstances and determine if they require other services; * supporting the person to undergo *Family Reconciliation Counselling* where appropriate; * meeting regularly to ensure that the person is meeting their activity obligations and that they are on track to achieve their outcomes; * assisting with financial management and providing budget advice; * assessing whether the person is making the most of local housing markets and paying reasonable accommodation costs and assisting them to reduce their costs; * supporting the person to participate in education, training or work-based learning; * monitoring the person for compliance of their activity obligations and recommending entitlement for incentive payments; and * ensuring people receiving the *Young Parent Payment* are aware of the benefits of formal *Early Childhood Education*. |
| 20 August 2012 | **Youth Payment and Young Parent Payment replaced a range of former social security benefits for young people** | **Youth Payment and Young Parent Payment**  The *Youth Payment* applied to:   * 16-17-year olds without dependants (replaced the *Independent Youth Benefit*, *Sickness Benefit (Hardship)* and for new applicants, the *Domestic Purposes Benefit (Caregivers).*   The *Young Parent Payment* applied to:   * 16-17-year olds (replaced the *Emergency Maintenance Allowance*); * 18-year-old parents, including partners of main beneficiaries and teen dependants of a main beneficiary (replaced the *Emergency Maintenance Allowance*, *Unemployment Benefit* and *Domestic Purposes Benefit*); and * 19-year-old parents, where they were granted a *Young Parent Payment* at age 18 and not yet had six months support.   **Rates**  The maximum weekly rates (after tax) were:   * *Youth Payment*: 16-17 years single with no dependent children: $170.80; * *Youth Payment*. couple, without children: $341.60 ($170.80 each); * *Young Parent Payment*: 16-18 years, sole parent with one or more dependent children: ($293.58); * *Young Parent Payment*: 16-18 years, sole parent with one or more dependent children, living in parental home or supported by parents: ($136.64); and * *Young Parent Payment*: couple with children: $341.60 ($170.80 each).   **Payment**  The *Youth Payment* or *Young Parent Payment* were administered largely under an income management model (see below) with an in-hand allowance of $50 per week, paid to the young person. Accommodation costs and utility costs were paid directly to suppliers by the *Ministry of Social Development*. Any remaining entitlement (including supplementary assistance) was loaded onto a payment card that could be used at an approved supplier.  **Other Income**  For the *Youth Payment* and *Young Parent Payment*, income earned in excess of $203.13 gross per week (the income exemption applicable to a *Student Allowance*) reduced the in-hand allowance of $50 per week by $1 for every $1 earned and the *Youth Payment* or *Young Parent Payment* was completely withdrawn once the in-hand allowance had been reduced to zero (i.e., income exceeded $253.13).  **Obligations**  A young person receiving the *Youth Payment* or *Young Parent Payment* was required to be:   * in full-time education or training or work-based training and working towards at least NCEA Level Two or equivalent; * undertake a quality budgeting programme; and * undertake a quality parenting programme of at least six months if a teen parent.   For a young parent, the obligation to be in full-time education applied when their child was 6 months old, if there was a place in *Teen Parent Unit* or equivalent available to them, or 12 months old in other educational settings or exceptional circumstances.  **Incentives**  All young people receiving the *Youth Payment* or *Young Parent Payment* could receive an additional $10 per week by enrolling in and completing the required budgeting education programme and $10 per week on completion of six months continued participation and achievement in education, training or work-based training.  **Sanctions for Non-compliance**  The in-hand allowance portion of the *Youth Payment* or *Young Parent Payment* was suspended where the young person failed without a good reason to meet their obligations. The additional $10 bonuses were suspended in full, if recipients failed to continue to meet their obligations  **Other Conditions**  The *Young Parent Payment* was available to teen parents (16-18) who were still living within the family home, if their parents’ income was below the income threshold for the *Family Tax Credit*.  Where the *Young Parent Payment* was received by a dependant of a main beneficiary, the main beneficiary received the ‘no dependants’ rate of main benefit, if that dependant was their only dependant.  Where a young person receives the *Youth Payment* or *Young Parent Payment*, their parent(s) were not eligible to claim a *Family Tax Credit* for that young person.  Recipients of the *Youth Payment* or *Young Parent Payment* were obligated to, be in education, training or work-based training, undertake a budgeting programme or undertake a parenting programme (if a teen parent). Support was provided from service providers to help them comply with their obligations, manage their income and help them get childcare.  These changes were announced as part of the *Package of Welfare Reform for Young People* in August 2011 and formed part of the Government’s response to the recommendations of the *Welfare Working Group*. |
| 20 August 2012 | **Income management for young beneficiaries** | An amendment to the *Social Security Act 1964* provided that as a general rule no payment of a *Youth Support Payment* could be paid to or on account of a young person concerned personally and that payments must be paid in a manner stated in Regulations made under the *Social Security Act 1964*.  The *Social Security (Criteria for Incentive Payments and Money Management) Regulations 2012* prescribed a mandatory system of money management whereby payment of any *Youth Support Payment* and certain other benefits and allowances paid to a young person is made directly to the supplier of the young person’s living needs. The *Ministry of Social Development* could make payment to a young person personally, if that young person had met prescribed criteria. A young person who does not otherwise fall within the mandatory money management criteria could voluntarily elect money management. |
| 20 August 2012 | **Transitional Supplement: Young beneficiaries** | A *Transitional Supplement* was available if a beneficiary’s total income from [specified payments](http://doogle/map/income_support/extra_help/transitional_supplement/transitional_supplement-02.htm) was reduced as a direct result of the *Youth Support* changes and the beneficiary had no change in circumstances.  The eligibility criteria for the supplement were contained in the *Social Security (Youth Support – Transitional Supplement) Regulations 2012*. The *Transitional Supplement* expired on 20 August 2014. |
| 20 August 2012 | **Guaranteed Childcare Assistance Payment for teen parents** | A *Guaranteed Childcare Assistance Payment* was introduced for 16-18-year old parents with children under the age of five years.  Parents aged 16-18 years who were subject to the Youth Activity Obligations (including 19-year-old parents still receiving the *Young Parent Childcare Payment)* and parents aged under 18 years who were not receiving a main social security benefit and who were attending secondary school were eligible.  The payment was for up to $6 per hour, for up to 50 hours a week, for up to 52 weeks a year, for a child to attend an approved ECE service. The payment was not income tested.  The *Guaranteed Childcare Assistance Payment* was not available when other childcare subsidies were being paid or 20 hours free ECE was being received for the child, for the same hours. |
| 20 August 2012 | **Special Needs Grants to assist with the cost of long-acting reversible contraception** | From this time, non-recoverable *Special Needs Grants* were available to women who chose to use approved long-acting reversible contraception. Grants were available to women who were:   * receiving *Young Parent Payment* or *Youth Payment*; or * a partner or spouse included in one of the following main benefits and subject to *Youth Activity Obligations*: * *Emergency Benefit*; * *Invalids Benefit*; * *Sickness Benefit*; * *Unemployment Benefit*; * *New Zealand Superannuation* (included as a non-qualified spouse or partner); or * *Veteran’s Pension* (included as a non-qualified spouse or partner).   Young people receiving an *Unemployment Benefit (Student Hardship)*, a *Student Allowance* or non-beneficiary assistance were not eligible.  The Grant covered the cost of attending a medical appointment (including transport costs) and the contraceptive itself (including removal), where the cost was not fully covered by *PHARMAC* or a *District Health Board* subsidy.  The Grants were non-recoverable, and more than one payment could be made in a 52-week period. The total amount payable over a 52-week period was $500.  The Grants were initially available to young women receiving assistance under the *Youth Package* and were extended to the wider beneficiary population (including female dependent children aged 16-19 years) from 15 October 2012. |
| 28 August 2012 | **Pre-employment drug tests for beneficiaries** | The government announced that from July 2013 new drug-testing requirements for beneficiaries would apply. Beneficiaries with work obligations would face sanctions if they refused to apply for drug-tested jobs or failed a drug test (around 40 percent of the jobs listed with the *Ministry of Social Development* required drug tests).  The *Ministry of Social Development* would reimburse employers for the cost of the drug test for test failures and for beneficiaries who failed a drug test, the cost of the test would be recovered from their benefit.  Where beneficiaries failed a drug test, or refused to be drug tested, they must agree to stop using drugs or their benefit would be cut by 50 percent. They would be given 30 days for the drugs to leave their system. Where a beneficiary refuses or fails a test for a second time, their benefit would be suspended until they agreed to provide a ‘clean’ drug test within 30 days. If they did not do this, their benefit would be cancelled.  Beneficiaries with drug addiction would be assisted to get help in addressing their dependency and those on some prescribed medications would be exempt from the drug testing policy. |
| 28 August 2012 | **Expert Advisory Group on Solutions to Child Poverty: Issues and Options Paper for consultation** | The *Children’s Commissioner’s* *Expert Advisory Group on Solutions to Child Poverty* (EAG) released its Issues and Options paper.  The paper set out a comprehensive set of actions for addressing child poverty. These included:   * a standard approach for measuring child poverty, by which progress toward targets can be measured; * a comprehensive series of child-poverty reduction indicators designed to supplement the Government’s *Better Public Services* targets; * a series of improvements to *Family Assistance Programmes*, including: * passing on *Child Support* to custodial parents who received a sole parent social security benefit; * changes to the *Family Tax Credit* to give more money to families with young children or more than one child; * establishing a new *Child Payment* (universal for the first five years and then targeted); and * review of all child-related benefit rates, including the *In Work Tax Credit*. * supporting parents into work, while balancing the needs of children against the desire and practicality of paid employment; * specific and well-targeted measures for Mäori and Pasifika families; * extension of home insulation programmes and heating subsidies targeted to poor families; * warrant of fitness for all rental properties (including state housing); * improving the effectiveness of the *Accommodation Supplement* and supporting home ownership for low income families; * changes to health policy to ensure that children living in poverty receive the services they need; * initiatives designed to ensure that children from poor households are better able to learn and do not start the school day hungry, improving access to early childhood education, after-school and holiday programmes and a range of other services through schools.; and * a series of initiatives to enhance the ability of communities to support children and mitigate the impact of child poverty.   Feedback was sought by 12 October 2012 on the following questions:   * which proposals will be effective in reducing child poverty; * which proposals are less likely to be effective; * what are the most important proposals to reduce child poverty; * what needs to be done first and why; and * what is missing from the package?   The EAG was established in March 2012 to find realistic, pragmatic and effective ways to combat child poverty – both short-term answers and longer-term solutions. Its final report was provided to the *Children’s Commissioner* in December 2012. |
| 1 September 2012 | **Student Loan Scheme: Interest-free loans for borrowers working overseas with an approved charitable organisation** | The *Student Loan Scheme (Charitable Organisations) Amendment Regulations 2012* added two charities to the list of charities whose volunteers may qualify for an interest-free student loan while working for those charities overseas  The two new charities were *Empower Missions Trust Incorporated* and *Troppodoc Charitable Trust*.  Borrowers under the *Student Loan Scheme* must generally be present in New Zealand for six months to qualify for an interest-free loan.  However, an exemption may be granted for certain borrowers who are overseas, including those who are working for free or for a token payment for one of the accepted charitable organisations. A borrower could qualify for an interest-free student loan for up to two years months, if they were working overseas as a volunteer, or for token payment, for an [approved charitable organisation](http://www.ird.govt.nz/charitable-organisations/chart-orgs-sl-scheme). The charity or organisation must have been an approved charitable organisation.  Borrowers working overseas for these charitable organisations were still required to make application to the *Inland Revenue Department* to determine if they qualified for the interest write-off. |
| 7 September 2012 | **Social Security Benefits: Payments to be stopped for people who failed to clear their arrest warrants** | The Government announced that from July 2013 where beneficiaries have a warrant to arrest as a result of criminal proceedings their benefit will be stopped. Of the approximately 15,000 people with a current arrest warrant, around 8,200 were receiving a *Social Security Benefit*.  Beneficiaries would be given 28 days after issue of the warrant to arrest to voluntarily clear their warrants, before action was initiated to stop their benefit. In exceptional circumstances where someone poses a danger to the public, their benefit would be able to be stopped immediately, at the request of the *Police Commissioner*.  For those whose benefits were stopped, once they had cleared their warrant, their benefit could be reinstated. There was to be no backdating of benefit payments if a warrant was cleared after the benefit was stopped.  Information matching between the *Ministry of Social Development* and the *Ministry of Justice* and the *New Zealand* *Police* was required to identify beneficiaries with warrants to arrest in criminal proceedings. |
| 11 September 2012 | **Announcement of social obligations for beneficiaries with dependent children** | The Government announced that health and wellbeing goals were to be incorporated into the social security system to help ensure children get the best possible start in life. With around 125,000 beneficiary parents supporting more than 220,000 children, social obligations were intended to ensure that dependent children of beneficiaries’ access and benefit from vital education and health services.  From July 2013, social obligations would require all beneficiary parents to ensure their children:   * attended 15 hours a week *Early Childhood Education* (ECE) from the age of three; * attended school from the age of five or six; * enrolled with a *General Practitioner*; and * completed core *WellChild/Tamariki Ora* checks.   In light of barriers like geographical location or capacity, parents would need to make reasonable steps to achieve these goals. Where barriers did not exist, and parents did not meet these obligations, graduated sanctions (reductions in the level of their social security benefit) could be applied. Parents would receive three reminder opportunities to comply before a maximum 50 per cent reduction could be applied. |
| 12 September 2012 | **Actuarial Valuation of the Social Security System: Base valuation 2010/2011** | The Government released the 2010/2011 actuarial valuation of the social security system. In September 2011, Cabinet had agreed to annual actuarial valuations of the future liability of the social security system as part of the enhanced accountability arrangements for the investment approach to welfare reform. Cabinet also agreed to commission a pre-reform baseline valuation.  The *Treasury* and the *Ministry of Social Development* (MSD) commissioned Australian actuaries *Taylor Fry* to undertake this task.  The pre-reform baseline valuation was $78 billion. This compared with an initial estimate by MSD in 2010 of $45 billion. The liability was considered to be highly sensitive to economic factors, with sensitivity analysis showing that a one percent increase in inflation would increase the liability by $8.1 billion and one percent increase in the unemployment rate would increase the liability by $4.4 billion. By contrast, the programme effects were considered to be relatively small, with a five percent increase in the probability of current clients moving off benefit decreasing the liability by $2.3 billion.  The valuation was considered to justify the focus of welfare reform in liability terms. The *Domestic Purposes Benefit* for sole parents made up 23 percent of the current liability with the *Unemployment Benefit* only five percent. The *Sickness Benefit* made up nine percent and the *Invalids Benefit* 24 percent (these figures included the associated *Accommodation Supplement* liability). The remainder was made up of other main *Social Security Benefits*, supplementary/hardship assistance and MSD expenses (administration and employment support).  Youth who entered the system before the age of 18 had by far the highest individual liability, and beneficiaries who had received a benefit for at least five years had an average liability 60 percent higher than those in their first year.  Duration of exits from benefit was also very important with beneficiaries having a 33 percent chance of returning to benefits within a year of exit, half as much is their second year off and just a five percent chance of returning once they have remained off benefits for five years or more.  The 2010/2011 valuation included both benefit payments and administrative costs related to the Canterbury earthquakes. No attempt could be made to project any future such events.  It was considered that that valuation provided a better understanding of the factors and beneficiary characteristics that drive the future cost of the social security system. Over time, it would allow a better understanding of the influence of MSD and their performance, noting that there were components of the liability that MSD could not influence. |
| 19 September 2012 | **War Pensions extended** | Coverage of the *War Pensions Act 1954* was extended to include members of the *New Zealand Defence Force* who had served in Syria in 2012 as part of the *United Nations Supervision Mission*. This meant that veterans from this deployment could become eligible for a *War Disablement Pension* for any disability that occurred as result of service overseas in that deployment.  The Syria deployment was classified as an ‘emergency’ under the *War Pensions Act 1954*. |
| 27 September 2012 | **Temporary Accommodation Assistance for Canterbury homeowners extended** | The availability of *Temporary Accommodation Assistance* for Canterbury homeowners was extended to 1 March 2015. *Temporary Accommodation Assistance* had been available since February 2011 to Canterbury homeowners who had been required to leave their home as a result of the earthquake and who, as a result, faced additional accommodation costs.  To be eligible for *Temporary Accommodation Assistance* a homeowner must have been:   * unable to live in their own home because it was unsafe until it was rebuilt or repaired; or * required to leave their own home while land remediation and/or house rebuild or repairs occurred; and * intend to return to their home when the house is habitable; * have temporary accommodation costs (e.g., rent, board, motel etc); * not receiving an *Accommodation Supplement* or a *Student Allowance Accommodation Benefit* for their temporary accommodation costs; and * have used all their insurance coverage for temporary accommodation costs.   *Temporary Accommodation Assistance* was not subject to an income or asset test and was paid at a flat rate:   * single no children $180 per week; * married, de-facto, civil union with no children and sole parent with 1 dependent child $275 per week; and * married, de-facto, civil union with children and sole parent with 2 or more dependent children $330 per week.   Since February 2011, $12.56 million had been paid under the programme. At September 2012, 1,318 families/individuals were receiving assistance. The extension of the programme took effect from 15 February 2013. |
| 4 October 2012 | **2013 Review of Retirement Income Policy** | As required by section 84 of the *New Zealand Superannuation and Retirement Income Act 2001*, the *Retirement Commissioner* was required to undertake, every three years, a review of retirement income policy in New Zealand.  The terms of reference set out the aspects of retirement income policy that the Government wanted to see covered in the 2013 Review and identified the following key standpoints:   * an update and commentary on the developments and emerging trends in the retirement income provision areas since the 2010 Review, both within New Zealand and internationally; * a discussion on the intergenerational impacts of New Zealand’s retirement income policy with due consideration given to the effects of increased longevity, alternative retirement savings approach and the sustainability of *New Zealand Superannuation*; * an assessment of the role of private savings for retirement; * the contributions made by other policies and programmes (e.g., housing and health) to maintaining New Zealand’s retirement income; * women’s future retirement income prospects; and * the role of financial education and financial literacy in retirement income policy.   The *Commissioner* was required to present the report by 31 December 2013 but planned to submit the report to the Government in September 2013. |
| 9 October 2012 | **‘Starting Out’ Wage for young people announced** | The Government announced that from 1 April 2013 (subsequently deferred to 1 May 2013) a new ‘*Starting-out Wage’* would apply to young people entering the workforce. Eligible young people would receive no less than 80 percent of the minimum wage. Three groups were eligible, unless they were training or supervising others:   * 16 – 17-year olds in their first six months of work with a new employer; * 18 – 19-year olds entering the workforce after spending more than six months receiving *a Social Security Benefit*; and * 16 – 19-year-old workers in a recognised industry training course involving at least 40 credits per year. |
| 11 October 2012 | **White Paper for Vulnerable Children and Children’s Action Plan released** | The *White Paper for Vulnerable Children* and *Vulnerable Children’s Action Plan* set out key actions for Government alongside those of families and communities, to improve the lives of vulnerable children.  There were four parts to the *White Paper for Vulnerable Children*:   * **Volume I** contained the Government’s plans for getting better outcomes for our most at-risk children; * **Children’s Action Plan** – set out actions and timeframes; * **Volume II** contained the evidence and the detailed rationale for the plans; and * **Summary of Submissions** – covered the nearly 10,000 submissions received on the Green Paper for Vulnerable Children.   The *Vulnerable Children’s Action Plan* sat behind the *White Paper* set out the actions being taken to protect children and when each milestone would be achieved. The actions included:   * introducing a *Vulnerable Children’s Bill* which puts in place a child-centred approach and tough new laws to protect children; * requiring all agencies working with children to have policies and reporting systems in place to recognise and report child abuse and neglect; * launching a national public awareness initiative to let everyone know that child abuse would not be tolerated, and child welfare was everyone’s responsibility; * launching a ‘child protect’ line for the public to report concerns by phone, text, email or online; * developing a *Vulnerable Kids Information System*’ to enable frontline professionals to share information about child who have been abused or neglected or are consider at risk and to enable the tracking of ‘high risk’ adults; * introducing legislation, if required, to support greater information sharing between government agencies and also with NGOs; * providing NGOs contracted to deliver services to vulnerable children and families with appropriate access to information on the children with which they are working; * establishing two ‘*Children’s Teams’* to test the early response system, including identification and assessment tools, single integrated plan and *Lead Professional* for each child; * establishing regional *Children’s Directors’* to provided regional leadership; * better integrating *Well Child/Tamariki Ora* and *Family Start*; * reviewing Government-funded parenting provisions by the Social Policy Research and Evaluation Unit in the *Families Commission* to ensure the right balance and mix of services to meet families’ needs; * a new cross-agency *Strategy for Children and Young People in State Care*; * improving transitions from care to a *Home for Life* or independent living as a young adult; * introducing legislation supporting paid parental leave for caregivers providing a *Home for Life*; * establishing a nationwide database of approved caregivers; * defining the children’s workforce and develop a *Children’s Workforce Action Plan*; * developing guidelines and legislation on vetting and screening for the children’s workforce; * agreeing minimum standards and competencies in national guidelines for inclusion in organisations’ employment, contracting and audit obligations; * introducing legislation to allow the Court to make orders restricting people who pose a high risk to children from living or associating with children; * introducing legislation, including special guardianship orders, for safe and stable permanent care for children who had been removed from their parents; * promoting mentoring of vulnerable children; * launching a scholarship programme for vulnerable children; and * commissioning an independent review of the existing *Ministry of Social Development* (*Child, Youth and Family*) complaints processes and implement a best practice complaints system.   The release of the *White Paper* and the *Vulnerable Children’s Action Plan* followed the release in July 2011 of the *Green Paper for Vulnerable Children* and a public submission process. |
| 15 October 2012 | **Increased work obligations for Domestic Purposes Benefit (Sole Parent and Woman Alone), Widows Benefit and partners of beneficiaries with children** | New work obligations were introduced for recipients of a *Domestic Purposes Benefit (Sole Parent)*, *Domestic Purposes Benefit (Woman Alone)*, *Widows Benefit* and for partners of people receiving and *Unemployment Benefit*, *Sickness Benefit* or *Invalids Benefit*. The new obligations were:  *Domestic Purposes Benefit (Sole Parent)*   * youngest child aged under five: work preparation obligations including taking practical steps to get ready for paid work (e.g., attending a programme to improve skills, CV preparation of employment-related training; * youngest child aged between five and 13: part-time work-test, including actively seeking part-time work (10 – 20 hours per week) and accepting any offer of suitable part-time employment; and * youngest child aged 14 or over: full-time work-test, including actively seeking full-time work (20 – 40 hours per week) and accepting any offer of suitable full-time work.   *Domestic Purposes Benefit (Woman Alone)*   * full-time work test, including actively seeking full-time work (20 – 40 hours per week) and accepting any offer of suitable full-time work.   *Widows Benefit*   * youngest child aged under five: work preparation obligations including taking practical steps to get ready for paid work (e.g., attending a programme to improve skills, CV preparation of employment-related training; * youngest child aged between five and 13: part-time work test, including actively seeking part-time work (10 – 20 hours per week) and accepting any offer of suitable part-time employment; and * youngest child aged 14 or over or no children: full-time work-test, including actively seeking full-time work (20 – 40 hours per week) and accepting any offer of suitable full-time work.   *Partners of People Receiving an Unemployment Benefit, Sickness Benefit or an Invalids Benefit*   * youngest child aged under five: work preparation obligations including taking practical steps to get ready for paid work (e.g., attending a programme to improve skills, CV preparation of employment-related training; * youngest child aged between five and 13: part-time work-test, including actively seeking part-time work (10 – 20 hours per week) and accepting any offer of suitable part-time employment; and * youngest child aged 14 or over: full-time work-test, including actively seeking full-time work (20 – 40 hours per week) and accepting any offer of suitable full-time work.   For beneficiaries who failed without good reason to meet their work obligations, sanctions (a reduction in their rate of benefit) were applied. |
| 15 October 2012 | **Work obligations for beneficiaries who had another child while receiving a benefit** | From this time people receiving a *Social Security Benefit* who had another child could face a change in their work obligations once that child reached the age of one.  The change in work obligations at age one was dependent upon the age of the next youngest child. If the next youngest child was:   * under five years, the beneficiary was expected to continue to take practical steps to get ready for work; * aged five to 13 years, the beneficiary was expected to be available for part-time work and accept any offer of suitable work; and * aged 14 or over, the beneficiary was expected to be available for full-time work and accept any offer of suitable work.   The one-year period before a change in work obligations was triggered was consistent with the availability of parental leave under employment legislation. |
| 15 October 2012 | **Exemptions from work obligations**  **Live Organ Donors** | A beneficiary with work obligations could be granted a temporary exemption from meeting some or all of their work obligations. Each exemption had a maximum duration which was dependent on the beneficiary’s circumstances.  Exemptions could be granted due to:   * court-imposed conditions; * family violence; * recent bereavement of spouse/partner; * recent separation from spouse/partner; or * temporary sickness, injury or disability.   In addition to the above situations, work tested partners or sole parents could be granted an exemption in the following situations:   * caring for a child under the age of five who is not a dependent child; * caring for a child with special needs; * home schooling a dependent child; * in approved full-time training; * in approved study before becoming subject to work obligations; or * pregnant (27 weeks plus, or earlier if medical complications).   A beneficiary who was granted a full exemption from their work obligations could still be required to attend an interview to discuss their circumstances and when it might be appropriate for them to start to plan towards a return to work.  An amendment to the *Ministerial Direction for Assistance to Live Organ Donors* provided that live organ donors who are a work-tested *Domestic Purposes Beneficiary* or a work-tested *Widows Beneficiary* were to be granted an exemption from their work-test obligations while they were recovering from the operation. |
| 15 October 2012 | **Access to Special Needs Grants to assist with the cost of long-acting reversible contraception extended** | From this time, access to non-recoverable *Special Needs Grants* was extended to additional groups of women who chose to use approved long-acting reversible contraception. Grants were extended to women who were:   * receiving a *Social Security Benefit* (including partners) with or without children (except people receiving an *Unemployment Benefit (Student Hardship)*, or non-beneficiary assistance who were not eligible); and * aged 16 years and over who were the dependent child of a beneficiary.   The Grant covered the cost of attending a medical appointment (including transport costs) and the contraceptive itself (including removal), where the cost was not fully covered by *PHARMAC* or a *District Health Board* subsidy. The Grants were non-recoverable, and more than one payment could be made in a 52-week period. The total amount payable over a 52-week period was $500.  These grants had been introduced on 20 August 2012 for recipients of the *Youth Payment* and *Young Parent Payment* (including partners subject to *Youth Activity* obligations). |
| 15 October 2012 | **Government response to the Law Commission’s Review of the War Pensions Act 1954** | The Government announced its response to the *Law Commission’s Review of the War Pensions Act 1954*. The Government adopted in full, or in part, 132 of the 170 recommendations of the *Law Commission*. The Government announced the following changes:   * new and updated legislation from 1 July 2014 to replace the *War Pensions Act 1954*; * the introduction of two coverage schemes for veterans, with the commencement of the *ACC Scheme* on 1 April 1974 being the point of division between the two schemes; * increasing the rates of *War Disablement Pension* and *Surviving Spouse Pension* by five percent on 1 April 2013 (in addition to the annual CPI adjustment); * increasing eligibility for support services such as home help and lawn mowing, benefiting an estimated 3,000 additional veterans and 1,100 surviving spouses or partners; * a new *Veterans’ Weekly Income Compensation* for veterans under the age of retirement and unable to work, which would be paid at 80 percent of the average wage (significantly higher than that currently available via the *Veteran’s Pension*); and * the establishment of a *Veterans Advisory Board* and *Specialist Medical Advisory Board* to provide the Minister with independent advice.   The new legislation would contain two schemes:  *Scheme One*, scheduled to be introduced on 1 July 2014 would act as legislation for all veterans until such time as *Scheme Two* was introduced. It would:   * provide for veterans with service from World War Two through to Vietnam; * be based on entitlements under the current Act; * include a higher rate of income compensation for veterans unable to work than was currently available, based on 80 percent of the average wage (an increase of approximately $200 per week gross).   *Scheme Two*, was planned for introduction on 1 July 2015 and would provide for veterans with qualifying service after 1 April 1974. It would:   * be aligned with entitlements under the *ACC Scheme*; * would provide a top-up to the entitlements provided by *ACC*; and * ensure equity between veterans, as *Veterans Affairs New Zealand* would provide the equivalent of the *ACC* plus the top-up, if the veteran’s claim was declined by ACC.   Following the enactment of the *Veterans’ Support Act 2014* in July 2014, Scheme One was introduced from 7 December 2014 and Scheme Two from 7 December 2015. |
| 18 October 2012 | **State Housing: Changes to the social allocation system for Christchurch residents** | As part of the response to the Canterbury earthquakes, the Government suspended elements of the Social Allocation System for State Housing for residents of Christchurch. From this time, families who met all the other criteria did not have to provide evidence that they could not access or sustain alternative housing.  The change recognised the overall housing shortage in Christchurch and that providing evidence would place additional stress on families. |
| 29 October 2012 | **Government response to the Productivity Commission’s Inquiry into Housing Affordability** | The Government released its response to the recommendations of the *Productivity Commission’s Inquiry into Housing Affordability*. The response included a work programme to grow the supply of affordable housing, with four key aims:   * increasing land supply – this would include more ‘greenfields’ and ‘brownfields’ developments and allow further densification of cities where appropriate; * reducing delays and costs of *Resource Management Act 1991* processes associated with housing – this included introducing a six-month time limit on council processing of medium sized consents; * improving the timely provision of new infrastructure to support new housing – this would include considering new ways to co-ordinate and manage infrastructure for subdivisions; and * improving * growing productivity in the construction sector – this included an evaluation of the Productivity Partnership’s progress in achieving a 20 percent increase in productivity by 2020.   Other recommendations from the *Productivity Commission* were signalled for further exploration including:   * whether building consent authorities could be consolidated in a regional or national hub; and * the possible establishment of a competitor agency for resource consent/plan changes.   More work was to be commissioned on the specific problems of the Auckland and Christchurch housing markets.  The Government did not agree with the Commission’s recommendation that a review be undertaken of the regulations relevant to the quality of rental accommodation and that options for improvement including implementation and enforcement be considered. The Government noted that its priority was to grow the supply of housing from the third sector and that quality and maintenance would be a condition of receiving Government funding. It was also noted that the *Residential Tenancies Act 1986* required rental properties to be provided in a reasonable state of repair and comply with all building, health and safety requirements. It was noted that quality standards could work against housing affordability objectives by increasing the cost of housing. |
| October 2012 | **Welfare Reform: Investment Approach: New Service Delivery Model**  **(Work-focused case management model)** | A new *Service Delivery Model,* including *Work-Focused Case Management* was implemented as a pilot in 24 *Ministry of Social Development* offices. Under the new approach, beneficiaries with a higher risk of long-term benefit dependency were identified and provided within intensive one-to-one support. The intensity of service a beneficiary received depended on how much support they needed to find a job.  The model had four components:  **Work-focused case management**   * applied to beneficiaries with work obligations who had a high future liability (likelihood of long-term benefit receipt) or existing long-term dependency, the potential to become independent and significant barriers to employment. A case manager took a proactive role in addressing specific challenges and barriers to employment. Additional support was provided through one-to-one case management.   **Work-search support**   * applied to new beneficiaries with work obligations and barriers to work that needed to be addressed. In work-search support, case managers worked with beneficiaries who were close to the job market and expected to find employment within a short period. This was primarily a one-to-one service. Beneficiaries who had not found a job within six weeks were contacted to assess what additional support they might need. After ten weeks, they were required to attend work development workshops on topics such as preparing for work, exploring education and training and motivation. Beneficiaries could also receive one-to-one support from a case manager.   **General case management**   * applied to beneficiaries who did not have work obligations. This included recipients of the *Invalids Benefit* and recipients of the *Domestic Purposes Benefit* with a child under the age of five years. In general case management, case managers supported beneficiaries who were required to prepare for work and assisted them in identifying and progressing with steps to get ready to do this.   **Self-service**   * applied to new beneficiaries with work obligations at low risk of long-term benefit dependency. This included some sole parents with work obligations.   It was intended that the new *Service Delivery Model* would be expanded across the country from July 2013, following the implementation of the next phase of reforms to the social security system.  It was also envisaged that a phased approach would be developed to introduce beneficiaries in receipt of health and disability-related benefits to the work-focused case management model. |
| 16 November 2012 | **Quota of affordable housing re-introduced for the Hobsonville Point development** | The Government announced that 20 percent of the 2,500 to 3,000 new homes at *Hobsonville Point* would be designated as affordable homes meaning that 500 to 600 new affordable homes would be constructed. Under the inflation-adjusted targets, of all homes built at *Hobsonville Point*:   * 10 percent would be sold for less than $400,000; and * 10 percent would be sold for between $400,000 and $485,000.   It was up to the *Hobsonville Land Company* (a subsidiary of *Housing New Zealand Corporation*) how it achieved the targets in a commercial development environment, but the Government provided the Company with greater flexibility around accelerating development to bring more supply to the market faster. It was envisaged that the Company would introduce a scheme to prioritise home-ownership access to some of the houses.  The initiative was intended to add to Auckland’s housing supply and to demonstrate innovative commercial market-based solutions to deliver affordable housing.  In 2009, 100 of the 3,000 houses in the *Hobsonville Point* development were designated as affordable under the *Gateway Housing Scheme*, designed to assist lower income families into home ownership. Under the scheme however, only 17 were sold. |
| 1 December 2012 | **Changes to the Kainga Whenua Loan Scheme** | Changes were made to improve the accessibility of the *Kainga Whenua Loan Scheme* and to support the building of housing on multiply-owned Mäori land.  Those who could apply for loans were extended to include Mäori Land Trusts, whanau or hapu groups who wished to build on Mäori land. The fund was also opened up to all individual borrowers assessed as being able to service a mortgage, not just first home buyers. Loans could also be used for home improvements, repairs and maintenance.  The income cap for borrowers was increased from $85,000 to $120,000 for one borrower and up to $160,000 for two or more borrowers.  The new criteria applied to individuals from 1 December 2012. Trusts were able to apply from 2013.  The *Kainga Whenua Laon Scheme* was administered by *Housing New Zealand Corporation* (HNZC) in conjunction with *Kiwibank*. While *Kiwibank* was responsible for making lending decisions, HNZC insured the loan made by the bank. |
| 5 December 2012 – 4 December 2013 | **Rural Assistance for Kiwifruit growers in the North Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for kiwifruit growers in the North Island who were affected by Psueddomonas Syringae pv. actinidinae (PSA) virus. For eligible growers, *Rural Assistance Payments* were available for one year from the date of their application, as long as the application was made prior to 5 December 2013.  Eligible farmers received the applicable after-tax weekly rate of the *Unemployment Benefit*. Rural Assistance Payments were non-taxable. |
| 6 December 2012 | **Transition to Work Grants no longer available to assist with commencing employment or job seeking outside of New Zealand** | A *Ministerial Direction* under Section 5 of the *Social Security Act 1964* prevented grants under the *Transition to Work Grant Programme* being made in respect of employment or job seeking or job placement outside of New Zealand.  The change in policy followed concerns being raised that the *Transition to Work Grant* was being used to purchase tickets to Australia for job seekers who found work there. The *Ministry of Social Development* had confirmed that the Grant had been used to purchase plane tickets to Australia six times during the previous year and 16 times in 2007 (the year that the *Transition to Work Grant* replaced the *Work Start Grant*). |
| 11 December 2012 | **Code of Conduct applying to the power to obtain information under section 11 of the Social Security Act amended** | The *Code of Conduct* applying to obtaining information under Section 11 of the *Social Security Act 1964*, was changed to exempt fraud investigators from the *Ministry of Social Development* having to approach a beneficiary for information, prior to asking a third party. This meant that the *Ministry of Social Development* no longer needed to inform a beneficiary that they were being investigated.  The change was made because in 95 percent of cases the beneficiary did not provide the information requested which delayed the investigation and increased the risk of evidence tampering. The change also brought the *Ministry of Social Development* into line with other government agencies with the legal authority to request information. |
| 11 December 2012 | **Final report of the Children’s Commissioner’s Expert Advisory Group on Solutions to Child Poverty** | The *Expert Advisory Group on Solutions to Child Poverty* (EAG)provided its final report to the *Children’s Commissioner: Solutions to Child Poverty in New Zealand: Evidence for Action.*  The report made 78 recommendations, of which some were identified as initial priorities.  As a first step, the EAG recommended that Government adopt a strategic framework for addressing child poverty issues and ensuring accountability for outcomes. This included the enactment of legislation requiring the measurement of child poverty, the setting of short-term and long-term poverty-reduction targets, the establishment of various child poverty-related indicators and the monitoring and reporting of results.  **Initial Priorities for Immediate Attention**  Practical, cost-effective and relatively inexpensive measures that could mitigate some of the worst consequences of child poverty included:   * passing on *Child Support* to sole parents receiving a *Social Security Benefit*; * establishing a warrant of fitness for all rental housing (both social and private sector); * supporting a public-private-partnership micro-financing model with the banking sector and community groups, with the aim of providing modest low-interest and zero-interest loans to help low income families access affordable credit and effectively manage debt; * implement a collaborate food-in-schools programme; * supporting young people who are pregnant and/or parenting to remain in education; and * supporting effective delivery of local services through community hubs.   **Initial Priorities over the Longer-term**  More ambitious policy measures designed to reduce child poverty over time included:   * reviewing of all child-related benefit rates and relativities, with the primary goal to reduce child poverty; * creating a new, simpler income support payment for families with dependent children, allocated to 100 percent of children aged zero to five years and targeted on family income from age six years onwards; * increasing the number of social houses by a minimum of 2,000 per year through to 2020; and * funding free primary care visits for all children 24 hours/seven days per week for children up to age five, extending to all children over time.   **Priorities Identified by Children**  The EAG had consulted with children on the solutions that they thought were most important and recommended that:   * local governments ensure that their parks, playgrounds and public spaces are safe and welcoming for children and that free leisure and recreation activities are available, particularly in disadvantaged neighbourhoods.   The *Children’s Commissioner* accepted all of the EAG’s recommendations and commended the report to the Government for its consideration. |
| 13 December 2012 | **Tamaki Redevelopment Company: Board members appointed** | The Government and the *Auckland Council* announced the appointment of a seven-member Board to lead the *Tamaki Redevelopment Company*. The *Tamaki Redevelopment Company* was New Zealand’s first urban redevelopment company and aimed to transform Tamaki (including Glen Innes, Panmure and Point England) in Auckland over a 25-year period, through co-ordinated economic, social and housing initiatives. The company was to lead the transformation and undertake some projects itself, procure delivery of other projects and influence the direction of others. The housing component was intended to optimise land use and existing housing stock, including progressing private housing development and delivering better social housing options. The spatial component was intended to create safe and connected neighbourhoods and spaces that support social and economic development of Tamaki and its community. The Board members were:   * Martin Udale (Chair); * Brian Donnelly (Deputy Chair); * Anne Candy; * Eru Lyndon; * Susan Macken; * Soana Pamaka; and * John Sax. |
| 1 January 2013 | **Co-payment for pharmaceuticals increased** | The co-payment for pharmaceuticals was increased from $3 to $5 per item.  The provision that the co-payment applied for a maximum of 20 items per individual/family per year remained, provided the individual/family had a *Pharmaceutical Subsidy Card*.  Prescriptions for children aged less than six years remained free.  The co-payment had last been increased in 1983, when it was $15. Between 2004 and 2008, this had been progressively reduced to $3 for patients enrolled with a *Primary Health Organisation*. The prescription programme was universal (when the co-payment was introduced it was applied to everybody). There was no extra benefit for people who had a *Community Services Card* or a *High User Health Card*.  This change was announced as part of the 2012 Budget. |
| 1 January 2013 | **Student Allowances no longer available for post-graduate study** | From this time, a *Student Allowance* was no longer available for post-graduate study, Level 8 and above (except a bachelor’s degree with honours).  Student undertaking post-graduate study who had been receiving a *Student Allowance* with a partner or children were able to continue receiving a *Student Allowance* up until 31 December 2013, or until they used up their 200-week lifetime entitlement, whichever came first.  This change was announced as part of the 2012 Budget. |
| 1 January 2013 | **Student Allowances: Exemptions to the 200-week lifetime limit removed** | All exemptions to the 200-week lifetime limit for *Student Allowances* were removed. This included ‘long programmes’ and recognised *National Interest Programmes* (at this time, teacher training was the only programme in this category).  Students with an exemption approved for study that commenced prior to 1 January 2013 continued to be eligible for a *Student Allowance* (students could only apply for an exemption in 2012 if their 200-week limit was reached in 2012).  An exemption remained that allowed a student to exceed 200-week limit for situations where special circumstances existed (i.e. factors beyond the student’s control), but this was narrowed to exclude policy changes from being considered a special circumstance.  This change was announced as part of the 2012 Budget. |
| 1 January 2013 | **Student Loan Scheme: Contact person required for all new loan applications** | Borrowers under the *Student Loan Scheme* were required to provide details of a contact person. This provided the *Inland Revenue Department* with another way to locate borrowers who had lost touch and help them to manage their loan.  The change was announced as part of the 2011 Budget. |
| 1 January 2013 | **Student Loan Scheme: Restriction on borrowing by people aged 55 years and over** | From this time, people aged 55 years and over were not able to borrow for living costs or course-related costs under the *Student Loan Scheme*.  Current students over the age limit at the date of announcement (19 May 2011) or who reached the age limit before the date of implementation, were eligible to borrow after 1 January 2013 to complete the qualification in which they were enrolled, or until 1 January 2015, whichever came first.  This change was announced as part of the 2011 Budget. |
| 1 January 2013 | **Student Loan Scheme: Limits on borrowing for pilot training students** | From this time, pilot training students were limited to borrowing up to $35,000 per EFTS from the compulsory fees component of their *Student Loan* (eg if they were enrolled for 0.5 EFTS, the maximum they could borrow was $17,500). Existing pilot training students who had been enrolled on a pilot training course at any time between 1 January 2009 and 31 December 2012 continued to have access to the Student Loan Scheme for their full compulsory fees while they completed their qualification.  This change was announced as part of the 2012 Budget. |
| 1 January 2013 | **Student Loan Scheme: Annual borrowing limits** | Students were only able to borrow for up to 2 EFTS worth of study each year.  A year of full-time student was usually between 0.8 EFTS and 1.2 EFTS, so the change impacted on students with heavy workloads or those who changed courses during the year.  This change was announced as part of the 2012 Budget. |
| 25 January 2013 | **Changes to Industry Training:  New Zealand Apprenticeships** | The government announced a number of changes to industry training designed to boost the number of people in apprenticeships. The changes included combining all apprenticeships into a single nationwide scheme and providing new financial incentives for employers and workers to take up more apprenticeships.  The new initiatives included:   * from 1 January 2014, combining the *Modern Apprenticeships* and other apprentice-type training under and expanded scheme called *New Zealand Apprenticeships*. The new scheme would provide the same level of support, and the same level of subsidy, for all apprentices, regardless of age; * boosting overall funding for apprenticeships. The top-up for *Modern Apprenticeships* would be redistributed across all apprentices, regardless of age, as an extension of their learning subsidy; * boosting the educational content of apprenticeships. At a minimum they would require a programme of at least 120 credits that results in a Level Four qualification; * setting clearer roles and performance expectations for *Industry Training Organisations* (ITOs) and giving employers other options if their ITO does not perform; * lifting the profile of, and participation in, apprenticeships. The first 10,000 new apprentices who enrolled after 1 April 2013 received $1,000 towards their tools and off-job course costs, or $2,000 if there were in priority construction trades. The same amount was also paid to their employer; and * increasing competition by allowing employers direct access to industry training funding.   In 2013, it was estimated that there would be 27,800 people enrolled in industry training programmes of 120 credits or greater at Level Four (11,500 Modern Apprentices and 16,300 industry trainees). An estimated 7,000 apprentices start their programmes each year.  The government set a target for ITOs to enrol 14,000 additional new apprentices over the next five years (2013 to 2017). This target was over and above the 7,000 who enrol each year. |
| 7 February 2013 | **Student Loan Scheme: Access restricted for borrowers who had overdue payments** | From this time borrowers who had an overdue payment of $500 or more and who had been in default from one or more years, were not eligible to access the *Student Loan Scheme*.  This impacted on borrowers who were in default from February 2012 and affected new lending from 7 February 2013.  Borrowers who successfully applied for hardship to the *Inland Revenue Department* were not affected by the change.  This change was announced as part of the 2011 Budget. |
| 15 February 2013 | **Temporary Accommodation Assistance (Canterbury Earthquake) extended.** | The *Temporary Accommodation Assistance (Canterbury Earthquake) Amendment 2013* made provision for the programme to continue until 1 March 2015. The extension had been announced in September 2012.  *Temporary Accommodation Assistance* had been available since February 2011 to Canterbury homeowners who had been required to leave their home as a result of the earthquakes and, who, as a result, faced additional accommodation costs.  To be eligible for *Temporary Accommodation Assistance* a homeowner must have been:   * unable to live in their own home because it was unsafe until it was rebuilt or repaired; or * required to leave their own home while land remediation and/or house rebuild, or repairs occurred; and * intend to return to their home when the house is habitable; * have temporary accommodation costs (e.g., rent, board, motel etc); and * have used all their insurance coverage for temporary accommodation costs.   *Temporary Accommodation Assistance* was not subject to an income or asset test and was paid at the following rates:   * single no children $180 per week; * married, de-facto, civil union with no children and sole parent with one dependent child $275 per week; and * married, de-facto, civil union with children and sole parent with two or more dependent children $330 per week. |
| 18 February 2013 | **Use of Reparation Orders to recover debts from benefit fraud** | From this time, the *Ministry of Social Development* sought reparation orders at the time of sentencing for ‘high-risk” people who were prosecuted and convicted of benefit fraud This made use of additional powers, held by the *Ministry of Justice* to incentivise serious debtors to repay.  It was intended to use reparation orders to enforce repayment to those debtors who had:   * previously broken arrangements to repay; * previously had forced deduction to repay debts; or * who had a poor credit rating from an external credit agency.   When a debtor was a current beneficiary, the *Ministry of Social Development* could deduct an amount directly from their benefit and as a result most of these debtors were paying. If they have a reparation order, then the *Ministry of Justice* requested a deduction from their benefit.  Once the debtor was no longer a beneficiary, the *Ministry of Social Development* had to take collection action to recover the debt. In June 2012, only 46 percent of former beneficiaries owing a balance of over $10,000 were making payments. If these clients had a reparation order, then the *Ministry of Justice* could use their greater collection powers to enforce payment.  The two collection powers of the *Ministry of Justice* that were considered to have the most additional benefit in incentivising debtors to repay were credit checking (i.e. businesses who do credit checks will be aware of the reparation order and can make informed decisions on advancing credit) and border stop if debtors attempt to leave the country and are not paying back what they owe.  This project was part of the *Fraud Reform Programme* (see below). |
| 20 February 2013 | **Fraud Reform Programme: Announcement of new measures to combat benefit fraud** | The government announced the *Fraud Reform Programme*. This had several components:   * holding partners to account if it’s found they were aware their partner was fraudulently claiming a benefit. Partners could face a fine of up to $5,000 or 12 months in jail (legislation to be introduced in 2013); * extending the *Ministry of Social Development’s* ability to seize assets owned or jointly owned by a spouse or a partner under *the Criminal Proceeds (Recovery) Act 2009*, and to recover some of the debt from a partner who has benefited from the fraud (legislation to be introduced in 2013); * new processes for dealing with low trust clients. For people who had acted dishonestly in the past, the *Ministry of Social Development* introduced new processes to reduce the opportunity for these people to re-offend. This included a requirement to access services face-to-face, requiring additional verification and redirecting part of their benefit to pay bills (October 2013); * establishment of the *Welfare Fraud Collaboration Action Programme*. This involved *ACC, Inland Revenue, Housing New Zealand Corporation and New Zealand Police* working with the *Ministry of Social Development* to share information and intelligence to address offending, will still being mindful of privacy responsibilities (December 2012); * amending the *Ministry of Social Development’s* Code of Conduct applying to obtaining information under section 11 of the *Social Security Act 1964*, so that a beneficiary did not have to be informed that they are being investigated before information was sought from a third party (e.g., bank or employer) (December 2012); * administrative measures to prevent and detect relationship fraud including changes to the application process for benefits and the provision of the details of someone who can confirm the beneficiary’s relationship status (2013); and * improving the recovery of debts, using the reparation orders and enforcement measures available to the *Ministry of Justice*, including better use of *Police Asset Recovery Teams* to seize assets (February 2013). |
| 27 February 2013 – 30 September 2013 | **Rural Assistance for farmers in the north of the North Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the Northland and North Auckland areas who were affected by drought. For eligible farmers, assistance was available up until 30 September 2013. Eligible farmers received a non-taxable weekly payment equivalent to the *Unemployment Benefit*. |
| 28 February 2013 | **Social Sector Trials extended: Trialling new approaches to social sector change** | From 1 March 2011, the *Ministry of Social Development*, *Ministry of Justice*, *Ministry of Education*, *Ministry of Health* and the *New Zealand Police* had piloted a change in the way that social services were delivered to youth (12 – 18 years) in six provincial locations throughout New Zealand. The purpose of the *Social Sector Trials* was to test the ability of an appropriate mandated individual or NGO to use cross-agency resources to effect change in a community.  The trials were scheduled to finish on 28 February 2013, but following encouraging results, the trials were extended until June 2014.  The desired outcomes focused on improved results for 12 to 18-year olds including reducing youth offending, truancy, alcohol and drug use, and increase participation in education, training and employment.  From 1 July 2013, the *Social Sector Trials* were extended to ten additional locations (see below). |
| 6 March 2013 – 30 September 2013 | **Rural Assistance for farmers in the central North Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the Auckland, Waikato, Bay of Plenty and Hawkes Bay who were affected by drought. For eligible farmers, assistance was available up until 30 September 2013. Eligible farmers received a non-taxable weekly payment equivalent to the *Unemployment Benefit*. |
| 15 March 2013 – 30 September 2013 | **Rural Assistance for farmers: Remaining areas of the North Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in remaining areas of the North Island who were affected by drought. For eligible farmers, assistance was available up until 30 September 2013. |
| 22 March 2013 – 30 September 2013 | **Rural Assistance for farmers in the west coast of the South Island** | The Rural Assistance Provisions (within the Special Needs Grants Programme) were activated for farmers in the Buller and Grey Districts of the South Island who were affected by drought. For eligible farmers, assistance was available up until 30 September 2013. Eligible farmers received a non-taxable weekly payment equivalent to the *Unemployment Benefit*. |
| 1 April 2013 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 25c per hour to $13.75 gross per hour ($550 for a 40-hour week).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by 20c per hour to $11.00 gross per hour (80 percent of the adult minimum wage). |
| 1 April 2013 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 0.61 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting benefit rates excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. |
| 1 April 2013 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 0.61 percent required a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, the net rate of *New Zealand Superannuation* paid to a married couple who both qualified was increased by 2.44 percent. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2013 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by the movement in the *Consumer Price Index* (less cigarettes and tobacco). The new income levels were:   * $25,046 Single (sharing); * $26,554 Single (alone); * $39,664 Couple; * $47,888 2 person family; * $57,992 3 person family; * $66,028 4 person family; * $73,899 5 person family; and * $82,695 6 person family.   For each additional child thereafter, income levels increased by $7,750. |
| 1 April 2013 | **Increase to the rates of War Disablement Pension** | Rates of the *War Disablement Pension* and *Surviving Spouse Pension* were increased by five percent (in addition to the annual *Consumer Price Index* adjustment). This change was announced in October 2012 as part of the Government’s response to the *Law Commission’s Review* of the *War Pensions Act 1954*.  At 28 February 2013 there were 11,029 veterans in receipt of a *War Disablement Pension* and 5,791 recipients of a *Surviving Spouse Pension*. |
| 1 April 2013 | **Disability Allowance: Income limits** | As a result of the increase to the rates of *New Zealand Superannuation* and *Veteran’s Pension* changes were made to the income limits for the *Disability Allowance* to ensure that no superannuitant lost access to the *Disability Allowance* solely as a result of the increase to the rate of their superannuation.  As a result, the income limits for the *Disability Allowance* for a single adult and a couple were increased by 1.75 percent and 1.83 percent respectively. For other family types, the standard adjustment of 0.61 percent (based on the *Consumer Price Index)* was applied. |
| 1 April 2013 | **ACC Earner Premium unchanged** | The *Earner Premium* remained at 1.70c (GST inclusive) in the dollar. The maximum earnings liable for the *Earner Premium* increased to $116,089 with the maximum premium of $1,973 for the 2013/2014 tax year. |
| 1 April 2013 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $871 per annum ($16.75 per week) to reflect the increase in the *Consumer Price Index*. The maximum earnings liable for *Child Support* were $130,822 for the 2013/2014 tax year. |
| 1 April 2013 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $22,568 to $22,724 ($437 net per week). |
| 1 April 2013 | **Student Allowance: Parental income threshold frozen until 31 March 2016** | The *Parental Income Threshold* for a *Student Allowance* was frozen at $55,027.96 for the 2013/2014 year. This was in response to fiscal constraints and the need to target allowances to those most in need. Since 1992, the *Parental Income Threshold* had increased well ahead of wage growth.  As part of the 2012 Budget, it had been announced that the *Parental Income Threshold* for a *Student Allowance* would be frozen at $55,027.96 until March 2016. |
| 1 April 2013 | **Student Loan Scheme: Repayment threshold (frozen until 31 March 2015)** | The *Student Loan Repayment Threshold* remained at $19,084 for the 2013/2014 tax year. This followed the announcement in the 2011 Budget that the repayment threshold would be held at its current level until 31 March 2015. The repayment threshold was last adjusted on 1 April 2009.  Loan repayments at 10c in the dollar were required on income above the threshold (from 1 April 2013 this was increased to 12c). The decision not to increase the threshold reflected the economic climate and the cost to the Crown of the scheme. |
| 1 April 2013 | **Student Loan Scheme: Repayment rate increased from 10 percent to 12 percent** | The repayment rate for *Student Loans* was increased from 10 percent of income above the repayment threshold ($19,084) to 12 percent of income.  This change was announced as part of the 2012 Budget. |
| 1 April 2013 | **Student loan Scheme: Incentive repayment scheme abolished.** | The *Student Loan Incentive Repayment Scheme* was abolished.  From 1 April 2009, voluntary repayments under the Student Loan Scheme that totalled more than $500 over the tax year, qualified for a 10 percent repayment top-up. The scheme had been available to all loan borrowers, including those living overseas (who did not qualify for the interest-free policy). The scheme had not created the increase in repayments that had been hoped.  This change was announced as part of the 2012 Budget. |
| 1 April 2013 | **Student Allowance: Parental income threshold frozen until 2016** | The *Parental Income Threshold* for a *Student Allowance* was frozen at $55,026 until 2016. This was in response to fiscal constraints and the need to target allowances to those most in need.  As an interim measure, the *Parental Income Threshold* for a *Student Allowance* had been frozen from 1 April 2012. The four-year freeze had been announced as part of the 2012 Budget.  Between April 2009 and April 2011, the *Parental Income Threshold* had been subject to an annual adjustment based on the increase in the *Consumer Price Index*. Over the five years prior to 2009, several one-off increases had resulted in significant increases to the *Parental Income Threshold*. Since 1992, the *Parental Income Threshold* had increased ahead of wage growth |
| 1 April 2013 | **KiwiSaver: Minimum employee contribution rate increased** | The minimum employee contribution was increased from two percent to three percent. This applied to new and existing *KiwiSaver* members. The default contribution rate was set at three percent, though members were still able to select a higher contribution rate of either four percent or eight percent.  This change was announced as part of the 2011 Budget. |
| 1 April 2013 | **KiwiSaver: Compulsory employer contribution rate increased** | The compulsory employer contribution on behalf of employees who were members of *KiwiSaver* was increased from two percent to three percent.  This change was announced as part of the 2011 Budget. |
| 1 April 2013 | **KiwiSaver: New disclosure rules for scheme providers** | New disclosure rules required *KiwiSaver* fund managers to report their performance and returns, fees and costs, assets and portfolio holdings, liquidity and liabilities and key personnel, along with any conflicts of interest, in a standardised format on their websites. |
| 8 April 2013 | **RecruitMe Job Matching System** | A new job matching system, *RercuitMe* replaced *Jobz4u* as the matching system used by *Ministry of Social Development* staff for matching people to jobs and jobs to people. *RecruitMe* was simpler to use and had more functionality including:   * improved search results with the ability to sort on different criteria; * the ability to bulk refer and result candidates; * the ability to upload and attach a CV to a referral; * automatically ending jobseeker profiles upon cancellation of their benefit; * emails automatically generated to job seekers and Service Centre inboxes; and * driving experience and languages were added to jobseeker profiles and to the search. |
| 1 May 2013 | **‘Starting Out’ Wage for young people** | A new ‘*Starting-out Wage’* applied to young people entering the workforce. Eligible young people received no less than 80 percent of the minimum wage ($11.00 gross per hour). Three groups were eligible, unless they were training or supervising others:   * 16 – 17-year olds in their first six months of work with a new employer; * 18 – 19-year olds entering the workforce after spending more than six months receiving a *Social Security Benefit*; and * 16 – 19-year-old workers in a recognised industry training course involving at least 40 credits per year.   The *Starting-out Wage* replaced the *New Entrant Minimum Wage* that had previously applied to 16 and 17-year olds. |
| 10 May 2013 | **Auckland Housing Accord**  **(2013 to 2016)** | The *Auckland Housing Accord* between the *Auckland Council* and the Government was intended to result in increased housing supply and improved housing affordability in Auckland, over the interim period until the *Auckland Unitary Plan* became operative (2016).  The *Accord* provided the basis for collaboration between the Government and the *Auckland Council* to create conditions whereby housing supply was accelerated in both greenfield and brownfield developments. This was to be achieved by facilitating residential developments that were consistent with the notified *Auckland Unitary Plan*, through a more flexible process for development approvals and consenting. The Accord outlined:   * a way forward for the Council and Government to facilitate an increase in the supply of housing and improved affordability via land supply and new consenting processes; and * other areas of joint action, including place-based initiatives such as Hobsonville and Tamaki, the cost of building materials, industry skills and training, exploring options for timely delivery of infrastructure and compliances.   The *Accord* was conditional on Parliament passing legislation (*Housing Accords and Special Housing Areas Bill)* to provide flexible powers to streamline consenting processes for transitioning land from rural use to urban use and residential development approvals.  Under the terms of the *Accord,* the *Auckland Council* was able to identify *Special Housing Areas* (SHAs) to be approved jointly by Council and Government. SHAs were brownfield and greenfield areas inside the *Rural-Urban Boundary (*RUB*)*, identified for the purpose of urban development mainly for housing. In SHA’s it was possible to override restrictions on housing that had been put in place by Auckland’s eight predecessor Councils, such as the *Metropolitan Urban Limit*. Conditions of consent could require qualifying developments to include a proportion of affordable housing and/or options for first-home buyers.  [Note that the *Housing Accords and Special Housing Areas Act 2013* came into force on 16 September 2013. An *Order in Council* effective 1 November 2013, declared 11 areas in Auckland to be *Special Housing Areas* for the purpose of the Act.]  The *Accord* set the following targets for new dwellings:   * year one: 9,000; * year two: 13,000; and * year three: 17,000.   This compared to an average of 3,600 homes that had been consented each year over the previous four years (average of 7,400 a year over the previous 20 years).  The *Auckland Unitary Plan* made provision for 400,000 additional homes in Auckland, with an approximate mix of 140,000 ‘greenfield’ and ‘260,000’ brownfield. The *Accord* enabled 39,000 homes (about 10 percent) to be developed in the interim (2013 to 2016).  A joint steering group comprising the *Mayor of Auckland*, the *Deputy Mayor*, the *Minister of Housing* and the *Associate Minister of Housing* was established to oversee the *Accord*.  The *Accord* was subject to agreement by the *Auckland Council* and the enactment of legislation. The Accord was signed on 3 October 2013 and it was scheduled to expire, when the new *Auckland Unitary Plan* became operative in 2016. |
| 16 May 2013 | **Announcements on the reform of social housing**  **Income-related rent subsidy extended to approved community groups**  **Housing needs assessment to be undertaken by the Ministry of Social Development**  **Reviewable tenancies for all social housing tenants**  **Regulation of Community Housing Organisations**  **Standards for social housing**  **HNZC infill project: ‘Simply Smart Homes’**  **HNZC conversion project: ‘Project 324&5’** | As part of the 2013 Budget, the Government announced major reforms to the provision of social housing. These included:  *Extending Income-Related Rent Subsidies to approved community providers*   * *Income related rent subsidies* were to be phased in for approved community housing providers to create more flexible and innovative solutions to social housing needs. *Income related rent subsidies* had previously only been available to state (*Housing New Zealand Corporation (*HNZC*))*) tenants. The change was designed to give those in need of housing support, the best opportunity to find a solution that was most suitable to them. It also recognised that community providers often did a more comprehensive job of assessing the complex needs of families and individuals, beyond just housing.   *A more comprehensive housing needs assessment*   * It was announced that the assessment of people’s housing needs was to be shifted away from housing providers. From 14 April 2014, the housing needs assessment would be undertaken by the *Ministry of Social Development*. This was to allow for an independent assessment of a person or family’s housing needs as part of a more comprehensive assessment of their social support needs. Separating the assessment function from the housing provider was also intended to create a more level playing field between HNZC and community housing providers.   *Reviewable tenancies for all social housing tenants*   * The policy of reviewable tenancies which had applied to new HNZCtenants since 1 July 2011, was to be extended to all social housing tenants, including those who live in community housing supported by the income-related rent subsidy. For those whose circumstances had not changed they would remain in subsidised social housing. If it was found that a tenant’s need for social housing had reduced, they would be placed into more suitable accommodation or helped to obtain independent housing. Reviews were designed to ensure that social housing was focused on housing people with the highest housing need for the duration of that need. The new policy of reviews was to be phased in from 2014.   *Regulation of Community Housing Organisations*   * It was announced that there would be a regulatory agency responsible for approving community housing providers who could access the *income-related rent subsidy* for new tenants. The regulatory framework was intended to ensure protection of government’s investment in social housing, as well as the health and safety of social housing tenants.   *Housing Warrant of Fitness system to be developed and trialled*   * With a focus on health, safety and welfare of tenants the government announced plans to develop and trial a housing warrant of fitness for social housing. The housing Warrant of Fitness (WoF) would initially apply to the 69,000 properties owned or managed by HNZC. It was intended that the WoF would then be extended to other social housing providers and potentially to other rental properties where the government was providing a subsidy. The new standard was to ensure that tenants could live in warm, dry, safe and healthy homes. It was one of the recommendations of the *Expert Advisory Committee on Solutions to Child Poverty*.   *Simply Smart Homes Infill Project*   * It was announced that HNZC would be building 500 two-bedroom homes over the next two years to meet the demand for smaller state housing. These would be built in Auckland, Wellington and Christchurch, where demand was greatest. They were to be built on existing HNZC properties that had sections big enough for another house. The houses were to be 60 square meters and designed to house single people with caregivers, sole parents and small families. The existing houses on the sections would be upgraded at the same time.   *Project 324&5*   * This project was designed to convert three-bedroom state houses into four and five-bedroom homes. It recognised that HNZC, particularly in Auckland, had an oversupply of three-bedroom homes and a real shortage of larger homes. The project was intended to add 3,000 bedrooms (by adding one or two bedrooms to 2,000 state houses) over the following two years. Around three-quarters of the new bedrooms would be in Auckland.   In December 2014, the Government announced that the *Simply Smart Homes Infill Project* and *Project 324&5* were to be discontinued in 2015, by which time it was expected that just 122 new two-bedroom homes would have been built and 274 new bedrooms added. The proposed *Auckland Unitary Plan* and the introduction of *Special Housing Areas* had shifted to the focus to the land holdings of *Housing New Zealand Corporation* and redevelopment opportunities.  The *Social Housing Reform Programme* had commenced in 2010 with the appointment of the *Housing Shareholders Advisory Group* to review the social housing sector and make recommendations for reform. |
| 28 May 2013 | **Government response to the Children’s Commissioner’s Expert Advisory Group on Solutions to Child Poverty.** | The Government released its response to the recommendations of the *Expert Advisory Group on Solutions to Child Poverty* (EAG).  The Government’s response focused on investment made over the previous four years which highlighted its commitment to preventing child poverty and alleviating its impacts. This included investment in:   * income adequacy; * building a stronger economy; * mitigating the impacts of the recession; * supporting people off welfare and into work; * safe and healthy homes; * stable, nurturing families; * supportive communities; * engagement in education; * improving the school environment; * supporting early childhood education; * strengthening transitions and preventing disengagement; * a focus on priority groups; and * children’s health services.   Areas for future investment that were identified included:   * a new home insulation programme [*Warm Up New Zealand: Healthy Homes*]; * working with NGOs and financial institutions ton what could be done to help low income families access more affordable finance; * leveraging corporate and community energy to tackle the impacts of poverty on New Zealand children (e.g., *Fonterra* and *Sanitarium* had partnered with Government to expand their *KickStart Breakfast Programme* so it could be offered to all schools that need it, five days a week; and * additional investment to expand rheumatic fever prevention beyond school-based programmes.   In March 2012, the EAG was established by the *Children’s Commissioner*. Its brief was to examine international and New Zealand evidence and develop a package of proposals to reduce child poverty and mitigate its effects. On 28 August 2012, the EAG released an Issues and Options Paper. The EAG’s final report was submitted to the *Children’s Commissioner* on 11 December 2012 and contained 78 detailed recommendations, including a set of priorities for action. The *Children’s Commissioner* accepted the EAG’s report in full and commended it to the Government for consideration. |
| 18 June 2013 | **Draft strategic framework for the regeneration of Tämaki (East Auckland) released** | The draft strategic framework for the housing-led regeneration of Tämaki was released for public feedback by the *Minister of Housing*, *Auckland Mayor* and the *Tämaki Redevelopment Company*.  The draft strategic framework presented a vision, as set of expected outcomes resulting from regeneration, a series of tangible initiatives and actions to address the socio-economic challenges.  The vision:   * *Tämaki is a strong and welcoming community, where people thrive and prosper, celebrated for its distinct history and vibrant future.*   The regeneration programme:   * *Working with the community to improve lives and create opportunities.*   Three strategic themes to enable the regeneration:   * *Lifestyle and Culture* * cultural identity; * healthy, happy children; * health and recreation; and * safety and security. * *Talent and Creativity* * education; * employment; * economic development; and * innovation. * *Places and Neighbourhoods* * urban development; * housing; * natural environment; and * transport.   It was intended that Tämaki would become a benchmark for public service and community engagement, demonstrating the benefits of partnership between business, national and local government and the communities that they serve.  Feedback on the draft strategic framework closed on 19 July 2013, with government scheduled to consider a business case from the *Tämaki Redevelopment Company* on the regeneration opportunities later in 2013. |
| 1 July 2013 | **Residential Care Subsidy: Adjustment of asset levels** | The asset thresholds for the *Residential Care Subsidy* were adjusted by the movement in the *Consumer Price Index* (all groups) for the year to the end of March 2013 (0.86 percent).  Single people and couples with both partners in care were able to keep up to $215,132 in assets - up from $213,297, before they are used to contribute to the cost of their care. Couples both 65 years or over with one in residential care were able to keep $117,811 (excluding family home and car) - up from $116,806, or they could elect the higher asset threshold of $215,132 (including family home and car). |
| 1 July 2013 | **Residential Care Subsidy: Increase to the income from assets exemption** | The ‘income from assets exemption’ for the *Residential Care Subsidy* was adjusted by the movement in the *Consumer Price Index* for the year ending 31 March 2013 (less the price increases from cigarette and tobacco products) 0.61 percent. The new income from asset exemption levels (after tax) were:   * single people: $951 per annum; * couple (both in care): $1,902 per annum; and * couple (one in care): $2,852 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2013 | **Social Sector Trials expanded: Trialling new approaches to social sector change** | From 1 March 2011, the *Ministry of Social Development, Ministry of Justice, Ministry of Education, Ministry of Health* and the *New Zealand Police* had piloted a change in the way that social services were delivered to youth (12 – 18 year olds) in six provincial locations throughout New Zealand. The purpose of the *Social Sector Trials* was to test the ability of an appropriate mandated individual or NGO to use cross-agency resources to effect change in their community.  In July 2013, following encouraging results; the model was extended to ten new locations. Of these new locations, eight were focused on cross-sectoral outcomes for 12 to 18-year olds (on the same basis as the original six locations), one was focused on health outcomes for 0 to 74 year olds and one was focused on education outcomes for 0 to 18 year olds.  The ten new locations were:   * Kaikohe (Youth Focus); * Ranui (West Auckland) (Youth Focus); * Waikato District (Youth Focus); * Rotorua City (Education Focus, 0 -18-year olds); * Whakatane Township (Youth Focus); * Gisborne City (Youth Focus); * South Taranaki District (Youth Focus); * Wairarapa (Masterton, South Wairarapa, Carterton) District (Youth Focus); * Porirua District (Health Focus, 0 – 74-year olds); and * Dunedin South (Youth Focus).   The additional ten locations, along with the original six pilot locations were scheduled to run until June 2014 (subsequently extended until 30 June 2015).  The *Social Sector Trials* were also testing:   * the effects of transferring the control of resources, decision making authority and accountability for the results from government agencies to an employed individual or NGO based at the local level; * the barriers that exist to cross-agency service delivery at the local level and ways to overcome within current system parameters; and * a *Joint Venture Board* as an innovative model of cross-agency governance for collaborative initiatives with shared outcomes.   A cross-agency evaluation of the *Social Sector Trials* was undertaken to determine:   * whether the trials made a significant contribution to achieving the outcomes in each location; * opportunities found when implementing the programme; * whether the trials have led to a better system of service delivery; * the similarities and differences between the two trial lead approaches (NGO and individual); and * the barriers to implementation. |
| 1 July 2013 | **Paid Parental Leave Increased** | *Paid Parental Leave* was increased from a maximum of $475.16 gross per week to a maximum of $488.17 gross per week. This reflected the movement in average weekly earnings over the previous year.  The minimum payment for self-employed parents increased from $135.00 per week to $137.50 per week. |
| 1 July 2013 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:  • the maximum rebate was increased from $590 to $595; and  • the income threshold was increased from $23,650 to $23,870.  The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2013/2014 rating year was $23,870 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2013/2014 rating year (1 July 2013 to 30 June 2014). |
| 1 July 2013 | **Overseas pension collection initiative** | As part of the 2013 Budget, the *Ministry of Social Development* received additional resources to allow it to test more applicants for *New Zealand Superannuation* for a foreign Government pension.  In order for new applicants to meet their legal obligations and apply for a foreign Government pension, additional resources were required to provide adequate assistance with applications, to streamline IT systems and to provide staff to test an estimated 10,000 additional superannuitants per year, with the focus on new applicants.  For those who received a government pension from another country, *New Zealand Superannuation* was reduced by $1 for every $1 received from overseas. The direct deduction policy had applied since 1938 and in 2013 affected around 65,000 people receiving *New Zealand Superannuation*, with around $237 million per annum offset from the cost of *New Zealand Superannuation*. |
| 8 July 2013 | **Social Security Agreement with Malta** | A *Social Security Agreement* with Malta was signed. The Agreement covered *New Zealand Superannuation* and *Veteran’s Pension*, allowing partner countries to pay these benefits and pensions. The Agreement came into force on 1 December 2013. |
| 15 July 2013 | **New categories of Social Security Benefits** | Three new benefit categories replaced a range of former social security benefits:  **Jobseeker Support**   * people available for and looking for full-time work; * people with a temporary deferral from work obligations due to a health condition, injury or disability; * recipients were required to reapply after 52 weeks; * replaced the *Unemployment Benefit*, *Sickness Benefit*, *Domestic Purposes Benefit* *(Woman Alone)*, *Domestic Purposes Benefit (Sole Parent*) where the youngest child is aged 14+, *Widows Benefit* where the youngest child is aged 14+ or there were no children.   **Sole Parent Support**   * sole parents with a youngest child under the age of 14 years; * beneficiaries with a youngest child aged 5-13 years were expected to look for part-time work of at least 15 hours per week; * beneficiaries with a youngest child under the age of five years were required to prepare for work; * recipients were asked to provide the name of a person who could verify their relationship status; * a beneficiary receiving *Sole Parent Support* was automatically transferred to Jobseeker Support when their youngest dependent child reached the age of 14 years. * replaced the *Domestic Purposes Benefit (Sole Parent)* and *Widows Benefit*, where the youngest child was aged under 14 years.   **Supported Living Payment**   * people with a serious health condition or disability unable to work 15 hours or more per week for more than two years; * caregivers looking after seriously ill people; * beneficiaries would be required to undertake work preparation activities and the work-test applied to partners of beneficiaries (full-time work-test where the youngest child aged 14 or over, part-time work-test where the youngest child is aged five to 13 years and a requirement to prepare for work if the youngest child is aged under five years); * replaced the *Invalids Benefit* and *Domestic Purposes Benefit (Care of the Sick and Infirm).*   The *Youth Payment*, *Young Parent Payment* and the *Emergency Benefit/Emergency Maintenance Allowance* were retained alongside the three new benefit categories. A category of *Jobseeker Support*, replaced the *Unemployment Benefit (Student) Hardship* – *Jobseeker Support (Student Hardship)*. |
| 15 July 2013 | **New categories of Social Security Benefits: Grandparenting arrangements for former recipients of the Domestic Purposes Benefit or Widows Benefit** | Former recipients of the *Domestic Purposes Benefit (Woman Alone)* or *Widows Benefit* without children who were transferred to *Jobseeker Support* had their higher rate of benefit grandparented until their circumstances changed.  These beneficiaries also retained the benefit abatement rules that had applied to the *Domestic Purposes Benefit* and *Widows Benefit* (i.e. the more generous abatement regime that encouraged part-time employment). |
| 15 July 2013 | **Jobseeker Support: Grandparenting arrangements for some full-time students** | Generally, a full-time student was ineligible to receive *Jobseeker Support*. The exception was full-time student who was in financial hardship who was able to receive *Jobseeker Support (Student Hardship)* between the end of one academic year and the start of the next.  With the introduction of new benefit categories, a time-limited grandparenting provision applied to beneficiaries who were engaged in full-time study on 14 July 2013. It applied to beneficiaries who transitioned to *Jobseeker Support* on 15 July 2013, or after this time as a result of a review of their benefit entitlement. It also applied to sole parents who transferred to *Jobseeker Support* after 15 July 2013, as a result of their youngest child reaching the age of 14 years.  The grandparenting provision allowed these beneficiaries to receive *Jobseeker Support* and provided an exemption from work or work preparation obligations.  The grandparenting provision was time-limited to allow beneficiaries to complete their studies, adjust their hours of study or change their means of financial support (eg seek support via a *Student Allowance* and/or *Student Loan*). Grandparented access to *Jobseeker Support* ended on the earlier of:   * the date the beneficiary ceased to be a full-time student; * the date the beneficiary stopped receiving Jobseeker Support; * the date the beneficiary stopped being eligible, if they had not passed more than 50 percent of their course; or * 20 July 2015. |
| 15 July 2013 | **Income test for Social Security Benefits** | The following income tests applied to the new benefit categories:  **Jobseeker Support**   * For single people and couples, income in excess of the $80 gross per week reduced the net benefit by 70c. * Sole parents who were transferred from *Sole Parent Support* to *Jobseeker Support* when their youngest child turned 14 and new sole parent applicants for *Jobseeker Support* were subject to the more generous abatement regime that encouraged part-time work. Income of between $100 and $200 gross per week reduced the net benefit by 30c and income in excess of $200 gross per week reduced the net benefit by 70c. * For sole parents who had their income assessed annually, they could earn up to $5,200 gross before their benefit was reduced. * Sole parents in receipt of *Jobseeker Support* who had to pay childcare costs because they were working could receive an additional income exemption of $20 per week.   **Sole Parent Support**  Income of between $100 and $200 gross per week reduced the net rate of benefit by 30c. Income in excess of $200 per week reduced the net rate of benefit by 70c. A beneficiary who had their income charged annually could earn up to $5,200 before their benefit was affected. Income between $5,200 and $10,400 reduced the amount of benefit payable by 30c for each dollar and income in excess of $10,400 reduced the amount of benefit payable by 70c for each dollar.   * Recipients of *Sole Parent Support* who had to pay childcare costs because they were working could receive an additional income exemption of $20 per week.   **Supported Living Payment**   * Income of between $100 and $200 gross per week reduced the net rate of benefit by 30c. Income in excess of $200 per week reduced the net rate of benefit by 70c. A beneficiary who had their income charged annually could earn up to $5,200 before their benefit was affected. Income between $5,200 and $10,400 reduced the amount of benefit payable by 30c for each dollar and income in excess of $10,400 reduced the amount of benefit payable by 70c for each dollar. * An additional income exemption of $20 per week applied to personal earnings and all the earnings of a blind beneficiary were exempt. This did not apply to the earnings of a spouse/partner, unless they also qualified for the *Supported Living Payment* in their own right. * There was no couple rate of *Supported Living Payment* for carers. Where there was a partner, they would either qualify for another benefit in their own right or have their own income. In these situations, joint income in between $5,200 and $10,400 reduced the net amount of benefit by 15c and income in excess of $10,400 reduced the net amount of benefit by 35c. |
| 15 July 2013 | **Social Security Benefits: New obligations and rules** | A range of new obligations and rules were introduced for beneficiaries:  **Pre-employment drug testing**  A person’s benefit could be affected if they refused to apply for a suitable job because it required a drug test or the failed a pre-employment or training programme drug test.  Beneficiaries who failed a pre-employment drug test or training programme drug test (or failed to apply for a drug-tested job to which they were referred) without a good reason had their benefit sanctioned, using the financial sanctions that applied for failing to meet work obligations.  Additional requirements were placed on beneficiaries who failed to meet their drug test obligations:   * first failure – must agree to stop using drugs;   second failure – must agree to take and pass a clean drug test within 25 working days; and   * third failure – must agree to complete an approved six-week activity.   If a beneficiary failed a pre-employment drug test, the *Ministry of Social Development* reimbursed the employer for their costs and established an overpayment to be recovered from the beneficiary.  **Warrants to arrest**  The *Ministry of Social Development* received notification from the *Ministry of Justice* when a warrant to arrest was issued in criminal proceedings. After 28 days, the beneficiary was contacted by the *Ministry of Social Development* and given ten days to clear their warrant. If they didn’t clear their warrant their benefit was stopped (or reduced by half if they had a dependent child or children). Their benefit could be reinstated once the warrant had been cleared or the person had taken all reasonable steps to clear the warrant.  There was provision to stop a benefit immediately, without prior notice, if the *New Zealand Police* advised that a person with a warrant to arrest was deemed to be a serious risk to the public.  **Social obligations**  A range of social obligations were introduced to encourage beneficiary parents to access services that would improve the wellbeing of their family and outcomes for their children. Beneficiary parents were asked to take all reasonable steps to meet these obligations. The social obligations were:   * children were enrolled with a *General Practitioner* or a medical centre that belongs to a *Primary Health Organisation*; * children were attending one of the following from the age of three until starting school: * an approved early childhood education programme; * Te Aho o Te Kura Pounamu – the *Correspondence School*; or * another approved parenting and early childhood home education programme. * children were up to date with core Well Child/Tamariki Ora checks; and * children were enrolled and attending school from the age of five or six years.   If a beneficiary parent did not take all reasonable steps to meet these obligations, the *Ministry of Social Development* would support them to do so. If the beneficiary parent still failed to meet their obligations, their benefit was sanctioned using the financial sanctions that applied for failing to meet work obligations. |
| 15 July 2013 | **Social Security Benefits: Extension of pre-benefit activities and work preparation obligations.** | **Pre-benefit Activities**  The ability to assign pre-benefit activities was extended to applicants for the *Emergency Benefit* and to partners of applicants for a main social security benefit.  An applicant whose partner did not complete any assigned pre-benefit activities could be granted a half-couple rate of benefit and their portion of any *Accommodation Supplement* or *Temporary Additional Support*.  Applicants for *Jobseeker Support* or *Sole Parent Support* could be subject to the same pre-benefit activities that were previously assigned to applicants for an *Unemployment Benefit*, a *Domestic Purposes Benefit* or a *Widows Benefit*. Applicants for a *Supported Living Payment* were not required to complete pre-benefit activities.  The *Ministry of Social Development* could revoke a pre-benefit activity if it was determined to be no longer reasonable, because of a change in the applicant or partner’s circumstances (eg when there were issues relating to the care of children, or a worsening of a health condition).  **Work Preparation Obligations**  Work preparation obligations were extended toe beneficiaries receiving *Jobseeker Support* who were deferred from work obligations due to sickness, injury or disability and to beneficiaries receiving the *Supported Living Payment* who were considered to have capacity to plan for work. |
| 15 July 2013 | **Social Security Benefits: Exemptions and deferrals from work-related obligations** | In situations where it was deemed unreasonable for a beneficiary to meet their work preparation or work obligations for a specified period of time, they could qualify for a:   * full exemption from their work preparation obligations; or * full or partial exemption from their work obligations.   A beneficiary was required to apply for an exemption. Depending on whether the person was a primary beneficiary, a partner or a sole parent, various exemption categories were available. These included:   * court imposed conditions; * family or domestic violence; * caring for a child under five years who was not a dependent child; * caring for a child or foster child with special needs; * caring for a person with a health condition, injury or a disability; * home schooling a dependent child; * undertaking approved full-time training; or * undertaking approved study before being subject to work obligations.   A beneficiary who qualified for a partial exemption did not have to look for, or accept, a job, but could still be required to prepare for work and to improve their work readiness so they could move into work when their circumstances changed. A beneficiary who qualified for a full exemption was not required to meet any of their work preparation or work obligations for a temporary period. They could still be required to attend appointments regarding their benefit entitlement.  A beneficiary could be temporarily deferred from some of their work obligations when they:   * had a health condition, injury or disability and had no capacity to work or capacity that was less than 15 hours per week; * are a sole parent and have a subsequent or additional child under 12 months old; or * are pregnant 27 weeks or have complications with the pregnancy.   A beneficiary did not have to make an application for a deferral. |
| 15 July 2013 | **Social Security Benefits: Sanctions for failing to meet work-related obligations** | The three-stage process for a failure to meet work-related obligations was retained. This provided:   * Grade One Sanction: 50 percent reduction in main benefit; * Grade Two Sanction: 100 percent suspension of main benefit and supplementary assistance; and * Grade Three Sanction: 100 percent cancellation of main benefit and supplementary assistance for 13 weeks.   For a sole parent a grade two or a grade three sanction applied only to 50 percent of the main benefit. Supplementary assistance was not affected.  For a couple, where only one partner fails, the sanction applied only to their portion of the benefit (i.e. Grade One was a 50 percent reduction in their portion of the benefit) and the complying partner could continue to receive their portion of the benefit and their portion of any supplementary assistance.  Where a couple both failed and there was a dependent child or children, 50 percent of the benefit and supplementary assistance remained payable. This was paid to the partner to whom the children were linked. |
| 15 July 2013 | **Social Security Benefits: Non-entitlement period for refusing an offer of suitable employment** | From this time, when a work-tested beneficiary refused an offer of suitable employment without a good reason, a 13 week benefit non-entitlement period was imposed.  Following the imposition of a non-entitlement period, if the beneficiary agreed to take part in an approved activity for at least six weeks, the benefit could be resumed.  For single beneficiaries without children, the non-entitlement period resulted in cancellation of their benefit and any supplementary assistance they were receiving.  For a beneficiary with a partner, where only one partner had a non-entitlement period imposed, the other partner could continue to receive 50 percent of the applicable rate of benefit and supplementary assistance.  For beneficiaries with a child or children, the non-entitlement period applied only to 50 percent of the applicable rate of benefit and the payment of supplementary assistance was not affected.  Prior to this time, refusal to accept an offer of suitable employment was recorded as a work-test failure and the appropriate sanction applied (i.e. a reduction in the rate of benefit or suspension of the benefit).  The change aligned the penalty for refusing an offer of suitable employment with that applying to an applicant for a benefit who had left a job without a good reason or had been dismissed for serious misconduct (i.e. voluntary unemployment). |
| 15 July 2013 | **Payment of Social Security Benefits: Absence from New Zealand** | The *Ministry of Social Development* received information from *New Zealand Customs* on a daily basis and beneficiaries (excluding those receiving *New Zealand Superannuation* or a *Veteran’s Pension*) were required to advise of their plans before travelling overseas.  Beneficiaries with work obligations and people receiving the *Emergency Benefit* and beneficiaries or partners who had a work preparation activity assigned were not paid a benefit while absent from New Zealand, unless they met the criteria for approved travel (eg humanitarian reasons, job interview or job prospects). Absence overseas could be allowed for up to 28 days in a 52-week period.  Beneficiaries who did not advise the *Ministry of Social Development* before travelling overseas had their benefit stopped the day after they left New Zealand. |
| 15 July 2013 | **Social Security Benefits: Provision to extend payment of benefits following a sudden change in circumstances** | The provision to extend benefit payments following a sudden change in circumstances was standardised across all benefit types. Payment could continue for 28 days. This was to allow the beneficiary time to adjust to their change in circumstances.  Prior to this time, there were different provisions for different benefit types (four, eight or 26 weeks). |
| 15 July 2013 | **Work Bonus: Financial assistance for beneficiaries without work obligations who moved into employment** | For beneficiaries without work obligations, a *Work Bonus* was available to those who cancelled their benefit as a result of taking up paid employment. The *Work Bonus* was paid at the equivalent of the full benefit rate for the first week, then reducing by $100 for each subsequent week.  The *Work Bonus* was non-taxable and was not included as income for *Working for Families* *Tax Credits, Child Support,* the *Accommodation Supplement* or a *Student Allowance*. It was included as income for assessing entitlement to *Temporary Additional Support*, *Special Needs Grants, Recoverable Assistance* and *Special Benefit*.  Provision for the *Work Bonus* was made in the *Work Bonus Ministerial Welfare Programme* under section 124 (1) (d) of the *Social Security Act 1964*. |
| 15 July 2013 | **Social Security Benefits: Expansion of work-focused case management** | From this time, the new *Service Delivery Model,* including *Work-Focused Case Management* was expanded throughout the country. Under the new approach, beneficiaries with a higher risk of long-term benefit dependency were identified and provided within intensive one-to-one support. The intensity of service a beneficiary received depended on how much support they needed to find a job. Four levels of support were provided:   * work-focused case management; * work-search support; * general case management; and * self-service.   From October 2012, the model had been piloted in 24 *Ministry of Social Development* (Work and Income) offices. While the early results from the pilots were promising, a number of changes were made to the model to better support case managers. These changes included:   * recording of the seminar processes that beneficiaries in Work Search Support stream are expected to attend; * identifying better ways for case managers to manage recompliance for beneficiaries who failed a work obligation; * greater flexibility to manage seasonal peaks; and * considering a range of IT improvements and centralisation to free up time for proactive case management.   The model was modified to take account of policy changes, in particular the inclusion of some beneficiaries with a health condition, injury or disability into *Work-Focused Case Management*.  The new service model represented a disinvestment for some people. Less support for pre-benefit activities and less intensive ongoing case management for lower-risk groups. |
| 15 July 2013 | **Social Security Benefits: New work capacity medical certificate** | A new *Work Capacity Medical Certificate* provided information to help determine a person’s eligibility for a benefit. For an applicant for *Jobseeker Support* with a health condition, injury or disability, a *Work Capacity Medical Certificate* (or other medical certificate with equivalent information) was required to determine eligibility and work obligations. The certificate was also used to help determine eligibility to the *Supported Living Payment* on the grounds of having a health condition, injury or disability.  The new *Work Capacity Medical Certificate* had an increased focus on a person’s capacity to work. It contained information about the person’s medical condition, capacity for work, duration they are expected to be unable to work and their ability to undertake work-related activities. |
| 15 July 2013 | **Management of beneficiaries with a health condition or a disability** | Beneficiaries who were clearly seriously ill or disabled and who were not expected to be available for work were given simplified access to the *Supported Living Payment*.  Certain groups of beneficiaries were excluded from the need to provide regular medical certificates. These were beneficiaries who were:   * being managed by a third-party provider; * more than 27 weeks pregnant; or * with a job to which to return, and the return to work date was within 13 weeks.   Self-assessment questions were implemented for beneficiaries with a health condition or disability, to provide the beneficiary’s own view of the sort or work they could do, would like to do and any supports that were required. The self-assessment was intended to support work-focused discussions with beneficiaries.  As part of the case management process a structured interview was introduced to help establish:   * the key factors affecting work ability for beneficiaries who had a health condition or disability; and * what services and supports could be offered to best assist them towards employment.   Caseloads were reduced to enable case managers to work more intensively with beneficiaries with a health condition or a disability, and who have work obligations. |
| 26 August 2013 | **Flexible New Zealand Superannuation: Government discussion document released** | The Government released a discussion document on Flexible-Superannuation (Flexi-Super).  The release of the document was a condition of the Confidence and Supply Agreement between the *National Party* and the *United Future Party*. The document aimed to test public interest in having more choice regarding when *New Zealand Superannuation* (NZS) could be accessed.  The United Future proposal was that individuals could claim NZS earlier than the current age of entitlement (65 years) receiving an actuarially calculated lower entitlement, or delay claiming until later than the current age of eligibility, in return for a higher entitlement. The *United Future Party* envisaged that the proposal would be fiscally neutral.  The discussion document intended to test the public appetite for Flexi-Super. It was a high-level document setting out how Flexi-Super might work, the advantages and the disadvantages.  Submissions were sought by 11 October 2013.  A total of 69 submissions were received (51 from individuals and 18 from organisations). Of the submissions, 45 percent were in favour of Flexi-Super, 36 percent were not in favour, one percent wanted further work done, four percent supported deferral of NZS only and 13 percent did not state a position. There was widespread concern as to the potential impact of Flexi-Super with 54 percent of submitters expressing concerns about the potential hardship that Flexi-Super could cause.  Following the 2014 General Election, Flexi-Super was not included in the new Confidence and Supply Agreement between the *National Party* and the *United Future Party*. |
| 2 September 2013 | **New Zealand Superannuation: Living Alone Payment replaced** | A change to the *New Zealand Superannuation and Retirement Income Act 2001* and the *War Pensions Act 1954* replaced the separate *Living Alone Payment* (LAP) for *New Zealand Superannuation* or a *Veteran’s Pension* recipients who were living alone, with a single sharing accommodation rate of *New Zealand Superannuation* or a *Veteran’s Pension* and a single living alone rate of *New Zealand Superannuation* or a *Veteran’s Pension*. The total amount payable to a pensioner living alone did not change. |
| 2 September 2013 | **New Zealand Superannuation: Definition of ’dependent child’ amended (eligibility to the living alone rate)** | A change to the *New Zealand Superannuation and Retirement Income Act 2001* and the *War Pensions Act 1954* confirmed that a recipient of *New Zealand Superannuation* or a *Veteran’s Pension* who was living with an adult student child, could receive the living alone rate of *New Zealand Superannuation* or a *Veteran’s Pension* only until the end of the calendar year in which the child reaches the age of 18 years, provided the child was a student and remained financially dependent on the pensioner.  Any person receiving a *Living Alone Payment* prior to 2 September 2013, was transferred to the living alone rate and was able to continue to receive that rate, for as long as they met the criteria for living alone, that applied prior to the commencement of the amending legislation. |
| 2 September 2013 | **New Zealand Superannuation: Definition of ‘boarding house’ amended (eligibility to the living alone rate)** | A change to the *New Zealand Superannuation and Retirement Income Act 2001* and the *War Pensions Act 1954* aligned the definition of boarding house, for determining eligibility to the living alone rate, with the definition in the *Residential Tenancies Act 1986:*   * **boarding house** was a residential premise containing one or more boarding rooms along with facilities for communal use by the tenants of the boarding house, and occupied, or intended by the landlord to be occupied, by at least six tenants at any one time.   Provided they met the other criteria, a single person living in a boarding house was eligible to receive the single living alone rate of *New Zealand Superannuation* or *Veteran’s Pension*.  Any person receiving a *Living Alone Payment* prior to 2 September 2013, was transferred to the living alone rate and was able to continue to receive that rate, for as long as they met the criteria for living alone, that applied prior to the commencement of the amending legislation. |
| 9 September 2013 | **Contracted Case Management Service Trials** | As part of the Investment Approach, the *Contracted Case Management Service Trials* were designed to return beneficiaries to employment as quickly as possible, by providing wraparound services that included employment-related case management, employment placement, and in-work support through an external provider.  There were two services:   * a voluntary *Mental Health Employment Service* (MHES) for people in receipt of *Job Seeker Support* with common mental health conditions who had part-time or deferred work obligations; and * a *Sole Parent Employment Service* (SPES) for people in receipt of *Job Seeker Support* with full-time work obligations.   The MHES was implemented in the Auckland, Waikato, Canterbury and Southern regions with 1,000 placements available. The aim of MHES was to support beneficiaries with diagnosed common mental health conditions to gain work and achieve sustainable employment. Participating beneficiaries received employment-related case management, placement and post placement support that is integrated with their individual current clinical support.  The SPES was implemented in the Auckland, Bay of Plenty, East Coast, Taranaki, Wellington, Nelson and Canterbury regions with 1,000 placements available. The aim of SPES was to provide employment support to those beneficiaries receiving *Job Seeker Support* who had sole parent responsibilities, but were seeking or returning to full time work is possible due to their youngest dependant being 14+ years of age. This was to be achieved through the provision of employment-related case management with assistance in overcoming barriers to full time work, including employment placement and post-placement support. |
| 16 September 2013 | **Housing Accords and Special Housing Areas Act 2013**  **Auckland Housing Accord**  **Other Housing Accords** | The *Housing Accords and Special Housing Areas Act 2013* came into force.  The purpose of the Act was to enhance housing affordability by facilitating an increase in land and housing supply in certain regions or districts, identified as having housing supply and affordability iss*ue*s.  The Act provided a short-term legislative tool that sought to improve housing affordability by facilitating an increase in land and housing supply in regions or districts with significant housing supply or affordability issues. It did this by providing a mechanism for central government to work together with territorial authorities to address housing supply and affordability issues through the negotiation of *Housing Accords* and the declaration of *Special Housing Areas*.  The Act provided for short-term measures over the three following years to establish *Special Housing Areas* with the Act being repealed four years after the date of enactment. The time-limited nature of the Act reflected the Government’s view that housing affordability needed to be addressed as a matter of urgency, but that other mechanisms still under development would be well-placed to deliver increased land and housing supply in the medium and long-term (for example reforms to the *Resource Management Act 1991* and the streamlined *Auckland Unitary Plan* process).  The Act provided for resource consent applications for qualifying developments to be considered according to more permissive resource consent powers. Where a *Housing Accord* was in place, the accord territorial authority was able to exercise these powers. If the Government was unable to reach a *Housing Accord* after endeavouring to negotiate in good faith or if a *Housing Accord* was terminated, then the Government had the power to exercise the more permissive resource consent powers. In general, resource consents considered under the Act were required to be processed within 60 working days and were not notified.  On 3 October 2013, the Weymouth development in South Auckland became the first *Special Housing Area* announced under the new Act and the *Auckland Housing Accord (*signed on 10 May 2013). This enabled the subdivision to be fast-tracked, with the first homes ready for occupation in mid-2014 and the entire development scheduled for completion by 2017.  On 9 October 2013, ten additional *Special Housing Areas* were announced for Auckland. These, along with the Weymouth development were expected to bring 6,000 sections on to the market and contribute to the *Auckland Housing Accord’s* target of 39,000 new homes over three years.  On 16 December 2013, 11 further Special Housing Areas were announced for Auckland facilitating another 9,500 new homes.  On 7 May 2014, an additional 41 *Special Housing Areas* were announced for Auckland to facilitate another 18,000 new homes. This included seven strategic areas identified by the Council where it wanted to encourage growth.  On 12 September 2014, an additional 17 *Special Housing Areas* were announced for Auckland. These 17 areas were expected to yield more than 8,000 additional new homes, bringing to a total a potential for 33,500 new homes in 80 SHAs across Auckland.  On 16 February 2015, an additional four *Special Housing Areas* were announced for Auckland.  On 3 July 2015, an additional two *Special Housing Areas* were announced for Auckland. This brought the number of Special Housing Areas to 86 with a combined potential yield of 46,000 new homes.  Over the next two years the following Housing Accords were established under the Act:   * Christchurch Housing Accord (16 April 2014); * Wellington Housing Accord (24 June 2014); * Tauranga and Western Bay of Plenty Housing Accords (18 August 2014); * Queenstown Lakes Housing Accord (23 October 2014); * Tasman District Housing Accord (15 May 2015); and * Nelson Housing Accord (11 June 2015).   The *Housing Accords and Special Housing Areas Act 2013* was scheduled to remain in place until 16 September 2016, when its repeal provisions took effect, though any consent applications underway at that time could continue to be progressed under the Act’s provisions until September 2018.  In September 2016, legislation extended the date by which *Special Housing Areas* could be established by three years, to 16 September 2019 and extended the date of repeal of the entire Act by three years to 16 September 2021. |
| 26 September 2013 | **Actuarial Valuation of the Social Security System: Valuation 2011/2012** | The Government released the second annual actuarial valuation of the social security system.  The actuarial valuation (at 30 June 2012) showed a current lifetime liability of $86.8 billion (the future costs of those receiving a benefit at any time in the 12 months up to the end of June 2012). This compared to the 2011 baseline valuation of $78 billion.  The actuarial valuation identified that:   * sole parents spend on average 15.8 years on benefit with a lifetime cost (up to age 65) of $234,000; * youth spend on average 18.9 years on benefit costing $239,000; * the average young beneficiary has a 43 percent change of being on benefit in 15 years’ time and 25 percent of youth are expected to be on a benefit 40 years after the valuation date; and * 30-34-year olds first going on benefit aged 16-19 years cost four times as much as those who first go on benefit aged 30 -34 years.   The total liability for benefit types included:   * *Sole Parent Support* - $21 billion; * *JobSeeker Support* - $20.5 billion; * *Supported Living Payment* - $18 billion; * youth - $705 million; and * non-beneficiary support - $18 billion.   The base actuarial valuation (2010/2011) had been released in September 2012. The increase in the liability for 2011/2012 was largely due to an increase in the discount rate (i.e. higher interest rates) which accounted for a $13.4 billion increase. Policies to refocus expectations and introduce new work expectations for beneficiaries were estimated to have reduced the lifetime liability by $3 billion.  *With the release of the June 2013 actuarial valuation (January 2014), the June 2012 valuation was revised downwards from $86.8 billion to $85.3 billion, due to a methodology correction.* |
| 27 September 2013 | **Childcare Assistance: Grandparenting extended** | In September 2010, the income thresholds for *Childcare Assistance* (*Childcare Subsidy and OSCAR Subsidy*) were reduced to their April 2008 levels. Existing recipients and those who had received *Childcare Assistance* at any point between 28 September 2009 and 26 September 2010 were grandparented for a period of three years (i.e. *Childcare Assistance* for these people was to be assessed during the next three years using the income thresholds that applied on 1 April 2010).  From 27 September 2013, the grandparenting provision was extended until the start of the 2014 school year (i.e. until the close of Friday 7 February 2014). At the time it was estimated that around 1,860 families were receiving assistance under the grandparenting provision. |
| 30 September 2013 | **Hardship Assistance: Preferred supplier arrangements for whiteware** | The *Ministry of Social Development* entered into a whiteware purchasing agreement with *Fisher and Paykel* for the supply of:   * fridges; * freezers; and * washing machines.   The goods supplied were to be brand new and with warranties. *Fisher and Paykel* was responsible for delivery and installation, removal of goods replaced, repairs or replacements under warranty (including loan goods if necessary) and disposal of any packaging. They were contracted to meet the following delivery timeframes:   * Auckland or Christchurch (within 24 hours); * other main urban area (within 48 hours); and * all other areas (within 72 hours).   An applicant for hardship assistance (*Advance Payment of Benefit*, *Special Needs Grants*, and *Recoverable Assistance for Non-Beneficiaries*) was required to use the preferred supplier arrangement. If they refused, their application was declined.  The preferred supplier arrangements for whiteware were rolled out in the three phases:   * 30 September 2013 – southern South Island; * 4 November 2013 – rest of the South Island; and * 3 February 2014 – nationally.   It was anticipated that the arrangement would lead to a $10 million reduction in hardship assistance for whiteware over five years. |
| 1 October 2013 | **Assistance for first-home buyers: Changes to the criteria for the KiwiSaver Deposit Subsidy and the Welcome Home Loan** | Changes to the criteria for *KiwiSaver Deposit Subsidy* and the *Welcome Home Loan* were introduced to support more first-home buyers.  The house price caps, income limits and deposit thresholds were aligned across the two schemes.  *House Price Caps*  The new house price caps were $485,000 for Auckland, $425,000 for Wellington City and Queenstown Lakes, $400,000 for Christchurch and Selwyn, $350,000 for Porirua City, Hutt City, Upper Hutt, Kapiti Coast, Tasman/Nelson, Western Bay of Plenty, Hamilton, Tauranga, Waimakariri, Thames Coromandel, and $300,000 for other regions.  Prior to this time, the house price caps for the *Welcome Home Loan Scheme* had been $350,000 in high-priced markets including Auckland, Wellington and Christchurch and $280,000 in other regions. For the *KiwiSaver Deposit Subsidy*, the price caps had been $400,000 in Auckland, Wellington City, Selwyn and Christchurch, and $300,000 for other regions.  *Income Limits*  The new income limits were $80,000 for a single person and $120,000 for two or more buyers.  Prior to this, the income limit for the *KiwiSaver Deposit Subsidy* was $100,000 for one and two buyers and $140,000 for three or more buyers. The income limit for the *Welcome Home Loan* was $85,000 for one or two buyers and $120,000 for three or more.  *Minimum Deposit Threshold*  A minimum deposit threshold of ten percent was applied to both schemes. The minimum threshold included any funds from the KiwiSaver First Home Withdrawal and Deposit Subsidy.  Prior to this, the *Welcome Home Loan* deposit threshold was 15 percent over $200,000 and the *KiwiSaver Deposit Subsidy* had no minimum deposit.  *Background to the changes*  The *Welcome Home Loan Scheme* was introduced as a pilot in 2003 (known then as the *Homeowners Mortgage Insurance Scheme*) and expanded in 2006. It provided mortgage insurance subsidised by the Government. Approximately 10,000 loans had been underwritten since 2003.  The *KiwiSaver First Home Deposit Subsidy* allowed eligible borrowers to access a Government-funded subsidy to supplement a deposit on a home ($1,000 for every year they have been a member of *KiwiSaver*, up to a maximum of $5,000). KiwiSavers could also withdraw their own savings, employer contributions and investment returns from their *KiwiSaver* account.  The changes were expected to double the number of first-home buyers receiving the *KiwiSaver Deposit Subsidy* from 4,700 to 10,000 per year and to treble the number of *Welcome Home Loans*, from 845 to 2,500 per year.  In Auckland, the unrealistic price caps had restricted access to both schemes. As a result of the changes, the number of Aucklanders accessing the *KiwiSaver Deposit Subsidy* was expected to grow from 1,030 to 3,000 per year and *Welcome Home Loan* from 52 to 867 per year. |
| 1 October 2013 | **FirstHome launched to support provincial first-home buyers** | A new initiative administered by *Housing New Zealand Corporation* was announced to help families buy their first home. *FirstHome* was designed to help modest income earners in provincial New Zealand buy their first home by gifting them a 10 percent deposit and giving them priority to purchase surplus vacant state houses no longer needed by *Housing New Zealand*.  Applicants needed to be first-home buyers and have an income equal to or less than the national household average (one person $53,000, two or more persons $80,600) and be committed to owning and living in the house for a minimum of three years.  *Housing New Zealand* would make a grant of 10 percent of the property’s market value (up to $20,000). Buyers may also be eligible for other home ownership assistance, such as the *KiwiSaver* first-home deposit subsidy and savings withdrawal, and a *Welcome Home Loan*.  From 7 October 2013, 41 properties were available for sale, from Otorohanga in the north, to Invercargill in the south. Up to 400, properties in provincial New Zealand were expected to be offered for sale over the following three years. |
| 1 October 2013 | **Funded Family Care: Payments to family carers** | The new policy involved paying family carers of disabled people aged over 18 with high or very high needs whose support was funded through the *Ministry of Health* (i.e. people with intellectual, physical and sensory disabilities who are primarily aged under 65).  Family carers could be paid for up to 40 hours per week, with payments based on the minimum adult wage and associated employment costs. Spouses/partners could not be paid.  By December 2013, 99 people had been assessed for *Funded Family Care*, of whom 72 were found to be eligible and 27 not eligible for payments. Of those found to be eligible, 26 had completed the set-up process and were receiving payments. |
| 3 October 2013 | **Weymouth: Affordable housing development** | The Government and the *Auckland Council* announced a community housing development involving 282 social and affordable homes on surplus Government land at Weymouth in South Auckland.  Of the new houses, 169 would be community and social housing with the remaining 113 affordable housing for first-home buyers. The affordable houses were to be priced between $325,000 and $475,000 and were to be made available through rent-to-buy and assisted home ownership programmes to first-home buyers on modest incomes.  The development was led by Ngä Mana Whenua o Tämaki Makaurau (the *Tämaki Collective*), along with members of the *Auckland Community Housing Network*, including the *New Zealand Housing Foundation*, *CORT Community Trust*, the *Auckland and Onehunga Hostel Endowment Trust* and *Habitat for Humanity*).  The Weymouth development was also the first *Special Housing Area* announced under the recently enacted *Housing Accords and Special Housing Areas Act 2013*.and the *Auckland Housing Accord (*signed on 10 May 2013). This enabled the subdivision to be fast-tracked, with the first homes ready for occupation in mid-2014 and the entire development scheduled for completion by 2017.  The Government owned land (16 hectares) was sold for $8.9 million. The development was funded through a grant from the *Social Housing Fund* ($29 million), investment by the community social housing providers and the sale of 113 homes to first-home buyers. The development also included 3.7 hectares of parks and reserves. When completed, the development was expected to house 1,250 people. |
| 9 October 2013 | **2013 Review of Retirement Income Policies: Discussion document released** | The *Retirement Commissioner* released a discussion document containing the preliminary results of her *2013 Review of Retirement Income Policies* and draft recommendations.  The discussion document contained 16 recommendations under the following headings:   * keeping *New Zealand Superannuation* fair and affordable; * *KiwiSaver*; * financial literacy; * taxation; * age-friendly housing; * age-friendly workplaces; and * international pensions.   With regard to *New Zealand Superannuation*, the *Retirement Commissioner* proposed:   * that the proportion of life over the age of 20 in receipt of *New Zealand Superannuation* be kept to a minimum of 32 percent; * that the Government established by 30 June 2017 a schedule and review process for *New Zealand Superannuation*; and * that a new method of indexation for *New Zealand Superannuation*, based on the average of the percentage change in consumer prices and earnings but no less than price inflation be introduced from 2023.   The final report was provided to the Government in November 2013. |
| 9 October 2013 | **Special Housing Areas: Announcement of Auckland locations** | The *Minister of Housing* and the *Mayor of Auckland* announced further *Special Housing Areas* under the *Auckland Housing Accord* and the *Housing Accords and Special Housing Areas Act 2013*. The 10 additional *Special Housing Areas* along with Weymouth (see above) were expected to bring 6,000 sections on to the market and contribute to the *Auckland Housing Accord’s* target of 39,000 new homes over three years.  The locations of the 10 additional *Special Housing Areas* were:   * Addison, Papakura (500 homes, 32 hectares); * Alexander Crescent, East Tamaki (148 homes, 8.1hectares); * Anselmi Ridge, Pukekohe (64 homes, 6.8 hectares); * Flat Bush, Murphys Road, East Tamaki (275 homes, 37.8 hectares); * Flat Bush, School Road, East Tamaki (300 homes, 7 hectares); * Hobsonville Catalina Precinct and Marine Industry Precinct (1,200 homes, 28.2 hectares); * Huapai Triangle, Kumeu (2,000 homes, 65.1 hectares); * McWhirter Block, West Harbour (166 homes, 10.1 hectares); * Orakei, Auckland City (75 homes, 0.8 hectares); and * Wesley College, Pukekohe (1,000 homes, 277.7 hectares).   The 11 *Special Housing Areas* were recommended by the *Auckland Council* and approved by Cabinet. They were formally designated from 1 November 2013, following an *Order in Council (Housing Accords and Special Housing Areas (Auckland) Order 2013)*. Applications for sub-divisions that met the required criteria were then able to be considered by the Council under the fast-tracked mechanisms in the *Housing Accords and Special Housing Areas Act 2013*, instead of the *Resource Management Act 1991*. This required approvals within six months for greenfield developments.  There were requirements across the *Special Housing Areas* for a proportion of the completed homes to be affordable housing. This varied from 100 percent in Weymouth, to a smaller proportion in other areas. There were also requirements as to the minimum number of dwellings to be built in each area and the maximum number of storeys/height of dwellings. |
| 14 October 2013 | **Benefit Fraud: Low trust client initiative** | A new initiative was implemented by the *Ministry of Social Development* and designed to prevent beneficiaries who had previously defrauded the welfare system from repeating this behaviour.  The *Low Trust Client Initiative* applied to beneficiaries who had since July 2012, been convicted of welfare fraud or had in the last 12 months (but not before July 2013) had overpayments established following a fraud investigation. The initiative contained a number of steps for these beneficiaries, including   * completing all transactions face-to-face; * restriction from accessing self/online services; * assignment to *Work Focused Case Management*; * assignment to a specific case manager; and * a requirement to validate information for each transaction, including providing verification of income and cash assets.   The length of time for which a beneficiary was required to participate in the initiative was:   * received a sentence of imprisonment/home detention for benefit fraud – permanent; * received a conviction for benefit fraud (sentenced to anything other than imprisonment or home detention) – two years from date of entry to the initiative; and * overpayment for benefit fraud – 12 months from date of entry to the initiative.   The new initiative was expected to apply to approximately 1,500 beneficiaries and was part of the wider *Fraud Reform Programme* announced in February 2013. |
| 28 November 2013 | **2013 Review of Retirement Income Policies** | The *Retirement Commissioner* submitted her *2013 Review of Retirement Income Policies* to the *Minister of Commerce*.The report was tabled in Parliament on 12 December 2013. The final report made recommendations under eight themes:   * keeping *New Zealand Superannuation* affordable; * *KiwiSaver*; * *the New Zealand Superannuation Fund*; * financial literacy; * taxation; * age-friendly housing; * age-friendly workplaces; and * international pensions.   The key recommendations included:   * that the proportion of life over the age of 20 in receipt of *New Zealand Superannuation* (NZS) be kept at a minimum of 32 percent; * that the government establish by June 2017 a schedule and review process for NZS; * that the Treasury develop a model that shows the likely impact on living standards among older New Zealanders of a new method of indexation for NZS (based on the average percentage change in consumer prices and earnings); * that the age of access to *KiwiSaver* be kept at 65, but as soon as fiscally prudent an auto-enrolment day be held for employees not currently members of *KiwiSaver*; * that the *Retirement Commissioner* convening a review to determine the viability of different approaches to the annuitisation of savings on retirement; * that the Government exempt the *New Zealand Superannuation Fund* from having to pay tax on the Fund’s investment returns; * that the Government remove tax on the inflation component of interest on simple savings products (e.g., bank deposits); * that the *Ministry of Business, Innovation and Employment* report by 1 December 2014 on ways to increase the supply of age-friendly housing; * that the *Ministry of Business, Innovation and Employment* work with employers and industry associations and unions to implement ways to encourage the recruitment, retention, retraining and mobility between jobs of older workers; * that an individual’s overseas state pension entitlements should be deducted against their own individual entitlement to NZS and that any excess should not then be offset against individual entitlement of their partner; and * that the *Ministry of Social Development* improve the public availability of decisions on the classification of overseas pension schemes whose pensions are subject to the direct deduction policy.   The submission of the final report followed the release, by the *Retirement Commissioner*, of a discussion document in October 2013. |
| 1 December 2013 | **Social Security Agreement with Malta** | A *Social Security Agreement* with Malta came into force. The Agreement covered *New Zealand Superannuation* and *Veteran’s Pension*, allowing partner countries to pay these benefits and pensions. Specifically:   * periods of Maltese contributions in Malta after the age of 20 can be regarded as periods of residence and presence in New Zealand in order to meet the residence qualifications for *New Zealand Superannuation* or a *Veteran's Pension*; * working- age Residence in New Zealand could be regarded as periods of Maltese contributions to meet the qualifications for some Maltese benefits and pensions; * Maltese pensions paid in respect of retirement could be paid in New Zealand; and * *New Zealand Superannuation* and the *Veteran's Pension* could be paid in Malta.   *War Disablement Pensions* from either country were not included in the Agreement. |
| 5 December 2013 | **Social Welfare (Transitional Provisions) Act 1990 renamed** | The *Social Welfare (Transitional Provisions) Act 1990* was renamed the *Social Welfare (Reciprocity Agreements and New Zealand Artificial Limb Service) Act 1990*.  The *Social Welfare (Transitional Provisions) Act 1990* had at its date of commencement on 1 April 1990, provided for *Guaranteed Retirement Income* (subsequently *New Zealand Superannuation*), *Veteran’s Pension*, reciprocity agreements with other countries, the *Social Welfare Commission* and its associated structures and the *New Zealand Artificial Limb Board*. Between 1994 and 2004 the Act had included provision for the *Transitional Retirement Benefit*.  The new title reflected more accurately the current contents of the Act.  Other amendments included renaming the *New Zealand Artificial Limb Board*as the *New Zealand Artificial Limb Service*. The Board had been established under the *Rehabilitation Act 1941* on 5 March 1970 and incorporated in the *Social Welfare (Transitional Provisions) Act 1990* from 1 April 1990.  That new name indicated more clearly the functions of the Service, which was to provide rehabilitative and other services to persons in connection with artificial limbs and similar devices. |
| 12 December 2013 | **Kāinga Whenua Infrastructure Grant: Funding for Mäori housing initiatives** | The *Kāinga Whenua Infrastructure Grant* was established to help Mäori individuals, land trusts and other collectives develop housing on ancestral Mäori land. The grant was provided to assist with additional infrastructure costs, such as establishing roads and services. The extra costs with establishing access to water and electricity, particularly in rural areas often limited the ability to use Mäori land for social and affordable housing.  Support with infrastructure costs was intended to make in it more realistic for Mäori individuals and trusts to take advantage of other Government programmes, such as *Kāinga Whenua Loans* through *Kiwibank* for building housing on Mäori land.  The Grant was administered by the *Social Housing Unit*, in the *Ministry of Business, Innovation and Employment*. |
| 16 December 2013 | **Auckland Housing Accord: 11 Special Housing Areas** | A further 11 *Special Housing Areas* under the *Auckland Housing Accord* were announced. These were expected to yield 9,500 new homes. This bought to 22 the number of *Special Housing Areas* established under the Accord since October 2013. In total, the *Special Housing Areas* were anticipated to yield 15,500 new homes, contributing toward the Accord target of 39,000 new homes over three years.  The second batch of Special Housing Areas included many larger developments as well as more urban intensification projects as well as greenfields projects. They included Scott Point, which brought the remainder of the Hobsonville peninsula into a *Special Housing Area*, and Northern Tamaki to enable the Tamaki Regeneration Projection.  The *Auckland Housing Accord* between the *Auckland Council* and the government provided for the creation of *Special Housing Areas* by the *Auckland Council*, with the approval of the government. Applications for sub-divisions that met the required criteria were then able to be considered by the Council under the fast-tracked mechanisms in the *Housing Accords and Special Housing Areas Act 2013*, instead of *the Resource Management Act 1991*. This required approvals within six months for greenfield developments.  The 11 additional Special Housing Areas were formally designated from 13 December 2013, following an *Order in Council* (*Housing Accords and Special Housing Areas (Auckland) Amendment Order 2013*). |
| 17 December 2013 | **Child Support Scheme: Changes delayed** | It was announced that the changes to the *Child Support Scheme* scheduled for April 2014 and April 2015 were to be delayed. The changes to the formula would now apply from 1 April 2015 with changes to the payment, penalty and debt rules now applying from 1 April 2016.  The delay was attributed to the complexity of the changes and the need for the *Inland Revenue Department* to have additional time to implement the new scheme.  The changes were announced on 21 August 2011, in response to the submissions received on the 2010 *Review of the Child Support Scheme*. Legislative provision for the changes had been made in the *Child Support Scheme Amendment Act 2013*. |
| 20 December 2013 | **Housing Accords and Special Housing Areas Act 2013: Additional regions/districts added.** | A further eight regions/districts were added to Schedule 1 of the *Housing Accords and Special Housing Areas Act 2013*. These additional scheduled districts were:   * Christchurch City; * Wellington City; * Hutt City; * Upper Hutt City; * Porirua City; * Kapiti; * Tauranga City; and * Western Bay of Plenty.   Under the Act, the Government and a *Territorial Authority* whose district was within a scheduled region or district could enter into an agreement to work together to address housing supply and affordability issues in the district of the territorial authority (a *Housing Accord*).  This was the first step, with Government and the territorial authorities commencing work on identifying the barriers to supply and affordability of housing in each of the districts and then putting in place measures to make improvements. These measures could include declaring an area within a scheduled region or district to be a *Special Housing Area* for the purpose of the Act.  Applications for sub-divisions that met the required criteria were then able to be considered by a Council under the fast-tracked mechanisms in the *Housing Accords and Special Housing Areas Act 2013*, instead of the *Resource Management Act 1991*. This required approvals within six months for greenfield developments.  Prior to this, Auckland was the only scheduled region under the Act. |
| 1 January 2014 | **Student Allowances and Loans: Residency criteria tightened** | Students who were not New Zealand citizens, refugees or protected persons (or had not been sponsored into New Zealand by a family member who was recognised as a refugee or a protected person) needed to be entitled to reside indefinitely in New Zealand, and been living in New Zealand, for three years (previously two years) before they could qualify for a *Student Allowance* or a *Student Loan*.  Students would have become eligible for an Allowance or a Loan under the previous ‘two-year rule’ had their eligibility grandparented to enable them to receive a *Student Allowance* and a *Student Loan* from the date that they became eligible in 2014. In addition, students who met the ‘two-year rule’ in 2013 retained their eligibility after 1 January 2014. |
| 1 January 2014 | **Student Allowances: Reduced entitlement for people aged 40 or over** | The *Student Allowance* 200-week limit was reduced to 120 weeks (approximately three years of study) for students aged 40 years or over on the date they started their study.  For students who started study in 2013 and where that study carried over into 2014 (i.e. cross-year study), they were assessed under the 200-week limit for the duration of that period of study. |
| 1 January 2014 | **Student Allowances: Eligibility removed for students aged 65 or over** | For study starting on or after this date, students aged 65 or over were no longer eligible for a *Student Allowance*. If a student was aged 64 years at the date of starting study and they turned 65 during that period of study, they were assessed under the 120-week limit for the duration of that period of study.  Students who started study in 2013, which carried over into 2014, continued to be assessed under the 200-week limit for the duration of that period of study. |
| 1 January 2014 | **Youth Guarantee: Extended to 18-19 year olds** | The *Youth Guarantee Scheme* was expanded to 18- and 19-year olds.  The Scheme provided fees-free Level 1 and Level 2 qualifications at tertiary institutions and at trades and services academies. The scheme had been established in 2010 for students who found the traditional classroom environment challenging and were at risk of dropping out of school. By 2012, the scheme was available to 16- and 17-year olds, 15-year olds with an early leaving exemption and 18-year-old teen parent beneficiaries. In 2012, 8,900 students were enrolled in *Youth Guarantee Programmes*.  Students could only access Living Cost and Course-Related Costs components of the *Student Loan Scheme* as *Youth Guarantee* courses were fees-free. If they met the criteria, they were eligible for a *Student Allowance.* |
| 1 January 2014 | **Fees-free Foundation Education for 20 to 24-year olds** | Foundation education (Level 1 and Level 2 courses) became fees-free for 20 to 24-year olds. These courses could be in a secondary school, a *Youth Guarantee Programme* or at a tertiary provider, such as a private training establishment.  While most people achieve these qualifications in a school setting, the focus of this initiative was older people who had not achieved at school. This included beneficiaries referred to foundation level courses by the *Ministry of Social Development*.  With the extension of the *Youth Guarantee* to 18-19-year olds, all people below the age of 25 had access to fees-free Level 1 and Level 2 courses. |
| 1 January 2014 | **Student Loans: Students under 18 undertaking fees-free level 1 or level 2 qualifications** | Students who were aged less than 18 years on the start date of a course (which is on or after 1 January 2014) that was a fees-free Level 1 or Level 2 qualification no longer qualified for any component of the *Student Loan*.  If the course was eligible, a student under the age of 18 undertaking a fees-free Level 1 or Level 2 qualification could still be eligible to receive a *Student Allowance*. |
| 13 January 2014 | **Orphan’s Benefit and Unsupported Child’s Benefit: Additional payments for carers** | Additional payments for recipients of the *Orphan’s Benefit* or *Unsupported Child’s Benefit* were introduced with provision in a new *Ministerial Welfare Programme* under section 124(1)(d) of the *Social Security Act 1964* – *Orphan's and Unsupported Child's Benefit (Additional Assistance) Programme.*  **School and Year Start-up Payment**   * The *School and Year Start-up Payment* was designed to help with costs that most happen at the beginning of the year, in particular, pre-school and school-related costs such as clothing, school fees and stationery. * The amount received was based on the age of the child at the end of February:   0-4 years $250 (2014), $400 (2015 and beyond);  5-9 years $300 (2014), $450 2015 and beyond);  10-13 years $350 (2014), $500 (2015 and beyond); and  14+ years $400 (2014), $550 (2015 and beyond).   * Application for the *School and Year Start-up Payment* needed to be made to the *Ministry of Social Development* before the end of February and it was paid within ten working days. An application needed to be made each year.   **Establishment Grant**   * When carers applied for an *Orphan’s Benefit* or an *Unsupported Child’s Benefit,* they automatically received a one-off grant of $350 to assist with the costs of bringing a child into their care. This was to help the child settle into their new home and could be used to assist with costs such as a bed, bedding and clothing. * The *Establishment Grant* was not available to carers who received an up-front payment for a child as part of the *Child, Youth and Family Home-for-Life Support Package*. * The *Establishment Grant* could only be paid once for the child. If the child left care (resulting in the *Orphan’s Benefit* or *Unsupported Child’s Benefit* being stopped) and then returned after a period of time, the *Establishment Grant* was not paid again.   **Extraordinary Care Fund**  It was announced that from July 2014 a discretionary *Extraordinary Care Fund* would be available for those families caring for children who needed extra support.  The provision of additional financial assistance for carers receiving the *Orphan’s Benefit* or *Unsupported Child’s Benefit* had been signalled in the Government’s *White Paper on Vulnerable Children* (October 2012). |
| 15 January 2014 | **Actuarial valuation of the Social Security System: Valuation 2012/2013** | The Government released the third annual actuarial valuation of the social security system.  The actuarial valuation (at 30 June 2013) showed a current lifetime liability of $76.5 billion (the future costs of those receiving a benefit at any time in the 12 months up to the end of June 2013). This compared to the June 2012 liability of $86.8 billion, though the June 2012 liability was reduced to $85.3 billion, due to a methodology correction.  Of the $10.3 billion reduction in liability, $4.4 billion was attributed to *the Ministry of Social Development* exceeding expectations by getting more people off benefit for longer, and less people coming on to benefit. A large factor in the decrease was discount rates, which had risen, resulting in a $3.0 billion decrease in the total liability. The CPI increase applied to benefits on 1 April 2013 was, at 1.49 percent, lower than the projected 2.1 percent. This reduced the liability by $1.1 billion.  Once factors outside the *Ministry of Social Development’s* control were removed, a $180 million lower than expected benefit payments contributed to a $4.4 billion decrease in liability ($1.8 billion from lower numbers of beneficiaries at the valuation date and $2.6 billion due to improvement in future forecasts). The June 2013 valuation included:   * the continuing impact of the September 2010/May 2011 *Future Focus* changes; * the initial impact of the implementation of the *Youth Service* and associated changes to youth benefits from August 2012; * the initial impact of changes to work expectations for beneficiaries from October 2012; and * the impact of the trial of the *Ministry of Social Development’s* new service delivery model in 24 sites from October 2012. |
| January 2014 | **Multi-category appropriation for employment assistance** | A new Multi-category Appropriation (MCA), the first of its kind, was introduced for employment assistance. The MCA enabled greater financial flexibility by allowing the *Ministry of Social Development* to refocus funding to investments that improved employment outcomes, while disinvesting in services that proved ineffective. A critical element of this flexibility was achieving understanding of what works for different groups of people through trialling different approaches.  The MCA also required strong accountability measures and expected that the *Ministry of Social Development* would provide the evidence of what works best. |
| 18 February 2014 | **New Zealand Carer’s Strategy: Second Carer’s Strategy Action Plan launched** | The second *Five-year Action Plan (2014 – 2018)* was launched by the *Minister for Senior Citizens* following a period of public consultation.  The Action Plan set out a range of actions under the following five objectives:   * enable whänau, aiga, family and carers to take a break; * protect the health and wellbeing of whänau, aiga, family and carers; * provide information whänau, aiga, family and carers need; * improve pathways to paid employment for carers and support for whänau, aiga, family and carers to balance their work, life and caring roles; and * increase awareness and understanding of the carer’s role.   The *New Zealand Carers’ Strategy* and the first *Five-year Action Plan* had been released in April 2008. |
| 1 March 2014 | **Disability Allowance: Accredited supplier arrangement for medical alarms** | From March 2012, people seeking assistance through the *Disability Allowance* with the cost of medical alarms were required to obtain their medical alarm from an accredited supplier. Payment could be made in respect of alarms supplied by a non-accredited supplier only in cases where there were exceptional circumstances (including contracts in place prior to 1 March 2012, there being no accredited supplier in the area that the client lives or that the client has special needs, such as non-English speaking, deaf or hearing impaired, that could not be met by an accredited medical alarm supplier).The accreditation arrangements for medical alarm suppliers were determined through a competitive selection process.  Following a further competitive process, the accredited supplier arrangements for medical alarms were continued for a further two years. The process resulted in some changes to the list of accredited suppliers.  Around $42 million per year was provided through the *Disability Allowance* for people to purchase medical alarm services. The accreditation arrangements, announced as part of the 2011 Budget, were intended to reduce the overall cost of medical alarm services. |
| 6 March 2014 | **Employment and Work Readiness Assistance Programme** | *The Employment and Work Readiness Assistance Ministerial Welfare Programme* (EWRA) provided for the granting, at the absolute discretion of the *Ministry of Social Development* and within the limits set out in the programme, of special assistance for eligible people who were or may be at risk of long-term benefit receipt:   * to help them become ready for work by reducing barriers to their employment; and * if they were ready for work, to help facilitate their transition into, and retention of, sustainable employment.   The schedule set out the types of employment or work readiness assistance and the maximum amount payable:   * work confidence and motivation assistance; * wage subsidies; * education and employment-related training; * job search assistance, employment placement and in-work support services; * additional costs associated with employment, study or employment-related training; * assistance to transition into employment; * extra or specialist assistance for eligible people with sickness, injury or disability; * assistance to enter self-employment; * assistance to access childcare; * career guidance and information services; and * work experience, activity in the community and voluntary work.   Within the context of the *Multi-category Appropriation* (MCA) the EWRA provided the governance framework for multiple categories of assistance that contributed to the purpose of improving employment and social outcomes for beneficiaries that moved them closer to independence.  From 1 July 2014, the EWRA was amended to replace the *Ministerial Guidelines for Employment and Training Assistance*. |
| 25 March 2014 | **Refocus of the Families Commission** | The *Families Commission Amendment Act 2014* came into force. The Act changed the role of the *Families Commission* to include the *Social Policy Evaluation and Research Unit* (SUPERU).  SUPERU was intended to offer a service to the whole social sector to meet the need for independent evidence-based research around social services. The Act required the Commission, as part of its main function of advocating for families, to prepare and publish an annual *Families*  *Status Report* on the well-being of families and established a *Social Science Experts Panel* that provided academic peer review of all research are reports carried out or issued by the Commission.  From 1 December 2014, the Commission started operating as the *Social Policy Evaluation and Research Unit* (SUPERU).  The Act also provided a more streamlined structure for the Commission. A single Commissioner (down from the original seven). The Commissioner was supported by a board of up to six other members.  The *Families Commission* had been established on 1 July 2004, under the *Families Commission Act 2003*. It was dis-established on 30 June 2018. |
| 1 April 2014 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 50c per hour to $14.25 gross per hour ($570 for a 40-hour week).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by 40c per hour to $11.40 gross per hour (80 percent of the adult minimum wage). |
| 1 April 2014 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions and other Social Security Allowances* were increased by 1.38 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting benefit rates excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. |
| 1 April 2014 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 1.38 percent required a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, the net rate of *New Zealand Superannuation* paid to a married couple who both qualified was increased by 2.66 percent. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2014 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by the movement in the *Consumer Price Index* (less cigarettes and tobacco). A further adjustment was made to some income cut-out points (single sharing, single living alone and couple) to ensure that recipients of *New Zealand Superannuation* or a *Veteran’s Pension* did not lose eligibility as a result of the increase to the rate of their pension. The new income levels were:   * $25,594 Single (sharing); * $27,150 Single (alone); * $40,590 Couple; * $48,549 2 person family; * $58,793 3 person family; * $66,940 4 person family; * $74,919 5 person family; and * $83,837 6 person family.   For each additional child thereafter, income levels increased by $7,857. |
| 1 April 2014 | **Disability Allowance: Income limits** | As a result of the increase to the rates of *New Zealand Superannuation* and *Veteran’s Pension* changes were made to the income limits for the *Disability Allowance* to ensure that no superannuitant lost access to the *Disability Allowance* solely as a result of the increase to the rate of their superannuation.  As a result, the income limits for the *Disability Allowance* for a single adult and a couple were increased by 1.92 percent and 2.01 percent respectively. For other family types, the standard adjustment of 1.38 percent (based on the *Consumer Price Index)* was applied. |
| 1 April 2014 | **ACC Earner Premium reduced** | The *ACC* *Earner Premium* was reduced from 1.70c (GST inclusive) to 1.45c (GST inclusive) in the dollar. The maximum earnings liable for the *Earner Premium* increased to $118,191 with the maximum premium of $1,713 for the 2014/2015 tax year. |
| 1 April 2014 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $885 per annum ($17.00 per week) to reflect the increase in the *Consumer Price Index*. The maximum earnings liable for *Child Support* were $134,081 for the 2014/2015 tax year. |
| 1 April 2014 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $22,724 to $22,776 ($438 net per week). |
| 1 April 2014 | **Student Allowance: Parental income threshold frozen until 31 March 2016** | The *Parental Income Threshold* for a *Student Allowance* remained frozen at $55,027.96 for the 2014/2015 year. This was in response to fiscal constraints and the need to target allowances to those most in need.  As part of the 2012 Budget, it was announced that the *Parental Income Threshold* for a *Student Allowance* would be frozen at $55,027.96 until 2016. |
| 1 April 2014 | **Student Loan Scheme: Repayment threshold (frozen until 31 March 2015)** | The *Student Loan Repayment Threshold* remained at $19,084 for the 2014/2015 tax year. This followed the announcement in the 2011 Budget that the repayment threshold would be held at its current level until 31 March 2015. The repayment threshold was last adjusted on 1 April 2009.  Loan repayments at 12c in the dollar were required on income above the threshold. |
| 1 April 2014 | **Student Loans: Repayment obligations for overseas borrowers tightened** | The repayment obligation for overseas-based borrowers with a loan balance over $45,000 was increased. The new full-year repayment obligation was dependent on the total loan balance:   * under $1,000 (the entire balance); * $1,000 to $15,000 ($,1000); * over $15,000 and up to $30,000 ($2,000); * over $30,000 and up to $45,000 ($3,000); * over $45,000 and up to $60,000 ($4,000); and * over $65,000 ($5,000)   The repayment obligation no longer decreased as the loan balance reduced. It did, however, increase if the loan balance increased.  The new repayment obligations were intended to speed up repayment for overseas-based borrowers, reduce the amount of interest that they had to pay and ensure that more borrowers made sufficient repayments to at least cover the interest on their student loan.  Stronger measures were also introduced for those who had defaulted on the overseas-based repayment obligation. The *Inland Revenue Department* could request an arrest warrant to stop borrowers leaving New Zealand if they visit and are significantly behind on the overseas-based repayment obligation. A similar provision already existed in relation to *Child Support* under the *Child Support Act 1991*. |
| 1 April 2014 | **Student Loans: Definition of income for assessing repayment obligations** | The definition of income used to calculate student loan repayments obligations for New Zealand-based borrowers was expanded to include a number of new income types and adjustments.  Most of the income types and adjustments were already used for calculating entitlement to *Working for Families Tax Credits*. From April 2011, a broader definition of income had been introduced for the *Working for Families Tax Credits* and the *Community Services Card*. |
| 14 April 2014 | **Social housing assessment and administration of the Income-related Rent Subsidy transferred to the Ministry of Social Development** | As part of the government’s reform of social housing, a number of housing functions were transferred from *Housing New Zealand Corporation* to the *Ministry of Social Development*.  The functions that were transferred to the *Ministry of Social Development* included:   * screening people’s eligibility for social housing; * assessing people’s social housing needs; * managing the waiting list for social housing; * referring potential tenants to approved social housing providers, including *Housing New Zealand Corporation*; * reviewing social housing tenancies (from 1 July 2014); * calculating and reviewing income-related rents; * calculating income-related rent subsidies; * providing options and advice on alternative housing solutions; and * managing debt and fraud associated with income-related rent payments.   The transfer of functions to the *Ministry of Social Development* was intended to:   * enable a more comprehensive view of people’s overall needs (over 80 percent of state housing primary tenants received support from the Ministry); * ensure that housing needs assessment was independent from social housing providers; and * create a level playing field between registered community housing providers and *Housing New Zealand Corporation*.   The changes to social housing had been announced in the 2013 Budget and followed the 2010 report of the *Housing Shareholders Advisory Group: Home and Housed: A Vision of Social Housing in New Zealand.* |
| 14 April 2014 | **Ministerial Direction on Eligibility for Social Housing** | The *Ministerial Direction on Eligibility for Social Housing* set the eligibility criteria for social housing. The criteria were similar to those previously applied by *Housing New Zealand Corporation*. For a person to be eligible for social housing they:   * must meet the age and residency qualifications; * must meet an Income and asset test; and * have a persistent housing need that is serious or severe and must be addressed immediately.   **Age qualification**   * aged 18 years or older; or * aged 16-17 years and be, or have previously been married or in a civil union; or * aged 16-17 years, subject to the person obtaining under the *Minors’ Contracts Act 1969*, approval to enter into a tenancy agreement for social housing.   **Residential qualification**   * a New Zealand citizen; or * a permanent resident who has been in New Zealand for more than two years since they became a permanent resident; or * a person receiving a main social security benefit (including an *Emergency Benefit*) was deemed to meet the residential qualification.   **Income threshold**  For a single person with no dependants:   * 1.5 times the after-tax weekly living alone rate of *New Zealand Superannuation*   For other persons:   * 1.5 times the after tax weekly married couple rate of *New Zealand Superannuation*   **Asset threshold**  A person was required to have cash assets under 10 percent of the national median house price. The actual limit, of $42,700 was adjusted from time to time by the *Ministry of Social Development* with reference to data from the *Real Estate Institute of New Zealand*.  **Housing need**  In determining whether a person had a serious or severe housing need, the *Ministry of Social Development* was required to have regard to the following factors:   * affordability; * adequacy; * suitability; * accessibility; and * sustainability.   For people living in areas affected by the Canterbury earthquake, the *Ministry of Social Development* could disregard affordability and adequacy when determining housing need.  The Ministerial Direction was given by Ministers (Finance, Social Development and Housing) under section 102(2) of the *Housing Restructuring and Tenancy Matters Act 1992*. |
| 14 April 2014 | **Income-related rent subsidy extended to registered community housing providers.** | From this time, the *Income-related Rent Subsidy* was extended to registered community housing providers. For tenants assessed as eligible by the *Ministry of Social Development*, the subsidy was paid to community housing provider. Prior to this, the subsidy was available only to tenants of *Housing New Zealand Corporation*.  The *Income-related Rent Subsidy* was not extended to local authorities who provided social housing. Where eligible, tenants of council housing continued to receive the *Accommodation Supplement*.  By 30 June 2014, the *Ministry of Social Development* had contracts with 20 community housing providers to receive the *Income-related Rent Subsidy*. |
| 14 April 2014 | **Community Housing Regulatory Authority established** | The *Community Housing Regulatory Authority* (within the *Ministry of Business, Innovation and Employment*) was established to monitor community housing providers to whom *the Income-related Rent Subsidy* was paid (other than *Housing New Zealand Corporation*). Its role was to ensure that community housing providers had good tenancy services, quality homes and prudent financial management  From 14 April 2014, community housing providers who were registered with the Authority were eligible to receive the *Income-related Rent Subsidy* for tenants assessed as eligible by the *Ministry of Social Development*.  Initially, 32 organisations were registered as community housing providers. By 30 June 2014, the Ministry of Social Development had contracts with 20 providers to receive the *Income-related Rent Subsidy*.  The *Housing Restructuring and Tenancy Matters (Community Housing Provider) Regulations 2014* provided for the registration and regulation of community housing providers.  The government’s social housing reforms sought to expand the social housing sector by encouraging community organisations to become providers alongside *Housing New Zealand Corporation*. The government’s goal was that 20 percent of social housing would be provided by non-government organisations by 2017. |
| 14 April 2014 | **Functions of the State Housing Appeal Authority taken over by the Social Security Appeal Authority** | From 14 April 2014, a person could lodge a *Review of Decision* and an appeal in respect of any reviewable decisions relating to social housing, including any that are were in relation to a decision made by *Housing New Zealand Corporation* prior to this date. These reviews and appeals were managed by the *Ministry of Social Development*.  The resulting reviewed decisions were, from 14 April 2014 able to be appealed to the *Social Security Appeal Authority*.  Any reviews lodged prior to 14 April 2014 were managed by *Housing New Zealand Corporation* and any appeals lodged prior to 14 April 2014 were managed by *Housing New Zealand Corporation* and heard by the *State Housing Appeal Authority (SHAA)*. |
| 16 April 2014 | **Christchurch Housing Accord 2014 to 2016** | The *Christchurch Housing Accord* was agreed between the *Minister of Housing* and the *Mayor of Christchurch*. The Accord was established under the provisions of the *Housing Accords and Special Areas Act 2013* and set out agreed targets and how the parties would work together to achieve the outcomes of the Act.  The Accord aimed to increase the immediate and longer-term supply and affordability of homes in Christchurch. The long-term goal was to restore a well-functioning, private sector-led housing market in Christchurch with sufficient supply at the lower end of the market to ensure adequate access to housing for those with lower incomes. The Accord also aimed to support the sustainable provision of social housing in Christchurch, by increasing the quantity of social housing units and better matching the nature of stock to demand.  **The priority actions were**:   * to develop or facilitate development by private developers of medium density affordable housing some of which may be used for temporary housing before being available to the market: * the Council would make land available at fair market value, with deferred payment; and * the Government would establish a $75 million *Christchurch Housing Accord Fund* to develop the identified sites and other suitable sites that may be identified. * Establishment of a Housing Entity * the Accord provided for the establishment of a housing entity or entities to redevelop Council- owned social housing assets and to develop social and/or affordable housing to better meet the future needs of the city; * the Council agreed to capitalise the entity, or entities with $50 million over three years and the Government agreed to work with the Council to enable the entity to become a registered *Community Housing Provider* and have access to the *Income-related Rent Subsidy* for qualifying tenants.   **The medium-term targets were**:   * a 10 percent reduction in the number of households at the 40th percentile of household income paying more than 30 percent of their income on housing; * an increase in the proportion of new build consents with a value of less than $250,000 (value of consent only); and * 700 (net) additional social housing units by the end of 2016.   The Accord differed from the *Auckland Housing Accord* in that it did not use the *Special Housing Areas* (SHAs) provided for under the Act. This was because the *Land Use Recovery Plan* developed under the *Canterbury Earthquake Recovery Act 2011*, had been designed to play a similar role in terms of making land available upon which to build.  Following public consultation, the Accord was ratified by the *Christchurch City Council* on 11 September 2014, and it was expected to remain in place until the repeal of the legislation in September 2016, though any consent applications underway at that time could continue to be progressed under the Act’s provisions until September 2018. |
| April 2014 to June 2014 | **Ministry of Social Development service centres re-branded** | Between April 2014 and June 2014, 44 *Work and Income* Service Centres were re-branded as *Ministry of Social Development* Service Centres. These sites all offered housing assessment services, while 36 of the sites contained a mix of services in addition to *Work and Income* (eg *Child, Youth and Family, StudyLink or Senior Services*).  This change was part of longer-term initiative to rebrand all service centres with the *Ministry of Social Development* brand. It reflected a move toward more client-centred and connected Ministry services. |
| 5 May 2014 | **Advance Payment of Benefit: Preferred supplier arrangement for optical goods and services** | Following on from the preferred supplier arrangement for whiteware (September 2013), a preferred supplier arrangement for optical goods and services was introduced in the *Ministry of Social Development’s* southern region  The arrangement applied to hardship assistance (*Advance Payment of Benefit* and *Recoverable Assistance for Non-beneficiaries*).The goods and services that came under the agreement included fixed-cost eye examinations, lenses, frames, the fitting of glasses and lenses and repairs. All new eye wear was covered by a two-year warranty. There were initially preferred supplier agreements with six suppliers (one being a consortium of suppliers).  People who wanted to apply for hardship assistance for optical goods and services were required to make an appointment at the *Ministry of Social Development* before seeing the optometrist. People who did not wish to use a preferred supplier were ineligible for hardship assistance.  At the time, the *Ministry of Social Development* was providing recoverable assistance of around $8.7 million per annum for optical services. The initiative was expected to see a reduction in debt established of around $21 million over five years.  The preferred supplier arrangement for optical goods and services was rolled out to the rest of New Zealand on 30 June 2014. |
| 7 May 2014 | **Auckland Housing Accord: 41 Special Housing Areas** | A further 41 *Special Housing Areas* under the *Auckland Housing Accord* were announced. These were expected to yield 18,000 new homes. This bought to 63 the number of *Special Housing Areas* established under the Accord since October 2013. In total, the *Special Housing Areas* were anticipated to facilitate 33,500 new homes, contributing toward the Accord target of 39,000 new homes over three years.  Many of the new *Special Housing Areas* were larger than those previously announced and included 34 direct requests from landowners or developers as well as extensions to three existing *Special Housing Areas*.  The 41 additional *Special Housing Areas* included seven strategic areas that had been identified by the Council as having good transport links and access to other infrastructure. These were larger areas where the Council wanted to signal to the market that they wanted to encourage growth. The seven strategic areas were:   * Great North Road; * Otahuhu Coast; * Flat Bush; * Northcote; * Albany East; * Takanini; and * New Lynn.   The *Auckland Housing Accord* between the *Auckland Council* and the government provided for the creation of *Special Housing Areas* by the *Auckland Council*, with the approval of the government. Applications for sub-divisions that met the required criteria were then able to be considered by the Council under the fast-tracked mechanisms in the *Housing Accords and Special Housing Areas Act 2013*, instead of the *Resource Management Act 1991*. This required approvals within six months for greenfield developments.  The additional areas were included in the *Housing Accords and Special Housing Areas (Auckland) Amendment Order 2014* which came into force on 31 July 2014. |
| 15 May 2014 | **Increase to Paid Parental Leave and the Parental Tax Credit announced** | As part of the 2014 Budget, the government announced increases to the financial support provided to families with a new-born baby.  **Paid Parental Leave**  *Paid Parental Leave* was to be increased from 14 weeks to 16 weeks on 1 April 2015 and then up to 18 weeks on 1 April 2016.  From 1 April 2016, the criteria for eligibility was also to be changed so many permanent guardians would also qualify for it. This included:   * primary carers providing permanent foster care, such as *Home for Life* parents; * people who have permanent guardianship; and * grandparents raising grandchildren.   From 1 April 2016, *Paid Parental Leave* was to be extended to less regular workers, casual and seasonal workers and those who have recently changed jobs. This included:   * employees who had worked an average of at least ten hours per week with any employer over any 26 of the previous 52 weeks.   **Parental Tax Credit**  From 1 April 2015, the *Parental Tax Credit* was to be increased from $150 per week to $220 per week and the period of the payment extended from eight weeks to ten weeks. This meant that the maximum payment would be increased from $1,200 to $2,200.  In addition, the abatement rate was to be increased from 3.26c to 21.25c for each additional dollar of family income. This change was intended to better target the *Parental Tax Credit* to low to middle income families and align it with the rest of the *Working for Families Scheme*. It was expected that around 400 higher-income families would no longer qualify.  Families with a new-born baby could receive the *Parental Tax Credit* if they were not receiving *Paid Parental Leave* and were not receiving a main *Social Security Benefit*. |
| 15 May 2014 | **Free doctors’ visits and prescriptions for under 13s announced** | As part of the 2014 Budget, it was announced that from 1 July 2015 the current provision for free doctors’ visits and prescriptions for children aged under six years would be extended to all children aged less than 13 years. |
| 15 May 2014 | **Veteran’s Pension: Extension of eligibility announced** | As part of the 2014 Budget, it was announced that eligibility to a *Veteran’s Pension* would be extended to all veterans with qualifying service, aged 65 or over.  A *Supplementary Order Paper* to the *Veterans’ Support Bill* (before the House at the time) removed the impairment threshold required for veterans aged 65 or over to be eligible for the *Veteran’s Pension*.  The change provided that all veterans with qualifying operational service would be eligible to apply for a *Veteran’s Pension* at the same rate, but instead of, *New Zealand Superannuation*. This provided the following additional benefits for qualifying veterans:   * *the Veteran’s Pension* was not reduced to the *Hospital Rate* as a result of long-term hospitalisation; and * the veteran automatically received a *Community Services Card*, regardless of their income.   For veteran’s with qualifying service who were in receipt of a *War Disablement Pension* (of at least 70 percent under the *War Pensions Act 1954* or a permanent impairment payment of at least 52 percent under the *Veterans’ Support Act 2014*) the *Veteran’s Pension* also included:   * lump sum payment on death; and * *Veteran’s Pension* and a *Community Services Card* for a spouse/partner.   The change was implemented from 7 December 2014. |
| 15 May 2014 | **Student Support System: Changes to better align support for sole parent students with the social security system** | As part of the 2014 Budget, three changes were announced to better align the provision of student support and the social security system. The changes were intended to remove the financial disincentive for some sole parent beneficiaries to move into full-time study and to receive financial support from a *Student Allowance*.  The proposed changes were:   * from 1 July 2015, sole parents taking up full-time study would receive at least the same level of accommodation assistance from the student support system as they would from the social security system. The criteria for the *Accommodation Supplement* would be used to calculate the amount of *Student Allowance Accommodation Benefit* a sole parent student would receive; * allowing voluntary child support arrangements to continue for sole parent students who needed to apply for a temporary social security benefit during academic breaks. Current policy required a sole parent applying for a social security benefit to name the other parent and make application to the *Inland Revenue Department* for a child support assessment; and * abolishing the stand down period for sole parents needing to apply for a social security benefit during the academic break.   The changes to child support rules and benefit stand downs were expected to be in place by the end of 2016. |
| 22 May 2014 | **Children’s Action Plan: Children’s Teams** | As part of the October 2012 *Children’s Action Plan*, the government announced that eight new *Children’s Teams* would be established by the end of June 2015 in the following locations:   * Horowhenua; * Marlborough; * Hamilton City; * Clendon/Manurewa/Papakura; * Gisborne; * Whakatane; * Wanganui; and * Christchurch.   The *Children’s Teams* recognised that vulnerable children needed help, but they did not all need a statutory social work response. In a *Children’s Team*, a trained person brought together professionals from health, education, social service agencies and NGOs to work with the child and their family and whanau. The Teams focused on the individual child and made sure that the right people were working together and the right services are being delivered to meet the needs of the child.  The rollout followed the establishment in 2013 of two demonstration *Children’s Teams* in Whangarei and Rotorua. |
| 24 June 2014 | **Wellington Housing Accord 2014 to 2016** | The *Wellington Housing Accord* was agreed between the *Minister of Housing* and the *Mayor of Wellington*. The Accord was established under the provisions of the *Housing Accords and Special Areas Act 2013* and set out agreed targets and how the parties would work together to achieve the outcomes of the Act.  Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 7,000 additional homes over five years.  The Accord gave the Council powers to streamline and speed up regulations to manage development. This included the option to recommend to the *Minister of Housing* the establishment of *Special Housing Areas* where resource consent and *District Plan* changes could be fast-tracked to allow more homes, including affordable homes to be built.  It was expected that the Accords would remain in place until 16 September 2016, when the repeal provisions in the *Housing Accords and Special Housing Areas Act 2013* were scheduled to take effect, though any consent applications underway at that time could continue to be progressed under the Act’s provisions until September 2018. |
| 26 June 2014 | **Payments made under the Employment and Work Readiness Assistance Programme: Exempt as a cash asset** | An amendment to the *Social Security (Income and Cash Asset Exemptions) Regulations 2011* provided that any lump sum payment made under the *Employment and Work Readiness Assistance Ministerial Welfare Programme* was not treated under the *Social Security Act 1964* as a cash asset. The asset exemption applied for period of 12 months from the date of the payment. |
| 26 June 2014 | **Fortnightly Minimum Wage Order** | The *Minimum Wage Amendment Order 2014* added a fortnightly minimum rate of wages for those workers who were not paid by the hour or by piecework, by the day, or by the week.  The Order set a fortnightly adult minimum wage of $1,140 before tax, increased by $14.25 for each hour worked in excess of 80 per fortnight. The *Starting Out Minimum Wage* and *Training Minimum Wage* was set at $912 per fortnight before tax and $11.40 for each hour worked in excess of 80 per fortnight.  The change mainly affected minimum wage earners who were paid salaries. The change was made in response to a concern that the weekly minimum wage did not reflect work practices such as salaried employees on fortnightly rosters. |
| 26 June 2014 | **Productivity Commission asked to investigate ways to improve public services in New Zealand** | The Government requested that the *Productivity Commission* investigate ways to improve the delivery of public services in New Zealand. The Commission’s Inquiry would focus on ways to improve productivity and generate better outcomes for New Zealanders from the Government’s investment in public services such as social housing, employment services, and programmes to reduce crime.  The Commission was asked to examine traditional and emerging innovative approaches to social services in particular; drawing on both international and domestic experience and assess their effectiveness. Examples of new approaches in governance, commissioning and delivery in New Zealand included the *Social Sector Trials* and *Whānau Ora*.  The inquiry was asked to consider how agencies identify social-service needs and make decisions about delivery. It will pay particular attention to commissioning arrangements and how effective these arrangements are at targeting services to the right clients, bringing together the right mix of agencies, and achieving desired outcomes.  In October 2014, the Commission released an Issues Paper. A draft report was released in April 2015 with the Commission’s final report released in September 2015.  The *Productivity Commission* was an independent Crown Entity, established under the *New Zealand Productivity Commission Act 2010*. Its research and advice was guided by a statutory purpose to improve the wellbeing of the community as a whole. |
| 1 July 2014 | **Reviewable tenancies extended to all Housing New Zealand tenants and others receiving the Income-related Rent Subsidy** | Reviewable tenancies were extended to all *Housing New Zealand* tenants and others receiving an *Income-related Rent Subsidy.* Reviewable tenancies for new *Housing New Zealand Corporation* tenants had been introduced from 1 July 2011.  Tenancy reviews were undertaken by the *Ministry of Social Development* to assess whether the tenant still had a need for social housing. If not, a plan was developed to help them move to an alternative suitable property (private rental or another type of social housing). If a tenant of a registered *Community Housing Provider* was found to no longer be in need of social housing, the provider could choose to continue to house that person, but they no longer received the *Income-related Rent Subsidy*.  The purpose of tenancy reviews was to ensure that social housing was allocated to those with the greatest housing need and reflected that many people’s housing needs changed over time.  A Ministerial Direction: *Ministerial Direction on Continued Eligibility for Social Housing* set the continued eligibility criteria for social housing. The Direction provided that the *Ministry of Social Development* use affordability, accessibility and sustainability criteria along with the residential qualification and income and asset threshold criteria to review and determine continued eligibility for existing tenants. |
| 1 July 2014 | **Housing Support Package: Assistance to help people to move to more appropriate housing**  **Housing Support Assistance Programme**  **(Housing Support Products)** | The *Housing Support Package* was established to help people better access private housing and to assist tenants with the transition from social housing to private housing. The target group was people, who with a little help, could manage private accommodation, including:   * social housing tenants, including those undergoing a tenancy review, to leave social housing; * people on the social housing waiting list, or people who had contacted the *Ministry of Social Development* about social housing, to stay in their existing housing.   Support was also available to existing social housing tenants to move to another social housing tenancy that better met their needs. The *Housing Support Package* was administered by the *Ministry of Social Development*.  The *Housing Support Assistance Programme* under *Social Security Act 1964*, provided for the granting, in the discretion of the Chief Executive of the *Ministry of Social Development* and within the limits set out in the programme, of special assistance to alleviate hardship in relation to housing. The programme provided the following financial products and also aimed to address barriers to accessing or retaining housing by meeting needs not covered by other forms of assistance:   * bond grants (non-recoverable assistance to help meet the cost of tenancy bonds for rental housing other than social housing); * moving assistance (recoverable assistance to help meet the costs of moving household furniture and effects); * letting fees assistance (recoverable assistance to help meet letting fees charged for rental housing other than social housing); * transition to alternative housing grants (non-recoverable assistance to help reduce the impact on an applicant's overall financial situation of moving from social housing and consequently, reducing the disincentives of moving into alternative housing); and * tenancy costs cover (recoverable assistance to help meet liabilities to private sector landlords at the end of tenancies).   In general, assistance was available only to applicants who were tenants of social housing or awaiting allocation of social housing, or who contacted the *Ministry of Social Development* in relation to their housing needs and were disadvantaged in the housing market. |
| 1 July 2014 | **Residential Care Subsidy: Adjustment of asset levels** | The asset thresholds for the *Residential Care Subsidy* were adjusted by the movement in the *Consumer Price Index* (all groups) for the year to the end of March 2014 (1.53 percent).  Single people and couples with both partners in care were able to keep up to $218,423 in assets - up from $215,132, before they were used to contribute to the cost of their care. Couples both 65 years or over with one in residential care were able to keep $119,614 (excluding family home and car) - up from $117,181, or they could elect the higher asset threshold of $218,423 (including family home and car). |
| 1 July 2014 | **Residential Care Subsidy: Increase to the income from assets exemption** | The ‘income from assets exemption’ for the *Residential Care Subsidy* was adjusted by the movement in the *Consumer Price Index* for the year ending 31 March 2014 (less the price increases from cigarette and tobacco products) 1.20 percent. The new income from asset exemption levels (after tax) were:   * single people: $963 per annum; * couple (both in care): $1,925 per annum; and * couple (one in care): $2,887 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2014 | **Social Housing Fund extended** | The 2014 Budget had provided on-going funding of $10 million per year for the *Social Housing Fund*. The Fund had been established in 2011 to help the community housing sector provide homes for high-needs families. The extension of the Fund was part of the government’s social housing reforms to grow the community housing sector.  The *Social Housing Unit*, within the *Ministry of Business, Innovation and Employment* was responsible for allocating funding. There were two capital grant rounds run each year (with some capacity for opportunistic applications) which were open to community housing providers that meet the *Social Housing Fund* eligibility criteria and had become pre-qualified providers. |
| 1 July 2014 | **Paid Parental Leave increased** | *Paid Parental Leave* was increased from a maximum of $488.17 gross per week to a maximum of $504.10 gross per week. This reflected the movement in average weekly earnings over the previous year.  The minimum payment for self-employed parents increased from $137.50 per week to $142.50 per week. |
| 1 July 2014 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $595 to $605; and * the income threshold was increased from $23,870 to $24,250.   The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2014/2015 rating year was $24,250 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2014/2015 rating year (1 July 2014 to 30 June 2015). |
| 1 July 2014 | **Travel Concession for Veterans: Mileage rate increased** | The travel concession mileage rate paid to eligible veterans increased by 20 percent. Veterans  with a 100 percent *War Disablement Pension* were eligible for a travel concession, which entitled them to the reimbursement of the costs associated with qualifying travel within New Zealand for personal or private purposes. The mileage rate was increased to 27.1 cents per kilometre, a 20 percent increase from the previous travel concession mileage rate of 22.5 cents per kilometre which was set in May 2010 when the current *Travel Concession Scheme* was introduced. |
| 1 July 2014 | **Ministerial Guidelines for Employment and Training Assistance replaced** | The *Employment and Work Readiness Ministerial Welfare Programme* (EWRA) was amended to replace the *Ministerial Guidelines for Employment and Training Assistance*. The EWRA also replaced the Transition to Work (TTW), Training Incentive Allowance (TIA) and Course Participation Allowance (CPA) welfare programmes. As a consequence, the TTW and CPA welfare programmes were revoked.  The *Ministerial Guidelines for Employment and Training Assistance* were revoked with the exception of:   * the guidelines that related to job streams and the flexi-wage, but only for the purpose of granting the *Flexi-wage Subsidy* and *Flexi-wage Capitalisation Grant* under self-employment assistance; and * the guidelines that provided for extra employment support for people with ill-health and/or disabilities (other than for provision of *PATHS*). |
| 1 July 2014 – 30 June 2015 | **Assistance for beneficiaries taking up jobs in Christchurch: ‘$3k to Christchurch’** | Beneficiaries who had an offer of full-time employment in Christchurch and who were ready and willing to move there were offered a one-off payment of $3,000.  The payment was to be offered to 1,000 beneficiaries, was intended to help with the cost of moving, including organising accommodation, clothing, tools and other purchases they might have to make. Beneficiaries did not have to provide proof of costs. The payment was open to beneficiaries of all ages, but a particular focus was placed on young people aged 18-24 years.  To qualify, the job offered had to be for over 30 hours per week and expected to last longer than 91 days. If a recipient reapplied for a social security benefit within three months of the payment, without a sufficient reason, the payment had to be repaid.  The payment was made as a lump sum under the *Employment and Work Readiness Assistance Programme*. It was non-taxable and exempt from any income or asset test for other social security assistance. Beneficiaries could also qualify for *Transition to Work Assistance* or *Recoverable Assistance* in addition to the $3,000 payment. Employers who hired beneficiaries, remained, where eligible, for wage subsidies.  The initiative covered jobs within the geographical areas of Ashburton, Huranui, Selwyn and Waimakariri District Councils and the *Christchurch City Council* and was available to beneficiaries living outside of these areas. In addition to the financial assistance, the *Ministry of Social Development* promoted Canterbury jobs nationwide in an effort connect beneficiaries to jobs in Canterbury.  The initiative was intended to help respond to the shortage of labour and the needs created by the rebuilding of Christchurch. It remained in place until 30 June 2015. |
| 1 July 2014 | **Cheque duty repealed** | Cheque duty levied at a rate of 5c per cheque was abolished. With the decline in the use of cheques the revenue raised from the duty had fallen from $17 million in 1991/992 to around $4 million in 2013/2014. Cheque duty was also easy to avoid as substitutable transaction types (cash, EFTPOS, internet banking and credit cards) were not subject to duty.  In 2001, the government-appointed, but independent, *Tax Review 2001* (McLeod Review) had recommended that cheque duty be repealed as it was easily avoided and raised minimal revenue (about $10 million per annum at the time). In 2001, this was not seen as a priority for the government, for fiscal reasons.  Transaction duties were seen as a relic of time before the *Goods and Services Tax* was introduced in 1986. Prior to its abolition, cheque duty was the one remaining transaction tax. Other duties, such as estate, gift, stamp and credit card transaction duties had been repealed since 1988, mainly because they had become outmoded and ineffective as revenue raising methods. |
| 1 July 2014 | **Social Housing: Amendment to the eligibility criteria** | An amendment to the *Ministerial Direction on Eligibility for Social Housing* (given on 14 April 2014) provided the *Ministry of Social Development* with the discretion to include cash assets that were realisable for a person or applicable person's personal use. If the Ministry was satisfied that a person, including an applicable person, had not realised any assets available for their personal use the Ministry could treat those assets as the cash assets when assessing eligibility to social housing. |
| 1 July 2014 | **Mäori Housing Strategy launched** | The *Māori Housing Strategy – He Whare Āhuru He Oranga Tāngata* reflected the Government’s desire for a long-term strategy to improve Māori housing and respond to the housing aspirations of whānau, hapū and iwi. The Strategy addressed the recommendations in a 2011 report from the *Controller and Auditor-General*: *Government Planning and Support for Housing on Māori land* and the New Zealand Productivity Commission’s 2012 report on its Housing Affordability Inquiry.  The Strategy set out six directions to improve Māori housing over the period 2014 to 2025. The first three directions set out the opportunities open to Māori and their whānau to improve their housing situation. The remaining three directions set out the opportunities for Māori organisations to create more housing choices for Māori. The six directions were:   * Direction 1: Ensure the most vulnerable Māori have secure tenure, and access to safe, quality housing with integrated support services; * Direction 2: Improve the quality of housing for Māori communities; * Direction 3: Support Māori and their whānau to transition to preferred housing choices; * Direction 4: Increase the amount of social housing provided by Māori organisations; * Direction 5: Increase housing on Māori owned land; and * Direction 6: Increase large scale housing developments involving Māori organisations. |
| 1 July 2014 | **Hardship Assistance: Caregivers of new-born children** | The *Ministerial Direction in Relation to New-born Children and Hardship Assistance* clarified the existing policy settings for hardship assistance for principal caregivers of new-born children aged less than 12 months. The Direction provided that:   * the *Ministry of Social Development* must consider the presence of a new-born child when considering whether to apply certain hardship obligations; * ministerial expectations around considering the presence of a new-born child when determining whether exceptional circumstances exist for exceeding the guideline grant amounts; and * that lower rates of repayment for recoverable assistance may be available to caregivers on new-born children, which would free up their financial resources during the first year with their child.   The intention was to ensure that existing supports that were available through hardship assistance were appropriately provided to caregivers of new-born children. |
| 1 July 2014 | **Vulnerable Children Act 2014**  **KiwiSaver for children in state care** | The *Vulnerable Children Act 2014* provided a platform for accountability and monitoring to underpin child protection. It improved support for vulnerable children through prioritising support and services and by providing greater vigilance on people who had a record of child abuse. The specific measures included:   * requiring the heads of five government departments to be accountable for protecting and improving the lives of vulnerable children *New Zealand Police, Ministry of Health, Ministry of Education, Ministry of Social Development and Ministry of Justice* – and ensuring that they get the services and support they need. They were required to work together to produce and report progress on implementing a cross-sector agency plan (*vulnerable children’s plan*) which set out how agencies would collectively achieve the government’s priorities for vulnerable children; * in addition to the five agencies, child protection policies were required to be adopted as standard by *Te Puni Kokiri, Ministry of Business, Innovation and Employment (Housing), District Health Boards* and school *Boards of Trustees*. This required policy containing provisions on the identification and reporting of child abuse and neglect and for agencies to ensure that their funded and contracted services also had such policies in place; * new standard safety checks for employees in Government and government-funded children’s workforce and restriction on employment for persons with disqualifying convictions; * new special guardianship provisions providing increased security for children entering *Home for Life* placements; * parents who had killed or seriously abused or neglected a child had to prove that they were safe to have subsequent children; * the Courts being able to curtail and define guardianship rights of birth parents, in extreme cases; * changes to *Family Group Conferences* to include greater clarity in plans to specify exactly what parents need to do to meet their children’s needs; and * enabling the Chief Executive of the *Ministry of Social Development* as a guardian appointed under the *Child, Young Persons and their Families Act 1989* to enrol a child in the *KiwiSaver* scheme and to make decisions relating to their KiwiSaver account, without needing to obtain the consent of the other guardians. [*Note that from 21 May 2015, with the abolition of the KiwiSaver $1,000 Kickstart Payment, enrolling children in KiwiSaver under this provision was suspended, as there was no longer any financial advantage. Between July 2014 and May 2015, 183 children in the guardianship of the Chief Executive were enrolled in KiwiSaver.*]   The reforms were proposed in the *White Paper for Vulnerable Children* and the *Children’s Action Plan*, released in October 2012. |
| 1 July 2014 | **Housing affordability: Import tariffs on building materials suspended** | Import tariffs on a range of building materials were suspended for at least five years. The building materials covered by the suspension covered about 90 percent of the cost of the materials for an average house and these materials had previously attracted tariffs that added around $3,500 to the cost of a new home. The suspension was expected to reduce housing costs and increase competition in the residential construction sector. The loss in revenue to the Crown resulting from the suspension was $5.5 million per year.  This change had been announced in the 2014 Budget. Other measures to improve housing affordability included freeing up land supply, reining in development contributions, cutting compliance costs and investing in skills and productivity in the construction sector. |
| 7 July 2014 | **Welfare Fraud: New measures**  **Spouses/partners accountable for fraud**  **Recovery of debts**  **Ministerial Direction** | The *Social Security (Fraud Measures and Debt Recovery) Amendment Act 2014* came into force.  The new provisions strengthened further the approach to relationship fraud by making spouses and partners, as well as beneficiaries, accountable for fraud. The changes:   * enabled payments, credits, or advances to which a beneficiary was not entitled, and that were obtained by fraud by the beneficiary, to be recovered from the beneficiary’s spouse or partner who knowingly benefited, or ought to have known he or she was benefiting, from that fraud: * widened the circumstances in which an amount of benefit in excess of the beneficiary’s entitlement can be recovered from the beneficiary’s spouse or partner if that spouse or partner makes any false statement to, or misleads, the *Ministry of Social Development*: * made it a criminal offence for a beneficiary’s spouse or partner to benefit from an excess amount that the beneficiary obtained by fraud if the spouse or partner knows, or is reckless as to whether, the amount is an excess amount and obtained by the beneficiary’s fraud.   The Amendment Act also provided review and appeal rights to spouses and partners affected by the new debt recovery powers.  To ensure effective debt recovery, the Amendment Act:   * imposed a duty on the *Ministry of Social Development* to take all reasonably practicable steps to recover debt; * provided the Ministry of Social Development with a discretion to determine, case-by-case, the method and rate of recovery and that in exceptional circumstances, the Ministry may defer temporarily recovery of debt; and * provided that the Minister responsible for the Act was required to issue directions identifying the exceptional circumstances in which recovery may be deferred temporarily, and identifying the considerations to which the *Ministry of Social Development* must have regard in setting the rate and methods of recovery of the debts.   A Ministerial Direction set out the relevant considerations for determining the rate and method of recovery of debts and the relevant circumstances in which the *Ministry of Social Development* could defer temporarily the recovery of debts. It also set out the relevant considerations for determining the rate and method of recovery and whether to defer temporarily the recovery of debt in respect of any *Advance Payment of Benefit* or recoverable assistance under any *Ministerial Welfare Programme*. |
| 17 July 2014 | **Housing Accords Legislation: Queenstown-Lakes District included** | The *Housing Accords and Special Housing Areas (Schedule 1) Order 2014* included the Queenstown – Lakes District within the *Housing Accords and Special Housing Areas Act 2013*. Regions included in Schedule 1 of the Act were those that the Government had identified as having housing supply and affordability issues and the mechanisms of the Act could be applied to these regions. This provided the mechanism for the Government and the Queenstown – Lakes District Council to enter into a *Housing Accord*, for the *Minister of Housing* to recommend that defined geographical areas be established as *Special Housing Areas*. Qualifying developments in *Special Housing Areas* could be consented under the Act, rather than the *Resource Management Act 1991*. |
| 4 August 2014 | **Orphan’s Benefit and Unsupported Child’s Benefit: Extraordinary Care Fund established** | From this time, carers receiving the *Orphan’s Benefit* or *Unsupported Child’s Benefit* could apply for up to $2,000 a year for a child in their care. The criteria for funding was that the carer was caring for a child who was:   * experiencing difficulties that were significantly impacting on their development; or * showing promise.   This could include grants to cover such things as extra tutoring (not funded by the Ministry of Education), house modifications for safety reasons (not funded by the Ministry of Health), attending national competitions or advanced music lessons.  The *Extraordinary Care Fund* could not be used to cover every day common costs, costs where funding was provided from other agencies or where funding a cost would undermine funding priorities set in other portfolios, or overseas travel.  The Fund had up to four funding rounds over the period August 2014 to October 2015. Applications needed to be made in the six-week period of each funding round. Payments from the Fund were non-taxable and did not affect eligibility for any other payments.  The *Extraordinary Care Fund* was part of a wider package that commenced in January 2014 to provide additional support to carers. |
| 4 August 2014 | **Social Housing: First community provider fully registered** | The Wairarapa *Community Enterprise Trust House* became the first non-government community housing provider to be fully registered as a social landlord by the *Community Housing Regulatory Authority*. From this time, the Trust could rent its properties to recipients of *the Income-related Rent Subsidy*. This provided gains for tenants (paying only 25 percent of their income in rent) and the Trust (a government subsidy up to the level of the market rent), who had prior to this time been earning significantly less than the market rent from its properties.  The *Income-related Rent Subsidy* was, however, only available to new tenants.  *Trust House* had been formed in 1998 and in 1999 had purchased every state house from Martinborough to Dannevirke (around 500 houses). |
| 13 August 2014 | **Community Finance Pilot Scheme commenced** | The *Community Finance Pilot Scheme* was launched to provide low interest loans to people in Manukau and Henderson (Auckland). It was a one-year partnership between the *Bank of New Zealand*, *Good Shepherd New Zealand*, the *Salvation Army* and the *Ministry of Social Development*.  Backed by $10 million in capital from the *Bank of New Zealand*, the scheme was intended to provide affordable finance to people who were unable to access mainstream financial services and who were at risk of falling into the clutches of ‘loan sharks’. The *Ministry of Social Development* contributed to the running costs of the not-for-profit organisations. No Government capital was loaned directly to borrowers.  Two types of loans were available under the scheme:   * *Step-Up Loans* of between $1,000 and $5,000, with a low interest rate of 6.99 percent, with repayment periods of up to three years; and * *No-interest Loans* of up to $1,000 with a repayment period of up to 18 months (available from early September 2014).   Loans were available to people who qualified for a *Community Services Card*, had used up any entitlements they had for loans (*Advance Payment of Benefit* or *Recoverable Assistance for Non-beneficiaries*) from the *Ministry of Social Development* and couldn’t borrow from mainstream banks, but could provide proof that they could repay loans. They also needed to provide proof of identity and documents showing their existing payments on regular bills and debts.  Depending on the type of loan, they could be used to buy essential household goods and services, such as new whiteware, or to pay medical expenses, or higher cost assets, such as motor vehicles, that would provide economic opportunities and improve a person’s quality of life.  The loans were not available to pay fines, bills or for non-essential items such as holidays. They did not replace assistance available from the *Ministry of Social Development*.  Borrowers could apply for loans through the *Salvation Army* whose staff had been trained by the *Good Shepherd* charity. Through the life of each loan, both the *Salvation Army* and *the Bank of New Zealand* monitored repayments and provided borrowers with support, including financial education.  The scheme was modelled on one that had been operating in Australia for around ten years and was funded by the Bank of New Zealand’s parent company *National Australia Bank*. |
| 18 August 2014 | **Tauranga and Western Bay of Plenty Housing Accords (2014 to 2016)** | The *Tauranga Housing Accord and Western Bay of Plenty Housing Accords* were agreed between the *Minister of Housing* and the Mayors of Tauranga and Western Bay of Plenty. The Accords were established under the provisions of the *Housing Accords and Special Areas Act 2013* and set out agreed targets and how the parties would work together to achieve the outcomes of the Act.  Under the Accords, the Government and the Councils agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 1,175 new homes and sections over the following two years (1,000 homes and sections in Tauranga and 175 homes in Western Bay of Plenty).  The Accord gave the Councils powers to streamline and speed up regulations to manage development. This included the option to recommend to the *Minister of Housing* the establishment of *Special Housing Areas* where resource consent and *District Plan* changes could be fast-tracked to allow more homes, including affordable homes to be built.  It was expected that the Accords would remain in place until 16 September 2016, when the repeal provisions in the *Housing Accords and Special Housing Areas Act 2013* were scheduled to take effect, though any consent applications underway at that time could continue to be progressed under the Act’s provisions until September 2018. |
| 25 August 2014 to 30 November 2015 | **Ministry of Social Development: Flexible Childcare Assistance Trial** | The *Flexible Childcare Assistance* (FCA) trial was designed as part of the *Investment Approach* to test what works for different groups of beneficiaries. It was designed to assist sole parents receiving *Sole Parent Support* or *Job Seeker Support* to take up work outside of standard working hours.  Sole parents could be eligible for FCA if:   * they cancelled their benefit because they were starting a job or increasing their hours of work; and * they were working at least three hours per week outside the times that OSCAR and ECE programmes were operating.   FCA could provide assistance for up to 13 weeks following cancellation of the benefit. The amount payable was $50 per week for one child, increasing by $25 per week for each additional child, up to a maximum of $150 per week for five or more children. The sole parent could also receive *OSCAR Subsidy* or *Childcare Subsidy*, if their children attended OSCAR or ECE programmes, but could not claim FCA for the same hours.  FCA could be used to assist with the costs of formal or informal childcare. This could include costs of care, or assistance with the costs of caring such as food, travel and activities. The sole parent was responsible for choosing and paying the person providing care.  FCA was provided under Clause 9 (Assistance to access childcare or care for people with sickness, injury or disability, or elderly people) of the Schedule to the *Employment and Work Readiness Assistance Programme*. |
| 12 September 2014 | **Auckland Housing Accord: Further Special Housing Areas announced** | A fourth tranche of 17 *Special Housing Areas* (SHAs) under the *Auckland Housing Accord* were announced. These 17 areas were expected to yield more than 8,000 additional new homes, bringing to a total a potential for 33,500 new homes in 80 SHAs across Auckland.  The 17 new SHAs were designated in the *Housing Accords and Special Housing Areas (Auckland—New September 2014 Areas) Order 2014*, which came into force on 13 November 2014.  The *Auckland Housing Accord* (announced in May 2013 and signed in October 2013) between the Government the *Auckland Council* was intended to result in increased housing supply and improved housing affordability in Auckland, over the interim period until the *Auckland Unitary Plan* became operative (2016). The *Housing Accords and Special Housing Areas Act 2013* provided for the establishment of SHAs and within these areas, qualifying developments could be streamlined and fast-tracked.  The first tranche of SHAs announced at the time of the Accord provided 6,000 new homes across 11 SHAs. The second tranche in December 2013 provided for a further 11 SHAs and 9,500 homes and the third tranche announced in May 2013 provided for 41 SHAs and up to 18,000 homes. |
| 1 October 2014 | **Ministry of Social Development: Community Investment established** | The *Community Investment* business group was established within the *Ministry of Social Development.* It merged the functions of *Family and Community Services* and the Community Engagement Team from *Child, Youth and Family*. Its function was to lead investment in communities by purchasing social services to support vulnerable children, young people and adults. |
| 20 October 2014 | **Ministry of Social Development: Social Housing Purchasing Trial** | The *Social Housing Purchasing Trial* commenced in parts of West Auckland and South Auckland.  The purpose of the trial was to test a contestable purchasing process to see how the market responded to the process, and gather information about provider behaviour and price. The trial created a contestable process between *Housing New Zealand Corporation* and other social housing providers by:   * giving contracted housing providers in the trial areas visibility over a common waitlist of clients on an on-going basis – a full list of clients and as much information as possible about those clients; * enabling providers to make offers to the *Ministry of Social Development* to house the same clients off the waitlist over a timeframe that allows for contestability; and * giving clients choice where there is more than one reasonable offer to house them.   The Trial was designed to encourage diversity in the social housing market and to test the impact of publishing the social housing waitlist to providers on the placement of people in social housing. The trial was intended to test the following policy questions:   * how did providers behave when they are given a wider range of clients they could potentially house and information on the characteristics and needs of those clients? * which cohorts of clients were selected by providers and which were not selected? * did providing a wider range of clients lead to better matching of clients to properties, and better matching of clients to providers? * what did the trial tell us about the price of housing clients? * did providers prefer the arrangements under the contestable trial over non-trial arrangements? * were clients housed in the trial area more likely to accept offers than in a non-trial area?   Lowering market rents was not a core objective of the trial. Value for money and the ability to lower costs was to be achieved through making better matches for a tenant’s needs.  The *Social Housing Purchasing Trial* was scheduled to run for six months, with an evaluation to be completed by May 2015. |
| 23 October 2014 | **Christchurch affordable housing partnership announced**  **Awatea/Carrs Roads Housing Project** | The Government announced *Fletcher Residential* as its private sector partner for a new affordable housing project on 11.5 hectares of Crown-owned land in Christchurch.  The development was to be a mixed tenure development, providing affordable, intermediate and open market housing. The focus was on new homes priced for those on modest incomes. The partnership would deliver 237 new homes, of which 89 (around 40 percent) would be at a purchase price of less than $400,000. Fifty of these would involve shared equity ownership with the *New Zealand Housing Foundation* to assist families into home ownership who would otherwise be unable to achieve this goal.  Construction was expected to begin by the end of 2014, with the first homes expected to be completed in the first half of 2015. Approximately ten homes were expected to be built per month over a two-year period, with the development completed by 2017.  Ownership of the land was retained by the Crown until the homes were delivered.  The initiative was part of the *Christchurch Housing Accord* between the Government and the *Christchurch City Council*. The project was also linked to the new *HomeStart Scheme* which would from April 2015 provide grants of up to $20,000 for KiwiSavers buying their first home under a price-cap in Christchurch of $450,000. |
| 23 October 2014 | **Queenstown-Lakes Housing Accord (2014 to 2016)** | The *Queenstown-Lakes Housing Accord* was signed between the *Minister for Building and Housing* and the Mayor of the Queenstown Lakes District.  The Accord was established under the provisions of the *Housing Accords and Special Areas Act 2013* and set out agreed targets and how the parties would work together to achieve the outcomes of the Act.  Under the Accord, the Government and the Council agreed to work collaboratively to encourage a 20 percent increase on the number of houses that had been built in the area in the past, to improve both supply and affordability in the region. It set a target of 350 new sections and dwellings consented in the first year, 450 in the second and 500 in its third.  The Accord gave the Council powers to streamline and speed up regulations to manage development. This included the option to recommend to the *Minister of Housing* the establishment of *Special Housing Areas* where resource consent and *District Plan* changes could be fast-tracked to allow more homes, including affordable homes to be built.  It was expected that the Accord would remain in place until 16 September 2016, when the repeal provisions in the *Housing Accords and Special Housing Areas Act 2013* were scheduled to take effect, though any consent applications underway at that time could continue to be progressed under the Act’s provisions until September 2018. |
| 1 December 2014 | **Families Commission renamed the Social Policy Evaluation and Research Unit (SUPERU)** | The *Families Commission* began operating as the *Social Policy Evaluation and Research Unit* (*SUPERU)*.  In March 2014, the legislation that governed the *Families Commission* had been changed to include additional responsibilities of monitoring and evaluating programmes and interventions in the social sector and to provide social science research into key issues, programmes and interventions.  *SUPERU* was intended to offer a service to the whole social sector to meet the need for independent evidence-based research around social services. The Act required the Commission, as part of its main function of advocating for families, to prepare and publish an annual *Families*  *Status Report* on the well-being of families and established a *Social Science Experts Panel* that provided academic peer review of all research are reports carried out or issued by the Commission.  The *Families Commission* had been established on 1 July 2004, under the *Families Commission Act 2003*. |
| 7 December 2014 | **Support for Veterans: Scheme One implemented**  **Eligibility to the Veteran’s Pension extended**  **Veterans under the age of 65 years** | The *Veterans’ Support Act 2014* came into effect. The new legislation contained two new schemes that replaced entitlements under the *War Pensions Act 1954*.  **Scheme One**, provided:   * support for veterans with service from World War Two through to Vietnam (though it applied to all veterans until Scheme Two was implemented); * eligibility to the *Veteran’s Pension* for all veterans aged 65 or over with qualifying operational service. Veterans were no longer required to meet a disablement criterion to qualify for the *Veteran’s Pension*; and * for veterans under the age of 65 who were unable to work for any medical reason, a new weekly income compensation was paid at 80 percent of the gross average weekly wage.   **Scheme Two** which provided for veterans with qualifying operational service since 1 April 1974 was scheduled to come into effect on 7 December 2015.  The change provided that all veterans aged 65 or over, with qualifying operational service, would be eligible to apply for a *Veteran’s Pension* at the same rate, but instead of, *New Zealand Superannuation*. This provided the following additional benefits for qualifying veterans:   * the *Veteran’s Pension* was not reduced to the *Hospital Rate* as a result of long-term hospitalisation; and * the veteran automatically received a *Community Services Card*, regardless of their income.   For veterans with qualifying service who were also in receipt of a *War Disablement Pension* (of at least 70 percent under the *War Pensions Act 1954* or a permanent impairment payment of at least 52 percent under the *Veterans’ Support Act 2014*) the *Veteran’s Pension* also included:   * lump sum payment on death; and * *Veteran’s Pension* and a *Community Services Card* for a spouse/partner.   As outlined above, veterans under the age of 65, who were unable to work due to a medical reason, were eligible for a new weekly income compensation. Veterans under the age of 65 who were in current receipt of a *Veteran’s Pension* on 7 December 2014, could chose to continue to receive the *Veteran’s Pension* instead of the weekly income compensation. If they chose to continue to receive the *Veteran’s Pension* it was income tested with the following income test applied:   * for each dollar of income (before tax) in excess of $5,200 per year but not exceeding $10,400 per year, the pension (before tax) was reduced by 30c; and * for each dollar of income in excess of $10,400 per year, the pension was reduced by 70c.   The *Veterans’ Support Act 2014* had been enacted following a review of the *War* *Pensions Act 1954* undertaken by the *Law Commission*. The extension of eligibility to a *Veteran’s Pension* to all Veterans aged 65 and over with qualifying service, had been announced as part of the 2014 Budget. |
| 9 December 2014 | **Extension to the period for which Canterbury earthquake-related payments were exempt as income and/or a cash asset** | The period for which Canterbury earthquakes-related payments could be exempt from being considered income and/or a cash asset for social assistance purposes was increased from 24 to 48 months, provided that the recipient intended to use such a payment to repair, rebuild or purchase a new home.  In addition, payments made by insurance companies to earthquake victims for rental accommodation were exempt from being considered as income when determining eligibility for social assistance.  These provisions applied to the determination of eligibility for monetary benefits under the *Social Security Act 1964*, including the means assessment for the *Residential Care Subsidy* and *Temporary Additional Support*. |
| 16 December 2014 | **Temporary Accommodation Assistance for Canterbury Earthquake victims extended** | The Government announced that *Temporary Accommodation Assistance* for Canterbury Earthquake victims would be extended from 1 March 2015 until 31 October 2015.  The *Temporary Accommodation Assistance Programme* had been established from 17 February 2011 to support homeowners with additional costs caused by the need to reside in temporary accommodation while waiting for repairs to their home to be completed. It was available from the time that insurance coverage for temporary accommodation ceased until a person was able to reoccupy their home.  Since the programme commenced, almost 3,000 households had received assistance and of those around 2,000 had moved off the programme once their home had been repaired. Between February 2011 and December 2014 approximately $46 million was paid to homeowners under the programme.  *Temporary Accommodation Assistance* was not subject to an income or asset test and was paid at a flat rate:   * single no children $180 per week; * married, de-facto, civil union with no children and sole parent with one dependent child $275 per week; and * married, de-facto, civil union with children and sole parent with two or more dependent children $330 per week. |
| 18 December 2014 | **Wellington Housing Accord: Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Wellington) Order 2014* declared eight areas in Wellington to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act. The Special Housing Areas were:   * Adelaide Road; * Arlington; * Central Area North; * Central Area South; * Johnsonville; * Kilbirnie; * Lincolnshire – Woodridge; and * Lower Stebbings.   A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In June 2014, the *Wellington Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Wellington*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 7,000 additional homes over five years. |
| 8 January 2015 | **Housing Accords Legislation: Hamilton City, Nelson City, Selwyn District, Tasman District and Waimakariri District included** | The *Housing Accords and Special Housing Areas (Schedule 1) Order (No 2) 2014* included Hamilton City, Nelson City, Selwyn District, Tasman District and Waimakariri District within the *Housing Accords and Special Housing Areas Act 2013*. Regions included in Schedule 1 of the Act were those that the Government had identified as having housing supply and affordability issues and the mechanisms of the Act could be applied to these regions. This provided the mechanism for the Government and the Council to enter into a *Housing Accord* and for the *Minister of Housing* to recommend that defined geographical areas be established as *Special Housing Areas*. Qualifying developments in *Special Housing Areas* could be consented under the Act, rather than the *Resource Management Act 1991*. |
| 6 February 2015 | **Auckland Housing Accord: Further Special Housing Areas designated** | *Housing Accords and Special Housing Areas (Auckland – New January 2015 Areas) Order 2015* declared a further four areas in Auckland City to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act.  The additional *Special Housing Areas* were:   * Beach Haven Road; * Mt Eden Road and Haul Road; * Point View Drive, East Tamaki; and * Restall Road, Woodhill.   A proposed development in *a Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  For three of the new *Special Housing Areas*, where the development related to 15 or more dwellings, the Order stated the percentage of the dwellings that must be affordable and set out the criteria for affordability. |
| 9 February 2015 | **Rent re-direction for beneficiary social housing tenants** | From this time an application form was not required where an income-related rent was redirected from a beneficiary’s main benefit (including *New Zealand Superannuation* or a *Veteran’s Pension*) to their social housing provider.  Generally, as part of social housing tenancies, income-related rent was redirected from a beneficiary’s main benefit. This was on the basis that the beneficiary had been assessed as having a high need for social housing and that redirection of benefit helped towards providing security of tenure and tenancy sustainability.  Redirection for other reasons and to other organisations or persons could only be undertaken when there was good cause and required an application form to be completed and evidence of good cause to be provided by the beneficiary. Such situations included where a beneficiary was ill, was misusing their benefit, living in a home or institution or was unable to open a bank account. |
| 17 February 2015 | **Ministry of Social Development: In-work Support Trial** | The *In-work Support Trial* (IWS) was designed as part of the *Investment Approach* to test what works for different groups of beneficiaries. It was designed to promote a culture of on-going work amongst beneficiaries who have frequent spells on and off benefit and to help them overcome barriers they may experience whilst in employment.  The focus of the trial was work-ready beneficiaries receiving *Jobseeker Support* (seasonal workers were excluded). The trial had two components:   * working with beneficiaries differently while they are on benefit, if they have a tendency to come on and off benefit at higher rates than usual; and * providing an inbound and outbound contact service to support these people once they have exited benefit for work.   For those who had commenced employment, the IWS aimed to ensure the correct access to financial assistance (eg *Accommodation Supplement* and *Working for Families*) provide information and advice on such things as how to manage unexpected things that could happen while working, or advice about training or up-skilling and provide information on other services that might be available (eg budgeting or counselling). |
| 19 February 2015 | **Better Public Services: Revised target for reducing welfare dependency** | The Government announced a revised *Better Public Services* target for reducing welfare dependency. The target, to be achieved by June 2018, included:   * reducing the projected liability of the long-term cost of benefit dependency by $13 billion; and * reducing the overall number of working-age beneficiaries by 25 percent (from 295,000 people at June 2014 to 220,000 at June 2018).   Revised targets were also announced for reducing crime and improving the workforce skills/qualifications of young people. |
| 23 February 2015 to 22 February 2016 | **Rural Assistance for farmers in the South Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers who had a primary industry in Marlborough, Canterbury or Otago and who were affected by drought. For eligible farmers, assistance was available up until 22 February 2016. Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (*Unemployment Benefit*).  A Primary Industry was defined as: including but not limited to, the primary production of meat, wool, or dairy products, arable farming, aquaculture, share-milking, an orchard, bee-keeping, herb or flower growing, a market garden, and poultry farming but did not include hobby farming.  The availability of these payments was subsequently extended until 30 June 2016. |
| 26 February 2015 | **Actuarial valuation of the Social Security System: Valuation 2013/2014** | The Government released the fourth annual actuarial valuation of the social security system.  The actuarial valuation (at 30 June 2014) showed a current lifetime liability of $69 billion (the future costs of those receiving a benefit at any time in the 12 months up to the end of June 2014). This compared to the June 2013 liability of $76.5 billion.  Of the $7.5 billion reduction in liability, $2.2 billion was attributed to the Ministry of Social Development’s support of beneficiaries, particularly its focus on intensive case management for those most at risk of becoming dependent on a benefit. For example, the liability for sole parents had decreased by $3.3 billion. Welfare reform was attributed with reducing the expected future time on main benefits by an average of 1.2 years for sole parents and 2.8 years for youth beneficiaries. This valuation included the impact of the welfare reform policy and operational changes implemented in August 2012 and July 2013.  75 percent of the liability was attributed to beneficiaries who first entered the benefit system aged less than 20 years. A key finding of the fourth valuation report was the extent to which early entry was co-related with intergenerational benefit receipt. For youth beneficiaries at 30 June 2014, 88 percent were from beneficiary families. 51 percent were in beneficiary families for 80 percent or more of their teen years.  The fourth actuarial valuation included analysis of regional differences. This reflected local economic conditions, local seasonality in the pattern of benefit receipt and demographic differences, particularly ethnicity. It was found that there was a difference of about $30,000 in the average liability, from the highest in the East Coast ($128,000) and Northland ($124,000) to the lowest in Canterbury ($94,000) and Southland ($97,000).  Demographic differences were found to be important in understanding the regional variation in liability, which varied significantly by ethnicity. Mäori were found to have a higher lifetime cost  than NZ European. Pacific People, Asian and ‘other ethnic group’ had a lower lifetime cost than NZ European. |
| 26 February 2015 | **Temporary Accommodation Assistance (Canterbury Earthquake) extended.** | The *Temporary Accommodation Assistance (Canterbury Earthquake) Amendment 2015* made provision for the programme to continue until 31 October 2015. The amendment also clarified that people who moved to accommodation that they or members of their household directly or indirectly owned were not eligible for *Temporary Accommodation Assistance*.  *Temporary Accommodation Assistance* had been available since February 2011 to Canterbury homeowners who had been required to leave their home as a result of the earthquakes and, who, as a result, faced additional accommodation costs.  To be eligible for *Temporary Accommodation Assistance* a homeowner must have been:   * unable to live in their own home because it was unsafe until it was rebuilt or repaired; or * required to leave their own home while land remediation and/or house rebuild or repairs occurred; and * intend to return to their home when the house is habitable; * have temporary accommodation costs (e.g., rent, board, motel etc); and * have used all their insurance coverage for temporary accommodation costs.   *Temporary Accommodation Assistance* was not subject to an income or asset test and was paid at the following rates:   * single no children $180 per week; * married, de-facto, civil union with no children and sole parent with one dependent child $275 per week; and * married, de-facto, civil union with children and sole parent with two or more dependent children $330 per week.   Subsequently, on 29 July 2015, the programme was extended until 31 December 2017. |
| 5 March 2015 | **Tauranga Housing Accord: Special Housing Areas** | *Housing Accords and Special Housing Areas (Tauranga City) Order 2015* declared seven areas in Tauranga City to be Special Housing Areas for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act. The *Special Housing Areas* were:   * Golden Sands; * Nga Potiki; * Palm Springs; * Papamoa Junction; * Te Okuroa; * Waihi Road, Judea; and * Zariba   A proposed development in a Special Housing Area that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In August 2014, the *Tauranga Housing Accord* had been agreed between the *Minister of Housing* and the Mayor of Tauranga. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 1,000 additional homes and sections over two years. |
| 6 March 2015 | **Flexible work legislation extended** | The *Employment Relations Amendment Act 2014* extended the right to request flexible working arrangements to all workers, not just caregivers, and these requests could now be made from the first day of employment.  Prior to this, only employees with caring responsibilities had had the right to request flexible work arrangements and only after six months in employment. These provisions had applied from 1 July 2008. |
| 16 March 2015 | **Ministry of Social Development: Re-organisation of service delivery functions** | As part of the ‘One MSD’ approach and an improved client focus, *Work and Income, Senior Services, StudyLink*, and parts of *Integrity Services* were brought together to form the *Service Delivery Group*.  There was no change to the names for the Ministry’s public facing services (*StudyLink, Senior Services* and *Work and Income*). The new organisational name, *Service Delivery* reflected that the Ministry was one group, providing an end-to-end service to clients. The intent of the new structure was to move away from service line ‘silos’ with service centres working as one team to support clients. Contact centres and processing centres were also brought together, rather than being divided by service lines. |
| 18 March 2015 | **Ministerial Direction on the Redirection of Benefit Payments** | A *Ministerial Direction* by the *Minister for Social Development* set out a number of circumstances in which the *Ministry of Social Development* could consider that there was good cause to exercise discretion to direct that payment of the whole or any part of an instalment of a social security benefit was paid to a person, other than the beneficiary personally. The circumstances included:   * the person was a tenant of social housing and the redirection was required to ensure the person met his or her rental commitments; * the person was a resident assessed as required care, or a person receiving residential care services who is required to contribute from their benefit; * the person was at risk of being disconnected from essential services or telecommunication services and incurring late payment penalties and reconnection charges; * the person was a vulnerable tenant and the redirection is required to reassure the landlord or prospective landlord that the person will meet their rent commitments; * the person has money due under any judgement or order of any Court or Tribunal and the redirection was required to make payments towards the amount due; * the person was liable to pay any debt or liability for goods or services that were considered to be essential for the person or their dependants and the redirection was necessary to make payments towards the amount that was due; or * the person had a history of poor financial management and the redirection was necessary to ensure the priority needs of the person and his or her dependants were met. |
| 23 March 2015 | **Ministry of Social Development: Intensive Client Support Trial** | The *Intensive Client Support Trial* (ICS) was designed as part of the *Investment Approach* to test what works for different groups of beneficiaries. It was designed to improve outcomes for beneficiaries who had been on benefit a long time and had high needs and complex barriers to sustainable employment.  The ICS trial focused on beneficiaries receiving *Jobseeker Support* (with full work obligations) who had first received a benefit at an early age:   * received a benefit at the age of 16 or 17 and who were aged 18 to 29 years, and * received a benefit aged under 20 and who were aged 30 to 39 years.   The ICS provided a 1:40 caseload with a focus on work-readiness outcomes to staircase high complexity beneficiaries towards employment outcomes in the medium-term. In order to address low foundation skills for these beneficiaries, part of the focus of ICS was on addressing literacy and improving pathways to develop relevant skills as well as work experience. The sites selected for the trials were:   * Invercargill; * Manurewa; * Naenae; * Porirua; and * Rotorua.   The outcomes being sought included:   * moving into sustainable, full-time employment; * improving education levels; or * improving work readiness.   Like other *Investment Approach* trials the ICS trial was to be formally evaluated at 12-monthly intervals, with a five year review point to determine if any long-term impacts have developed as a result of the trial. |
| 30 March 2015 | **Government Green Paper on Tax Administration** | A Government Green Paper on Tax Administration – *Making Tax Simpler* was released. The paper aimed to introduce New Zealanders to the overall direction of the tax administration modernisation programme and sought feedback from the public on that direction.  The changes proposed in the Green Paper were intended to make the tax system more customer-focused. They would make it easier for people to see their overall position and to meet their tax and social policy obligations with greater speed and accuracy. Proposals included:   * **for business:** by streamlining the collection of PAYE and GST and other taxes and related information by integrating these obligations into business processes; investigating options for simplifying the calculation of provisional tax; * **for individuals**: by providing online income tax statements already filled out with income details so for the majority all that would be required would be to check and confirm income; more effective use of technology to better manage refunds and debts; * **for social policy customers**: designing processes that work for the customer and are fit for purpose; using pre-populated information that *Inland Revenue* or the government already held; providing for timely payments on a more real-time basis, resulting in certainty for individuals and families.   Further discussion documents were planned between 2015 and 2017 covering employment income, withholding taxes on capital income, individual’s taxation, business taxation and social policy. The Government invited submissions on whether the potential changes set out the paper would likely achieve the intended outcomes for customers. The closing date for submissions was 29 May 2015.  Alongside the Green Paper a discussion document *Better Digital Services* set out proposals for greater use of electronic and online processes allowing faster, more accurate, more convenient interactions with *Inland Revenue*. Consultation on this document closed on 15 May 2015. |
| 1 April 2015 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 50c per hour to $14.75 gross per hour ($590 for a 40-hour week).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by 40c per hour to $11.80 gross per hour (80 percent of the adult minimum wage).  The fortnightly adult minimum wage was set at $1,180 before tax, increased by $14.75 for each hour worked in excess of 80 per fortnight. The *Starting Out Minimum Wage* and *Training Minimum Wage* was set at $944 per fortnight before tax and $11.80 for each hour worked in excess of 80 per fortnight. |
| 1 April 2015 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions* and other Social Security Allowances were increased by 0.51 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting benefit rates excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. |
| 1 April 2015 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 0.51 percent required a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, the net rate *of New Zealand Superannuation* paid to a married couple who both qualified was increased by 2.07 percent. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2015 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased by the movement in the *Consumer Price Index* (less cigarettes and tobacco). A further adjustment was made to some income cut-out points (single sharing, single alone and couple) to ensure that recipients of *New Zealand Superannuation* or a *Veteran’s Pension* did not lose eligibility as a result of the increase to the rate of their pension. The new income levels were:   * $26,042 Single (sharing); * $27,637 Single (alone); * $41,327 Couple; * $48,797 2 person family; * $59,093 3 person family; * $67,282 4 person family; * $75,302 5 person family; and * $84,265 6 person family.   For each additional child thereafter, income levels increased by $7,898. |
| 1 April 2015 | **Disability Allowance: Income limits** | As a result of the increase to the rates of *New Zealand Superannuation* and *Veteran’s Pension* changes were made to the income limits for the *Disability Allowance* to ensure that no superannuitant lost access to the *Disability Allowance* solely as a result of the increase to the rate of their superannuation.  As a result, the income limits for the *Disability Allowance* for a single adult and a couple were increased by 1.54 percent and 1.57 percent respectively. For other family types, the standard adjustment of 0.51 percent (based on the *Consumer Price Index*) was applied. |
| 1 April 2015 | **ACC Earner Premium** | The *ACC Earner Premium* remained at 1.45c (GST inclusive) in the dollar. The maximum earnings liable for the *Earner Premium* increased to $120,070 with the maximum premium of $1,741 for the 2015/2016 tax year. |
| 1 April 2015 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $892 per annum ($17.15 per week) to reflect the increase in the *Consumer Price Index*. |
| 1 April 2015 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $22,776 to $23,036 ($443 net per week). |
| 1 April 2015 | **Parental Tax Credit increased** | The *Parental Tax Credit* was increased from $150 to $220 per week and the period for which it was available was extended from eight weeks to ten weeks. This meant that the maximum payment was increased from $1,200 to $2,200.  The abatement rate for the *Parental Tax Credit* was increased from 3.26c to 21.25c for each additional dollar of family income. This change was intended to better target the *Parental Tax Credit* to low to middle income families and align it with the rest of the *Working for Families Scheme*. It was expected that around 400 higher-income families would no longer qualify.  Families with a new-born baby could receive the *Parental Tax Credit* if they were not receiving *Paid Parental Leave* and were not receiving a main Social Security Benefit. |
| 1 April 2015 | **Paid Parental Leave extended** | The maximum period of government-funded paid parental leave was increased from 14 to 16 weeks. |
| 1 April 2015 | **Student Allowance: Parental income threshold frozen until 31 March 2019** | The *Parental Income Threshold* for a *Student Allowance* remained frozen at $55,027.96 for the 2015/2016 year. This was in response to fiscal constraints and the need to target allowances to those most in need.  As part of the 2012 Budget, it was announced that *the Parental Income Threshold* for a *Student Allowance* would be frozen at $55,027.96 until March 2016. [*In the 2015 Budget, the freeze was extended until March 2019*.] |
| 1 April 2015 | **Student Loan Scheme: Repayment threshold** | The *Student Loan Repayment Threshold* remained at $19,084 for the 2015/2016 tax year. The repayment threshold was last adjusted on 1 April 2009.  Loan repayments at 12c in the dollar were required on income above the threshold. |
| 1 April 2015 | **KiwiSaver Homestart Scheme: Assistance for first home buyers**  **KiwiSaver HomeStart Grant**  **Welcome Home Loan Scheme** | A number of changes were made to *KiwiSaver* and the first home buyers deposit subsidy*.*  The *HomeStart scheme* increased the support available to first home buyers.  The changes included:   * eligible *KiwiSaver* members being able to withdraw the annual *Member Tax Credit* as well as their own contributions and those made by their employer (the withdrawal facility did not apply to the $1,000 government kickstart payment); * a doubling of the first home deposit subsidy (renamed *KiwiSaver HomeStart Grant*) from a maximum of $10,000 to a maximum of $20,000 to a couple where both partners are eligible; * increasing the house price caps to $550,000 in Auckland, $450,000 in Wellington, Christchurch and other areas facing housing affordability issues, and $350,000 for the rest of New Zealand; * expanding eligibility for *Welcome Home Loans* by aligning the house price caps with the new *KiwiSaver HomeStart* Grant (The *Welcome Home Loan Scheme* provided an opportunity for buyers to secure a mortgage with a 10 percent deposit. The Scheme had its origins in September 2003 as the *Home Ownership Mortgage Insurance Pilot Scheme*); * allowing the *KiwiSaver* first home withdrawal to apply to the building or purchase of a home on Mäori land; and * clarifying that a *KiwiSaver* first home withdrawal could only be used to purchase or build a home in New Zealand.   The changes were anticipated to assist 90,000 young New Zealanders over the following five years.  The *KiwiSaver* withdrawal facility and first home deposit subsidy had been available since 2010 to first home buyers who had been contributing to *KiwiSaver* for at least three years. |
| 1 April 2015 | **Changes to the Child Support Scheme** | A revised formula for assessing the amount of *Child Support* payable under the *Child Support Act 1991* was implemented. The new formula placed a greater emphasis on separated parents sharing the care of, and financial responsibility for their children. There was wider recognition of shared care, the total income of both parents and the estimated average expenditure for raising children in New Zealand, acknowledging the additional costs of teenagers.  **Lower levels of shared care**  The revised formula accommodated lower levels of shared care by way of tiered thresholds, commencing with 28 percent of the on-going daily care. The previous formula only recognised shared care if it amounted to at least 40 percent of nights.  **Total income of both parents**  Both parents’ income (less a living allowance for each parent) was included in the formula, with the cost of raising children apportioned according to each parent’s share of total net income. For most people the living allowance was equivalent to the rate of *Sole Parent Support* set out in schedule 16 of the *Social Security Act 1964*. When a parent had other dependent children or is paying *Child Support* for children in other relationships, the parent’s income was reduced for the assumed expenditure on these children, before the parent’s *Child Support* was calculated.  **Expenditures for raising children**  The revised formula included a new scale of costs (expressed as percentages) that reflected more up to date information on the expenditure involved in raising children. The percentages varied with the number of children, the age of the children (higher for children over 12 years) and the total income of the parents. As income increased, the percentages progressively declined, to reflect that the proportion of income spent on children declines.  As additional expenditure becomes increasingly discretionary as income rises, the revised formula retained a cap on the amount of *Child Support* payable.  **Other changes affecting the Child Support formula**  The qualifying age of children subject to *Child Support* was reduced from 19 years to 18 years, unless the child is 18 and enrolled at a registered school.  The definition of income was changed so that it excluded tax losses and included certain trust income (to better reflect the real income that parents have available to them and consistent with the definition of income for *Working for Families Tax Credits*.  A new provision allowed the *Commissioner of Inland Revenue*, on his or her own initiative, to depart from some or all aspects of a formula assessment, following an administrative review of a liable parent.  The net effect of these changes was that costs were apportioned between the parents according to the relative difference between their respective incomes, as adjusted by their share of each child’s care, where that care is at least 28 percent.  **Revised formula**  The annual amount of Child Support payable under a formula assessment by a liable parent in a child support year in respect of a qualifying child was:  ***(i% – c%) × e/n***  where:   * **i%** was the liable parent’s *Income Percentage*. * **c%** was the liable parent’s *Care Cost Percentage*. * **e** was the amount, determined in accordance with the child expenditure table applying to that Child Support year, that applied to the parent in respect of the child on the basis of:   (a) the combined Child *Support Income* amounts of all parents of the child; and  (b) the number of children in the child’s *Child Support Group*; and  (c) the age group of those children.   * **n** was the number of children.   **Care cost percentage**  Proportion of on-going daily care (Care Cost Percentage)   * 0 to less than 28 percent (nil); * 28 percent to less than 35 percent (24 percent); * 35 percent to less than 48 percent (25 percent plus 2 percent for each percentage point over 35 percent); * percent to 52 percent (50 percent); * more than 52 percent to 65 percent (51 percent plus 2 percent for each percentage point over 53 percent; * more than 65 percent to 72 percent (76 percent); and * more than 72 percent to 100 percent (100 percent).   The changes to the *Child Support Scheme* were announced on 21 August 2011, in response to the submissions received on the *2010 Review of the Child Support Scheme*. Legislative provision for the changes had been made in the *Child Support Scheme Amendment Act 2013*. Originally scheduled to be implemented on 1 April 2014 the changes were delayed until 1 April 2015. |
| 1 April 2015 | **Independent Panel established to review the Child, Youth and Family Agency** | The Government announced the establishment of an Independent Panel to lead an overhaul of *Child, Youth and Family* (an agency within the *Ministry of Social Development*) to ensure that the agency delivers the best possible results for vulnerable children and their families in the years ahead.  In 2006, the former *Department of Child, Youth and Family Services* (CYFS) was merged with the *Ministry of Social Development*. Prior to this time, CYFS had experienced significant organisational and performance issues. While there had been improvements, a number of reports had shown that significant issues remained. The implementation of the *Children’s Action Plan* and other initiatives were changing the environment in which CYFS operated. The *Ministry of Social Development* had initiated a programme of work (*Modernising CYFS)* to transform the way the agency operated, to improve outcomes for children and young people and to provide advice on what future investment should be made to improve performance. The Government considered that *Modernising CYFS* would benefit from greater external oversight and expertise in the development of a business case.  The Government’s expectation was the Independent Panel would provide the *Minister for Social Development* with authoritative and independent advice on the development and finalisation of the *Modernising CYFS* business case. It was expected that the independent panel would consider:   * the extent to which CYFS current operating model is ‘childcentric’ and focused on improving results for children and young people; * the core role and purpose of CYFS and opportunities for a stronger focus on this, including through outsourcing some services; * the effectiveness, efficiency and economy of CYFS’s current spend and the extent to which it is delivering improved results for children and young people. This includes mechanisms for determining distribution of resources to national and regional areas, to individual clients and between care and protection and youth justice services; * The development of an investment approach for CYFS to ensure spending is focused on results; * approaches to improving intake, assessment and planning processes to reduce system churn and to better ensure that children and young people receive the support and services they need; * actions required to ensure effective planning for young people transitioning from care, including consideration of the costs and benefits of increasing the age of leaving care; * the purpose of CYFS’s care and protection residences and youth justice facilities, and the extent to which these provide effective use of resources to improve outcomes for children and young people; * the professional knowledge, skills and expertise required by CYFS to deliver improved results for children and young people they work with, and implications of this for providers of training, development and contracted services; * the extent to which effective strategies are in place to recruit, support and retain high quality caregivers who are able to provide stable placements and meet the diverse needs to those requiring care; * the adequacy of current independent oversight, advocacy and complaints mechanisms for CYFS; * approaches that CYFS could use to form stronger partnerships with other Government agencies and non-governmental organisations to improve results for children and young people; * the interactions, alignments and responsibilities of CYFS’s Children’s Teams and other relevant services; * the availability, access and use of evidence, data and information to support accountability and management decision-making, including monitoring and evaluation of the quality, costs and outcomes for children and young people; * the potential role of data analytics, including predictive risk modelling, to identify children and young people in need of care and protection; * how technology might be better utilised by CYFS to enable staff to focus on more effective working with children, young people and their families; * any legislative barriers that prevent the delivery of improved results for children and young people who come into contact with CYFS; * how to ensure that the new operating model delivers better outcomes for all CYFS’s clients, and particularly for Mäori; and * any other issues that the Independent Panel believed was necessary to be considered as part of the *Modernising CYFS* Business Case or brought to the Minister for Social Development’s attention.   The Independent Panel was responsible for providing advice to the *Minister for Social Development*, specifically:   * the provision of a programme level business case by 30 July 2015. This would be focused on the case for change, desired future state of CYFS and a high-level assessment of options for a future operating model for CYFS; * provision of oversight and challenge on the development of the detailed business case to be delivered to the *Minister for Social Development* by December 2015, with funding decisions to be taken as part of the 2016 Budget.   The membership of the Independent Panel was:   * Paula Rebstock (Chair); * Mike Bush (Commissioner of Police); * Duncan Dunlop (Chief Executive of Who Care’s, Scotland); * Helen Leahy (Advisor, Te Runanga o Ngai Tahu); and * Professor Richie Polton (Chief Science Advisor to the *Ministry of Social Development*). |
| 10 April 2015 | **Social Security Benefits: Weekly compensation payments made by accredited employers** | An amendment to the *Social Security Act 1964* clarified that weekly compensation payments made by an accredited employer were treated in the same way as weekly compensation payments made by the *Accident Compensation Corporation* (ACC) and deducted dollar for dollar from social security benefit payments (other than *New Zealand Superannuation* or a *Veteran’s Pension*).  The amendment was in response to a decision by the *Social Security Appeal Authority* that weekly compensation payments made under the accredited employer scheme were not covered by section 71A of the *Social Security Act 1964* (i.e. the direct deduction did not apply). This was at odds with policy and practice.  ACC had operated the A*ccredited Employer Scheme* since 1994. An accredited employer entered into an agreement with ACC to pay entitlements, including weekly compensation on claims for injuries occurring at work. In exchange the employer paid lower ACC levies. Most large employers were accredited.  The amendment was backdated to July 1999, when the wording of the legislation was first changed to mention ACC as the payer. This validated past decisions to directly deduct weekly compensation payments made by accredited employers from *Social Security Benefits* |
| 10 April 2015 | **Accommodation Supplement: Full-time students** | An amendment to the *Social Security Act 1964* clarified that students who were eligible for assistance under the *Student Allowances Regulations* (as well as those students who are receiving it and those who were not eligible due to their partner or parents’ income) were not eligible for the *Accommodation Supplement*.  This corrected an anomaly whereby a full-time student could either not apply or cancel their *Student Allowance* and be eligible for the *Accommodation Supplement*. For students who chose to exploit this loophole, the result was that students in similar circumstances could receive very different levels of government assistance with housing costs. |
| 10 April 2015 | **Residential Qualification for Social Security Benefits: People who paid tax on earnings while employed overseas** | An amendment to section 79 of *Social Security Act 1964* clarified that for the purpose of satisfying the residential qualification for any benefit (including *New Zealand Superannuation* and the *Veteran’s Pension*) after the return to New Zealand, a person who had paid New Zealand income tax on their earnings while employed overseas, was to be treated as resident and present in New Zealand. This change was in response to a decision by *the Social Security Appeal Authority* which found that people could be considered resident and present for benefit purposes even if they didn’t pay the New Zealand income tax for which they were liable on their overseas earnings.  To validate previous practice, the change was backdated to take effect from 23 June 1987. |
| 10 April 2015 | **Legislative amendments: Correcting unintended consequences of the 2013 welfare reform legislation** | Two unintended consequences of the July 2013 welfare reforms were corrected in legislation:   * the income abatement threshold for the *Accommodation Supplement* for non-beneficiary sole parents had been unintentionally increased; and * the personal earnings exemption ($20 per week) for people receiving the *Supported Living Payment* because they were permanently and severely sick, injured or disabled had been unintentionally extended to all recipients of the *Supported Living Payment*.   To validate previous practice, the changes were backdated to 15 July 2013. |
| 15 April 2015 | **Social Housing: Purchasing intentions** | The *Ministry of Social Development* released is first set of social housing purchasing intentions. Regional profiles included in the release gave social housing providers a wide range of information including the demand for houses, including the number of bedrooms required, the composition of families on the social housing register, and the reasons for them needing social housing. *Community Housing Providers* (CHPs) and *Housing New Zealand Corporation* (HNZC) were able to use this information to understand where the Ministry expects to purchase social housing tenancies, how many tenancies it expects to purchase over the coming years, and how it will contract with CHPs and HNZC as the social housing sector becomes more diverse.  In April 2014, the *Ministry of Social Development* had become the purchaser of social housing tenancies for people with a serious housing need and the *Income-related Rent Subsidy* had been extended to tenants placed with registered CHPs. |
| 30 April 2015 | **Tamaki Transformation Programme: Announcement of the transfer of state housing assets** | The Government announced that the ownership of 2,800 *Housing New Zealand Corporation* (HNZC) properties in Tamaki (Glen Innes, Point England and part of Panmure in east Auckland) would be transferred to the *Tamaki Redevelopment Company* (TRC) to encourage regeneration of the area. The responsibility for tenancy management was also to be transferred from HNZC to the TRC, though there would be no immediate impact on tenants, with existing tenancy agreements transferring to the TRC.  The transfer was completed on 31 March 2016. It was intended that over the following 10 to 15 years around half of the 2,800 houses would be sold to offset construction costs, with a total of around 7,500 new houses built. There would be no reduction in the total number of social houses in Tamaki.  The Government had also approved a $200 million loan facility for the TRC to accelerate regeneration work. The loan facility was made available ahead of the transfer of the houses to allow the TRC to progress its own development and planning.  The TRC, New Zealand’s first community-based urban redevelopment company, was established in 2012. It was publicly owned (59 percent by the Crown and 41 percent by the Auckland Council). |
| April 2015 | **Project 300 Trial: Employment assistance for beneficiaries with a disability or a health condition** | Between April 2015 and April 2016, the *Ministry of Social Development* delivered *Project 300*. This was an employer-led initiative in the Canterbury region to trial a new approach to support beneficiaries with health conditions and disabilities into sustainable employment.  The trial aimed to assist 300 beneficiaries with a health condition or a disability to move into sustainable employment. Given its low unemployment rate and the critical role of employers in providing opportunities for disabled people to enter the workforce, Canterbury was chosen to trial targeting specific employers and matching them with chosen beneficiaries. The trial was delivered from Riccarton, Linwood and the Youthshop sites in Christchurch. By the end of the trial, 620 beneficiaries had been placed into employment or training.  From 1 July 2016, the project became known as *EmployAbility* and was progressively rolled out across the country, starting in the Bay of Plenty from 25 July 2016. |
| 6 May 2015 | **Transfer of State Houses to Community Housing Providers** | The Government announced that Tauranga and Invercargill had been selected as the first regions for the proposed transfer of *Housing New Zealand Corporation* (HNZC) houses to registered *Community Housing Providers* (CHPs). These areas were chosen because of their stable demand for social housing and active CHPs.  HNZC owned 370 properties in Invercargill and 1,250 in Tauranga. In Invercargill there were around 150 tenants with long-term support needs and in Tauranga around 500 tenants with long-term support needs. The proposed transfer was seen as an opportunity to better integrate housing support services with other support that tenants may need (eg budgeting and mental health services).  The transfer would not affect the rights of existing tenants and it was expected that the transfer process would take 9 to 12 months to complete, including consultation with local iwi and hapu to identify particular interests under the Treaty of Waitangi. |
| 15 May 2015 | **Tasman District Housing Accord 2015- 2016** | The *Tasman District t Housing Accord* was agreed between the *Minister for Building and Housing* and the *Mayor of Tasman District*. The Accord was established under the provisions of the *Housing Accords and Special Areas Act 2013* and set out agreed targets and how the parties would work together to achieve the outcomes of the Act.  The Accord provided the basis for the Government and the *Tasman District Council* to work together to reduce ‘red-tape’ for developers and to free up land faster. The Accord set a target of an additional 620 homes and 260 sections over the next two years – an increase of 17 percent and 30 percent respectively.  The priority actions were:   * enable a mix of housing types, including more affordable homes; * encourage developers to prepare their land and build houses more quickly than had been the case over the past three years; * increase developer confidence in the Council to encourage a more collaborative approach between the Council and developers that results in a commitment to bring a continuous supply of land and houses to the market over the long-term; and * better align public infrastructure, investment and private sector housing development.   The Accord allowed the Council to recommend the creation of *Special Housing Areas* to the *Minister for Building and Housing*. If the Government agreed, the *Special Housing Areas* would be designated by *Order in Council* enabling the Council to access the fast-track consenting powers under the *Housing Accords and Special Areas Act 2013*.  The Accord was expected to remain in place until the repeal of the legislation in September 2016, though any consent applications underway at that time could continue to be progressed under the Act’s provisions until September 2018. |
| 21 May 2015 | **KiwiSaver: $1,000 Kickstart Payment abolished** | From this time, people enrolling in *KiwiSaver* were no longer able to receive the $1,000 Kickstart Payment.  The change followed an evaluation of the *KiwiSaver* scheme which highlighted the considerable cost of government subsidies and relatively low level of additional savings. Since the scheme began in 2007, around 2.5 million New Zealanders had joined, receiving $2.5 billion in kickstart payments.  The *KiwiSaver Member Tax Credit* of $521 per year was retained.  The change was announced as part of the 2015 Budget. |
| 21 May 2015 | **Child Material Hardship Package: Increased financial support for low income families**  **Benefit rates increased**  **In-Work Tax Credit increased**  **Minimum Family Tax Credit increased** | As part of the 2015 Budget, the *Child Material Hardship Package* provided that from 1 April 2016 there would be an increase in financial support for low income families. The key components were:   * rates of social security benefits and student allowances for families with a dependent child or children would increase by $25 per week after tax (per family). This was expected to benefit around 110,000 families with 190,000 children with an average in the hand increase of $23 per week (once the impact on other assistance – *Income-related Rent Subsidy*, *Accommodation Supplement* and *Temporary Additional Support* had been factored in. An increase of $25 per week amount to an 8.3 percent increase in the sole parent basic benefit. * the *In-work Tax Credit* would increase from $60 to $72.50 per week and the abatement rate would increase from 21.25c to 22.5c to target the increase to lower income working families. * the *Minimum Family Tax Credit* would increase by $12 per week. This provided an income top-up to around 4,000 very low-income working families. For these families, the increase in *the In-work Tax Credit* and the *Minimum Family Tax Credit* provided a total increase of $24.50 per week. The changes to *Working for Families Tax Credits* were expected to benefit an estimated 203,000 working families with 103,000 children. |
| 21 May 2015 | **Extended work obligations for beneficiary parents** | It was announced that work obligations for beneficiary parents would be extended from 1 April 2016. The key changes were:   * sole parent beneficiaries and partners of beneficiaries would have to look for part-time work when their youngest child turned three (previously five years); and * part-time work would be defined as 20 hours per week (previously 15 hours).   The change was estimated to effect around 18,000 sole parents and partners of beneficiaries with a youngest child aged three or four.  The change was announced as part of the 2015 Budget. |
| 21 May 2015 | **Childcare Assistance increased** | It was announced that from 4 April 2016 the *Childcare Assistance* rate would increase from $4 to $5 an hour for low-income families. The new rate would apply to both the *Childcare Subsidy* and the *OSCAR Subsidy –* for out of school care and holiday programmes.  Over the course of a year, 41,000 families were estimated to receive the new rate for at least some period of time.  The change was announced as part of the 2015 Budget. |
| 21 May 2015 | **Sole Parent Support: Beneficiaries required to re-apply for their benefit every 12 months** | It was announced that from 1 April 2016, beneficiaries receiving *Sole Parent Support* would need to re-apply for their benefit every 12 months. This provision already applied to recipients of *Jobseeker Support* and would mean that around two-thirds of all beneficiaries would face an annual expiry and reapplication process. The process provided an opportunity to check people’s eligibility, that they were getting the right support and that they were fulfilling their obligations, including preparing for work and searching for a job. |
| 28 May 2015 | **Social Housing: More flexible purchasing arrangements** | Legislation enacted as part of the 2015 Budget amended the *Housing Restructuring and Tenancy Matters Act 1992* to allow the *Ministry of Social Development* to enter into more flexible and innovative purchasing arrangements for social housing. It created a ministerial direction power for the *Minister for Social Housing* that would enable the Ministry to enter into tailored agreements with social housing providers (*Housing New Zealand Corporation* and *Registered Community Housing Providers*). This could allow the Ministry to purchase social housing places into the future, to fund vacant social housing that may be under repair or awaiting an urgent placement, to pay more or less than the income-related rent subsidy and generally enable arrangements that respond effectively to social housing need.  The changes did not affect the way in which a tenant’s rent was calculated.  The changes were intended to benefit tenants by allowing social housing providers to negotiate more effectively with the Crown to provide services that support people who are eligible for social housing. |
| 28 May 2015 | **Housing Legislation: Remedial matters**  **GST on payments to social housing providers**  **Removal of the policy advice function from HNZC**  **KiwiSaver and prior membership of a complying superannuation fund** | The social housing legislation enacted as part of the 2015 Budget also addressed the following remedial matters:   * Amending the *Goods and Services Tax Act 1985* to ensure that payments under reimbursement agreements and tailored agreements with social housing providers were GST-exempt to the extent that they relate to the provision of accommodation in social housing. This was consistent with the treatment of rent and income-related rent subsidies. * Amending the *Housing Corporation Act 1974* to remove the Housing New Zealand Corporation’s role in providing policy advice to the *Minister of Housing*. [*Note that on 1 July 2011 the housing policy advice function had been transferred from the Corporation to the then Department of Building and Housing, subsequently the Ministry of Business, Innovation and Employment.*] The Corporation retained an operational policy function to support its business activities. In addition, the Corporation was no longer expected to undertake research and evaluation activities for the purpose of advising the *Minister of Housing* on housing and services related to housing. * Amending the *KiwiSaver Act 2006* to clarify that previous membership of a complying superannuation fund counted towards the three-year eligibility period for a first home withdrawal, if a complying superannuation fund member had transferred to *KiwiSaver*. This change applied from 1 April 2015. |
| 1 June 2015 | **KiwiSaver first home withdrawal: Funds available for an initial deposit** | From this time the *KiwiSaver* first home withdrawal could be used for making an initial deposit on a home, provided that the funds were protected until settlement. Prior to this, withdrawn funds had to be used as a deposit only, which created a barrier particularly for new homes purchased “off the plans”. |
| 4 June 2015 | **Community Investment Strategy launched** | The Government launched a new long-term strategy for social service investment that was intended to deliver better results for at-risk children, young people and adults, along with more effective use of taxpayer money. The *Community Investment Strategy* created a more results-focused and evidence-based approach to the Ministry of Social Development’s purchasing of social services for vulnerable people and communities. It was also intended to be more transparent, targeted, flexible and efficient.  The key elements of the *Community Investment Strategy* included:   * focusing more clearly on priority results; * building the evidence base; * improving the quality of data collection; * setting a clear direction for funding; * simplifying compliance requirements; and * building provider capability.   The Ministry of Social Development’s purchasing of services was to focus on three priority areas based on the government’s Better Public Services targets:   * supporting vulnerable children, children in hardship and reducing child maltreatment; * supporting vulnerable youth, including young offenders and reducing youth crime; and * supporting vulnerable adult victims/survivors, addressing perpetrator’s behaviour and reducing violent crime.   The *Community Investment Strategy* applied to all social services purchased by the *Community Investment* Group within the *Ministry of Social Development* and the *Ministry of Youth Development*. The Ministry invested around $330 million in community-based social services each year. It did not apply to employment-related services purchased by the *Ministry of Social Development.*  Over the following three years, the *Ministry of Social Development* was to work with providers to help them transition to contracts that included results measures. This was to be fully rolled-out by June 2018. |
| 9 June 2015 | **Queenstown-Lakes Housing Accord: Special Housing Area designated** | The *Housing Accords and Special Housing Areas (Queenstown) Order 2015* declared a *Special Housing Area* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act. The *Special Housing Area* was:  • Bridesdale Farm  The qualifying criteria for a development specified the minimum number of dwellings that must be built, the maximum number of storeys and the maximum height. There was no criterion regarding affordability.  A proposed development in the *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In October 2014, the *Queenstown-Lakes Housing Accord* had been agreed between the *Minister of Housing* and the Mayor of Queenstown-Lakes District. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a 20 percent increase on the number of houses that had been built in the area in the past, to improve both supply and affordability in the region. It set a target of 350 new sections and dwellings consented in the first year, 450 in the second and 500 in its third. |
| 10 June 2015 | **Supported Living Payment and Jobseeker Support: Electronic lodgement of work capacity medical certificates** | Electronic lodgement of work capacity medical certificates allowed secure electronic transfer of the information from health practitioners to the *Ministry of Social Development*. The change reduced administration for health practitioners and the number of visits beneficiaries were required to make to the *Ministry of Social Development* as they were no longer required to deliver their medical certificate in person.  Work capacity medical certificates were required by beneficiaries applying for or receiving the *Supported Living Payment* or *Jobseeker Support* (for people with a health condition or disability). The certificates contained information about a person’s medical condition, capacity for work, how long they are expected to be unable to work and their ability to undertake work-related activities.  By February 2016, 72 percent of medical certificates were being lodged electronically.  Electronic lodgement did not apply to other types of medical certificates that beneficiaries were required to submit to the *Ministry of Social Development* (eg medical information required for the assessment of the *Disability Allowance* or the *Child Disability Allowance*). |
| 11 June 2015 | **Nelson Housing Accord** | The *Nelson Housing Accord* was agreed between the *Minister for Building and Housing* and the *Mayor of Nelson*. The Accord was established under the provisions of the *Housing Accords and Special Areas Act 2013* and set out agreed targets and how the parties would work together to achieve the outcomes of the Act.  The Accord provided the basis for the Government and the Nelson Council to work together to support an increase in new housing and improved housing affordability in Nelson The Accord set a target of consenting 720 new dwellings over the next three years.  The priority actions were:   * enable a mix of housing types, including more affordable homes; * encourage developers to prepare their land and build houses more quickly than had been the case over the past three years; * increase developer confidence in the Council to encourage a more collaborative approach between the Council and developers that results in a commitment to bring a continuous supply of land and houses to the market over the long-term; and * better align public infrastructure, investment and private sector housing development.   The Accord allowed the Council to recommend the creation of *Special Housing Areas* to the *Minister for Building and Housing*. If the Government agreed, the *Special Housing Areas* would be designated by *Order in Council* enabling the Council to access the fast-track consenting powers under the *Housing Accords and Special Areas Act 2013*.  The Accord was expected to remain in place until the repeal of the legislation in September 2016, though any consent applications underway at that time could continue to be progressed under the Act’s provisions until September 2018. |
| 13 June 2015 | **Hobsonville housing development: Development of additional homes brought forward** | The *Hobsonville Land Company* (HLC) announced that it was bringing forward the development of the 1,000 new homes at Hobsonville Point, Auckland.  Under the previous schedule these homes would not have been available until 2019, but they would now come on-stream from 2017. The announcement brought the total number of homes that were either complete, under construction or in the development pipeline to 2,250.  Crown involvement in the Hobsonville development had commenced in November 2002, with the HLC established in 2005.  In November 2012, the Government announced that 20 percent of the 2,500 to 3,000 new homes at Hobsonville Point would be designated as affordable homes meaning that 500 to 600 new affordable homes would be constructed. It was up to the HLC how it achieved the targets in a commercial development environment. Approximately 20 percent of homes sold at Hobsonville Point were deemed to be affordable homes. At June 2015, this was set at or below $550,000. The affordable homes were branded *Axis Series Homes* and delivered by the Hobsonville Point building partners without a subsidy. The price points were met by building compact homes on small lots. They were a mixture of apartments, terraced and stand-alone homes, with one or two bedrooms and an off- street car park rather than a garage. |
| 17 June 2015 | **SuperGold Card: Changes to the funding arrangements for the public transport concession** | A number of changes were announced to ensure the sustainability of funding for the public transport concession provided under the *SuperGold Card* scheme. The changes were:   * lifting the moratorium on new services entering the scheme from 1 September 2015, and applying criteria for new services including that only public transport services which were provided under contract to a Regional Council would be eligible to participate in the scheme [*Note the moratorium had applied from 1 July 2010*]; * capping Crown funding for the scheme at $28.129 million per year for the next five years, with annual Consumer Price Index adjustments to account for inflation; * replacing individual fare reimbursements for councils with bulk funding; * capping Crown funding for exempt services at their current levels, adjusted by the Consumer Price Index; * from 2016/2017 competitive tendering for SuperGold Card funding would be required on all routes where there was competition. (This applied only to the Waiheke Island route); and * requiring from 1 July 2016, *SuperGold Card* holders to purchase smartcards, such as the Auckland Transport HOP card, as smartcard ticketing systems become available.   The changes resulted from a review of the *SuperGold Card* public transport concession which had considered how the scheme was operating under its current guidelines and how the guidelines might be changed to keep the scheme affordable in the future. The Government signalled that the funding model would be reviewed again in 2018.  The *SuperGold Card* public transport concession was introduced on 1 October 2008. The concession applied to scheduled urban public transport between 9.00am and 3.00pm and after 6.30pm Monday to Friday and all day on weekends and public holidays. The *SuperGold Card* had been launched in August 2007. |
| 29 June 2015 | **Changes to the Housing Support Assistance Programme**  **(Housing Support Products)** | A number of amendments were made to the *Housing Support Assistance Ministerial Welfare Programme* under the *Social Security Act 1964*. The amendments:   * introduced assistance for rent in advance as a standard grant; * changed the existing letting fees assistance from recoverable to non-recoverable assistance; and * provided new conditional grants of assistance towards bond, rent in advance and letting fees to encourage private landlords to let housing to people on the social housing register by providing written assurance that they will be able to access financial assistance towards the costs of entering a tenancy for alternative housing if certain conditions are met. These new conditional grants were be supported by a conditional grant letter and were recoverable in certain circumstances.   The *Housing Support Assistance Programme* had been introduced on 1 July 2014 and provided for the granting, at the discretion of the chief executive of the *Ministry of Social Development* and within the limits set out in the programme, of special assistance to alleviate hardship in relation to housing. The programme provided a number of financial products and also aimed to address barriers to accessing or retaining housing by meeting needs not covered by other forms of assistance. In general, assistance was available only to applicants who were tenants of social housing or were awaiting allocation of social housing, |
| 1 July 2015 | **Social Bond Programmes** | The 2015 Budget provided $28.8 million for four *Social Bond Programmes*. The first expanded on a pilot programme that had been delivering employment services to people with mental health conditions and supported the *Better Public Services* (BPS) target of significantly reducing long-term benefit dependency by 2017. It was signalled the subsequent social bonds would focus on either lowering re-offending rates or helping people manage long-term health conditions.  Social bonds were an innovative form of social investment in which private capital and expertise was deployed for social purposes. Social bonds enabled working capital to be raised from investors to meet the costs of new services or to scale up existing services. If better outcomes were achieved, the Government repaid the capital invested, plus a return – greater improvements meant higher returns for investors (up to an agreed amount) and better social outcomes. The financial cost of poor performance was met by investors.  Social bonds were seen as becoming another tool in the Government’s investment approach which was aiming to improve the lives and prospects of the most vulnerable New Zealanders.  The first *Social Bond Programme* aimed at improving employment outcomes for beneficiaries with a mental health condition commenced in February 2017. |
| 1 July 2015 | **Residential Care Subsidy: Adjustment of asset levels** | The asset thresholds for the *Residential Care Subsidy* were adjusted by the movement in the *Consumer Price Index* (all groups) for the year to the end of March 2015 (0.08 percent).  Single people and couples with both partners in care were able to keep up to $218,598 in assets - up from $218,423, before they were used to contribute to the cost of their care. Couples both 65 years or over with one in residential care were able to keep $119,709 (excluding family home and car) - up from $119,614, or they could elect the higher asset threshold of $218,598 (including family home and car).  [*Note that in September 2015, Statistics New Zealand announced that there had been an error in the calculation of the Consumer Price Index for the March2015 quarter. As a result, the asset thresholds for the Residential Care Subsidy were revised in November 2015, effective from 1 July 2015. See below*.] |
| 1 July 2015 | **Residential Care Subsidy: No increase to the income from assets exemption** | There was no adjustment to the ‘income from assets exemption’ for the *Residential Care Subsidy* as the movement in the *Consumer Price Index* for the year ending 31 March 2015 (less the price increases from cigarette and tobacco products) was negative. As a result, the income from asset exemption levels (after tax) remained at:   * single people: $963 per annum; * couple (both in care): $1,925 per annum; and * couple (one in care): $2,887 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2015 | **Paid Parental Leave increased** | *Paid Parental Leave* was increased from a maximum of $504.10 gross per week to a maximum of $516.85 gross per week. This reflected the movement in average weekly earnings over the previous year.  The minimum payment for self-employed parents increased from $142.50 per week to $147.50 per week. |
| 1 July 2015 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $605 to $610; and * the income threshold was increased from $24,250 to $24,440.   The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2015/2016 rating year was $24,440 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2015/2016 rating year (1 July 2015 to 30 June 2016). |
| 1 July 2015 | **Social Sector Trials extended** | The *Social Sector Trials* taking place in 16 communities around New Zealand were extended for a further 12 months, until 30 June 2016.  From 1 March 2011, the *Ministry of Social Development, Ministry of Justice, Ministry of Education, Ministry of Health* and the *New Zealand Police* had piloted a change in the way that social services were delivered to youth (12 – 18-year olds) in six provincial locations throughout New Zealand. The purpose of the *Social Sector Trials* was to test the ability of an appropriate mandated individual or NGO to use cross-agency resources to effect change in their community.  In July 2013, following encouraging results; the model was extended to ten new locations. Of these new locations, eight were focused on cross-sectoral outcomes for 12 to 18-year olds (on the same basis as the original six locations), one was focused on health outcomes for 0 to 74-year olds and one was focused on education outcomes for 0 to 18-year olds.  [*Note: The Social Sector Trials ended on 30 June 2016. Of the 16 trial locations, ten were assisted to transition to a locally-led model.]* |
| 1 July 2015 | **Free doctors’ visits for children extended** | Free doctors’ visits and prescriptions for children aged under six were extended to children aged under 13 years. Around 400,000 primary school-aged children and their families were expected to benefit. |
| 1 July 2015 | **Government Contingency Fund: To facilitate Auckland housing development** | In the 2015 Budget, the Government established a $52.2 million capital contingency fund to facilitate housing development on Crown-owned land in Auckland and $2 million of operational funding to facilitate the process.  It was estimated that the Crown, through various agencies owned around 500 hectares of land in Auckland with the potential for residential development. The fund would enable the Government to select parcels of vacant land from the relevant agency and make it available for development by a private sector partner through a competitive process.  The fund was intended to enable development on land that was already zoned as residential, but with no existing buildings or tenants to manage – meaning houses could be brought to market more quickly. The focus was on boosting supply, including the supply of affordable homes.  The first four sites, comprising 30 hectares of land that were considered for development were:   * 9.5 hectares in Massey East owned by the *Ministry of Education* and originally set aside for a new high school (capacity 200 homes); and * three other sites owned by the *New Zealand Transport Agency* with a combined potential for around 400 homes: * Manukau with potential for intensive housing close to the city centre and rail link; * Avondale, zoned for terraced housing or apartments; and * Brigham Creek Road, off the Upper Harbour motorway. |
| 1 July 2015 | **New Zealand Superannuation and Veteran’s Pension: Portability to the Cook Islands, Niue and Tokelau** | From this time, eligible residents of the Cook Islands, Niue, and Tokelau could apply from either of those countries or that territory for their *New Zealand Superannuation* or *Veteran’s Pension* at age 65.  Prior to this, while *New Zealand Superannuation* or a *Veteran’s Pension* could be paid to eligible people (including that they had lived in New Zealand for 10 years, five of which were after the age of 50 years) who moved to these countries or territory, they had be resident and present in New Zealand on the date of application for either of these benefits.  The effect of the change was that people were able to leave New Zealand to live in the Cook Islands, Niue, or Tokelau after the age of 55, and apply and qualify for *New Zealand Superannuation* or a *Veterans’ Pension* when they turned 65, without having to return to New Zealand.  The changes reflected New Zealand’s close constitutional ties with the Cook Islands, Niue, and Tokelau and were part of New Zealand’s commitment to support their on-going economic and social viability. The changes allowed the Cook Islands, Niue, and Tokelau to attract capital and skills from their citizens who had moved to New Zealand, as well as other New Zealanders who chose to spend their retirement years in either of those countries or that territory. |
| 1 July 2015 | **Student Allowance Accommodation Benefit: Increased assistance for some sole parent students** | From this time, the rate of the *Student Allowance Accommodation Benefit* for a sole parent student was set to equate with the applicable rate of the *Accommodation Supplement*. The eligibility criteria and calculation for the *Accommodation Supplement* was used to determine the amount of *Student Allowance Accommodation Benefit* that was payable.  A sole parent student who was assessed using the *Accommodation Supplement* criteria and who was not entitled, could not receive the standard rate of the *Student Allowance Accommodation*.  Prior to this, the maximum *Student Allowance Accommodation Benefit* for a sole parent was $60 per week.  By July 2016, 1,515 sole parent students were receiving more than $60 per week in accommodation support, with an average payment of $89.22 per week. |
| 1 July 2015 – 30 June 2016 | **Rural Assistance for farmers in the central and lower North Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the central and lower North Island who were affected by flooding. For eligible farmers, assistance was available up until 30 June 2016. |
| 3 July 2015 | **Wellington Housing Accord: Additional Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Wellington—New June 2015 Areas) Order 2015* declared 13 additional areas in Wellington to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act. This included the maximum number of storeys (6), the maximum height (27 metres) and the minimum number of houses (10). Affordability was not a criterion.  The additional *Special Housing Areas* were:   * 383 to 387 Adelaide Road; * Britomart Street; * Erskine College; * Helston Road; * Mansfield Street; * McLean Flats; * Ohariu Valley Road/Westchester Drive; * Owen Street; * The Reedy Land; * Shelley Bay; * Spenmore Street; * Westchester Drive; and * White Pine Avenue.   A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In June 2014, the *Wellington Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Wellington*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 7,000 additional homes over five years. In December 2014, eight areas were designated as *Special Housing Areas*. |
| 9 July 2015 | **Changes to tenancy laws announced** | The Government announced its intention to amend the *Residential Tenancies Act 1986* to introduce new quality requirements for rental housing (smoke alarms and insulation), better enforcement and faster resolution of abandoned tenancies. The new law would require:   * the retrofitting of ceiling and under floor insulation in rental homes over the next four years. The new requirements would apply to social housing subsidised by the government from 1 July 2016 and for other rental housing, including boarding houses from 1 July 2019. There would be exemptions where it was impractical to retrofit insulation; * all landlords to state in tenancy agreements the level of ceiling and under floor insulation to better inform tenants, from 1 July 2016; and * smoke alarms in all tenanted properties, from 1 July 2016.   The *Ministry of Business, Innovation and Employment* was also to be given new powers to investigate and prosecute landlords for breaking these new laws, particularly where there was risk to the health and safety of tenants. Tenants could also take concerns to the *Tenancy Tribunal* without fear of being evicted for doing so.  There was to be a new ten-day process introduced to enable re-tenanting of properties where a tenant had abandoned a property with no intention of returning, replacing the current process which could take up to six weeks.  The reforms were expected to require an additional 180,000 homes to be insulated and 120,000 homes to have smoke alarms installed. It was estimated that the flow-on to rents for a property requiring ceiling and underfloor insulation and a new smoke alarm to be $3.20 per week. |
| 29 July 2015 | **Temporary Accommodation Assistance (Canterbury Earthquake) extended.** | The *Temporary Accommodation Assistance (Canterbury Earthquake) Amendment (No 2) 2015* made provision for the programme to continue until 31 December 2017. The extension had been announced in June 2015.  *Temporary Accommodation Assistance* had been available since February 2011 to Canterbury homeowners who had been required to leave their home as a result of the earthquakes and, who, as a result, faced additional accommodation costs.  To be eligible for *Temporary Accommodation Assistance* a homeowner must have been:   * unable to live in their own home because it was unsafe until it was rebuilt or repaired; or * required to leave their own home while land remediation and/or house rebuild or repairs occurred; and * intend to return to their home when the house is habitable; * have temporary accommodation costs (eg rent, board, motel etc); and * have used all their insurance coverage for temporary accommodation costs.   *Temporary Accommodation Assistance* was not subject to an income or asset test and was paid at the following rates:   * single no children $180 per week; * married, de-facto, civil union with no children and sole parent with one dependent child $275 per week; and * married, de-facto, civil union with children and sole parent with two or more dependent children $330 per week.   Since the programme was established in 2011, over $50 million had been paid to Canterbury homeowners, with over 3,000 households receiving assistance. At June 2015, 625 households were receiving assistance. |
| 30 July 2015 | **Auckland Housing Accord: Additional Special Housing Area designated** | The *Housing Accords and Special Housing Areas (Auckland—New June 2015 Area) Order 2015* declared one additional area to be a *Special Housing Area* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act. This included the maximum number of storeys (5), the maximum height (27 metres) and the minimum number of houses (15). Affordability was also a specified criterion with:   * 10 percent of dwellings the sale price was not to exceed 75 percent of the Auckland region median house price; or * 5 percent of dwellings the price at which the dwelling was sold would mean that mortgage repayments for a household receiving the Auckland median household income would not exceed 30 percent of the household’s gross monthly income (based on a number of assumptions).   The additional *Special Housing Area* was:   * McLaren Road, Glenbrook (87 hectares with a potential for 800 homes).   A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  The Order was the fourth to create *Special Housing Areas* in Auckland under the terms of the *Auckland Housing Accord* agreed between the *Minister of Housing* and *Mayor of Auckland* in May 2013. |
| 30 July 2015 | **Tauranga Housing Accord: Additional Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Tauranga—New June 2015 Area) Order 2015* declared two additional areas to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act. This included the maximum number of storeys, the maximum height and the minimum number of houses. Affordability was not a criterion.  The additional *Special Housing Areas* were:   * Adler Drive; and * Domain Road.   A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In August 2014, the *Tauranga Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Tauranga*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 1,000 additional homes and sections over two years. In March 2015, seven areas were designated as *Special Housing Areas*. |
| 31 July 2015 | **Recovery of Social Security debts: Changes to the requirements for issuing deduction notices** | An amendment to the *Ministerial Direction on Debt Recovery* provided for changes to the requirements for issuing deduction notices under the *Social Security Act 1964*.  The number of written notices that must be sent to an unresponsive debtor before a deduction notice could be issued was reduced from three to two (the overall timeframe, from the date when the first written notice was sent and the date when a deduction notice may be issued, was also reduced by one week). The requirements for determining the amount of the lump sum or instalments were reworded, to make it clear that the *Ministry of Social Development* was not required to recheck the debtor’s bank balances and outgoings every time an instalment was deducted. |
| 10 August 2015 | **Ministerial Direction on Tailored Agreements with Social Housing Providers** | A Ministerial Direction to the *Social Housing Agency* (*Ministry of Social Development*) under the *Housing Restructuring and Tenancy Matters Act 1992* authorised the *Ministry of Social Development* to enter into tailored agreements for the provision of social housing.  The Direction set out the matters that the Ministry must include in its consideration of whether to enter into tailored agreements and matters that the Ministry must ensure are included in a tailored agreement with a social housing provider. These included that the agreement is consistent with the purpose of promoting social housing outcomes that reflect the diverse needs of tenants and the diverse range of existing social housing providers and potential providers. Nothing in the Direction required the Ministry to enter into tailored agreements or affected the way in which a social housing tenant's rent was calculated. |
| 21 August 2015 | **Auckland Housing Accord: Additional Special Housing Area designated** | The *Housing Accords and Special Housing Areas (Auckland—New August 2015 Area) Order 2015* declared two additional areas to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act. This included the maximum number of storeys (6), the maximum height (27 metres) and the minimum number of houses. Affordability was also a specified criterion. For qualifying developments of 15 or more dwellings only:   * 10 percent of dwellings the sale price was not to exceed 75 percent of the Auckland region median house price; or * 5 percent of dwellings the price at which the dwelling was sold would mean that mortgage repayments for a household receiving the Auckland median household income would not exceed 30 percent of the household’s gross monthly income (based on a number of assumptions).   The additional *Special Housing Areas* were:   * Bremner Road, Drury (68 hectares with a potential for 1,000 homes); and * Fred Taylor Drive, Massey Extension.   A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  The Order was the fifth to create *Special Housing Areas* in Auckland under the terms of the *Auckland Housing Accord* agreed between the *Minister of Housing* and *Mayor of Auckland* in May 2013. It brought the number of *Special Housing Areas* in Auckland to 87, with a combined potential yield of up to 45,000 new homes.  Nationwide, there were by this time 118 *Special Housing Areas* through *Housing Accords* agreed with eight local councils, with the potential to deliver up to 49,000 new homes. |
| 15 September 2015 | **Productivity Commission released its final report on more effective social services** | It its final report on improving outcomes from social services, the *Productivity Commission* concluded that tinkering with the current system will not be enough to help disadvantaged New Zealanders.  The Commission concluded that many New Zealanders interact with the social service system without too much trouble – through their local school or childcare centre, GP or hospital if it’s something more serious... For these people, the social services system works pretty well.  However, there are many others whose needs are not so straightforward, people with multiple problems that are much more complex than the needs of the average New Zealander… depression, drug addiction, family violence, unemployment. This can create disadvantage that persists across generations. These people required many different services, but they found hard to navigate their way through the current maze of government agencies and processes. For these people it is not enough just to make the current system work better. The Commission concluded that a new approach was required that puts the needs of people and their families at the centre of decision-making and that this would require a shift in thinking and structures.  The Commission observed that many social services continue to be funded and run in much the same way over decades, with little evaluation of their impact or cost-effectiveness. They also highlighted a flow of new initiatives that attracted much media and political attention, but had little impact on New Zealand’s most disadvantaged.  The Commission found that social services are only one of many influences that determine people’s outcomes. Family, friends and community, work and colleagues, and early physical and social experiences play a huge role in the wellbeing of New Zealanders.   * *“We need to tap into these influences – their local knowledge and relationships. And where possible empower people to make choices about the services they receive and who they receive them from.”*   To address the needs of New Zealand’s most disadvantaged; the Commission recommended giving more responsibility for resources to organisations close to clients. Their job would be to work with clients to help them assemble the package of services they need – taking account of the person’s circumstances, their culture etc.   * *“This is NOT about releasing government from its responsibility for providing services. In fact, it is quite the opposite. It is about the government taking its responsibility as system steward seriously and reshaping the system so that it produces better outcomes. At times this will mean letting go of control while retaining high-level accountability.”*   Early intervention was a central theme of the Commission’s report. The commission believed that better use of data and analytics will help the government target those most in need early – putting a fence at the top of the cliff rather than an ambulance at the bottom.  The Commission presented 89 findings and 61 recommendations. The report was accompanied by case studies on employment services, Whānau ora, services for people with disabilities, and home-based support for older people.  In June 2014, the Government had requested the *Productivity Commission* to look at ways of improving the effectiveness of social services that it funds. The Commission had published an Issues Paper in October 2014 and a draft report in April 2015. In the course of its work, the Commission received 246 submissions for organisations, individuals and government agencies, held more than 200 face-to-face meetings with interested parties and engaged with government agencies to draw lessons from existing programmes.  The *Productivity Commission* was an independent Crown Entity, established under the *New Zealand Productivity Commission Act 2010*. Its research and advice were guided by a statutory purpose to improve the wellbeing of the community as a whole. |
| 24 September 2015 | **Independent Panel established to review the Child, Youth and Family Agency released its interim report** | This interim report summarised the work of the *Independent Panel* since April 2015.  The Panel’s focus was on developing a model that was truly centred on the needs of vulnerable children and on what the children themselves say that they need.  The report reflected the perspectives of a diverse group of people, including young people who have been in the care of *Child, Youth and Family.* The Panel reviewed rich data, information and research from sector agencies, and drew on the findings of previous reviews and related international work.  The overall conclusion in the Report was that while there are pockets of good practice, and a committed frontline workforce, the system as a whole is not delivering effectively for vulnerable children and young people. The Panel concluded that the current model had a short-term focus on managing immediate risks to vulnerable children at the expense of the prevention of further harm and the achievement of long-term outcomes. Children and young people who had required the intervention of the care, protection and youth justice systems have dramatically worse outcomes in education, employment, justice and health as young adults than the rest of the population.  The Panel considered that a commitment to a substantial multi-year programme of work was required to turn the current situation around and deliver on New Zealanders’ aspirations for our vulnerable children, with associated financial and legislative implications. The Panel expected that the new operating model would require the wider social sector to make significantly greater progress than has been seen so far in delivering on results for vulnerable children.  The Panel outlined four key building blocks as a foundation for a new way of working:   * a child-centred system - decision-making on the services and interventions they require to be safe, nurtured and stable, and to flourish as adults; design of services, policies and approaches at a system level; and advocacy for their rights through an understanding of the expectations they can have of the system and all its participants; * an investment approach – a shift to an approach focused on evidence and long-term results across the social sector. Having an investment framework would give us a means to assess the effectiveness of services and hold agencies to account for achieving the desired outcomes for all vulnerable children – being safe, achieving at school, being in good health and making a successful transition to adulthood; * professional practice framework - based on best practice approaches: a high degree of cultural competency and confidence to support the needs of all children, including Māori children; and the principles and tools to guide effective professional practice; and * engaging all New Zealanders - to take responsibility for loving and supporting vulnerable children.   The next phase of the work of the *Independent Panel* was to develop a plan for the detailed design and implementation of a new operating model. This was scheduled to be provided to the Government in December 2015 and would include detailed costings of specific initiatives that could be funded through the 2016 Budget.  The *Independent Panel* had been established in April 2015, to lead an overhaul *of Child, Youth and Family* (an agency within the *Ministry of Social Development*) to ensure that the agency delivered the best possible results for vulnerable children and their families in the years ahead. |
| 22 October 2015 | **New Zealand Superannuation: Interface with ACC surviving-spouse weekly compensation** | The Government announced that it would progress legislation to allow a recipient o*f New Zealand Superannuation* or a *Veteran’s Pension* (NZS/VP) to receive surviving-spouse weekly compensation from the *Accident Compensation Corporation* (ACC) and NZS/VP simultaneously.  The current legislation and practice required a superannuitant receiving surviving-spouse weekly compensation to election receive either NZS or surviving-spouse weekly compensation after a short transition period.  The proposed law change followed a case heard by the *Human Rights Review Tribunal*. It was estimated that the change would assist around 50 people a year.  Surviving-spouse weekly compensation was paid by ACC to the spouse of someone who was fatally injured and was generally available for five years. The rationale behind the payment was to allow a person who had suffered the sudden and tragic loss of their partner to adjust to the loss of their partner’s earnings. The impact of this loss was not necessarily lessened simply because the surviving spouse was receiving NZS.  The proposed change applied only to surviving-spouse weekly compensation. Recipients of NZS who received their own earnings-related compensation from ACC would still be required to elect to receive either ACC or NZS after a short transition period.  [*Note: The change was effective from 1 July 2019, along with other changes to the interface between NZS/VP and ACC weekly compensation*.] |
| 30 October 2015 | **Auckland Housing Accord: Further Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Auckland – New October 2015 Areas) Order 2015* declared a further eleven areas in Auckland City to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act.  The additional *Special Housing Areas* were:   * Bute Road, Browns Bay (49 homes); * Sunnybrae Road, Hillcrest (100 homes); * College Hill, Ponsonby (48 homes); * Kingdon Street, Newmarket (58 homes); * Cornwall Park Avenue/Great South Road (64 homes); * Layard Street, Avondale (124 homes); * Kirkbride Road, Mangere (53 homes); * Pacific Events Centre Drive, Manukau (900 homes); * James Road, Manurewa (39 homes); * Great South Road, Manurewa (24 homes); and * Takanini Road, Takanini (130-175 homes).   A proposed development in *a Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  The Order specified the following:   * the maximum number of storeys that buildings may have was six; * the maximum calculated height that buildings must not exceed was 27 metres; * the minimum number of dwellings to be built in each qualifying development was four; and * the percentage of dwellings that must be affordable dwellings, for qualifying developments relating to 15 or more dwellings; * ten percent of dwellings the sale price was not to exceed 75 percent of the Auckland region median house price; or * five percent of dwellings the price at which the dwelling was sold would mean that mortgage repayments for a household receiving the Auckland median household income would not exceed 30 percent of the household’s gross monthly income (based on a number of assumptions).   The Order was the sixth to create *Special Housing Areas* in Auckland under the terms of the *Auckland Housing Accord* agreed between the *Minister of Housing* and *Mayor of Auckland* in May 2013. These new areas brought the total number of *Special Housing Areas* established in Auckland to 97, with a potential yield of 47,000 new homes. |
| 30 October 2015 | **Tauranga Housing Accord: Special Housing Areas** | The *Housing Accords and Special Housing Areas (Tauranga – New October 2015 Area) Order 2015* declared a further area in Tauranga City to be a *Special Housing Area* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act (the minimum numbers of dwellings that must be built and the maximum number of storeys that buildings may have and the maximum height of buildings. The Order did not prescribe affordability criteria for the *Special Housing Area*.  The additional *Special Housing Area* was:   * expanded Nga Potiki housing area   A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In August 2014, the *Tauranga Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Tauranga*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 1,000 additional homes and sections over two years.  This was the third order to create *Special Housing Areas* in Tauranga. |
| October 2015 | **New Zealand Seasonal Work Scheme** | Following a trial in early 2015, the *New Zealand Seasonal Work Scheme* was launched within the *Ministry of Social Development*. The Scheme assisted job seekers who were in receipt of a social security benefit to relocate to take up fixed-term employment opportunities in regions that had horticulture or viticulture seasonal work available. Jobseekers needed to be prepared to relocate to one of the following regions:   * Bay of Plenty; * East Coast/Hawkes Bay; * Nelson/Marlborough; or * Southern/Otago.   The Scheme worked to connect recognised seasonal employers in these regions with job seekers from other parts of New Zealand when workers were required. There needed to be guaranteed full-time work (30 hours per week) for at least six weeks. The Ministry’s role was to screen potential workers, arrange and pay for their transport between their home area and the region (and return travel at the end of the employment) and arrange for accommodation and transport to and from employment (costs deducted from an employee’s wages).  Participation in the scheme was voluntary (i.e. a jobseeker could not be required to enter the scheme as part of their work test obligations). |
| 9 November 2015 | **Assistance for beneficiaries relocating to take up work: $3K to work initiative** | The *‘$3k to Christchurch’* initiative was expanded to a broader *‘$3K to work*’ initiative. A $3,000 non-recoverable payment was available to eligible beneficiaries who were willing to relocate to take up a confirmed offer of full-time employment.  As a general rule, beneficiaries living in Auckland or Canterbury were not eligible for the initiative, due to the stronger labour market in these areas. An exception could be made, however, based on individual circumstances (eg if the beneficiary was a graduate of the *Limited Service Volunteer Scheme*, had gang affiliations or was a victim of family violence).  The target group for the initiative was beneficiaries aged 18-24 years who had been receiving a social security benefit for six months or more and were engaged in *Work-focused Case Management*. To receive the $3,000 payment, a beneficiary needed to have a confirmed offer of acceptable employment and have not received the *‘$3K to work’* or ’*$3K to Christchurch’* payment in the previous 52 weeks. Applicants also needed to be unable to secure full-time work without relocating and have exhausted other options to find work in their own area.  From 1 July 2014, the initiative had been originally piloted as the *‘$3K to Christchurch’* initiative to assist in meeting labour shortages associated with the Christchurch rebuild. Beneficiaries who had an offer of full-time employment in Christchurch and who were ready and willing to move there were offered a one-off payment of $3,000.  In 2015, a $3k to work pre-trial was established for two months in four regions for up to 100 beneficiaries relocating for work. During the pre-trial, 67 beneficiaries received support with 66 still working when the pre-trial closed. |
| 24 November 2015 | **Social Security Benefits: Commencement of Benefits** | The *Social Security (Commencement of Benefits) Amendment Act 2015* came into force, with retrospective effect to 3 June 1998.  The amendment corrected an error in the legislation to give effect to the policy intent and operational practice that a main social security benefit commences on the day after the stand down period ends, as opposed to the day upon which the stand down ends.  The amendment also provided that some benefit applicants were protected from the retrospective amendment, including those who applied of a review of decision of their commencement date before the Amendment Act came into force or (in the case of a benefit that commenced on or after 20 May 2014) within six weeks after the Amendment Act came into force .  The *Social Security Appeal Authority* had identified the legislative error in a decision in May 2014. |
| 24 November 2015 | **Changes within the Ministry of Youth Development**  **Partnership fund with philanthropic and other organisations** | The Government announced a new direction for the *Ministry of Youth Development* (MYD) to increase the opportunities available to young people through partnering with the business and philanthropic sectors. The new direction reflected:   * increasing the number of youth development opportunities for young people aged 12 to 24 years (such as leadership, mentoring and volunteering); * a larger proportion of the budget to go to youth from disadvantaged backgrounds (from 18 percent to 30 percent); * partnership with business and philanthropic sectors to improve the number and quality of opportunities available; * initiatives that would officially recognise a young person’s community participation; and * a change in the way funding was distributed, centred on a partnership fund managed by a Board with representation from the business and philanthropic sectors.   The *Ministry of Social Development* was required to consult with relevant stakeholder in early 2016 regarding the final governance model for the partnership fund.  MYD remained within the *Ministry of Social Development*, but with a clearer set of functions to deliver on the new focus. Around $1 million was transferred from an operating budget of $2.9 million to start the new partnership fund. The new structure for the MYD reduced the number of staff from 25 to around 15 and was officially established on 4 April 2016.  In October 2003, MYD had been established within *the Ministry of Social Development* replacing the previously stand-alone *Ministry of Youth Affairs*. Its focus was on the provision of policy advice and the funding of youth development programmes. Prior to the changes announced in November 2015, MYD had an annual operating budget of around $2.9 million and administered core funding of around $6 million for youth development opportunities for around 50,000 young people aged 12 to 24 years. |
| 27 November 2015 | **Residential Care Subsidy: Asset levels revised** | The asset levels for the *Residential Care Subsidy* (RCS), which had been set on 1 July 2015, were revised due to the discovery by *Statistics New Zealand* of an error in its calculation of the *Consumers Price Index* (CPI) for the March 2015 quarter. As a result of this error, the asset thresholds for the means test for RCS were set lower than they should have been.  The effect of applying the lower RCS asset thresholds was that some people missed out on receiving RCS for a short period, and had to pay for the cost of their residential care out of their own pocket (up to the “maximum contribution” level).  As a result of the correction of the error, reimbursements were made to approximately 315 people, at a total cost of around $70,000.  The partners of some RCS recipients were also eligible for the *Special Disability Allowance* (SDA) supplementary payment, which is administered by the *Ministry of Social Development*. Retrospective payments of the SDA were required to an estimated 100 people at a cost of around $1,700.  The Regulations to correct the 2015/16 RCS asset thresholds came into force on 27 November 2015, with retrospective effect from 1 July 2015.  The revised asset levels were:   * single people and couples with both partners in care were able to keep up to $218,973 in assets - up from $218,598, before they were required to contribute to the cost of their care; and * couples both 65 years or over with one in residential care were able to keep $119,915 (excluding family home and car) - up from $119,709, or they could elect the higher asset threshold of $218,973 (including family home and car). |
| 7 December 2015 | **Social Housing: Contracts to deliver 500 new social housing places in Auckland** | The Government announced that the *Ministry of Social Development* had entered into agreement with five *Community Housing Providers* to deliver an additional 508 social housing places in Auckland over the next three years. This followed an encouraging response to a Request for Proposal seeking proposals for an extra 300 *Income-related Rent Subsidy* social housing tenancies in Auckland.  Contracts were signed with the *Salvation Army* to provide 87 places, *Accessible Properties* to provide 358 places and the *Chinese New Settler Trust* to provide 36 places. Providers were expected to sign contracts for the remaining places over the following weeks. The focus was on delivering more places in the high demand areas of West and South Auckland, with the first places expected to be available in early 2016. The new tenancies would come from a mix of new builds and leased properties – provided or sourced by the *Community Housing Providers*. The Government provided $10 million in up-front funding to support costs related to bringing the new supply on stream.  Under changes introduced in 2015, the *Ministry of Social Development* was able to negotiate contracts for the *Income-related Rent Subsidy* for up to 25 years, giving *Community Housing Providers* a Government-backed guaranteed income stream.  The Government had announced it was increasing funding for social housing subsidies to 65,000 places by 2017/2018. As part of its role as the purchaser of *Income-related Rent Subsidy* tenancies, the *Ministry of Social Development* published current and future purchasing intentions for each region. |
| 7 December 2015 | **Support for Veterans: Scheme Two implemented** | As part of the new approach to supporting veterans, Scheme Two covering veterans with qualifying operational service from 1 April 1974 (the commencement of the ACC Scheme) onwards was implemented. It was:   * aligned with entitlements under the ACC Scheme; * provide a top-up to the entitlements provided by ACC; and * ensured equity between veterans, as *Veterans Affairs New Zealand* would provide the equivalent of the ACC plus the top-up, if the veteran’s claim was declined by ACC.   Scheme Two recognised the needs of younger veterans, whether civilian or currently serving. It had a focus on tailored wrap-around packages of treatment and rehabilitation, including vocational support. Where a veteran was unable to work because of a service-related injury or illness, or where a veteran had died because of a service-related illness or injury, *Veterans’ Affairs New Zealand* could offer vocational services to their spouse or partner to support them.  The *Veterans’ Independence Programme* (VIP) was established under the *Veterans’ Support Act 2014*. The VIP allowed *Veterans’ Affairs New Zealand* to fund a range of support and assistance to help veterans continue living independently in their own home. The VIP support was available to all veterans with qualifying service, whether or not they had a service-related injury.  The *Veterans’ Support Act 2014* had been enacted following a review of the *War* *Pensions Act 1954* undertaken by the *Law Commission*. Scheme One which covered veterans with qualifying operational service before 1 April 1974 had been implemented on 7 December 2015. |
| 11 December 2015 | **Auckland Housing Accord: Further Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Auckland – New December 2015 Areas) Order 2015* declared a further nine areas in Auckland City to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act.  The additional *Special Housing Areas* were:   * Takanini SHA extension: 19.6 hectares, 300 homes; * Hilary Crescent, Belmont: 9.6 hectares, 340 homes; * Karepiro Drive, Stanmore Bay: 14.8 hectares, 78 homes; * McAnnalley Street, Manurewa: 0.9 hectares, 92-111 homes; * Mill Road, Alfriston: 3.4 hectares, 29-54 homes; * Mountain Road, Epsom: 0.4 hectares, 60-80 homes; * St Georges Road, Avondale: 0.7 hectares, 30 homes; * Larch Street, Avondale: 0.5 hectares, 74 homes; * Wellington Street, Freemans Bay: 0.2 hectares, 51 homes; and * Meadowbank Road, Meadowbank: 0.5 hectares, 31 homes.   A proposed development in *a Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  The Order specified the following:   * the maximum number of storeys that buildings may have was six; * the maximum calculated height that buildings must not exceed was 27 metres; * the minimum number of dwellings to be built was 50 in the Takanini Extension and four in the other qualifying developments; and * the percentage of dwellings that must be affordable dwellings, for qualifying developments relating to 15 or more dwellings; * ten percent of dwellings the sale price was not to exceed 75 percent of the Auckland region median house price; or * five percent of dwellings the price at which the dwelling was sold would mean that mortgage repayments for a household receiving the Auckland median household income would not exceed 30 percent of the household’s gross monthly income (based on a number of assumptions).   The Order was the seventh to create *Special Housing Areas* in Auckland under the terms of the *Auckland Housing Accord* agreed between the *Minister of Housing* and *Mayor of Auckland* in May 2013. These new areas brought the total number of *Special Housing Areas* established in Auckland to 106, with a long-term capacity of more than 48,000 new homes. |
| 11 December 2015 | **Wellington Housing Accord: Further Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Wellington – New December 2015 Areas) Order 2014* declared a further three areas in Wellington to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act. The new *Special Housing Areas* were:   * Shelly Bay: 7.32 hectares, 300 homes; * Glanmire Road, Newlands: 0.18 hectares, 15 homes; and * Mein Street, Newtown: 0.63 hectares, 15 homes.   The Order also specified the minimum number of dwellings that must be built and the maximum number of storeys and maximum height that the buildings may have. The Order did not prescribe affordability criteria.  A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In June 2014, the *Wellington Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Wellington*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 7,000 additional homes over five years. The Order was the third to create *Special Housing Areas* in Wellington. |
| 14 December 2015 | **Office for Seniors** | The *Office for Senior Citizens*, within the *Ministry of Social Development*, was renamed the *Office for Seniors*. This coincided with a change in the name of the ministerial portfolio from *Minister for Senior Citizens* to *Minister for Seniors*. The Office supported the *Minister for Seniors* in carrying out the functions of the Seniors portfolio.  The *Office for Senior Citizens* had been established in July 2002, when it replaced the *Senior Citizens Unit* (which had been established within the *Department of Social Welfare* in 1990). |
| 14 December 2015 | **Selwyn District Housing Accord** | The *Selwyn Housing Accord* was agreed between the *Minister for Building and Housing* and the *Mayor of the Selwyn District*. The Accord was established under the provisions of the *Housing Accords and Special Areas Act 2013* and set out agreed targets and how the parties would work together to achieve the outcomes of the Act. The Selwyn District had experienced significant growth as a consequence of the Christchurch earthquakes of 2010 and 2011. Selwyn was the fastest growing Territorial Authority in New Zealand in 2013/2014 and 2014/2015.  The Accord provided the basis for the Government and the *Selwyn District Council* to work together to support an increase the supply of housing and address the lack of land available for residential construction in the Selwyn District.  The purpose of the Accord was to enable subdivision and development of housing in suitable priority areas. The Accord was focused on enabling the development of large parcels of land under single ownership or control. It was also intended to ensure that a suitable proportion of the housing delivered is affordable at first sale by comparison with median sales prices in the District.  Specifically, the Accord aimed to:   * increase the opportunity for increased supply of residential sections and dwellings within the Selwyn District; and * ensure efficient use of land and variety of product, including affordable small dwelling options in *Special Housing Areas.*   The Accord allowed the Council to recommend the creation of *Special Housing Areas* to the *Minister for Building and Housing*. If the Government agreed, the *Special Housing Areas* would be designated by *Order in Council* enabling the Council to access the fast-track consenting powers under the *Housing Accords and Special Areas Act 2013*. The *Selwyn District Council* planned to recommend the creation of large *Special Housing Areas* with the capacity for up to 1,600 sections before the Accord legislation expired in September 2016.  The Accord was expected to remain in place until the repeal of the legislation in September 2016, though any consent applications underway at that time could continue to be progressed under the Act’s provisions until September 2018. |
| December 2015 | **Work and Income Board dis-established** | The *Work and Income Board* was dis-established.  The *Work and Income Board* had been established in May 2012, to oversee the implementation of the investment approach to welfare. The Board’s role was to provide independent advice to the *Minister for Social Development* and the *Minister of Finance* about how the Government’s welfare reforms were being implemented. |
| December 2015 | **2016 Review of Retirement Income Policies: Terms of Reference** | As required by section 84 of the *New Zealand Superannuation and Retirement Income Act 2001*, the *Retirement Commissioner* was required to undertake, every three years, a review of retirement income policies in New Zealand.  The terms of reference set out the aspects of retirement income policy that the Government wanted to see covered in the 2016 Review and identified the following key standpoints:   * an update and commentary on the developments and emerging trends in the retirement income provision areas since the 2013 Review, both within New Zealand and internationally; * the impact of current retirement income policies on current and future generations, with due consideration given to the fiscal sustainability of current *New Zealand Superannuation* settings; * trends and developments in *KiwiSaver* and private savings schemes for retirement, including the impact of policy settings (such as employer contributions, default contribution rates, early withdrawal and the inability to belong to more than one scheme) on *KiwiSaver* participation and contributions, and any gaps in *KiwiSaver* participation information and how data reporting could be improved; * with respect to all private savings (including *KiwiSaver*): Decumulation and how retirees manage their assets along with risk and return during their retired lifetime, including: withdrawal patterns, the development and use of annuity and equity-release products, and the impact of a low interest rate environment on retiree asset management; * New Zealand’s ageing workforce and the challenges of the changes to the norms of retirement; and * an assessment of financially vulnerable groups in retirement and the effectiveness of current retirement income policies for them.   The *Retirement* *Commissioner* presented her report to the *Minister of Commerce* *and Consumer Affairs* in November 2016. |
| 1 January 2016 | **Student Loan Scheme: Extension of the life-time limit for long undergraduate programmes** | Eligible graduate-entry students in specified long undergraduate programmes were able to apply for an extra one EFTS of student loan support, on top of the seven EFTS they could already access. A graduate-entry student was a student who had completed at least a bachelor’s degree prior to entering an undergraduate course. The extra year of student loan funding applied to graduate-entry students completing undergraduate programmes in medicine, optometry, dentistry and veterinary science.  In 2011, the life-time limit for student loan borrowing had been introduced which provided seven years (7 EFTS) of borrowing for undergraduate study and up to a maximum total of ten years (10 EFTS) to allow completion of doctoral study. The change reflected the increase in the number of medical students being trained and the growing number of graduate-entry students who were expected to grow to over 100 by 2018.  From this time, graduate-entry medical students were also able to claim the *Medical Trainee Intern Grant* as a lump sum at the beginning of their final year so that they could use it to pay their fees if needed. Prior to this the grant was available only as a monthly stipend.  The *Medical Trainee Intern Grant* was a $26,756 stipend paid by the provider to final year (Year Six) medical students. It recognised that medical students in their sixth year of study were less likely than other students to be able to take on paid work beyond their intern role. The grant was designed to assist these students to cover their living expenses and travel costs associated with their final year of study. |
| 25 January 2016 | **Social Housing: Changes to the management of the social housing waiting list** | Changes to discourage people on the social housing waiting list (register) from refusing a reasonable offer of social housing were introduced. The changes included:   * reducing from three to one the number of times a person could decline a social house without a good and sufficient reason before they were removed from the social housing register; and * where reasonable, requiring people on the social housing register to name a minimum of three suburbs in which they could live – up from one.   People who refused a property without a good and sufficient reason were removed from the social housing register for 13 weeks.  In the previous year, nearly 10,000 social housing offers had been made, and of these, 3,453 had been refused, with around 400 of these declines for unacceptable reasons. |
| 28 January 2016 | **Actuarial valuation of the Social Security System: Valuation 2014/2015** | The Government released the fifth annual actuarial valuation of the social security system. The actuarial valuation (at 30 June 2015) showed a current lifetime liability of $68.4 billion (the future costs of those receiving a benefit at any time in the 12 months up to the end of June 2015). This compared to the June 2014 liability of $69 billion and represented a $12 billion reduction over four years (compared to the pre-reform liability) in the future lifetime cost of the social security system.  While the overall liability decreased by $0.6 billion in the year to June 2015 (about one percent):   * lower than forecast CPI inflation and discount rates resulted in a $2.0 billion increase in the liability; and * slightly higher than forecast unemployment rates resulted in an additional increase of $0.4 billion.   Once factors beyond the control of the *Ministry of Social Development* were removed, the liability decreased by $2.2 billion. Over half this reduction related to those receiving *Sole Parent Support*, with higher exit rates for those receiving *Job Seeker Support* and few people returning to benefits making up the remaining reduction.  The 2015 valuation included additional data from *Child, Youth and Family* (CYF) and the *Department of Corrections*, providing a clearer picture of benefit dependence for those with a CYF or criminal conviction history:   * 38 percent of beneficiaries aged under 25 years had a CYF history and their average liability was $47,000 higher than those without a CYF history; and * the average liability of beneficiaries with a criminal conviction was $37,000 higher than those without criminal convictions. |
| 19 February 2016 | **Auckland Housing Accord: Further Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Auckland – New February 2016 Areas) Order 2016* declared a further fourteen areas in Auckland City to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act.  The additional *Special Housing Areas* were:   * Argent Lane, Wainui: 190.53 hectares, 2,403 homes; * Bremner Road Extension, Dury: 22.61 hectares, 300 homes; * Brightside Road, Stanmore Bay: 0.41 hectares, 40-50 homes; * Canal Road, Avondale: 0.14 hectares, 7 homes; * Forge Way, Mt Wellington: 0.17 hectares, 41-50 homes; * Hobsonville Point (Catalina Precinct and Marine Industry Precinct Extension: 13.67 hectares, 150-160 homes; * Kelmarna Avenue, Herne Bay: 0.23 hectares, 70 homes; * Link Crescent, Stanmore Bay: 2.07 hectares, 40-60 homes; * Manurewa Cluster: 0.77 hectares, 37 homes; * Moire Road, Massey: 9.20 hectares, 175-200 homes; * Ockleston Landing, Hobsonville, 3.61 hectares, 70-80 homes; * Onehunga Cluster: 0.46 hectares, 22 homes; * Tamaki Regeneration Area (Pamure and Point England), 119.20 hectares, 1,192 homes; and * Zion Road, Birkenhead: 019 hectares, 50 homes.   A proposed development in *a Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  The Order specified the following:   * the maximum number of storeys that buildings may have was six; * the maximum calculated height that buildings must not exceed was 27 metres; * the minimum number of dwellings to be built was 50 in Argent Lane, Bremner Road Extension and Ockleston Landing and four in the other Special *Housing Areas*; and * the percentage of dwellings that must be affordable dwellings, for qualifying developments relating to 15 or more dwellings only; * ten percent of dwellings the sale price was not to exceed 75 percent of the Auckland region median house price; or * five percent of dwellings the price at which the dwelling was sold would mean that mortgage repayments for a household receiving the Auckland median household income would not exceed 30 percent of the household’s gross monthly income (based on a number of assumptions).   The Order was the eighth to create *Special Housing Areas* in Auckland under the terms of the *Auckland Housing Accord* agreed between the *Minister of Housing* and *Mayor of Auckland* in May 2013. These new areas brought the total number of *Special Housing Areas* established in Auckland to 118, with a long-term capacity of more than 52,000 new homes. |
| 19 February 2016 | **Nelson Housing Accord: Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Nelson) Order 2016* declared nine areas in Nelson City to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act (the minimum numbers of dwellings that must be built and the maximum number of storeys that buildings may have and the maximum height of buildings. The Order did not prescribe affordability criteria for the *Special Housing Areas*.  The *Special Housing Areas* were:   * Toi Street/Montreal Road/Princes Drive: 14 hectares, 200 homes; * Bishopdale Pottery: 4.7 hectares, 60 homes; * Ocean Lodge: 1.8 hectares, 40 homes; * Betts Carpark: 0.12 hectares, 20 homes; * Three Ridges: 5.57 hectares, 21 homes; * Barcelona Lofts: 0.13 hectares, 12 homes; * Paru Road: 0.30 hectares, 40 homes; * Tahuna Housing Development: 0.16 hectares, 18 homes; and * Orchard Street: 0.15 hectares, 6 homes.   A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In June 2015, the *Nelson Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Tauranga*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 720 new homes over three years.  This was the first Order to create *Special Housing Areas* in Nelson. |
| 19 February 2016 | **Tauranga Housing Accord: Further Special Housing Area designated** | The *Housing Accords and Special Housing Areas (Tauranga – New February 2016 Area) Order 2016* declared a further area in Tauranga to be *Special Housing Area* for the purpose of the *Housing Accords and Special Housing Areas Act 2013*.  The new *Special Housing Area* was:   * Smith’s Farm Site, Bethlehem.   The Order also specified the minimum number of dwellings that must be built (100), the maximum number of storeys (6) and maximum height that the buildings may have (between 9 metres). The Order did not prescribe affordability criteria.  A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In August 2014, the *Tauranga Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Tauranga*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 1,000 additional homes and sections over two years.  The Order was the fourth to create *Special Housing Areas* in Tauranga. |
| 23 February 2016 to 30 June 2016 | **Rural Assistance for farmers in the South Island: Availability of payments extended to 30 June 2016** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) had been available since 22 February 2015 for farmers who had a primary industry in Marlborough, Canterbury or Otago and who were affected by drought. For eligible farmers, the availability of assistance was extended up until 30 June 2016.  Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (*Unemployment Benefit*). |
| 25 February 2016 | **Social Housing Reform Legislation** | The *Social Housing Reform (Transactions Mandate) Bill* amended the *Housing Act 1955*, the *Housing Corporation Act 1974* and the *Housing Restructuring and Tenancy Matters Act 1992* to provide a transparent mechanism for the government to transfer properties from *Housing New Zealand* to the community housing sector.  The amending legislation ensured that the government could be transparent in transferring *Housing New Zealand* properties to the community housing sector. In combination with the guaranteed income stream through the *Income-related Rental Subsidy*, transferring properties provided capital and an asset from which the community housing sector could leverage further growth.  The new provisions provided that Ministerial authority could be used to transfer properties to meet the objectives of the *Social Housing Reform Programme*. There was also clarification that the offer-back provisions of the *Public Works Act 1961* had never applied to land held by *Housing New Zealand* and that the Crown’s authority to administer the land was held under the Housing Act 1955. The right of first refusal that Iwi had over some *Housing New Zealand* properties did not change.  The previous legislation did not provide the government with the ability to direct *Housing New Zealand* (as a Crown Entity) to transfer specific properties.  The government was committed to transferring between 1,000 and 2,000 properties to the community housing sector in 2016, as well as transferring around 2,800 properties to the *Tāmaki Redevelopment Company*. |
| 1 March 2016 | **Jobseeker Support Student Hardship: Child Support obligations** | From this time, a beneficiary applying for the sole parent rate of *Jobseeker Support (Student Hardship)* did not have an obligation to apply for *Child Support.* |
| 22 March 2016 | **Counties-Manukau Children’s Team launched** | The largest *Children’s Team* was launched in Counties-Manukau to work with 1,400 children and young people, initially in Papakura, Manurewa and Clendon.  The *Children’s Teams* worked with at-risk children and their families by appointing a single Lead Professional to co-ordinate one plan to support the family, so they did not require state intervention. It required working together, sharing information and co-ordinating services. The teams recognised that at-risk children had multiple and interconnected needs that one agency or non-government organisation alone could not address. Instead of adding new services, the teams ensured that the family was accessing the right services to address their needs and make positive changes in their lives.  The Counties-Manukau team was support by the *Vulnerable Kids Information System* which was already operating in Hamilton and Canterbury and by the Hub – a contact point for professionals who had concerns about a child.  The establishment of *Children’s Teams* was announced in October 2012 as part of the *Children’s Action Plan* and the rollout of the *Children’s Teams* commenced in May 2014 following demonstration projects in Rotorua and Whangarei in 2013.  By March 2016, *Children’s Teams* were operating in Rotorua, Whangarei, Marlborough, Horowhenua/Otaki, Hamilton, Tairawhiti, Eastern Bay of Plenty, Whanganui and Canterbury. |
| 25 March 2016 | **Wellington Housing Accord: Further Special Housing Area designated** | The *Housing Accords and Special Housing Areas (Wellington – New March 2016 Area) Order 2016* declared a further area in Wellington to be *Special Housing Area* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*.  The new *Special Housing Area* was:   * Surrey Street, Tawa.   The Order also specified the minimum number of dwellings that must be built (2), the maximum number of storeys (6) and maximum height that the buildings may have (27 metres). The Order did not prescribe affordability criteria.  A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In June 2014, the *Wellington Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Wellington*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 7,000 additional homes over five years. The Order was the fourth to create *Special Housing Areas* in Wellington. |
| 25 March 2016 | **Tauranga Housing Accord: Further Special Housing Area designated** | The *Housing Accords and Special Housing Areas (Tauranga – New March 2016 Area) Order 2016* declared a further area in Tauranga to be *Special Housing Area* for the purpose of the *Housing Accords and Special Housing Areas Act 2013*.  The new *Special Housing Area* was:   * Girven Road, Mount Maunganui.   The Order also specified the minimum number of dwellings that must be built (60), the maximum number of storeys (6) and maximum height that the buildings may have (between 9 and 11.5 metres). The Order did not prescribe affordability criteria.  A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In August 2014, the *Tauranga Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Tauranga*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 1,000 additional homes and sections over two years.  The Order was the fifth to create *Special Housing Areas* in Tauranga. |
| 31 March 2016 | **Tāmaki Transformation Programme: Transfer of state houses to the Tāmaki Redevelopment Company** | Ownership and management of approximately 2,800 *Housing New Zealand* *Corporation* properties housing around 8,000 people in Tāmaki (Eastern Auckland) was transferred from *Housing New Zealand Corporation* to the *Tāmaki Redevelopment Company* (TRC).  The TRC, New Zealand’s first community-based urban redevelopment company, was established in 2012. It was owned jointly by the Government (59 percent) and the Auckland Council (41 percent). It was a community-based organisation focused on housing regeneration and social transformation in Eastern Auckland (Glen Innes, Panmure and Point England).  The transfer of ownership of the properties and the responsibility for tenancy management to TRC was intended to enable faster construction of new houses that better met people’s needs Specifically, the Tāmaki transfer was to ensure that:   * the social housing sector, including Government and community providers, becomes larger and more diverse; * there was more diverse supply of both social and affordable housing in Auckland; and * Government assistance was delivered in a way that stimulated supply of new houses.   From 31 March 2016, *Housing New Zealand Corporation* tenants who lived within the TRC catchment areas of Glen Innes, Point England and Panmure had a new landlord. There was, however, no immediate impact on the tenants, with existing tenancy agreements transferred to TRC with no change. |
| 1 April 2016 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 50c per hour to $15.25 gross per hour ($610 for a 40-hour week).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by 40c per hour to $12.20 gross per hour (80 percent of the adult minimum wage).  The fortnightly adult minimum wage was set at $1,220 before tax, increased by $15.25 for each hour worked in excess of 80 per fortnight. The *Starting Out Minimum Wage* and *Training Minimum Wage* was set at $976 per fortnight before tax and $12.20 for each hour worked in excess of 80 per fortnight. |
| 1 April 2016 | **Benefit Rates: No cost of living increase** | There was no annual cost of living adjustment to rates of main *Social Security Benefits, Student Allowances, War Pensions* and other Social Security Allowances.  The *Consumer Price Index* used as a basis for adjusting benefit rates excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. The *Consumer Price Index* (less cigarette and tobacco prices) fell by 0.25 percent over the year to the end of December 2015. |
| 1 April 2016 | **Benefit Rates: Increase for beneficiaries with a dependent child or children** | After tax rates of main *Social Security Benefits* and a *Student Allowance* for people with a dependent child or children were increased by $25 per week. This one-off increase had been announced as part of the *Child Material Hardship Package* in the 2015 Budget. |
| 1 April 2016 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The decrease in the *Consumer Price Index* (less cigarette and tobacco prices) of 0.25 percent required a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, the net rate *of New Zealand Superannuation* paid to a married couple who both qualified was increased by 2.73 percent. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2016 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were not subject to a cost of living adjust due to the decrease in the *Consumer Price Index* (less cigarettes and tobacco). An adjustment was, however, made to the income cut-out points to ensure that recipients of *New Zealand Superannuation* or a *Veteran’s Pension* did not lose eligibility as a result of the increase to the rate of their pension. The new income levels were:  *People other than NZS/VP recipients:*   * $26,042 Single (sharing); * $27,637 Single (alone); * $41,327 Couple; * $49,447 2 person family; * $59,743 3 person family; * $67,932 4 person family; * $75,952 5 person family; and * $84,915 6 person family.   For each additional child thereafter, income levels increased by $7,898.  *Recipients of NZS/VP:*   * $26,633 Single (sharing); * $28,279 Single (alone); * $42,309 Couple; * $49,447 2 person family; * $59,743 3 person family; * $67,932 4 person family; * $75,952 5 person family; and * $84,915 6 person family.   For each additional child thereafter, income levels increased by $7,898. |
| 1 April 2016 | **Disability Allowance: Income limits** | As a result of the increase to the rates of *New Zealand Superannuation* and *Veteran’s Pension* changes were made to the income limits for the *Disability Allowance* to ensure that no superannuitant lost access to the *Disability Allowance* solely as a result of the increase to the rate of their superannuation.  As a result, the income limits for the *Disability Allowance* for a single adult and a couple were increased by 2.00 percent and 2.06 percent respectively. For other family types, there was no increase to the income limits due to the fall in the *Consumer Price Index (less cigarette and tobacco prices*). |
| 1 April 2016 | **ACC Earner Premium reduced** | The *ACC Earner Premium* was reduced to1.39c (GST inclusive) in the dollar. The maximum earnings liable for the *Earner Premium* increased to $122,063 with the maximum premium of $1,697 for the 2016/2017 tax year. |
| 1 April 2016 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $893 per annum ($17.17 per week). |
| 1 April 2016 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $23,036 to $23,764 ($457 net per week). |
| 1 April 2016 | **Working for Families Tax Credits: Increases for low to middle income working families** | Changes to three elements of the *Working for Families Tax Credits* were implemented:   * the *In-Work Tax Credit* was increased from $60.00 to $72.50 per week. * the abatement rate for *Working for Families Tax Credits* was increased from 21.25 cents to 22.5 cents in the dollar when gross income exceeded $36,350. This meant that the additional $12.50 increase in the *In-Work Tax Credit* was targeted at lower income families. * the *Minimum Family Tax Credit* was increased by $12.00 per week to $24,388 ($469 net per week). This meant that very low-income working families received a combined increase of $24.50 per week (*In-Work Tax Credit* plus *Minimum Family Tax Credit*), approximately matching the increase in benefit rates for beneficiaries with children.   These changes had been announced as part of the *Child Material Hardship Package* in the 2015 Budget.  No change was made to the rates of the *Family Tax Credit* which was paid on the same basis to beneficiary and working families (and was the largest single part of the *Working for Families Tax Credits*). |
| 1 April 2016 – 30 June 2021 | **Transitional Subsidy introduced** | The *Social Security (Support for Children in Hardship – Transitional Subsidy) Regulations 2016* provided a temporary non-taxable subsidy for people who were confirmed as unintentionally financially disadvantaged from the net effect of the *Child Material Hardship Package*.  A person was considered to have a financial disadvantage that is unintended if, on the date of an increase from the *Child Material Hardship Package*, the client and their partner (if applicable) had a reduction in their total net weekly payments before deductions that was:   * more than the amount of the applicable increase from the *Child Material Hardship Package*; and * the reduction was not because of a change in circumstances or was an intended consequence of the *Child Material Hardship Package.*   The rate of payment for the *Transitional Subsidy* was the difference between the client's and their spouse or partner's (if applicable) net weekly payment before deductions, before and after the increase from the *Child Material Hardship Package*. This meant that a client's net weekly payments before deductions were the same as they were before the rates were increased by the *Child Material Hardship Package*.  The *Transitional Subsidy* was not treated as income or chargeable income for other types of financial assistance under the *Social Security Act 1964*.  If a client disagreed with a decision relating to the *Transitional Subsidy*, there was no right of review to a *Benefit Review Committee* or the *Social Security Appeal Authority*.  The *Transitional Subsidy* remained in force until 30 June 2021.  The *Child Material Hardship Package* had been announced as part of the 2015 Budget and was implemented from 1 April 2016. The package included an increase in rates of main benefits and a *Student Allowance* for people with a dependent child or children and increases to the *In-work Tax Credit* and *Minimum Family Tax Credit*. |
| 1 April 2016 | **Paid Parental Leave extended** | A number of changes were implemented to expand access to the *Paid Parental Leave Scheme*:   * the maximum period of government-funded *Paid Parental Leave* was increased from 16 to 18 weeks; * *Paid Parental Leave* was extended to more workers, including those who had recently changed jobs, seasonal and casual workers and workers with more than one employer; * *Paid Parental Leave* was extended to ‘Home for Life’ parents and others with similar permanent care arrangements, such as those with parenting orders; and * provision was made to allow the taking of *Paid Parental Leave* to be more flexible, through agreement between the employer and the employee (for example, allowing people to work the occasional day without jeopardising their entitlement to *Paid Parental Leave*). |
| 1 April 2016 | **Student Allowance: Parental income threshold frozen until 31 March 2019** | The *Parental Income Threshold* for a *Student Allowance* remained frozen at $55,027.96 for the 2016/2017 year. This was in response to fiscal constraints and the need to target allowances to those most in need.  As part of the 2012 Budget, it was announced that *the Parental Income Threshold* for a *Student Allowance* would be frozen at $55,027.96 until March 2016. In the 2015 Budget, the freeze was extended until March 2019. |
| 1 April 2016 | **Student Loan Scheme: Repayment threshold** | The *Student Loan Repayment Threshold* remained at $19,084 for the 2016/2017 tax year. The repayment threshold was last adjusted on 1 April 2009.  Loan repayments at 12c in the dollar were required on income above the threshold. |
| 1 April 2016 | **Changes to the Child Support Scheme** | Following the 1 April 2015 changes to the *Child Support Scheme, the* second tranche of changes was implemented.  **The qualifying age for children** to be included in a *Child Support* assessment was reduced from under 19 years to under 18 years, unless the child was aged 18 and enrolled at and attending school. A child stopped qualifying for *Child Support* before their 18th birthday if they:   * started living with another person in a marriage, civil union or de facto relationship; * become financially independent (ie, worked on average more than 30 hours per week, received a *Student Allowance* or a social security benefit from the *Ministry of Social Development*); or * were not a New Zealand citizen or no longer ordinarily resident in New Zealand.   **Two new grounds for an administrative review** of the *Child Support* formula assessment were introduced:   * recognising re-establishment costs after separation, if extra income was earned for the purpose of meeting those costs during the three years after separation; and * a liable parent could apply to have their liability to a person offset against their entitlement from that person. This applied where both parents had a *Child Support* formula assessment of more than the minimum liability.   ***Child Support* penalty rates were reduced** and the rules for writing-off penalties were relaxed. Consideration could be given to writing-off penalties when a debtor entered into a payment arrangement, was suffering serious hardship or the debt was penalties only.  **A liable parent could voluntarily have their *Child Support* payments deducted from their employment income** as a means to ensuring that they did not fall behind in their payments. This became an option for liable parents who were not in debt and were a wage or salary earner (ie a PAYE earner), earned income subject to withholding tax, or were a recipient of ACC weekly compensation or a *Student Allowance*. |
| 1 April 2016 | **Sole Parent Support: Beneficiaries required to reapply for their benefit every 12 months** | From this time, sole parents receiving *Sole Parent Support* were required to reapply for their benefit every 12 months. This reflected the provision that applied to recipients of *Jobseeker Support*. This provided an opportunity for the *Ministry of Social Development* to check that a person’s eligibility had not changed, that they were getting the correct support and were fulfilling their obligations including to prepare for and to find paid work. |
| 1 April 2016 | **Social Security Benefits: Extended work obligations for parents** | From this time, most sole parents and partners of beneficiaries were required to look for part-time work when their youngest child reached the age of three years (previously five years). Part-time work was defined as work averaging 20 hours a week (increased from 15 hours per week).  The part-time work obligation applied to sole parents receiving *Sole Parent Support* and to people with children aged three to 13 years whose partner was receiving *Jobseeker Support*, the *Supported Living Payment* or an *Emergency Benefit*. The part-time work obligation meant that a person had to, amongst other things:   * be available for part-time work and take reasonable steps to find that work; * accept any offer of suitable employment; * attend and participate in job interviews to which they are referred; and * undertake activities to improve their work readiness and job prospects.   The full-time work obligation continued to apply once the youngest child reached the age of 14 years.  In situations where it was deemed unreasonable for a beneficiary to meet their work obligations for a specified period of time, they could apply for an exemption from some or all of their work obligations. In some situations, a beneficiary could be temporarily deferred from some of their work obligations (eg they had a health condition, injury or disability and had no capacity to work or capacity that was less than 15 hours per week). |
| 4 April 2016 | **Childcare Assistance increased** | The maximum rate of *Childcare Assistance* was increased from $4 to $5 an hour for low-income families. The new rate applied to both the *Childcare Subsidy* and the *OSCAR Subsidy (*for out of school care and holiday programmes). This change had been announced as part of the 2015 Budget. |
| 7 April 2016 | **Government response to the recommendations of the Independent Panel established to review the Child, Youth and Family Agency** | The Government released the final report of the *Independent Panel* established to review the *Child, Youth and Family Agency* (CYF) [an agency within the *Ministry of Social Development]* and its response to the recommendations of the *Independent Panel*. The report provided a blueprint for the transformation of care, protection and youth justice practices.  The Government announced its initial response to some of the 81 recommendations of the *Independent Panel* and that a new system would be in place by March 2017, though the overhaul was expected to take up to five years to fully implement. As part of the response, the age of state care was to be raised to 18 years (up from 17 years) with transition support being considered up to age 25.  The *Independent Panel* outlined an operating model for the future system for vulnerable children resting on six foundation building blocks. They were:  **A child-centred system**   * No organisation can care for a child like a family can, but the system would make sure a child has a relationship with at least one adult who is able to love, protect and ensure their welfare. The opportunity to hear the voices of young people would be embedded in the operating model, through a Youth Advisory Panel and new statutory objectives.   **High aspirations for Mäori children**   * The majority of children known to CYF were Mäori. The operating model would set high and explicit targets to improve outcomes for vulnerable Mäori children, young people and their whanau. The new operating model would establish strategic partnering with iwi and Mäori organisations to provide leadership, direction and influence and invite innovative approaches and initiatives to improve these outcomes.   **An investment approach**   * An investment approach for vulnerable children will consider a lifetime view of the well-being of individual children and, based on consistent and comprehensive actuarial information, intervene early to address the factors contributing to child vulnerability and the costs associated with poor outcomes.   **Strategic partnerships**   * The current system, with diffuse accountabilities and funding across various agencies hadn’t worked to get vulnerable children the services that they needed. The new model would engage in strategic partnerships with communities, iwi, Mäori, Pacific organisations and providers as a primary mechanism for meeting the needs of vulnerable children. They would also act as a broker to obtain the services they need from these groups. Specialist services for vulnerable children would be directly purchased from Crown agencies or entities, and from other sources, if needed.   **A professional practice framework**   * A clear framework of practice would describe the values, principles, definitions and approaches at both system and practitioner levels to deliver positive outcomes for vulnerable children. This would develop the professional judgement of both social workers and other professionals, based on an evidence-based understanding of the impact of trauma on children and young people. This framework would be shared across all agencies working with vulnerable children to ensure a coherent experience for children, young people and their families.   **Engaging all New Zealanders**   * A key theme of the report was that all New Zealanders could have a role in providing love, care and support to vulnerable children, young people and their families. An engagement strategy would be undertaken to raise awareness in the wider community of how they can be involved – for example, by becoming a caregiver or supporting caregivers; as employers and businesses, providing opportunities for employment, training mentoring; and in the community and as individuals by giving and volunteering among other things.   It was estimated that around 230,000 children under the age of 18 may experience vulnerability at some point during their childhood and that around six out of ten of this group were likely to be Mäori.  The future operating model would comprise the following five core services:   * prevention; * intensive intervention; * care support; * youth justice; and * transition support.   The Independent Panel’s Report recommended that the new operating model include:   * *Child, Youth and Family (CYF);* * the *Children’s Action Plan Directorate* (including the Children’s Teams, the Hub and the *Vulnerable Kids Information System*); * the High and Complex Needs Unit within the *Ministry of Social Development*; * policy, research, evaluation and legislative functions, and data and analytics capability relating to community, family, care and protection, and youth issues; * CYF-focussed legal, communications, ministerial services and service design; and * *Community Investment*.   The *Independent Panel* had been established in April 2015, to lead an overhaul *of Child, Youth and Family* to ensure that the agency delivered the best possible results for vulnerable children and their families in the years ahead. They had released an interim report in September 2015. |
| 14 April 2016 | **All social housing tenants required to provide information about changes in their circumstances** | From this time, all social housing tenants were required to inform the *Ministry of Social Development* immediately of any change in their circumstances that might affect the rent that they paid, their eligibility for social housing or their need for the property in which they were living. Social housing tenants were also required to report any changes in the circumstances of their partner, other applicable tenants in the property and of the partners they have.  Tenants paying a market rent were most affected by these changes. Prior to this time, only tenants paying an *Income-related Rent* were required to advise the Ministry of changes that could affect the amount of rent that they paid.  The *Ministry of Social Development* was able to prosecute social housing clients who failed to provide information about a change in their circumstances that affected their eligibility for social housing, the amount of rent that they paid or they type of social housing property that they needed. |
| 5 May 2016 | **Social Sector Trials: Move to local-led models** | The government announced that the *Social Sector Trials* would end on 30 June 2016. Where successful, the trials would transition from a community-influenced model to a community-led model, with a less narrow focus for the delivery of services.  The transition would occur in sites where the trials had been performing well, they were sufficiently embedded in communities to be managed locally and ready to move beyond a trial to adapt and customise programmes and services to meet the local community’s needs. On-going government agency support was to be provided up until 31 December 2016, to assist with the successful transition. The ten sites being supported to transition to a locally-led model were:   * South Waikato; * Gisborne; * Kaikohe; * Waitomo; * Taumarunui; * Kawerau; * Horowhenua; * Porirua; * South Dunedin; and * Gore.   The strengths of the trials in these sites included a long-standing provider sector, a large and varied work programme and highly visible impact. The trials had delivered a positive impact on the community and had been effective in implementing a co-ordinated approach to social services, including offending, school attendance and education/employment/training. There was considerable local commitment to continuing to work in this way.  Trials in the following five sites were to be ended at 30 June 2016:   * Whakatane; * Rotorua; * Waikato; * South Taranaki; and * Wairarapa.   The remaining trial site in Ranui, West Auckland was to be exited on 30 June 2016, as it was ready to be managed locally.  The *Social Sector Trials* had originally begun in six rural communities in 2011 and in 2013 were extended to a further ten communities around New Zealand. The trials were a community-based approach aimed at improving the way government plans, funds and delivers social services. They involved transferring the control of resources including funding, decision-making authority, and accountability for results from government agencies to a Trial Lead in the local community. The Trial Lead was supported by an advisory group made up of local stakeholders, including local government agency representatives. The trials had aimed to:   * reduce offending; * reducing levels of alcohol and substance abuse; * reduce truancy rates; and * increase participation in education, training and employment. |
| 12 May 2016 | **Vulnerable Children’s Board reconfigured** | Following the report of the Independent Panel established to Review the *Child, Youth and Family Agency*, the Government agreed to revise the objectives and membership of the *Vulnerable Children’s Board* to enable it to effectively govern the cross-agency dimension of the transformation of New Zealand’s child protection system. This included the implementation of the Government’s decisions arising from the report of the Independent Panel, the W*hite Paper for Vulnerable Children* and Chief Executive responsibilities under the *Vulnerable Children Act 2014*.  The Government announced four new independent appointments to the *Vulnerable Children’s Board*:   * Dame Paula Rebstock (Chair); * Peter Douglas; * Dame Diane Robertson; and * Geoff Dangerfield.   They joined the existing members who were the Chief Executives of the Ministries of Social Development, Health, Education, Justice, the *Department of Corrections*, *Te Puni Kokiri* and the *New Zealand Police*. The Board remained a decision-making body, but the independent members who had advisory and facilitative roles, had no decision-making powers.  The Board was responsible for cross-agency governance and oversight as the new system focusing on the protection and long-term life outcomes for vulnerable children and young people was developed. The objectives of the Board were:   * to provide overarching cross-agency governance and oversight of the transformation of New Zealand’s vulnerable children’s system; * for members to share responsibility and accountability for achieving results for vulnerable children based on their respective roles, their agencies’ roles and the expectation that their agencies will work together and contribute resources for common outcomes. The Board would play an important facilitative role in driving the strong social sector collaboration necessary for the transformation to succeed; and * to provide the *Ministerial Oversight Group* with on-going advice on the transformation of New Zealand’s vulnerable children system.   The *Vulnerable Children’s Board* had been established in 2012 to strengthen the collective ownership and governance of children’s agency Chief Executives for the implementation of the *White Paper for Vulnerable Children*. It effectively governed the implementation of the core components of the *Children’s Action Plan*. |
| 20 May 2016 | **Auckland Housing Accord: Further Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Auckland – New May 2016 Areas) Order 2016* declared a further 42 areas (including extensions to six areas already designated) in Auckland City to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*.  The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act:   * the minimum number of dwellings that must be built (50 in Clarks Beach Road, Clarks Beach and four in each other *Special Housing Area*; * the maximum number of storeys that buildings may have was six and the maximum calculated height that buildings may have was 27 metres; and * the percentage of dwellings that must be affordable dwellings, for qualifying developments relating to 15 or more dwellings only; * ten percent of dwellings the sale price was not to exceed 75 percent of the Auckland region median house price; or * five percent of dwellings the price at which the dwelling was sold would mean that mortgage repayments for a household receiving the Auckland median household income would not exceed 30 percent of the household’s gross monthly income (based on a number of assumptions).   A proposed development in *a Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  The Order was the ninth to create *Special Housing Areas* in Auckland under the terms of the *Auckland Housing Accord* agreed between the *Minister of Housing* and *Mayor of Auckland* in May 2013. These new areas brought the total number of *Special Housing Areas* established in Auckland to 154, with a potential yield of around 56,000 new homes. |
| 20 May 2016 | **Nelson Housing Accord: Further Special Housing Area designated** | The *Housing Accords and Special Housing Areas (Nelson New May 2016 Area) Order 2016* declared a further area to be a *Special Housing Area* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act (the minimum numbers of dwellings that must be built (4) and the maximum number of storeys that buildings may have (3) and the maximum height of buildings (15 metres). The Order did not prescribe affordability criteria for the *Special Housing Area*.  The new *Special Housing Area* was:   * Beach Road.   A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In June 2015, the *Nelson Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Tauranga*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 720 new homes over three years.  This was the second Order to create *Special Housing Areas* in Nelson. |
| 20 May 2016 | **Queenstown-Lakes Housing Accord: Further Special Housing Area designated** | The *Housing Accords and Special Housing Areas (Queenstown New May 2016 Area) Order 2016* declared a further area to be a *Special Housing Area* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act (the minimum numbers of dwellings that must be built (4) and the maximum number of storeys that buildings may have (2) and the maximum height of buildings (8 metres). The Order did not prescribe affordability criteria for the *Special Housing Area*.  The new *Special Housing Area* was:   * Onslow Road.   A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In October 2014, the *Queenstown-Lakes Housing Accord* had been agreed between the *Minister of Housing* and the Mayor of Queenstown-Lakes District. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a 20 percent increase on the number of houses that had been built in the area in the past, to improve both supply and affordability in the region. It set a target of 350 new sections and dwellings consented in the first year, 450 in the second and 500 in its third.  This was the second Order to create *Special Housing Areas* in Queenstown. |
| 20 May 2016 | **Tauranga Housing Accord: Further Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Tauranga – New May 2016 Areas) Order 2016* declared a further area in Tauranga to be *Special Housing Area* for the purpose of the *Housing Accords and Special Housing Areas Act 2013*.  The new *Special Housing Areas* were:   * Palm Springs Extension; and * Golden Sands Extension.   The Order also specified the maximum number of storeys and maximum height that the buildings may have. The Order did not prescribe affordability criteria.  A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*. The Order also amended the *Housing Accords and Special Housing Areas (Tauranga City) Order 2015* to allow for a taller maximum height that buildings may not exceed for the Golden Sands *Special Housing Area*.  In August 2014, the *Tauranga Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Tauranga*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 1,000 additional homes and sections over two years.  This was the sixth Order to create *Special Housing Areas* in Tauranga. |
| 20 June 2016 | **Social Housing: Assistance to relocate from Auckland** | From this time, financial assistance was available from the *Ministry of Social Development* for up to 150 social housing tenants in Auckland, who met certain criteria and who were willing to move to another area of New Zealand. The new assistance included:   * a one-off grant of up to $5,000 for actual and reasonable costs of moving; and * a lump-sum payment of $2,000 (if moving to social housing) or $3,000 (if moving to a private rental) to set up in their new location.   Applicants had to meet an income and asset test.  The grant was not recoverable. If people, however, returned to the social housing register in the Auckland region within a 52-week period without exceptional circumstances, or if they used the grant for a purpose other than that intended, they were required to pay the grant back.  The introduction of this assistance reflected that the demand for social housing in Auckland was much greater than the supply. As a result, people with a high housing need had to wait for an extended period until a suitable property became available.  The Grant was made available under the *Housing Support Assistance Ministerial Welfare Programme*. The grant was abolished in January 2018. |
| 24 June 2016 | **Queenstown-Lakes Housing Accord: Further Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Queenstown New June 2016 Areas) Order 2016* declared further areas to be a *Special Housing Area* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act (the minimum numbers of dwellings that must be built (4) and the maximum number of storeys that buildings may have and the maximum height of buildings.  The new *Special Housing Areas* were:   * Arrowtown Retirement Village; * Arthurs Point; * Business Mixed Use Zone (Gorge Road); and * Shotover Country.   For the Business Mixed Use Zone (Gorge Road) *Special Housing Area*, 30 percent of dwellings in a qualifying development were required to be affordable dwellings. An affordable dwelling was a studio dwelling, a one-bedroom dwelling or a two-bedroom dwelling.  A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In October 2014, the *Queenstown-Lakes Housing Accord* had been agreed between the *Minister of Housing* and the Mayor of Queenstown-Lakes District. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a 20 percent increase on the number of houses that had been built in the area in the past, to improve both supply and affordability in the region. It set a target of 350 new sections and dwellings consented in the first year, 450 in the second and 500 in its third.  This was the third Order to create *Special Housing Areas* in Queenstown. |
| 1 July 2016 | **KiwiSaver Homestart Scheme: Income limits for second chance home buyers removed** | The income-limits for second-chance home buyers were removed. This meant that second-chance home buyers with low assets were able to access their *KiwiSaver* funds to buy a home, regardless of their income.  The asset limit of 20 percent of the house price caps of $550,000 (Auckland), $450,000 (Wellington, Christchurch and other areas facing affordability issues) and $350,000 (rest of New Zealand) remained.  Prior to this change, the income limits were $120,000 for a couple and $80,000 for an individual.  The *KiwiSaver Homestart Scheme* had been introduced on 1 April 2015, replacing the *KiwiSaver First Home Deposit Subsidy*. |
| 1 July 2016 | **Residential Care Subsidy: Adjustment of asset levels** | The asset thresholds for the *Residential Care Subsidy* were adjusted by the movement in the *Consumer Price Index* (all groups) for the year to the end of March 2016 (0.42 percent).  Single people and couples with both partners in care were able to keep up to $219,889 in assets - up from $218,973, before they were used to contribute to the cost of their care. Couples both 65 years or over with one in residential care were able to keep $120,416 (excluding family home and car) - up from $119,915, or they could elect the higher asset threshold of $219,889 (including family home and car). |
| 1 July 2016 | **Residential Care Subsidy: Increase to the income from assets exemption** | The ‘income from assets exemption’ for the *Residential Care Subsidy* was adjusted by the movement in the *Consumer Price Index* for the year to the end of March 2016 (less the price increases from cigarette and tobacco products) 0.17 percent. The new income from asset exemption levels (after tax) were:   * single people: $964 per annum; * couple (both in care): $1,928 per annum; and * couple (one in care): $2,892 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2016 | **Paid Parental Leave increased** | *Paid Parental Leave* was increased from a maximum of $516.85 gross per week to a maximum of $527.72 gross per week. This reflected the movement in average weekly earnings over the previous year.  The minimum payment for self-employed parents increased from $147.50 per week to $150.60 per week. |
| 1 July 2016 | **Rates Rebate Scheme: No annual adjustment to the maximum rebate** | Due to the small increase in the *Consumer Price Index*, there was no annual adjustment to the maximum rebate (as changes to the maximum level of the rebate were rounded up/down to the nearest five dollars). As a result, the maximum rebate remained at $610.  The income threshold was increased from $24,440 to $24,470.  The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2016/2017 rating year was $24,470 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2016/2017 rating year (1 July 2016 to 30 June 2017). |
| 1 July 2016 | **Special Needs Grant Programme: Emergency Housing Special Needs Grant established** | An amendment to the *Special Needs Grants Ministerial Welfare Programme* provided a new type of grant for emergency housing – the *Emergency Housing Special Needs Grant*.  The Grant covered the actual and reasonable costs of emergency housing. It was available to applicants who could not remain in their usual place of residence (if any) and who did not have access to other adequate accommodation. The Grant was also available to people who did not meet the standard income and assets criteria for *Special Needs Grants*, if there were exceptional circumstances.  The initial Grant could be paid for up to seven days of emergency housing and could be extended if there were exceptional circumstances.  The first *Emergency Housing Grant* in a 52-week period was only recoverable if it was not used for the intended purpose or if the applicant was not making a reasonable effort to access alternative assistance. Second and subsequent grants were recoverable if the applicant had unreasonably contributed to the existence of the need. Any payment for bond which was included in an *Emergency Housing Special Needs Grant* was recoverable.  The amendment to the *Special Needs Grants Ministerial Welfare Programme* confirmed that grants for re-establishment costs could not be made for or towards the costs of emergency housing.  The Grant was generally used to pay for emergency accommodation in motels, where no other suitable housing options were available. |
| 1 July 2016 | **Emergency Housing Providers: Fast-tracked funding** | Contracts for fast-tracked funding for providers of emergency housing were put in place. Existing providers received $1.9 million to provide 337 places.  Auckland providers received funding from the *Ministry of Social Development* for 153 places, Christchurch 101, Wellington 42, and Hamilton 17. The remaining places were split between Kaitaia, Whangarei and Whakatane.  A second tranche of funding applications for existing and new providers had commenced and was expected to be finalised by mid-August 2016.  Around 3,000 emergency housing places per year (800 at any one time) were funded through an allocation in the 2016 Budget. |
| 1 July 2016 to 28 February 2017 | **Rural Assistance for farmers in the South Island: Availability of payments extended to 28 February 2017** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) had been available since 22 February 2015 for farmers who had a primary industry in Marlborough, Canterbury or Otago and who were affected by drought. In February 2016, availability had been extended until 30 June 2016.  For eligible farmers, the availability of assistance was further extended up until 28 February 2017. This was intended to assist farming families in financial need to get through the difficult late winter/spring period and the early stages of hoped-for drought recovery.  Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (*Unemployment Benefit*). |
| 1 July 2016 | **Residential Rental Housing: Provision of new standards**  **Residential Tenancies (Smoke Alarms and Insulation) Regulations 2016** | Changes to the *Residential Tenancies Act 1986* set out new requirements for the provision of smoke alarms and insulation for rental housing.  All residential rental properties were required to have working smoke alarms. Landlords had the responsibility to install working alarms appropriately located to protect residents and tenants had the responsibility to replace the batteries when required. All new smoke-alarms were required to be long-life models. Non-compliance could attract a potential fine of $4,000.  All social housing rental properties were required to have under floor and ceiling insulation and all new tenancy agreements were required to declare the level of insulation. All rental properties, subject to a few exceptions, were required to be insulated by 1 July 2019.  There was a new provision to allow the government to prosecute landlords whose property breached basic housing standards covering issues such as dampness, sanitation, electrical safety, security, drainage and maintenance. The intention was, however, for most cases to continue to be taken by affected tenants to the *Tenancy Tribunal*. The legislative changes supported this by strengthening the protection from retaliatory evictions by landlords.  A new *Tenancy Compliance Investigations Team* was established within the *Ministry of Business, Innovation and Employment* to focus on tenancies involving vulnerable tenants and landlords with multiple sub-standard properties.  The legislative changes also enabled homes that had been abandoned by a tenant to be re-tenanted more quickly, with a 10-day process. Previously, this took up to six weeks, leaving a house empty and the landlord without income.  The changes affected more than 450,000 rental homes, including social housing. |
| 1 July 2016 | **Social Security Agreement with Australia: Norfolk Island** | From this time, the *Social Security Agreement* with Australia covered people residing on, or intending to reside on, or with residence on, Norfolk Island. |
| 8 July 2016 | **Queenstown-Lakes Housing Accord: Further Special Housing Area designated** | The *Housing Accords and Special Housing Areas (Queenstown New July 2016 Area) Order 2016* declared a further area to be a *Special Housing Area* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act (the minimum numbers of dwellings that must be built (4) and the maximum number of storeys that buildings may have (3) and the maximum height of buildings (11 metres). The Order did not prescribe affordability criteria for the *Special Housing Area*.  The new *Special Housing Area* was:   * Queenstown Country Club.   A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In October 2014, the *Queenstown-Lakes Housing Accord* had been agreed between the *Minister of Housing* and the Mayor of Queenstown-Lakes District. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a 20 percent increase on the number of houses that had been built in the area in the past, to improve both supply and affordability in the region. It set a target of 350 new sections and dwellings consented in the first year, 450 in the second and 500 in its third.  This was the fourth Order to create *Special Housing Areas* in Queenstown. |
| 27 July 2016 | **Hawke’s Bay Regional Economic Development Strategy: Project 1000** | As part of the *Hawke’s Bay Regional Economic Development Strategy Action Plan*, the government announced a new scheme to provide 1,000 new jobs over three years for local people who were not participating in the Hawke’s Bay economy.  The *Project 1000* initiative brought together business, iwi, local authorities, training providers and central government agencies to support the creation of 1,000 new jobs.  Over the next three years *Project 1000* aimed to place 700 beneficiaries into employment in horticulture, viticulture and infrastructure industries to support projected industry growth. The remaining 300 jobs were expected to be filled by people not currently participating in the labour market.  *Matariki – Hawke’s Bay Regional Economic Development Strategy Action Plan 2016* had been developed by the region with central government support. It formed part of the government’s *Regional Growth Programme*.  *Project 1000* was a key contributor to the overall employment goal of 5,000 more jobs in Hawke’s Bay over the five years of the Plan. |
| 29 July 2016 | **Nelson Housing Accord: Further Special Housing Areas designated** | The *Housing Accords and Special Housing Areas (Nelson New July 2016 Area) Order 2016* declared three further areas to be *Special Housing Areas* for the purposes of the *Housing Accords and Special Housing Areas Act 2013*. The Order also specified the criteria that a development must have in order to be a qualifying development for the purposes of the Act:   * the minimum numbers of dwellings that must be built; * the maximum number of storeys that buildings may have; and * the maximum height of buildings.   The Order did not prescribe affordability criteria for the new *Special Housing Areas*.  The new *Special Housing Areas* were:   * Wakefield Quay; * Haven Road; and * Farleigh.   A proposed development in a *Special Housing Area* that was predominantly residential and met the qualifying criteria could be fast-tracked under the Act, rather than consented under the *Resource Management Act 1991*.  In June 2015, the *Nelson Housing Accord* had been agreed between the *Minister of Housing* and the *Mayor of Tauranga*. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a good supply of quality housing to meet forecast growth. It set a target of 720 new homes over three years.  This was the third Order to create *Special Housing Areas* in Nelson. |
| 29 July 2016 | **Initiatives to support for the housing needs of vulnerable people**  **(Housing First)** | The Government announced funding over the next two years to support the most vulnerable New Zealanders’ housing needs. A flexible fund was established to assist community organisations to work with around 2,000 individuals and families, to help homeless and people having difficulty maintaining their tenancies and support them into housing independence. The fund was intended to ensure that community organisations, working alongside central and local government would be able to tackle the causes of homelessness, from employment, through to health factors like addiction and mental health issues. The package had two main initiatives:   * *Housing First* – an initiative proven internationally that first moves people into housing and then provides support to address the underlying issues that had resulted in homelessness; and * *Better Housing Outcomes* – a range of solutions to prevent homelessness by working with social housing tenants who were at risk of eviction. This included supporting families who could either look toward home ownership or move into private rental to free-up social housing. |
| 1 August 2016 | **KiwiSaver Homestart Scheme: Income limits and house price caps increased** | The income limits and house price caps for the *KiwiSaver HomeStart Scheme* were increased.  The income limits were increased from $80,000 to $85,000 for a single person and from $120,000 to $130,000 for a couple.  The house price caps for people buying an existing home were increased from:   * $550,000 to $600,000 for Auckland; * $450,000 to $500,000 for Wellington, Christchurch, Hamilton, Tauranga, Queenstown and Nelson-Tasman; and * $350,000 to $400,000 for other areas of New Zealand.   For people buying new homes, the house price caps were set an additional $50,000.  The increases to the house price caps reflected the $50,000 increase in the national median house price since the scheme began and the increased cap for new homes was designed to help drive growth in new residential construction.  The increases in the income limits and house price caps were also applied to the *Welcome Home Loan Scheme*. These loans enabled first-home buyers to buy with a 10 percent deposit and because they were government guaranteed, they were exempt from the loan-to-value ratio (LVR) limits from the *Reserve Bank*.  The *KiwiSaver HomeStart Scheme* had been implemented in April 2015 to provide support to first-home buyers. The Scheme provided a grant of up to $10,000 for an existing house and up to $20,000 for a new home as well as access to *KiwiSaver* funds and the *Welcome Home Loan Scheme*. |
| 2 August 2016 | **Queenstown-Lakes Housing Accord: Housing targets increased** | Strong progress on building and section consents resulted in the housing targets under the Queenstown-Lakes Housing Accord being increased by nearly 50 percent. The targets for new sections and dwellings consented were increased from 950 to 1,400 for the remaining two years of the Accord.  In October 2014, the *Queenstown-Lakes Housing Accord* had been agreed between the *Minister of Housing* and the Mayor of Queenstown-Lakes District. Under the Accord, the Government and the Council agreed to work collaboratively to encourage a 20 percent increase on the number of houses that had been built in the area in the past, to improve both supply and affordability in the region. The original Accord had set a target of 350 new sections and dwellings consented in the first year, 450 in the second and 500 in its third. |
| 10 August 2016 | **Tamaki Regeneration Programme: Expressions of interest sought for the first phase of redevelopment** | The *Tamaki Regeneration Company* issued and Expression of Interest for the first phase of the redevelopment of Tamaki (east Auckland), looking for developers and investors capable of delivering on large scale construction projects. The first phase would see about 1,000 social houses transformed into about 2,500 new mixed-tenure houses.  The closing date for submissions was 27 September 2016, with development expected to begin by late 2017.  The redevelopment of 2,500 social houses (formerly properties of the *Housing New Zealand Corporation*) in the area was being led by the *Tamaki Regeneration Compan*y – established in 2012 as a joint-venture between the *Auckland Council* and the Government. It was intended to deliver 7,500 social, affordable and private homes over the next 10 to 15 years. |
| 12 August 2016 | **Announcement of the sale of State houses in Tauranga** | The government announced that *Accessible Properties* (a subsidiary of the IHC) had been chosen as the preferred provider to take ownership of the 1,124 *Housing New Zealand Corporation* properties in Tauranga. At the time, *Accessible Properties* looked after around 1,600 properties throughout New Zealand.  Subject to the completion of final negotiations, *Accessible Properties* was expected to take over from *Housing New Zealand Corporation* as landlord and tenancy manager in the first half of 2017. The transfer would not impact on the eligibility of existing tenants for social housing.  In May 2015, the government had announced that Tauranga and Invercargill had been selected as the first regions for the proposed transfer of *Housing New Zealand Corporation* (HNZC) houses to registered *Community Housing Providers* (CHPs). These areas were chosen because of their stable demand for social housing and active CHPs.  The sale supported the government’s *Social Housing Reform Programme* objectives to develop more diverse ownership of social housing in order to provide better housing services. |
| 18 August 2016 | **Ministry of Vulnerable Children,** **Oranga Tamariki: Announcement of a new Ministry to focus on care and protection of vulnerable children and young people** | Following on from the April 2016 government response to the recommendations of the Independent Panel established to review the *Child, Youth and Family Agency* (CYF), the government announced details of a new Ministry that was to be established to focus on care and protection of vulnerable children and young people.  A new stand-alone Department, the *Ministry for Vulnerable Children,* *Oranga Tamariki* was to be established from 1 April 2017. A new Ministerial portfolio – *Minister for Vulnerable Children* was also to be established. The new Ministry was to focus on five core services:   * prevention; * intensive intervention; * care support services; * transition support; and * youth justice – aimed at preventing offending and reoffending.   The new Ministry would include functions from the *Ministry of Social Development*, including the current CYF, *Children’s Action Plan Directorate* and *Children’s Teams* and *Community Investment* functions that related to funding and contracting services for vulnerable children. The new Ministry would also include the full range of corporate services, including communications and Ministerial Services, as well as a policy advice function in relation to its core services and functions. Some services were to be supplied by the *Ministry of Social Development* as shared services for at least the first two years.  Alongside the new Ministry, the government had announced wide-ranging state care reforms as part of a long-term overhaul which would see the crisis management CYF system replaced by a new model which addressed the short and long-term wellbeing of at-risk children and supported their transition to adulthood.  The government also announced the establishment of the *Youth Advisory Panel* comprised of young people in state care or with experience of state care, to provide advice to the Minister and the transformation team as the new system was developed.  The new Ministry was to be reviewed after two years to ensure that it was working as it should and was delivering the expected results for children and young people. |
| 2 September 2016 | **Housing First initiative** | Funding of $3 million was allocated for *Housing First* – a proven international initiative that moved homeless people into housing and then provided support to address the issues underpinning their homelessness.  The new funding was available to contracted providers over a two-year period in Central, West and South Auckland.  The *Ministry of Social Development* issued a closed Request for Proposals (RFP) on 2 September 2016, closing on 28 September 2016. The Ministry was looking to contract providers that could show that they could support homeless people to access sustainable housing; continue to work with them effectively to maintain their tenancy and provide support to address issues that may put a tenancy at risk.  The pilots in Auckland commenced in March 2017 and the initiative was expanded from 1 July 2018. |
| 6 September 2016 | **Additional funding for social housing in Auckland** | The Government announced $24.4 million of additional funding for social housing in Auckland. The funding was intended to increase the supply of one and two bedroom and large social houses provided by *Community Housing Providers* (CHPs). The funding provided:   * CHPs building new social housing with an upfront grant of up to 50 percent of the value of the development; or * once the development is built, a weekly grant of up to 50 percent of the market rent on top of the current *Income-related Rent Subsidy* provided by the Government.   CHPs could receive a combination of both an upfront grant and weekly grant, up to the equivalent level of funding provided by either the upfront grant or weekly grant alone. CHPs provided social housing in a property leased from the private market could also receive a grant of up to 50 percent of the market rent, in addition to the *Income-related Rent Subsidy.* |
| 12 September 2016 | **Accommodation Supplement: Measures to correct an administrative error** | In 2014, the *Ministry of Social Development* had identified a significant error in its assessment and payment system that affected entitlements to the *Accommodation Supplement* (AS). The error allowed incorrect information as to a beneficiary’s living situation (rent, board or homeowner) to be recorded. It meant that some beneficiaries had been underpaid and others overpaid. While the error in the payment system was fixed in December 2014 and new grants of the AS were correct, the error had impacted on around 127,000 existing and former beneficiaries who had received the AS since its introduction in July 1993. Cabinet agreed to the following phased approach to correct entitlements:   * Phase One: Correcting entitlements for current beneficiaries who continued to be overpaid the AS (278 beneficiaries); * Phase Two: Correcting entitlements for current beneficiaries who were historically underpaid their entitlements (22,000 current beneficiaries); * Phase Three: Correcting entitlements for former beneficiaries that were historically underpaid their entitlements (29,000 former beneficiaries); and * Phase Four: Debt write-off for historical overpayments of AS entitlements (29,000 current beneficiaries and 36,000 former beneficiaries).   Of the 278 current beneficiaries who had their AS reduced to the correct amount, the *Ministry of Social Development* provided a transition period to allow these beneficiaries to adjust their circumstances.  Work to reimburse current and former beneficiaries who had been underpaid commenced from November 2016.  An amendment to the *Social Security (Income and Cash Assets Exemptions) Regulations 2011*, the *Social Security (Temporary Additional Support) Regulations 2005* and the *Social Security (Long-term Residential Care Subsidy) Regulations 2005* provided that the back payments of the AS (and any income derived from them) were exempt from the cash asset and income tests for assistance under the *Social Security Act 1964*. |
| 16 September 2016 | **Housing Accords and Special Housing Areas legislation extended** | Amendments to the *Housing Accords and Special Housing Areas Act 2013*:   * extended the date by which *Special Housing Areas* could be established by three years, to 16 September 2019 and extended the date of repeal of the entire Act by three years to 16 September 2021; * tightened the time limits for consent applications and plan change requests in *Special Housing Areas*. It enabled *Special Housing Areas* to remain active for 12 months from the date of gazetting, but then enabled the Minister to disestablish the *Special Housing Area* if no consent applications or plan change requests had been made; * dealt with transition issues relating to new *District Plans* becoming operative by allowing plan change requests that were lodged but not completed when a new District Plan become operative to continue under the *Housing Accords and Special Housing Areas Act 2013* and not be over-ruled by the new *District Plan*. [Note the *Auckland Unitary Plan* was expected to become operative in October 2016 and there were five *Special Housing Areas* (with a capacity for around 3,180 homes) where plan change requests had been lodged, but were not zoned residential in the *Auckland Unitary Plan*.]; and * provided that consent applications and plan changes requests in *Special Housing Areas* could be assessed against the version of the *District Plan* that was relevant at the time that the application was lodged, or against the new *District Plan*, if the applicant wished.   The legislation also amended the *Housing Act 1955* to clarify that the offer-back obligations under the *Public Works Act 1981* did not apply to the sale of land as part of the Crown’s housing objectives.  The purpose of the legislation was to support the Government’s programme of work to increase the supply and affordability of housing and to maintain the momentum of the strong growth in new home construction.  In 2013, the Housing Accords and Special Housing Areas legislation had been introduced as a short-term measure, particularly focused on Auckland, to enable new housing areas to be opened up while the new *Auckland Unitary Plan* was being completed. The extension recognised high housing demand in areas outside of Auckland where the legislation was providing for an on-going supply of new residential housing and where the existing plan change processes were likely to be too slow. The extension enabled this interim mechanism to continue until the *National Policy Statement on Urban Development Capacity* was implemented, the *Resource Management Act 1991* reforms were progressed and a new urban development authority mechanism was available. |
| 16 September 2016 | **Northcote Housing Development** | The Government announced that it would redevelop 300 *Housing New Zealand Corporation* properties in the Auckland suburb of Northcote. The $750 million project was intended to transform the existing 300 properties into about 1,200 new homes. The number social houses would increase from 300 to 400, with further 600-800 properties to be sold as a mix of affordable and market housing.  The development was to be delivered by the *Hobsonville Land Company* – a wholly-owned subsidiary of *Housing New Zealand Corporation – established* in 2005 to undertake the redevelopment of the former air force base in Hobsonville, Auckland.  The first stage of the development, which was already underway, was replacing 20 old *Housing New Zealand Corporation* homes with 59 new social houses. The second stage of the five-year project was expected to begin in 2017. It would provide around 200 new homes, with 38 old state houses making way for 60 new social houses and around 140 new homes for the market with an emphasis on affordability. The entire redevelopment was expected to be completed by 2021.  The Northcote redevelopment was seen as the first in a number of large-scale projects to redevelop *Housing New Zealand Corporation* properties in Auckland, which were now possible under the *Auckland Unitary Plan*. |
| 16 September 2016 | **Housing Accords extended** | The Government announced that three *Housing Accords* were being extended to ensure continued access to the streamlined consenting processes under the *Housing Accords and Special Housing Areas Act 2013.* The following Housing Accords were extended until 31 December 2016:   * Tauranga Housing Accord; * Nelson Housing Accord; and * Auckland Housing Accord.   The extension was intended to allow for recognition of *Housing Accords* by incoming councils (following the October 2016 Local Authority election) and for councils to continue to process consents for existing *Special Housing Areas* in the interim. |
| September 2016 | **Ministry of Social Development: Work to Wellness Trial** | The *Work to Wellness Trial* was launched to support beneficiaries with mental health conditions into work.  The trial was a contracted service which worked with beneficiaries who had a diagnosed mental health condition, providing coaching and mentoring, job search services and assistance to help them into work. Providers worked with beneficiaries to identify their needs and any barriers they faced in returning to work. This included referring them to services such as counselling, additional GP visits or skills training.  Beneficiaries could opt-in to the trial through the *Ministry of Social Development*, a referral from their GP or self-referring directly to the provider.  The trial was available in Auckland, Waikato, Central, Canterbury and Southern regions. |
| 3 October 2016 | **Trial initiative to support offenders into employment** | A new trial initiative to assist offenders into employment was launched. The *Ministry of Social Development* case managers and staff from the *Department of Corrections* would work with up to 200 prisoners at any one time to develop an individual plan to get them into employment and to help them to access education and training, financial support services, health services and social and housing support. The programme was to begin 10 weeks before release from prison and continue for 12 months after release.  The initiative was established at seven prisons. A similar service delivered by contractors was scheduled to begin in November 2016 at prisons in the Christchurch region.  The trial was targeted at increasing the employment prospects of released prisoners and intended to ensure that upon release prisoners were ready for work and had the skills necessary to meet employer and labour market needs for sustainable employment. |
| 3 October 2016 | **Christchurch City Council Social Housing: Management transferred to a Trust**  **Ōtautahi Community Housing Trust** | The *Ōtautahi Community Housing Trust* took over from the *Christchurch City Council* the management of 2,300 social housing units. The Trust was a charitable trust comprising three council trustees and four independent trustees. The longer-term objective of the Trust was to grow the supply of social housing in Christchurch.  The Government had approved the Trust’s registration as a *Community Housing Provider*, allowing it to access the *Income-related Rent Subsidy*. However, only new tenants placed from the *Ministry of Social Development’s* housing register were eligible for the subsidy. They paid 25 per cent of their net income on rent and the Government paid the difference up to the market rent for the property.  Rents remained unchanged for existing tenants as part of the lease deed, with increases capped at no more than five percent annually. Rents for new tenants, not eligible for the *Income-related Rent Subsidy*, were set at 70 percent of the market rate, up from between 55 and 60 percent under the Council’s management. Tenants not eligible for the *Income-related Rent Subsidy* were, where eligible, able to receive the *Accommodation Supplement*.  Tenancy managers employed by the Trust were responsible for about 200 units each, compared to the 350 to 400 tenancy managers looked after at the Council. A key focus of the Trust was tenancy management with its goals to:   * place people in the right house in the right community; * help tenants find housing that fitted their budget; * work with tenants and other organisations to sustain the tenancy; and * link tenants to services and recreational activities to enhance their well-being. |
| 25 October 2016 | **Youth Service extended**  **Upper age limit for the Young Parent Payment increased to 19 years**  **Minimum age for some social security benefits increased to 20 years for people with children** | The *Youth Service* was extended to 19-year-old parents and some 18 to 19-year-old beneficiaries without a dependent child, who were at significant risk of long-term benefit dependency.  From this time, the upper age limit for the *Young Parent Payment* was increased from 18 to 19 years. The minimum age of eligibility for the following social security benefits was increased from 19 to 20 years for people with children:   * *Supported Living Payment* (on the ground of caring for a patient requiring care); * *Jobseeker Support* (for people with children); and * *Sole Parent Support.*   Service delivery for young partners and young parent partners was aligned to that provided to beneficiaries in receipt of the *Youth Payment* or the *Young Parent Payment*. This included support from a youth coach, access to the $10.00 weekly incentive payment for budgeting and the $10.00 weekly incentive payment for education and being subject to money management.  The extended *Youth Service* leveraged off the *Youth Service Model* that had been introduced in August 2012. It used community-based providers to deliver wrap-around support to unemployed and disengaged youth and teen parents, or where there had been a family breakdown. Community-based providers were contracted by the *Ministry of Social Development* to deliver the service. |
| 3 November 2016 | **Special Needs Grants: Income limit for recipients of New Zealand Superannuation** | An amendment to the *Special Needs Grants Ministerial Welfare Programme* clarified that when assessing eligibility for a *Special Needs Grant*, the rate of *New Zealand Superannuation* or a *Veteran’s Pension* that a person (and where applicable their spouse) received was included as income. The amendment reflected existing policy and operational practice. |
| 7 November 2016 | **Emergency Housing initiative** | The Government announced additional funding totalling $304 million over the 2016/2017 financial year and the subsequent four years to fund:   * new emergency housing places; * associated support services; and * more frontline staff at the *Ministry of Social Development*.   The funding was made up of:   * $120 million in capital funding to build, buy or lease properties suitable for emergency housing. $100 million of this was a loan to *Housing New Zealand* which had to be repaid within 10 years; * $71 million in rental subsidies from the *Ministry of Social Development* to *Community Housing Providers* so they could meet rental payments for properties procured by the Crown; * $102 million for providers to support, stablise and help tenants move into longer-term housing, including supporting them in their new tenancy; and * $10.4 million for more dedicated frontline staff at the *Ministry of Social Development* to work with people who needed emergency housing or were on the social housing register.   The additional emergency housing places were to be delivered in a number of ways, including using vacant Crown land, including *Housing New Zealand* building 40 homes in Otahuhu, Auckland, on land it had leased from the *Ministry of Education*. Modular housing was also being developed at three sites across Auckland and *Housing New Zealand* had purchased a motel in Takanini, Auckland.  The initiative aimed to create an additional 1,400 emergency housing places with 600 being in Auckland and the remaining 800 in areas of high demand around the country. This was in addition to the more than 3,000 places already funded and the *Emergency Housing Special Needs Grant* introduced in July 2016. |
| 16 November 2016 | **Earthquake Support Subsidy** | The *Earthquake Support Subsidy* was available to sole traders and small businesses affected by the Hurunui/Kaikoura earthquakes of 14 November 2016. Its purpose was to help these businesses retain staff and continue to pay them while they transitioned back to business-as-usual.  To be eligible for the subsidy, the business had to meet the following conditions:   * they could not operate or were operating at reduced capacity because of the earthquakes or experiencing a significant loss of trade because of the earthquakes; * they had no other way of paying their employees, including insurance cover; * they were located in Ward through to Cheviot, Rotherham through to Waiau or Mount Lyford through to Kaikoura; and * they were a sole trader or a small business employing less than 20 employees.   The subsidy was paid at a rate of $500 per week for full-time employees and $300 for part-time employees. It was back-dated to 14 November 2016 and paid as a lump sum by the *Ministry of Social Development.* It was initially available for an eight-week period. Employers remained responsible for paying their employees and other levies (eg ACC, PAYE and holiday pay etc).  Businesses were expected to use business continuity insurance in the first instance, though if there was a delay in receiving these payments, they could access the *Earthquake Support Subsidy*. The subsidy was required to be repaid if an insurance payment was subsequently received for the same period.  The *Goods and Services Tax (Grants and Subsidies) Amendment Order 2016* confirmed that the *Earthquake Subsidy* was not subject to *Goods and Services Tax* (GST).  On 23 November 2016, the Government announced that the *Earthquake Support Subsidy* may be available to businesses of 20 or more employees and/or businesses in other geographic areas, if they could provide evidence of a sudden, large and sustained drop in revenue due to earthquake-related impacts. For these businesses, the *Ministry of Social Development* would undertake an initial assessment, with a final decision on the availability of the subsidy made by the *Minister for Economic Development* and the *Minister for Social Development*.  On 28 November 2016, the *Minister for Economic Development* announced that the *Earthquake Support Subsidy* would be extended to Wellington businesses. To qualify for support, retail and hospitality businesses must have been unable to trade due to cordons and unable to move to alternative premises.  On 27 February 2017, the *Minister for Economic Development* announced that the *Earthquake Support Subsidy* would cease for Wellington and Hutt Valley businesses from 5 March 2017. For businesses in Kaikoura and Hurunui, provision of the subsidy was extended to until 30 April 2017, but was tiered in two stages. For the first four weeks, businesses would receive $375 per week for each full-time employee and $225 for each part time employee. For the second four weeks the subsidy was reduced to $250 and $150 respectively. |
| 23 November 2016 – 23 November 2017 | **Rural Assistance for farmers in Kaikoura, Hurunui and Marlborough** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the Kaikoura, Hurunui and Marlborough districts whose income was affected by the earthquakes of 14 November 2016. For eligible farmers, assistance was available up until 23 November 2017. Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (Unemployment Benefit). |
| 25 November 2016 | **Hurunui/Kaikoura Earthquakes: Provision for Inland Revenue to disclose information to the Ministry of Social Development** | The *Tax Administration (Information Sharing – Hurunui/Kaikoura Earthquakes) Order 2016* authorised the *Commissioner of Inland Revenue* to disclose information to the *Ministry of Social Development* to assist in the administration of the *Earthquake Support Subsidy*.  The information that could be communicated to the *Ministry of Social Development* for the purpose of administering the *Earthquake Support Subsidy* related to businesses operating in the areas affected by the Hurunui/Kaikoura earthquakes and included the following information:   * addresses; * legal or trading names; * tax file numbers; * New Zealand business numbers; * information confirming the business was operating at or around the time of the earthquakes; and * information relating to employees.   The Order was necessary because section 81 of the *Tax Administration Act 1994* imposed an obligation of secrecy on every officer of the *Inland Revenue Department*.  The Order was set to expire at the end of 28 February 2017. |
| 29 November 2016 | **2016 Review of Retirement Income Polices** | The *Retirement Commissioner* provided the *Minister of Commerce and Consumer Affairs* with the recommendations from the *2016 Review of Retirement Income Policies*. The Review contained the following recommendations:  **New Zealand Superannuation**   * increase the age of eligibility from 65 years to 67 years, with a gradual transition from 2027, increasing the eligibility age by three months per year, reaching 67 in 2034; * Increase the residence criteria from ten years to 25 years; * remove the option to include a non-qualified partner in a qualifying partner’s NZS payment; * reform the policy around direct deduction of overseas pensions to remove spousal deduction, deductions resulting from voluntary contributions to an overseas government pension scheme and publish a list of overseas government pensions that are determined to be deducted from NZS; and * review and adjust supplementary benefits for superannuitants, specifically the *Accommodation Supplement* and the *Disability Allowance*.   **KiwiSaver Scheme**   * *Kiwisaver* providers to disclose the total dollar costs of all fees on annual statements; * change the name of the ‘contributions holiday’ to ‘savings suspension’ and reduce the maximum time from five years to one year; * allow people aged 65 or over to join *KiwiSaver*; * increase employer and employee contributions from three percent to four percent; * provide an automated option to increase member contributions up to a certain level; * add six percent and ten percent to the range of employee contribution options; and * decouple the age of access to *KiwiSaver* funds from the age of eligibility for NZS.   The Review also identified areas for further policy work including developing advice on decumulation options for KiwiSaver funds and additional support for older jobseekers. |
| 8 December 2016 | **Revised Social Security Agreement with Australia** | A revised *Social Security Agreement* was signed between Australia and New Zealand. Since the agreement was last revised in 2002 there had been a number of changes in New Zealand and Australian legislation which were reflected in the revised agreement.  The main change was the alignment of ages of entitlement for age-related pensions. People who needed to use the Agreement to qualify for *New Zealand Superannuation* (NZS) were required to be of age for the Australian *Age Pension*. The change was required because Australia was increasing its pension age from 65 to 67 years (increasing by six months every two years until it reached 67 years on 1 July 2023), while eligibility for NZS was remaining at 65 years. If the ages were not aligned, it could have encouraged Australian residents to move to New Zealand in order to receive a pension two years earlier than if they remained in Australia. Similarly, New Zealanders living in Australia over the age of 65 but below the age of eligibility for the Australian *Age Pension* and Australians who have spent time in New Zealand would be able to receive NZS, while other Australian residents would have to wait until age 67 to receive an Australian or New Zealand pension.  The revised Agreement also recognised de-facto and civil union couples, allowing them to be paid at the married rate.  The revised Agreement came into force on 1 July 2017. |
| 9 December 2016 | **Social Security Benefits: Eligibility for beneficiaries participating in an approved international disability forum** | An amendment to the *Social Security (Effect of Absence of Beneficiary from New Zealand) Regulations 2013* provided that a beneficiary who was absent from New Zealand for the purpose of attending an approved international disability forum could continue to receive a social security benefit. The maximum duration of a permitted absence for participation in an approved international disability forum was 12 weeks in any 52-week period. |
| 13 December 2016 | **2016 Social Housing Purchasing Strategy released** | The *Ministry of Social Development* released the 2016 update of the *Social Housing Purchasing Strategy* (the Strategy).  The Strategy signalled the types and locations of the social housing places that were needed over the next four years. It was focused on increasing the numbers of one bedroom and two-bedroom places.  Overall, the Strategy indicated the need for more than 6.400 additional social housing places over the next four years. Of these, around 2,600 new *Income-related Rent Subsidy* places had been contracted for or had a high certainty of eventuating, and the Ministry indicated that it would like to purchase a further 3,800 places.  The Strategy was intended to inform community housing provider’s decisions on where they should focus their attention and create more supply. It also provided certainty around future funding and contracting, so they could make supply decisions with confidence. |
| 1 February 2017 | **Social Housing: Sustaining Tenancies Initiative** | A pilot programme was established to help at-risk social housing tenants maintain their tenancies. Under the *Sustaining Tenancies Initiative*, social housing tenants with complex or serious needs who were at risk of losing their tenancy received practical support from community providers to help them get back on track. The pilot aimed to address the underlying causes of eviction, leading to better outcomes for the tenant and the government.  When fully implemented the pilot would support around 1,000 vulnerable social housing tenants, using eight community providers and with funding of $5 million over two years. The first three providers of the initiative were:   * *Affinity Services* (Auckland); * *Downtown Community Ministry* (Wellington); and * *Comcare Trust* (Christchurch).   The type of practical support available depended on each tenant’s needs, but could include budgeting advice, help with relationship issues, healthy living plans, life skills coaching and assistance to help tenants return to education, training or to find stable work. |
| 8 February 2017 to 7 October 2017 | **Rural Assistance for farmers in Northland** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers who had a primary industry in Northland and who were affected by drought. For eligible farmers, assistance was available up until 7 October 2017. Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (*Unemployment Benefit*).  A ‘Primary Industry’ was defined as: including but not limited to, the primary production of meat, wool, or dairy products, arable farming, aquaculture, share-milking, an orchard, bee-keeping, herb or flower growing, a market garden, and poultry farming, but did not include hobby farming. |
| 21 February 2017 | **Social Bond: Assisting people with mental health issues into work** | The Government announced that New Zealand’s first *Social Bond*, which aimed to get more people with mental health issues into employment, was in operation.  The bond, which was scheduled to run for six years, had services provided by *APM Workcare Ltd* in six Auckland suburbs (Manukau, Manurewa, Clendon, Papakura, Pukekohe, and Waiuku) from February 1, 2017. Services were expected to be delivered to up to 1,700 people in receipt of a qualifying social security benefit over the 60-month duration of the bond. Participation in the service was voluntary.  Four investors, including the provider, had provided the $1.5 million finance required for the Bond. *APM Workcare Ltd* was a New Zealand registered company which was wholly owned by an Australian parent. They had been operating in New Zealand since 2011 and were an experienced provider of vocational rehabilitation and disability services. It was also one of the investors. The three other investors were a private philanthropic fund, *Wilberforce Foundation*, a healthcare company, *Janssen*, (of the *Johnson & Johnson* family of companies in New Zealand), and an investment fund, *Prospect Investment Management Ltd*.  The *Ministry of Social Development* managed the outcomes contract for assisting into employment people diagnosed with a mental health condition.  Social Bonds allowed the Government to contract out services and funding to non-government or private organisations, with agreed targets and timeframes. If the targets were met, Government paid back the investors, and also paid a return on their investment. The return depended on the level of results, up to an agreed maximum. The financial cost of poor performance was met by investors. There were around 60 Bonds operating around the world, including Australia, USA and Canada.  Social Bonds were part of the Government’s social investment approach designed to get more effective delivery of services to those who most needed them. |
| 6 March 2017 | **New Zealand Superannuation: Government announces proposed changes** | In response to the recommendations of the *2016 Review of Retirement Income Polices*, the Government announced two proposals to change the policy settings for *New Zealand Superannuation* (NZS):   * Increasing the age of entitlement by six months per year from 1 July 2037 until it reached 67 on 1 July 2040. This meant that everyone born after 1 January 1974 would be eligible for NZS from age 67. * Increasing the residency requirement to 20 years, of which five years must be after age 50. The new residency requirements would apply to anyone who gained residency in New Zealand after the legislation was enacted.   As part of the announcement the government proposed that the eligibility for ACC weekly compensation would continue to be aligned to the age for NZS, as would the age of eligibility for the *SuperGold Card*. The proposed changes would also apply to the policy settings for the *Veteran’s Pension*.  The government proposed to introduce legislation in 2018 to provide for the changes.  *[Note: Following the change in government in October 2017, these proposals did not proceed]* |
| 6 March 2017 | **KiwiSaver Scheme: Government announces proposed changes** | In response to the recommendations of the *2016 Review of Retirement Income Polices*, and in conjunction with proposals to change the policy settings for New Zealand Superannuation (NZS), the Government announced two proposals to change the policy settings for the *KiwiSaver Scheme*:   * that the age at which *KiwiSaver* funds could be accessed would be decoupled from the age of eligibility for NZS and that funds continue to be available to people reaching the age of 65 years. * that people aged 65 or over would be allowed to join *KiwiSaver*.   *[Note: Following the change in government in October 2017, these proposals did not proceed]* |
| 31 March 2017 | **Ownership and management of State housing in Tauranga transferred to a Community Housing Provider** | The ownership and management of 1,138 *Housing New Zealand Corporation* properties in Tauranga and more than 1,100 social housing tenancies was transferred to a *Community Housing Provider* – *Accessible Properties Limited* (a subsidiary of the IHC).  As a result of the transfer, there were higher tenancy-manager ratios, closer links between tenancy management and Tauranga social services, proactive approaches to debt management and anti-social behaviour and a commitment to repairing 2,600 identified property defects within two years. Under a 25-year contract with the *Ministry of Social Development*, *Accessible Properties* *Limited* would develop an additional 150 properties to address increasing demand for social housing.  In August 2016, the government had announced that *Accessible Properties* had been chosen as the preferred provider to take ownership of *Housing New Zealand Corporation* properties in Tauranga. At the time, *Accessible Properties* looked after around 1,600 properties throughout New Zealand. This followed a May 2015 announcement that Tauranga and Invercargill had been selected as the first regions for the proposed transfer of *Housing New Zealand Corporation* (HNZC) houses to registered *Community Housing Providers* (CHPs). These areas were chosen because of their stable demand for social housing and active CHPs.  The transfer was a key component of the Government’s social housing reform programme. |
| 1 April 2017 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions* and other Social Security Allowances were increased by 1.10 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting benefit rates excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. |
| 1 April 2017 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 1.10 percent required a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, the net rate *of New Zealand Superannuation* paid to a married couple who both qualified was increased by 1.41 percent. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2017 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased to reflect the movement in the *Consumer Price Index* (less cigarettes and tobacco). An additional adjustment was, however, made to the income cut-out points to ensure that recipients of *New Zealand Superannuation* or a *Veteran’s Pension* did not lose eligibility as a result of the increase to the rate of their pension. The new income levels were:  *People other than NZS/VP recipients:*   * $26,330 Single (sharing); * $27,942 Single (alone); * $41,783 Couple; * $49,993 2 person family; * $60,402 3 person family; * $68,682 4 person family; * $76,790 5 person family; and * $85,852 6 person family.   For each additional child thereafter, income levels increased by $7,986  *Recipients of NZS/VP:*   * $26,949 Single (sharing); * $28,626 Single (alone); * $42,836 Couple; * $49,993 2 person family; * $60,402 3 person family; * $68,682 4 person family; * $76,790 5 person family; and * $85,852 6 person family.   For each additional child thereafter, income levels increased by $7,986 |
| 1 April 2017 | **ACC Earner Premium unchanged** | The *ACC Earner Premium* remained at 1.39c (GST inclusive) in the dollar. The maximum earnings liable for the *Earner Premium* increased to $124,053 for 2017/2018 and $126,286 for 2018/2019, with the maximum premium of $1,724 for the 2017/2018 tax year and $1,755 for the 2018/2019 tax year. Under a new biennial approach to levy setting, levy rates were applied for a two-year period. |
| 1 April 2017 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $905 per annum ($17.40 per week). |
| 1 April 2017 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 50c per hour to $15.75 gross per hour ($630 for a 40-hour week or $529.84 after tax at the M rate).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by 40c per hour to $12.60 gross per hour (80 percent of the adult minimum wage).  The fortnightly adult minimum wage was set at $1,260 before tax, increased by $15.75 for each hour worked in excess of 80 per fortnight. The *Starting Out Minimum Wage* and *Training Minimum Wage* was set at $1,008 per fortnight before tax and $12.60 for each hour worked in excess of 80 per fortnight.  The increase in the minimum wage was anticipated to benefit approximately 119,500 workers and increase wages in the economy by around $65 million per year. |
| 1 April 2017 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $23,764 to $23,816. It provided a minimum after tax income of $458 per week (an increase of $1 per week or $52 per year).  The *Minimum Family Tax Credit* provided a guaranteed minimum income to families with a dependent child or children who were in full-time work. It ensured that families did not face a reduction in income when moving from a social security benefit into paid work. For the year to the end of March 2016, around 4,000 families were receiving the *Minimum Family Tax Credit*. |
| 1 April 2017 | **Student Allowance: Parental income threshold frozen until 31 March 2019** | The *Parental Income Threshold* for a *Student Allowance* remained frozen at $55,027.96 for the 2017/2018 year. This was in response to fiscal constraints and the need to target allowances to those most in need.  As part of the 2012 Budget, it was announced that *the Parental Income Threshold* for a *Student Allowance* would be frozen at $55,027.96 until March 2016. In the 2015 Budget, the freeze was extended until March 2019. |
| 1 April 2017 | **Student Loan Scheme: Repayment threshold increased** | The *Student Loan Repayment Threshold* was increased from $19,084 to $19,136 for the 2017/2018 tax year. The repayment threshold was last adjusted on 1 April 2009.  Loan repayments at 12c in the dollar were required on income above the threshold. |
| 1 April 2017 | **Ministry for Vulnerable Children – Oranga Tamariki established** | A new stand-alone Department, the *Ministry for Vulnerable Children – Oranga Tamariki* was established. It incorporated functions from the *Ministry of Social Development*, including the *Child, Youth and Family Agency*, *Children’s Action Plan Directorate* and *Children’s Teams* and *Community Investment* functions that related to funding and contracting services for vulnerable children. The new Ministry also included the full range of corporate services, including communications and Ministerial Services, as well as a policy advice function in relation to its core services and functions. |
| 13 April 2017 | **Accommodation Supplement: Cash asset test** | From this time, proceeds from the sale of the family home were counted as a cash asset for the purpose of assessing eligibility for the *Accommodation Supplement*. Previous policy guidelines provided that the proceeds of the sale of the family home could be ignored for the first 12 months after the sale, if the person intended to build or buy another home. |
| 27 April 2017–26 April 2018 | **Rural Assistance for farmers in the Bay of Plenty** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the Western Bay of Plenty, Kawerau, Whakatane and Opotiki districts whose income was affected by flooding or other damage from cyclones. For eligible farmers, assistance was available up until 26 April 2018. Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (Unemployment Benefit). |
| 4 May 2017 | **Better Public Services: New targets announced** | The *Better Public Services* five-year targets that were set in June 2012 were revised. The new targets included:   * having 90 percent of pregnant women register with a *Lead Maternity Carer* in their first trimester; * reducing the number of hospitalisations for children 12 and under with preventable conditions; * improving the literacy and numeracy of children – focussing on higher achievement of students in year eight; * reducing the number of serious crime victims by 10,000; and * achieving a 20 percent reduction in the time it takes to house priority clients on the social housing register.   The *Better Public Services* programme had been announced in March 2012, with ten initial targets across five themes set in June 2012. In January 2018, the new Government announced that the *Better Public Services* programme would not continue in its current form. |
| 25 May 2017 | **Family Incomes Package announced** | As part of the 2017 Budget, the government announced a number of changes to tax and family assistance to be implemented from 1 April 2018. The *Family Assistance Package* included:   * increasing the $14,000 income tax threshold to $22,000 and the $48,000 income tax threshold to $52,000. This would provide a tax reduction of $20 per week for anyone earning $52,000 or more; * abolishing the *Independent Earner Tax Credit;* * increasing the maximum amount of the *Family Tax Credit* for the first child under 16 years by $9 per week, and for each subsequent child under 16 by between $18 and $27 per week. * increasing the abatement rate for the *Family Tax Credit* to 25 percent and reducing the abatement threshold to $35,000; * increasing the maximum payment rates for the *Accommodation Supplement* by between $25 per week and $75 per week for two-person households, and for larger households between $40 and $80 per week. Changes to the *Accommodation Supplement* areas would provide further gains for some families; and * increasing the maximum amount of the *Student Accommodation Benefit* from $40 per week to $60 per week. This meant that students studying in Auckland, Wellington or Christchurch would receive an increase of $20 per week, with a smaller increase for students studying in other locations.   *[Note: Following the change in government in October 2017, the package was amended. The changes to income tax thresholds and the Independent Earner Tax Credit did not proceed and the changes to the Family Tax Credit were changed.]* |
| 28 June 2017 | **Social housing valuation report (baseline valuation)** | The baseline *2015 Social Housing Valuation* (SHV) report on the social housing system provided a benchmark which could be used to track progress and measure how effective new initiatives, policy and projects had been at helping those most in need. The valuation reflected people who were in a social house or on the social housing register (waiting list) from July 2014 to June 2015.  The projected lifetime cost of adults in social housing was $16.4 billion. About 85 percent of this cost reflected future income-related rent subsidy payments for tenants in social housing. Those in social housing were expected, on average, to spend 17 years in social housing.  Other key findings of the valuation included:   * people receiving *Jobseeker Support* (Unemployment Benefit) or *Sole Parent Support* were around 70 times more likely to apply for social housing than those not receiving social security benefits in the past five years; * Pacific people were seven times more likely to be in social housing and Mäori were five times more likely compared to other ethnicities; and * Auckland was 35 percent of the population but represented 61 percent of the total liability. The average household liability was 80 percent higher than the rest of New Zealand. |
| 1 July 2017 | **Residential Care Subsidy: Adjustment of asset levels** | The asset thresholds for the *Residential Care Subsidy* were adjusted by the movement in the *Consumer Price Index* (all groups) for the year to the end of March 2017 (2.17 percent).  Single people and couples with both partners in care were able to keep up to $224,654 in assets - up from $219,889, before they were used to contribute to the cost of their care. Couples both 65 years or over with one in residential care were able to keep $123,025 (excluding family home and car) - up from $120,416, or they could elect the higher asset threshold of $224,654 (including family home and car). |
| 1 July 2017 | **Residential Care Subsidy: Increase to the income from assets exemption** | The ‘income from assets exemption’ for the *Residential Care Subsidy* was adjusted by the movement in the *Consumer Price Index* for the year to the end of March 2017 (less the price increases from cigarette and tobacco products) 1.87 percent. The new income from asset exemption levels (after tax) were:   * single people: $982 per annum; * couple (both in care): $1,964 per annum; and * couple (one in care): $2,946 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2017 | **Paid Parental Leave increased** | *Paid Parental Leave* was increased from a maximum of $527.72 gross per week to a maximum of $538.55 gross per week. The increase reflected the 2.05 percent increase in average ordinary time weekly earnings over the year to March 2017.  The minimum payment for self-employed parents increased from $150.60 per week to $157.50 per week (equivalent to 10 hours at the minimum wage). |
| 1 July 2017 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $610 to $620; and * the income threshold was increased from $24,470 to $24,790.   The change reflected a 1.3 percent increase in the *Consumers Price Index* for the 2016 calendar year. The maximum rebate was rounded up/down to the nearest $5.  The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2017/2018 rating year was $24,790 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2017/2018 rating year (1 July 2017 to 30 June 2018). |
| 1 July 2017 | **Social Investment Agency established**  **Social Investment Board** | The *Social Investment Agency* (SIA) was launched to transform the way social sector agencies delivered services to New Zealanders in need.  The SIA was a standalone departmental agency with its own chief executive. It replaced the *Social Investment Unit* previously operating as part of the *Ministry of Social Development* and was hosted within the *State Services Commission*. The SIA was established to provide robust all-of-Government social investment advice about which people government should be investing further in, and in what ways. This included applying rigorous and evidence-based investment practices to social services. The SIA was also tasked with building the social investment architecture for all government and NGO agencies to use to help frontline staff fine-tune services and make them better targeted.  The SIA was tasked with systemically using data and analytics to measure whether the social services we’re investing in are delivering the best outcomes for people in need. “The SIA used these insights to help social sector agencies shift away from focusing on their specific areas into taking a ‘whole of system’ approach to helping vulnerable New Zealanders. The focus was on using data to make evidence-based decisions, so that government interventions would ultimately change lives for the better.  The *Social Investment Board* (made up of the Chief Executives of the Ministries of Education, Health, Justice and Social Development) with an independent chair was also established. The Board was responsible for providing investment advice and implementation oversight, reporting through the *Minister Responsible for Social Investment* to the Cabinet Social Policy Committee. |
| 1 July 2017 | **Revised Social Security Agreement with Australia** | The revised *Social Security Agreement* between New Zealand and Australia, which was signed on 8 December 2016, came into force.  The two main changes were:   * the alignment of ages of entitlement for age-related pensions. People who need to use the agreement to qualify for *New Zealand Superannuation* were required to be of age for the Australian *Age Pension*. * recognition of de-facto and civil union couples, allowing them to be paid at the married rate. |
| 1 July 2017 | **Management of Auckland Council Pensioner Housing** | *Haumaru Housing* took over the management of Auckland Council’s 1,452 pensioner housing units located in villages across south Auckland (686), north Auckland (458) and west Auckland (308 including 40 being built). [*Note that in March 2003, the then Auckland City Council had sold its 1,542 pensioner housing units to Housing New Zealand Corporation*].  *Haumaru Housing* was a partnership between the *Auckland Council* and the *Selwyn Foundation* – with the *Selwyn Foundation* as a 51 percent shareholder.  *Haumaru Housing* was a registered *Community Housing Provider* which meant that tenants, where eligible, were able to receive an *Income-related Rent Subsidy*. Prior to this, tenants of Council-owned social housing were ineligible for the *Income-related Rent Subsidy*, but were, where eligible, able to receive the *Accommodation Supplement*.  The joint-venture between the Council and the *Selwyn Foundation* aimed to:   * improve the quality of housing units; * assess whether villages were in the right locations to meet residents’ needs and to look at develop opportunities; and * enable access to government subsidies, for those that qualified, that couldn’t be accessed by the Council.   In its first two months of operation, *Haumaru Housing* housed 32 clients from the *Social Housing Register* (waiting list). |
| 12 July 2017 | **Revised Housing Accord between the Queenstown Lakes District Council and the Government** | A revised Housing Accord between the *Queenstown Lakes District Council* and the Government was signed. The Accord set a target of 1,150 new homes and sections in the current year, 1,250 in 2018 and 1,350 in 2019, bringing a total of 3,750 by the end of 2019. It also extended the capacity to use *Special Housing Areas* (SHAs) in the Wanaka basin to free up land for development. The previous Accord (October 2014) had provided for a total of 1,750 new residential sections and homes.  The new Accord was on top of the Government’s Housing Infrastructure Fund (HIF) which was providing $50 million of interest-free government finance to the Queenstown district. |
| 13 July 2017 | **Children, Young Persons, and Their Families (Oranga Tamariki) Legislation** | The *Children, Young Persons, and Their Families Act 1989* was renamed the *Oranga Tamariki Act 1989*, with an accompanying title of the *Children’s and Young People’s Well-being Act 1989*.  The legislation:   * changed the purposes and principles of the Act to better ensure children and young people are at the centre of decision-making while considering them within the context of their family, whānau, hapū, iwi, family groups, and broader networks and communities; * allowed young people to remain or return to living with a caregiver until the age of 21, with transition support and advice available up to age 25; * strengthened information sharing provisions to keep vulnerable children and young people safe from harm; * extended the youth justice system to include most 17-year-olds (those charged with specified serious offences were dealt with in the adult courts); and * enhanced the complaints processes.   Only a small number of amendments took effect immediately, with the majority coming into force by 1 July 2019. |
| 17 July 2017 | **Government Discussion Document: Better administration of social policy** | The Government released proposals for making social policy obligations and payments administered by the *Inland Revenue Department* simpler and more certain by basing payments on better information. The discussion document – *Making Tax Simpler – Better administration of social policy* (the ninth paper in the making tax simpler series)set out a number of proposals to ensure that social policy payments were calculated on a more responsive basis, provided more certainty for individuals and families and resulted in less debt. There would be a shift toward using existing information to help people get the right payment at the right time.  The proposals built on the *2015 Government Green Paper on Tax Administration* (30 March 2015) which had outlined some high-level thoughts on how the *Inland Revenue Department* could improve the administration of social policy and make it easier for customers to meet their obligations and receive their entitlements. The proposals were grouped under four headings:   * making payment certain, accurate and timely (*Working for Families* and *Child Support*); * better payment options (*Child Support* payments and *Student Loan* repayments); * managing missed payments and overpayments better; * aligning and updating key definitions; and * working with customers with unusual situations.   Submissions on the proposals were sought by 15 September 2017. |
| 3 August 2017 | **Temporary Accommodation Assistance (Canterbury Earthquake) extended.** | The expiry date of the *Temporary Accommodation Assistance (Canterbury Earthquake) Programme* under the *Social Security Act 1964* was extended by two years until the close of 31 December 2019.  *Temporary Accommodation Assistance* had been available since February 2011 to Canterbury homeowners who had been required to leave their home as a result of the earthquakes and, who, as a result, faced additional accommodation costs. To be eligible for *Temporary Accommodation Assistance* a homeowner must have been:   * unable to live in their own home because it was unsafe until it was rebuilt or repaired; or * required to leave their own home while land remediation and/or house rebuild or repairs occurred; and * intend to return to their home when the house is habitable; * have temporary accommodation costs (eg rent, board, motel etc); * not receiving an *Accommodation Supplement* or a *Student Allowance Accommodation Benefit* for their temporary housing costs; and * have used all their insurance coverage for temporary accommodation costs.   *Temporary Accommodation Assistance* was not subject to an income or asset test and was paid at the following rates:   * single no children $180 per week; * married, de-facto, civil union with no children and sole parent with one dependent child $275 per week; and * married, de-facto, civil union with children and sole parent with two or more dependent children $330 per week. |
| 15 August 2017 | **Civil Defence Payments: Criteria changed** | From this time, when a civil defence emergency or adverse event was declared, people could be eligible for a *Civil Defence Payment* if they had left home voluntarily. Prior to this, people were eligible only if they had been required to leave their home or were unable to return to their home.  The types of accommodation that could be covered by a *Civil Defence Payment* were also amended. As marae and community centres used to house evacuees in an emergency received funding for that purpose from the *Ministry of Civil Defence & Emergency Management*, people could not also receive assistance from the *Civil Defence Payment* when staying at a marae or community centre.  Provision for *Civil Defence Payments* was made under a Ministerial Welfare Programme under s124 (1) (d) of the *Social Security Act 1964.* |
| 18 August 2017 | **Lump sum payments to correct entitlements to Temporary Additional Support: Exempt from income and cash asset tests** | Amendments to regulations provided that back-payments correcting entitlements to *Temporary Additional Support* (and any income derived from them) were exempt from the income and assets test for financial assistance under the *Social Security Act 1964* for a period of 12 months from the date that such a payment was received.  *Temporary Additional Support* (TAS) had replaced *Special Benefit* from 1 April 2006. At this time, existing recipients of a *Special Benefit* were grandparented under existing rules until they were no longer entitled to receive it. The Ministry of Social Development’s interpretation of the grandparenting rules was that a person could not choose to cancel their *Special Benefit* and apply for TAS. It was, however, subsequently identified that the grandparenting provision did not prevent a person cancelling their *Special Benefit* and applying for TAS and that some beneficiaries would have been better off receiving TAS. It was estimated that around 7,148 existing and former recipients of Special Benefit would be eligible to apply for a back-dated lump sum payment of TAS (net of any *Special Benefit* they received for the same period). The *Minister for Social Development* had consented to using the correction power under section 80AA of the *Social Security Act 1964* to allow these backdated payments to be made on the basis that applicants could not have reasonably been expected to apply for TAS at an earlier time because of the Ministry of Social Development’s failure to fulfil the duty of active assistance. |
| 18 August 2017 | **Dividends from an Energy Trust: Exempt as income** | Dividend payments made to customers by an energy trust or lines company were exempt as income under the *Social Security Act* *1964* for a period of 12 months. Payments could be made as a as a discount on a power bill or as a payment directly to a customer.  The income exemption also applied to any income earned from an energy trust dividend payment over the 12-month period.  There was no income exemption for payments made to a beneficiary in respect of shares that they owned in a company or a trust (ie dividends from shares) |
| 1 September 2017 | **Eligibility for social housing: Canterbury residents** | Following the 2010 and 2011 Canterbury earthquakes, the *Ministry of Social Development* had applied the affordability and accessibility criteria for applicants for social housing living in some areas of Canterbury differently from other parts of New Zealand. Social housing tenants living in Canterbury were also excluded from tenancy reviews. This was due to the impact the earthquakes had on the private rental market.  From this time, assessing eligibility for social housing for Canterbury residents was the same as for those living in other parts of New Zealand. The criteria for assessing eligibility for social housing were contained in the *Ministerial Direction on Eligibility for Social Housing.* Tenancy reviews also recommenced for social housing tenants in Canterbury.  The change reflected that accessibility to, and affordability of, housing in Canterbury had returned to levels consistent with other parts of New Zealand. |
| 1 October 2017 | **Early Learning Payment expanded** | The *Early Learning Payment* (ELP) was introduced in December 2005 to assist with the cost of early childhood education for children aged between 18 months and 3 years, for families enrolled in selected *Family Start* or *Early Start Programmes*.  From this time, assistance under the programme was extended up to a maximum of 20 hours per week for all children on the programme. Prior to this, ELP reduced from 20 hours to 15 hours when the child reached 30 months, to allow a gradual transition from the ELP to the nine hours non-activity component of the *Childcare Subsidy* that would be available when the child turned 36 months. This was prior to the 20 hours free early childhood education that was introduced for three and four-year olds in 2007.  The provision of ELP was extended to all children aged 18-36 months while their family was enrolled in any *Family Start* or *Early Start* site. Previously, the ELP was limited to programmes in specific sites.  In situations where the family may have exited the *Family Start* or *Early Start* programmes, payment of the ELP for children up to three years of age was allowed to continue, as long as they remained enrolled in early childhood education.  Provision for the ELP was made under the *Family Start and Early Start (Childcare Assistance)* *Ministerial Welfare Programme* under s124 (1) (d) of the *Social Security Act 1964*. |
| 9 October 2017 | **Childcare Subsidy and OSCAR Subsidy: Access extended in respect of children attending a school with a cohort entry policy** | From the first term of 2018, the *Education (Update) Amendment Act 2017* allowed primary schools to introduce a cohort entry policy, where children could start school from the term start date closest to their fifth birthday, instead of the day of their birthday.  As a result, eligibility for the *Childcare Subsidy* and *OSCAR Subsidy* was extended so that recipients who had a child attending a school with a cohort entry policy were not disadvantaged.  The changes allowed subsidy recipients either to:   * receive the *Childcare Subsidy* until the first term start date after the child turns five (where the child’s fifth birthday falls between a mid-term date and a term start date); or * receive the *OSCAR Subsidy* from the term start date before the child turns five (where the child’s fifth birthday falls between a term start date and a mid-term date). |
| 17 October 2017 | **Reapplications for Temporary Additional Support: Interview no longer required** | A beneficiary was no longer required to attend an interview with the *Ministry of Social Development* when reapplying for *Temporary Additional Support*. The primary intent of the interview had been to discuss what steps had been taken to reduce costs, increase income or seek other assistance. Instead of a formal interview, it was the intention that this discussion would be undertaken when the beneficiary dropped off their reapplication form or when they called to reapply.  From this time a beneficiary only needed to attend a formal interview if there had been a change in their circumstances that required a conversation (eg a relationship change). |
| 6 November 2017 | **Paid Parental Leave: Increase to 26 weeks announced** | The Government announced that *Paid Parental Leave* would be progressively increased to 26 weeks by July 2020. Entitlement to *Paid Parental Leave* would be increased to 22 weeks from 1 July 2018, extending further to 26 weeks from 1 July 2020. |
| 21 November 2017 | **Tax Working Group: Terms of Reference** | The *Tax Working Group,* chaired by Sir Michael Cullen, was established by the Government in order to examine further improvements in the structure, fairness and balance of the tax system. The members of the working group were:   * Professor Craig Ellife, University of Auckland; * Joanne Hodge, former tax partner at Bell Gully; * Kirk Hope, Chief Executive of Business New Zealand; * Nick Malarao, senior partner at Meredith Connell; * Geoff Nightingale, partner at PwC New Zealand; * Robin Oliver, former Deputy Commissioner at Inland Revenue; * Hinerangi Raumati, Chair of Parininihi ki Waitorara Inc.; * Michelle Redington, Tax and Insurance at Air New Zealand; * Bill Rosenburg, Economist at the Combined Trade Unions; and * Marjan Van Dan Belt, Assistant Vice Chancellor at Victoria University of Wellington.   The Working Group was tasked with considering what improvements could be made to the structure, fairness and balance of the tax system. In particular, the Working Group was to consider the impact on the tax system of the likely economic environment over the next decade.  The Working Group was asked to report to the Government on:   * whether the tax system operates fairly in relation to taxpayers, income, assets and wealth; * whether the tax system promotes the right balance between supporting the productive economy and the speculative economy; * whether there are changes to the tax system which would make it more fair, balanced and efficient: and * whether there are other changes which would support the integrity of the income tax system, having regard to the interaction of the systems for taxing companies, trusts, and individuals.   In examining the points above, the Working Group was asked to consider in particular the following:   * the economic environment that will apply over the next 5-10 years, taking into account demographic change, and the impact of changes in technology and employment practices, and how these are driving different business models; * whether a system of taxing capital gains or land (not applying to the family home or the land under it), or other housing tax measures, would improve the tax system; * whether a progressive company tax (with a lower rate for small companies) would improve the tax system and the business environment; and * what role the taxation system can play in delivering positive environmental and ecological outcomes, especially over the longer term.   The following issues were outside the scope of the Working Group’s review:   * increasing any income tax rate or the rate of GST; * inheritance tax; * any other changes that would apply to the taxation of the family home or the land under it; and * the adequacy of the personal tax system and its interaction with the transfer system (this was to be considered as part of a separate review of *Working for Families*).   The Working Group was scheduled to have its first meeting no later than February 2018, issue an interim report to the *Minister of Finance* and *Minister of Revenue* no later than September 2018, and issue a final report to the *Minister of Finance* and *Minister of Revenue* no later than February 2019. |
| 4 December 2017 | **Healthy Homes Guarantee Act** | Legislation amending the *Residential Tenancies Act 1986* required landlords to guarantee that any new tenancy from 1 July 2019 must be either properly insulated or contain a heating source able to make the home warm and dry. All tenancies were required to meet the new standards by 1 July 2024.  The amending legislation allowed the government to set standards for rental housing quality with the detailed requirements to be included in Regulations before July 2019. The Government announced that it would undertake a consultation process to ensure that tenants, landlords, public health and building science experts had the opportunity to be involved in the creation of the minimum standards.  Grants of up to $3,000 were to be made available to landlords to upgrade their housing stock. |
| 4 December 2017 | **Beneficiaries transferring to New Zealand Superannuation: Shorter online application process** | From this time, there was a streamlined application process for current beneficiaries reaching the age of eligibility and transferring to *New Zealand Superannuation*. A shorter online application was available through *MyMSD*.  Current beneficiaries were sent a letter 90 days before their 65th birthday and could then apply through *MyMSD* where they were directed to complete a shorter application form. Once the application was completed, they were provided with “next steps” which include accepting their obligations, providing supporting documentation and/or booking an appointment if required.  Applications for supplementary assistance and/or a *Special Needs Grant* to assist with the reduction in income that can occur when a person is transferring from a main social security benefit to *New Zealand Superannuation* could not be made online. |
| 5 December 2017 | **Live Organ Donors: Earnings compensation** | The *Compensation for Live Organ Donors Act 2016* came into force.  From this time, the *Ministry of Health* provided earnings compensation for donors of a kidney or part of a liver, for a period of up to 12 weeks. Donors were also eligible for assistance with travel costs. This assistance was non-taxable and not subject to a means test.  A donor did not have to be living in New Zealand to qualify for live organ donation compensation. However, the surgery must have taken place in New Zealand and the person receiving the organ must have been eligible for publicly funded health services in New Zealand.  Beneficiaries were not eligible for compensation, except for those who had earnings from part-time employment which could be covered. Beneficiary donors were, however, eligible for reimbursement for travel costs.  For donors who were beneficiaries and subject to work obligations, an exemption from work-related obligations was applied for up to 12 weeks.  This new scheme replaced the limited income assistance previously provided by the *Ministry of Social Development*. Since 2005, limited income assistance had been available to live organ donors through the *Assistance to Live Organ Donors Ministerial Welfare Programme*. The amount of income assistance available had been capped at the appropriate weekly rate of *Jobseeker Support* (previously the *Sickness Benefit*), without an income test. |
| 14 December 2017 | **Families Package announced** | The *Families Package* replaced the previous government’s *Families Incomes Package* which had been announced in May 2017. The key components were:   * Rates of the *Family Tax Credit* (FTC) to be increased from 1 July 2018. The income threshold to be increased from $36,350 to $42,700, and the abatement rate increased from 22.5 percent to 25 percent. The new weekly rates were: * first or only child 0-15 years $113.04 (increase of $20.31); * first of only child 16-18 years $113.04 (increase of $11.06); * second or subsequent child 0-12 years $91.25 (increase of $26.81); * second or subsequent child 13-15 years $91.25 (increase of $17.75); and * second or subsequent child 16-18 years $91.25 (no increase). * Rates of *Orphan’s Benefit, Unsupported Child’s Benefit and Foster Care Allowance* would increase by $20.31 per week from 1 July 2018, reflecting the maximum increase in the first child rate of the *Family Tax Credit.* * *Winter Energy Payment* (WEP) to support those in receipt of a social security benefit, New *Zealand Superannuation* or a *Veteran’s Pension*. This was a non-taxable payment of $450 per year for single people and $700 for a couple or a sole parent. The WEP was to be implemented from 1 July 2018 (part-year payment), but in future years would be paid from May to September. It was estimated that approximately one million New Zealanders would be eligible for the WEP. Recipients could choose to opt out. * *Minimum Family Tax Credit* (MFTC) increased from $23,816 to $26,156 ($458 to $503 per week) from 1 April 2018. Around 4,000 working families were expected to gain from the increase, which ensured that they received an amount similar to the WEP paid to be beneficiaries and superannuitants. * *Best Start Payment* to assist families with costs in a child’s early years. The payment of $3,120 per year ($60 per week) was to be made available for children born on or after 1 July 2018, replacing the *Parental Tax Credit*. It was to be available to all families in the first year of a child’s life. For the second and third years, support would continue for low and middle-income families with *Best Start* abated at 21 percent for families with annual income above $79,000. For families receiving *Paid Parental Leave*, *Best Start* payments would begin after *Paid Parental Leave* ended. *Best Start* would also be available to caregivers receiving the *Orphan’s Benefit*, *Unsupported Child’s Benefit* or the *Foster Care Allowance*. Best Start was to be administered by the *Inland Revenue Department* as part of *Working for Families*. The *Ministry of Social Development* would make payments to people receiving a social security benefit, including those receiving the *Orphan’s Benefit* or *Unsupported Child’s Benefit*. * *Independent Earner Tax Credit (IETC)* was reinstated. The IETC would continue to assist eligible individuals earning between $24,000 and $48,000 per year by up to $520 a year. * Budget 2017 changes to the *Accommodation Supplement* and *Student Allowance Accommodation Benefit* were retained (implementation from 1 April 2018). * Budget 2017 changes to income tax thresholds were repealed. |
| 15 December 2017 | **New Zealand Superannuation Fund: Contributions resumed** | The Government resumed contributions to the *New Zealand Superannuation Fund* (NZSF) and signaled a total fund investment of $7.7 billion over the next five years. The purpose of the NZSF was to partially pre-fund the future cost of *New Zealand Superannuation*, which was increasing as a result of New Zealand's ageing population.  Restarting contributions was projected to increase the value of the NZSF to over $63 billion by 2022/23 and help protect the Government’s ability to pay *New Zealand Superannuation* from age 65.  The NZSF was established in 2001 and had commenced investing in 2003 with $2.4 billion in cash. From this time, the Government made annual capital contributions to the NZSF of about $2 billion. In 2009, a decision was made to suspend contributions to the NZSF, as government finances were constrained due to the Global Financial Crisis (GFC).  At December 2017, the value of the NZSF was $37.91 billion. |
| 20 December 2017 | **State house sales ended** | The Government announced the cessation of sales of state houses. Existing houses would remain in state ownership and the number of state houses would be increased.  While this ended large-scale state housing sales, *Housing New Zealand Corporation* would continue to modernise its housing stock by building and buying new homes where they were most needed and selling individual houses that were no longer fit for purpose.  The announcement stopped the transfer of 2,500 state houses in the Christchurch suburbs of Shirley, Bryndwr and Riccarton which had been scheduled to be completed by mid-2018. |
| 1 January 2018 | **Increase to rates of Student Allowances and the amount students could borrow for living costs under the Student Loan Scheme** | Base rates of the *Student Allowance* were increased by $50 per week (after tax). Where the allowance rate reflected the living costs of two adults, the increase was $100 per week. For example, the maximum weekly rate of a *Student Allowance* for single students aged under-24 and living away from home, was increased from $177.03 to $227.03. Since January 1992, the after tax maximum weekly rates of *Student Allowance* had been aligned with the after-tax maximum rates of *Jobseeker Support* (Unemployment Benefit).  The maximum weekly amount students could borrow under the *Student Loan Scheme* for living costs was increased by $50 per week, from $178.81 to $228.81.  No change was made to the eligibility rules for either a *Student Allowance* or a *Student Loan*. |
| 1 January 2018 | **Fees-free tertiary education for eligible first-time students** | Fees-free post-school training and education and industry training was implemented. For provider-based study this covered one year (2018) and for industry training which commenced in 2018, the next 24 months was fees-free. Students in provider-based training who undertook less than 1EFTS in 2018 could use the balance for future years.  To be eligible students were required to be:   * allowed to work and live in New Zealand permanently, or be an Australian or New Zealand resident who has lived in New Zealand for at least three years; and * not be enrolled in school when the qualification/programme starts, and either: * had been enrolled at school in 2017 or 2018; or * had not undertaken previous study or training of more than 60 credits at Level 3 or above on the *New Zealand Qualifications Framework*, except while at school; and * enrolled in an eligible programme.   For those eligible, the government funded fees of up to $12,000 for study in a year. For tertiary education this included:   * tuition fees and associated mandatory fees; and * compulsory student services fees.   For industry trainees and apprentices, the fees-free policy covered up to two years of fees paid by eligible trainees and their employers to *Industry Training Organisations* or directly to training and assessment providers. It did not cover other fees including professional registration.  It was estimated that in 2018 around 80,000 people would be eligible for fees-free post-school training and education. Of these, estimates were that about 50,000 would train or study at a polytechnic, as industry trainees, at a wānanga or a *Private Training Establishment*. The remainder were expected to study at university.  The policy was expected to halt, and over time reverse the trend towards fewer people going into post-school training and education and result in a three percent increase in equivalent full-time students in 2018, equating to about 2,000 additional students.  The *Tertiary Education Commission* (TEC) was responsible for implementing the fees-free policy. |
| 15 January 2018 | **Auckland Housing Relocation Grant abolished** | The *Housing Relocation Grant,* available since June 2016 to eligible social housing tenants in Auckland who moved to another area of New Zealand, was abolished.  The Grant had provided:   * a one-off grant of up to $5,000 for actual and reasonable costs of moving; and * a lump-sum payment of $2,000 (if moving to social housing) or $3,000 (if moving to a private rental) to set up in their new location.   The Grant had been available as part of the *Housing Support Assistance Ministerial Welfare Programme*. |
| 18 January 2018 | **Oranga Tamariki – Ministry for Children** | The *Ministry for Vulnerable Children – Oranga Tamariki*, established in April 2017, was renamed *Oranga Tamariki – Ministry for Children.* |
| 22 January 2018 – 21 January 2019 | **Rural Assistance for farmers in the lower North Island and West Coast of the South Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the lower North Island and West Coast of the South Island whose income was affected by drought. For eligible farmers, assistance was available up until 21 January 2019.  Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (Unemployment Benefit).  Between 21 January 2018 and 21 January 2019, 206 grants were made to 44 farmers in Taranaki with total value of $272,846. Over the same period 14 grants were made in respect of three farmers in the West Coast of the South Island, with total value of $13,312. All grants had ceased by the end of 2018. |
| 5 February 2018 to 21 January 2019 | **Rural Assistance for farmers in the lower South Island** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the lower South Island whose income was affected by drought. For eligible farmers, assistance was available up until 21 January 2019.  Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (Unemployment Benefit). |
| 14 March 2018 | **Tax Working Group: Submissions background paper released** | The *Tax Working Group* released a submissions background paper – *Future of Tax*.  The background paper discussed the New Zealand tax system under six main headings and posed a series of questions for submitters:   * the future environment; * purpose and principles of a good tax system; * the current New Zealand tax system; * the results of the current tax system; * thinking outside the current system; and * specific challenges.   Submissions were sought by 30 April 2018, by which time 6,700 submissions were received.  The *Tax Working Group* was required to submit an interim report to the *Minister of Finance* and *Minister of Revenue* in September 2018, with their final report due in February 2019. |
| 29 March 2018 | **Public Housing: Tenancy reviews suspended** | The *Minister for Housing and Urban Development* announced that tenancy reviews for all public housing tenants were suspended until the end of June 2018.  This was to allow for consideration as to whether more vulnerable tenant groups should be exempt from periodic tenancy reviews. It was anticipated that tenancy reviews would resume from 1 July 2018, applying any new exemption criteria. [*Note: Reviews recommenced from February 2019*]  Tenants who had a review in progress were advised that they didn’t need to do anything more about their review at this time.  At this time the only public housing tenants exempt from periodic tenancy reviews were people aged 75 or older; people whose house was modified for their needs such as wheelchair access; households working with a *Children’s Team* in the *Ministry for Children Oranga Tamariki*; and those with an agreed lifetime tenure with the *Housing New Zealand Corporation*. |
| March 2018 | **Tamaki Regeneration Programme: New approach** | *The Hobsonville Land Company* (HLC) a subsidiary of the *Housing New Zealand Corporation* (subsequently *Kāinga Ora – Homes and Communities*) was appointed as the master developer for the *Tamaki Regeneration Programme*, with responsibility for delivering the physical redevelopment of Tamaki. The redevelopment programme would see 2,500 of the existing state houses replaced with at least 7,500 state, affordable, *KiwiBuild*, and private market houses over the following 20 years.  From this time, the *Tamaki Redevelopment Company* (TRC) focused on social and economic regeneration, along with property and tenancy management of public housing in Tamaki. The purpose of the *Tamaki Regeneration Programme* was to drive improved health, educational and employment outcomes through social and economic activities that were leveraged off housing redevelopment.  The TRC had been established in 2012 by the Government (59 percent shareholder) and the *Auckland Council* (41 percent shareholder). In 2016, the *Housing New Zealand Corporation* public housing portfolio in Tamaki (2,800 properties valued at approximately $1.6 billion) was transferred to the TRC. |
| 1 April 2018 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions* and other Social Security Allowances were increased by 1.36 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting benefit rates excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. |
| 1 April 2018 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 1.36 percent required a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, the net rate *of New Zealand Superannuation* paid to a married couple who both qualified was increased by 2.74 percent. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2018 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased to reflect the movement in the *Consumer Price Index* (less cigarettes and tobacco). An additional adjustment was, however, made to the income cut-out points to ensure that recipients of *New Zealand Superannuation* or a *Veteran’s Pension* did not lose eligibility as a result of the increase to the rate of their pension. The new income levels were:  *People other than NZS/VP recipients:*   * $26,668 Single (sharing); * $28,322 Single (alone); * $42,352 Couple; * $50,673 2 person family; * $61,224 3 person family; * $69,616 4 person family; * $77,835 5 person family; and * $87,020 6 person family.   For each additional child thereafter, income levels increased by $8,095.  *Recipients of NZS/VP:*   * $27,571 Single (sharing); * $29,299 Single (alone); * $43,872 Couple; * $50,673 2 person family; * $61,224 3 person family; * $69,616 4 person family; * $77,835 5 person family; and * $87,020 6 person family.   For each additional child thereafter, income levels increased by $8,095. |
| 1 April 2018 | **ACC Earner Premium unchanged** | The *ACC Earner Premium* remained at 1.39c (GST inclusive) in the dollar. The maximum earnings liable for the *Earner Premium* increased to $126,286 for 2018/2019, with the maximum premium of $1,755.37 for the 2018/2019 tax year. |
| 1 April 2018 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $919 per annum ($17.67 per week). |
| 1 April 2018 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by 75c per hour to $16.50 gross per hour ($660 for a 40-hour week or $554.18 after tax at the M rate).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by 40c per hour to $13.20 gross per hour (80 percent of the adult minimum wage).  The fortnightly adult minimum wage was set at $1,320 before tax, increased by $16.50 for each hour worked in excess of 80 per fortnight. The *Starting Out Minimum Wage* and *Training Minimum Wage* was set at $1,056 per fortnight before tax and $13.20 for each hour worked in excess of 80 per fortnight.  The increase to $16.50 per hour was expected to benefit approximately 164,000 workers and increase wages throughout the economy by $129 million per year. |
| 1 April 2018 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $23,816 to $26,156. It provided a minimum after tax income of $503 per week (an increase of $45 per week or $2,340 per year).  The *Minimum Family Tax Credit* provided a guaranteed minimum income to families with a dependent child or children who were in full-time work. It ensured that families did not face a reduction in income when moving from a social security benefit into paid work.  The increase had been announced in December 2017 as part of the *Families Package*. |
| 1 April 2018 | **Student Allowance: Parental income threshold frozen until 31 March 2019** | The *Parental Income Threshold* for a *Student Allowance* remained frozen at $55,027.96 for the 2018/2019 year. This was in response to fiscal constraints and the need to target allowances to those most in need.  As part of the 2012 Budget, it was announced that *the Parental Income Threshold* for a *Student Allowance* would be frozen at $55,027.96 until March 2016. In the 2015 Budget, the freeze was extended until March 2019. |
| 1 April 2018 | **Student Loan Scheme: Repayment threshold increased** | The *Student Loan Repayment Threshold* was increased from $19,136 to $19,448 for the 2018/2019 tax year.  Loan repayments at 12c in the dollar were required on income above the threshold. |
| 1 April 2018 | **Accommodation Supplement: Increase to maximum weekly rates and changes to the area structure** | The maximum weekly rates of the *Accommodation Supplement* were increased to reflect higher housing costs for lower-income households. The new maximum weekly rates were:  **Area 1**   * 1 person household $165 ($20 increase) * 2 person household $235 ($75 increase) * 3+ person household $305 ($80 increase)   **Area 2**   * 1 person household $105 ($5 increase) * 2 person household $155 ($30 increase) * 3+ person household $220 ($55 increase)   **Area 3**   * 1 person household $80 ($15 increase) * 2 person household $105 ($30 increase) * 3+ person household $160 ($40 increase)   **Area 4**   * 1 person household $70 ($25 increase) * 2 person household $80 ($25 increase) * 3+ person household $120 ($45 increase)   The allocation of towns and communities to the four *Accommodation Supplement* areas was changed to reflect that housing costs (based on lower quartile rents) in some locations had increased more than others. The main changes were:   * Western Auckland, Southern Auckland and areas immediately surrounding Auckland were moved from Area 2 to Area 1; * Tauranga, Queenstown, Arrowtown and Wanaka were moved from Area 2 to Area 1; * Wellington’s surrounding suburbs were moved from Area 3 to Area 2; * Christchurch and surrounding towns were moved from Area 3 to Area 2; * 19 towns were moved from Area 3 to Area 2 (in addition to Wellington and Christchurch); and * 36 towns were moved from Area 4 to Area 3.   The new maximum weekly rates were based on 40th percentile rents. For example, to arrive at the maximum weekly rates, the different family types with accommodation costs at 40th percentile were assessed for their AS need (depending on where they live) and their AS entitlement was calculated. Because the family types were renting at 40th percentile (and 40th percentile was the basis for the maximum weekly rates), their AS entitlement determined the new maxima.  The changes to the *Accommodation Supplement* had been announced in May 2017 as part of the previous government’s *Family Incomes Package* and confirmed in the new government’s *Families Package* in December 2017.  The last adjustment to the maximum weekly rates of the *Accommodation Supplement* had taken place in April 2005. |
| 1 April 2018 | **Accommodation Benefit for Students increased** | The maximum weekly rate of the standard *Accommodation Benefit* (for eligible students who a received a *Student Allowance*) was increased by $20 a week – from $40 per week to $60 per week. Around 26,000 students who lived in Auckland, Wellington or Christchurch received the full increase of $20 per week. In areas where accommodation costs were lower, the increase was less. For example, for students in Dunedin the new weekly amount was $56 and for students in Palmerston North $45.  The weekly rates were calculated using the following formula:   * the average weekly accommodation costs, per room, for each location was calculated from tenancy bond data; * $40 was then subtracted from the average weekly rate for each location; * the resulting figure was then multiplied by 0.5; and * a maximum of $60 per week was then applied to all calculated rates.   The rates were therefore calculated as a 50 percent subsidy on accommodation costs in excess of $40, up to a maximum of $60 for all eligible students.  Note that from 1 July 2015, sole parent students had received the sole parent rate of *Accommodation Benefit* which was calculated using the same formula as the *Accommodation Supplement.* If they were not eligible for the sole parent *Accommodation Benefit,* they were not able receive the standard *Accommodation Benefit*. |
| 1 April 2018 | **Transitional Assistance Payment** | The *Transitional Assistance Payment* provided temporary financial assistance for a maximum period of 12 months to beneficiaries who were unintentionally financially disadvantaged by the Government's *Families Package*.  If a beneficiary was receiving additional assistance (eg *Temporary Additional Support, Special Benefit* or *Childcare Assistance*) the increase to their *Accommodation Supplement* or *Student Allowance Accommodation Benefit* could increase the assessment of their chargeable income and could result in a reduction in the amount of this assistance.  To qualify for the *Transitional Assistance Payment* a beneficiary had to meet the following criteria:   * have been receiving one or more specified benefits/payments immediately before 1 April 2018; and * had a loss of net income, or reduction in *Childcare Assistance* payments; and * the reason for the income loss was due fully or partly to amendments made by the *Families Package*.   The amount of the *Transitional Assistance Payment* was the amount of the reduction in income experienced by the beneficiary.  A *Ministerial Welfare Programme* was established under section 124(1)(d) of the *Social Security Act 1964* – *Families Package (Transitional Assistance) Programme.* |
| 1 April 2018 | **KiwiSaver: Fund managers required to represent fees in dollar terms** | From this time, *KiwiSaver* members were provided with statements that represented the fees that they were charged by their fund manager in dollar terms. Prior to this, it was common practice for fees to be represented as a percentage of the funds under management.  The change to dollar figures was a result of work by the *Commission for Financial Capability,* the *Ministry of Business, Innovation and Employment* and the *Financial Markets Authority* to improve the transparency of reporting for *KiwiSaver* members. This led to a recommendation to the Government by the *Retirement Commissioner* as part of the *2016 Review of Retirement Income Policies*. |
| 13 April 2018 | **Community Finance Initiative expanded** | The *Community Finance Initiative* was widened with ‘Pacific by Pacific’ health support service provider *Vaka Tautua* joining the initiative. From this time, the service was delivered by three providers (*Salvation Army*, *Aviva* and *Vaka Tautua*) at 15 sites around New Zealand.  *Vaka Tautua* intended to assist more Pacific people who were single parents, older, disabled or seeking support for mental health issues to get access to loans that would improve the quality of their lives. Initially operating in Auckland (Henderson and Manukau) and Porirua, it was proposed to extend their service to Christchurch.  In August 2014, the *Community Finance Pilot Scheme* had been launched to provide low interest loans to people in Manukau and Henderson (Auckland). It was initially a one-year partnership between the *Bank of New Zealand*, *Good Shepherd New Zealand*, the *Salvation Army* and the *Ministry of Social Development*.  The initiative provided affordable credit to individuals and whänau on low incomes in the form of two loan products:   * a no-interest loan to be repaid over 12 months; and * a low-interest loan to be repaid over 36 months.   Backed by capital from the *Bank of New Zealand*, the scheme was intended to provide affordable finance to people who were unable to access mainstream financial services and who were at risk of falling into the clutches of ‘loan sharks’. The *Ministry of Social Development* contributed to the running costs of the not-for-profit organisations. No Government capital was loaned directly to borrowers. The scheme was modelled on one that had been operating in Australia for around ten years and was funded by the Bank of New Zealand’s parent company *National Australia Bank*. |
| 23 April 2018 | **Ministry of Social Development: Beneficiaries no longer required face-to-face appointments for most emergency and maintenance needs** | From this time, beneficiaries were able to complete emergency and maintenance appointments over the phone with a case manager. Emergency phone appointments covered situations that could not wait 24 hours, including people with needs resulting from eviction, emergency medical or dental care, lack of food or power disconnection. Maintenance phone appointments covered beneficiaries who had a change in circumstances (eg including a partner in their benefit) or were applying for hardship assistance that was not an emergency (eg whiteware or school uniforms).  Beneficiaries were able to book phone appointments through MyMSD and were offered a time slot during which the Ministry would call them.  Depending on the nature of the situation, the beneficiary could still be required to come into an office to sign paper work or drop off supporting documentation.  It was estimated that 60 percent of emergency and maintenance appointments would be completed over the phone. While face-to-face appointments were still available, beneficiaries were offered a phone appointment first.  For beneficiaries with a hardship count of fewer than five who were applying for certain types of hardship assistance where an appointment was not necessary, these transactions continued to be completed by the Contact Centre. New applications for a benefit still required a face-to-face appointment. |
| 28 May 2018 | **Welfare Expert Advisory Group established** | The Government announced the establishment of the *Welfare Expert Advisory Group* (WEAG) to provide advice on options that could best give effect to its vision for the future direction of the social security system.  The Government’s vision for the social security system was that it ensured people had an adequate income and standard of living, were treated with and could live in dignity and were able to participate meaningfully in their communities. The emphasis of the social security system was on delivering compassionate, timely and appropriate support for those in need.  The WEAG was required to advise the Government on:   * amendments to the legislative purpose and principals of the *Social Security Act 1964* to give effect to the vision and direction of the Government; * how any amendments to the purpose and principles could be implemented system-wide; * advice on other changes needed to ensure the system achieves the Government’s vision for the social security system; * changes to the obligations and associated sanctions applied to beneficiaries to ensure alignment with the Government’s vision; * high level recommendations for improvements to *Working for Families*; and * recommendations for areas where the interface between the social security system and other systems need to be improved either because they are not functioning well or in the light of the WEAG’s work on giving effect to the future vision of the social security system – including ACC, education and training, housing, health and justice.   The following were outside the WEAG’s scope:   * *New Zealand Superannuation*; * *Veteran’s Pension* and war pensions; and * student support.   Professor Cindy Kiro was appointed as the Chair of the WEAG. The members of the WEAG were:   * Professor Innes Asher; * Kay Brereton; * Dr Huhana Hickey; * Trevor McGlinchey; * Professor Tracey McIntosh; * Dr Ganesh Nana; * Phil O’Reilly; * Robert Reid; * Latayvia Tualasea Tautai; and * Charles Waldegrave.   The WEAG was required undertake a participatory and independent approach that prioritised the experience of people interacting with the social security system. Appropriate consultation with stakeholder groups including, but not limited to iwi and Mäori, Pacific Peoples, and disabled people was required.  The WEAG was required to provide its final report to the Government by 28 February 2019. |
| 8 June 2018 | **Ministry of Housing and Urban Development: Government announcement** | The Government announced that a new *Ministry of Housing and Urban Development* would be established from 1 August 2018 and begin operating from 1 October 2018. The establishment of the new Ministry would incorporate the following functions and operational funding from existing agencies:   * housing and urban policy advice, the KiwiBuild Unit and the *Community Housing Regulatory Authority* – from the *Ministry of Business, Innovation and Employment*; * policy advice for emergency, transitional and public housing – from the *Ministry of Social Development*; and * monitoring of *Housing New Zealand Corporation* and the *Tämaki Redevelopment Company* – from the *Treasury*.   The new Ministry was to be established as the Government’s lead advisor on housing and urban development – providing-across-the-board advice on housing issues, including responding to homelessness, ensuring affordable, warm, safe and dry rental housing in the private and public market, and the appropriate support for first home buyers.  The *Ministry of Social Development* retained the lead for policy advice on the *Accommodation Supplement* due to its close ties with the social security system.  The changes did not affect where people went to access help with housing. The *Ministry of Social Development* continued in its role of assessing people’s need for housing support and managing the public housing register. |
| 29 June 2018 | **Developing a new strategy for an ageing population: Discussion document released** | The Government released a discussion document on developing a new strategy to support New Zealand’s ageing population. The document highlighted the changes that had occurred since the *New Zealand Positive Ageing Strategy* was released in April 2001. The new strategy was intended to shape the policies needed to adjust to an ageing population and to help older New Zealanders live well.  Submissions were sought by 24 August 2018. Following the consultation, a new strategy and an action plan would be drafted with a second round of consultation on the proposed strategy in early 2019. |
| 30 June 2018 | **Families Commission/SUPERU dis-established** | In July 2017, as part of reconfiguring agencies and resources to support social investment, the *Social Investment Agency* (SIA) had been established to provide leadership for this approach. At this time, the Government had also decided to dis-establish the *Social Policy Evaluation and Research Unit (SUPERU)* at the end of June 2018. As a result, key work programmes were transferred from *SUPERU* to other agencies, effective from 1 November 2017. This included the:   * *Families and Whānau Status Report* and associated work programme which was delegated for delivery to the *Ministry of Social Development*; * management of the contract for *Growing Up in New Zealand* (GUiNZ) study and the *SUPERU Children and Families Research Fund* was transferred to the *Ministry of Social Development*; and * management of the contract for the *New Zealand Family Violence Clearinghouse* was transferred to the *Ministry of Justice*.   The *Families Commission* had been established in July 2004 under the *Families Commission Act 2003*. Its main function was to act as an advocate for the interests of families generally, collect data, commission research and promote awareness of stable family relationships. In 2014, the *Families Commission* began operating as *SUPERU*. In addition to the Commission’s advocacy role for families, *SUPERU* had been given additional responsibilities for monitoring and evaluating programmes and interventions in the social sector and providing social science research into key issues, programmes and interventions. |
| 1 July 2018 | **Family Tax Credit:**  **Rates increased**  **Future indexation**  **Income threshold and abatement rate** | Rates of the *Family Tax Credit* (FTC) were increased. The new weekly rates were:   * first or only child 0-15 years $113.04 (increase of $20.31); * first or only child 16-18 years $113.04 (increase of $11.06); * second or subsequent child 0-12 years $91.25 (increase of $26.81); * second or subsequent child 13-15 years $91.25 (increase of $17.75); and * second or subsequent child 16-18 years $91.25 (no increase).   Indexation of the FTC was reset from 1 July 2018. Rates would be increased once the cumulative increase in the *Consumers Price Index* (excluding tobacco products) reached five percent. This was expected to occur from 1 April 2022.  The income threshold for the FTC was increased from $36,350 to $42,700. The abatement rate was increased from 22.5 percent to 25 percent.  These changes had been announced as part of the *Families Package* in December 2017. |
| 1 July 2018 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* for families with children were increased to ensure that nobody lost eligibility to the card as a result of the increases to rates of the *Family Tax Credit*. The new income cut-out points were:   * $51,730 2 person family; * $63,675 3 person family; * $73,461 4 person family; * $83,074 5 person family; and * $93,653 6 person family.   For each additional child thereafter, income levels increased by $9,490. |
| 1 July 2018 | **Orphan’s Benefit, Unsupported Child’s Benefit and Foster Care Allowances: Rates increased** | Rates of the *Orphan’s Benefit*, *Unsupported Child’s Benefit* and *Foster Care Allowance* were increased by $20.31 per week, reflecting the maximum increase in the rate of the *Family Tax Credit* paid to the first or only child. The new weekly rates (non-taxable) were:   * child aged 0 – 4 years $169.97; * child aged 5 – 9 years $193.99; * child aged 10 – 13 years $211.95; and * child aged 14 years or over $229.83. |
| 1 July 2018 | **Orphan’s Benefit and Unsupported Child’s Benefit: Clothing Allowance introduced** | A *Clothing Allowance* similar to that paid to foster carers by *Oranga Tamariki – Ministry for Children* was provided to carers of children receiving the *Orphan’s Benefit* or the *Unsupported Child’s Benefit*.  The *Clothing Allowance* was a non-taxable supplementary benefit paid by the *Ministry of Social Development* to the principal caregiver of a child or children for whom the *Orphan’s Benefit* or the *Unsupported Child’s Benefit* was being paid. The level of the allowance was based on the age of the child and was adjusted annually in line with the *Consumers Price Index*. The weekly rates from 1 July 2018 were:   * 0-4 years $20.14; * 5-9 years $22.83; * 10-13 years $28.19; and * 14+ years $33.84.   The *Clothing Allowance* was paid in addition to the *School and Year Start-up Payment* for school uniforms and other costs that caregivers have at that time of the year.  The *Clothing Allowance* had no impact on eligibility to other payments. Recipients of the *Orphan’s Benefit* or *Unsupported Child’s Benefit* could still apply for hardship assistance and grants from the *Extraordinary Care Fund*. |
| 1 July 2018 – 30 September 2018 | **Winter Energy Payment** | The *Winter Energy Payment* was introduced to assist with the cost of heating homes during the winter. It was paid automatically and without a means-test to recipients of *New Zealand Superannuation*, *Veteran’s Pension* or another main social security benefit.  The *Winter Energy Payment* was available from 1 July 2018 to 30 September 2018. The weekly payment rates were:   * $20.46 (single with no dependent children); and * $31.82 (married couple or sole parent).   The *Winter Energy Payment* was not available to people receiving the *Residential Care Subsidy* or the *Residential Support Subsidy*. If a beneficiary left New Zealand while the *Winter Energy Payment* was being paid (and still received their main benefit) the *Winter Energy Payment* continued for the first four weeks and stopped from the beginning of the fifth week.  The *Winter Energy Payment* was non-taxable and not included as income in the assessment for *Temporary Additional Support*, *Childcare Assistance* or other supplementary benefits.  People who did not want to receive the *Winter Energy Payment* could opt out by contacting the *Ministry of Social Development*. Between 25 June 2018 and 30 September 2018, 2,002 recipients of *New Zealand Superannuation* or a *Veteran’s Pension* had contacted the Ministry and opted not to receive the *Winter Energy Payment*.  From 2019, the *Winter Energy Payment* was available from 1 May to 30 September. |
| 1 July 2018 | **Best Start Tax Credit** | The *Best Start Tax Credit* of $3,120 per year ($60 per week) per child was introduced to help families with costs in a child’s early years. It replaced the *Parental Tax Credit*.  *Best Start* was available to all families in the first year of a child’s life for children born (or due) on or after 1 July 2018. For the second and third years *Best Start* continued for low to middle income families. Payments were abated at 21 percent for income (before tax) above $79,000.  *Best Start* was also available to caregivers who received the *Orphan’s Benefit*, *Unsupported Child’s* *Benefit* or the *Foster Care Allowance*.  For families receiving *Paid Parental Leave*, *Best Start* payments commenced after paid parental leave payments ended.  *Best Start* was chargeable income for the assessment for *Temporary Additional Support* and eligibility for the *Community Services Card*. *Best Start* was not included as personal income when assessing eligibility for a *Student Allowance*.  *Best Start* was administered by the *Inland Revenue Department* as part of *Working for Families*. The *Ministry of Social Development* made payments to people receiving a main social security benefit.  Caregivers receiving a main social security benefit and an *Orphan’s Benefit* or *Unsupported Child’s Benefit*, could choose to get *Best Start Tax Credit* from the *Ministry of Social Development*. Caregivers getting an *Orphan’s Benefit* or *Unsupported Child’s Benefit* but not receiving a main benefit needed to apply to *Inland Revenue Department* for *Best Start Tax Credit* payments. |
| 1 July 2018 | **Best Start Tax Credit: Backdated lump sum payments exempt from the income test for Temporary Additional Support and excluded from the cash asset assessment** | The *Best Start Tax Credit* was available to families with a child born on or after 1 July 2018 or born before 1 July 2018 and had an expected due date of 1 July 2018 or later. The first payment of *Best Start* in respect of a child born before 1 July 2018 was a lump sum payment, backdated to the date of birth.  To avoid the possibility of the lump sum resulting in overpayments of *Temporary Additional Support* or *Special Benefit* or the loss of eligibility to asset-tested supplementary assistance, a backdated *Best Start* paid as a lump sum was:   * exempt from the income test for *Temporary Additional Support* and *Special Benefit*; and * excluded from cash assets tests under the *Social Security Act 1964* for 12 months from the date of payment and any income (such as interest) derived from the payments during the 12-month period was excluded from the income test under the *Social Security Act 1964*. |
| 1 July 2018 | **Residential Care Subsidy: Adjustment of asset levels** | The asset thresholds for the *Residential Care Subsidy* were adjusted by the movement in the *Consumer Price Index* (all groups) for the year to the end of March 2018 (1.10 percent).  Single people and couples with both partners in care were able to keep up to $227,125 in assets - up from $224,654, before they were used to contribute to the cost of their care. Couples both 65 years or over with one in residential care were able to keep $124,379 (excluding family home and car) - up from $123,025, or they could elect the higher asset threshold of $227,125 (including family home and car). |
| 1 July 2018 | **Residential Care Subsidy: Increase to the income from assets exemption** | The ‘income from assets exemption’ for the *Residential Care Subsidy* was adjusted by the movement in the *Consumer Price Index* for the year to the end of March 2018 (less the price increases from cigarette and tobacco products) 0.98 percent. The new income from asset exemption levels (after tax) were:   * single people: $992 per annum; * couple (both in care): $1,983 per annum; and * couple (one in care): $2,975 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2018 | **Residential Care Subsidy: Allowable gifting levels increased** | The allowable gifting level was increased from $6,000 to $6,500 per annum for each applicant. Gifts of investments made in the five years before a person applied for the *Residential Care Subsidy* were included in the means assessment of assets (i.e. gifts above the allowable gifting level).  Gifts could also be made by the applicant or partner (if any) to another person who had provided a [high level of care](javascript:pop('http://doogle/map/definitions/high%20level%20of%20care.htm')) to the applicant. The gift must have been made within 12 months of the client's date of application for a financial means assessment. As long as the applicant had received at least one year of continuous high-level care, they could gift a maximum of $6,500 for each year of high-level care received, up to a maximum of $32,500 (minus any allowable gifting that had already taken place).  In 2004, Cabinet had directed that the allowable gifting amount be adjusted by $500 increments when the accumulated change in the *Consumer Price Index* reached $500 or more. The accumulated *Consumer Price Index* movement since the last adjustment in July 2011 equated to an adjustment of $500.27, so an adjustment of $500 was applied. |
| 1 July 2018 | **Paid Parental Leave increased**  **Increased to 22 weeks** | *Paid Parental Leave* was increased from a maximum of $538.55 gross per week to a maximum of $564.38 gross per week.  The increase reflected the 4.8 percent increase in average ordinary time weekly earnings over the year to March 2018.  The minimum payment for self-employed parents increased from $157.50 per week to $165.00 per week (equivalent to 10 hours at the minimum wage).  The maximum period of Government provided *Paid Parental Leave* was increased from 18 weeks to 22 weeks, with a further increase to 26 weeks to take place on 1 July 2020. This change had been announced by the new Government in November 2017. |
| 1 July 2018 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $620 to $630; and * the income threshold was increased from $24,790 to $25,180.   The change reflected a 1.6 percent increase in the *Consumer Price Index* for the 2017 calendar year. The maximum amount of the rebate was rounded up/down to the nearest $5.  The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2018/2019 rating year was $25,180 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2018/2019 rating year (1 July 2018 to 30 June 2019). |
| 1 July 2018 | **Rates Rebate Scheme: Extended to residents of a Retirement Village** | The *Rates Rebate (Retirement Village Residents) Amendment Act 2018*, extended the *Rates Rebate Scheme* to retirement village residents who did not own the unit they lived in, but held a ‘licence to occupy’ their unit. Since these residents did not pay rates directly to their local council, they required a declaration from the retirement village operator stating:   * the total rates payable by the retirement village in a rating year; * the amount of the resident’s contribution to rates (including water rates); and * that the resident’s contribution was made under a written agreement and the applicant was a resident on 1 July. |
| 1 July 2018 | **Housing First Programme expanded** | As part of the 2018 Budget, it had been announced that the *Housing First Programme* would be extended with $63.4 million invested in supporting more than 1,450 vulnerable homeless people over the following four years.  *Housing First* was a programme to house and support people who had been homeless for a long time or were homeless and facing multiple and complex issues. Once housing had been provided, the programme offered tailored support for a long as it was needed to help people stay housed and manage their lives.  The *Housing First Programme* had operated in Hamilton since 2014 and had been piloted by a collective of Auckland providers since March 2017. By 31 March 2018, the Auckland *Housing First Programme* had housed 215 households in public or private housing. The programme was subsequently extended to Tauranga, Wellington, Lower Hutt and Christchurch. As part of the expansion, the *Ministry of Social Development* expanded *Housing First* to a number of other high-need areas, including Whangarei, Rotorua, Napier, Hastings, Blenheim and Nelson. |
| 1 July 2018 | **Limited Service Volunteer Scheme expanded** | The number of places on the *Limited Service Volunteer* (LSV) Scheme was doubled from 800 to 1,600 over the following two years. The LSV Scheme was a six-week motivational course delivered by the *New Zealand Defence Force* with funding and support from the *Ministry of Social Development* and the *New Zealand Police*. It aimed to improve the discipline, confidence and work-readiness of unemployed young people aged 18 to 25. The LSV Scheme had been operating since May 1993.  The expansion had been announced as part of the 2018 Budget. |
| 4 July 2018 | **KiwiBuild Scheme: Prospective homebuyers able to register their interest** | From this time, people could register their interest in *a KiwiBuild* home. All eligible buyers would have an equal chance to own a *KiwiBuild* home at cost price through a ballot system. The eligibility criteria for *KiwiBuild* homebuyers was:   * first-home buyers or ‘second chancers’; * New Zealand citizens, permanent residents or those who ordinarily reside in New Zealand; * intent to own, and live in it, for at least three years; and * annual before tax income below $120,000 for single purchasers and $180,000 for couples.   Consistent with the *KiwiSaver HomeStart Grant*, a ‘second chancer’, could not have assets totalling more than 20 percent of the house price cap for existing/older properties in the area they were buying in, which was:   * $120,000 for Auckland; * $100,000 for Hamilton City, Tauranga City, Western Bay of Plenty District, Kapiti Coast District, Porirua City, Upper Hutt City, Hutt City, Wellington City, Nelson City, Tasman District, Waimakariri District, Christchurch City, Selwyn District, Queenstown Lakes District; and * $80,000 for the rest of New Zealand.   This marked the official launch of the *KiwiBuild Programme* – to build affordable, quality, starter homes for first-home buyers. It was envisaged that the first year would deliver 1,000 *KiwiBuild* homes by 1 July 2019, adding a further 5,000 homes by July 2020 and a further 10,000 homes by July 2021. [*Note: In January 2019, these targets were abandoned with an expectation that only 300 KiwiBuild homes would be delivered in the first year*]  The *KiwiBuild Programme* was designed to deliver affordable homes within a price cap:   * Auckland and Queenstown $500,000 (1 bedroom), $600,000 (2 bedroom), $650,000 (3+ bedrooms); and * rest of New Zealand $500,000. |
| 13 August 2018 | **Special Needs Grants: No longer available to assist with the cost of long-acting reversible contraception** | The *Ministry of Social Development* ceased the provision of *Special Needs Grants* to assist with the cost of obtaining long-acting reversible contraceptives for women with low incomes. Support was instead provided through the public health system.  From August 2012, non-recoverable *Special Needs Grants* had been available to a woman who chose to use approved long-acting reversible contraception. The grant covered the cost of attending a medical appointment (including transport costs) and the contraceptive itself (including removal), where the cost was not fully covered by *PHARMAC* or a *District Health Board* subsidy. The Grants had been initially available to young women receiving assistance under the *Youth Package* and were extended to the wider beneficiary population (including female dependent children aged 16-19 years) from October 2012. The maximum amount payable for this purpose had been $500 in a 52-week period.  This change was announced as part of the 2018 Budget. |
| 24 August 2018 | **Public Housing Plan 2018-2022** | The Government released the *2018 Public Housing Plan*. The Plan replaced the *2016 Social Housing Purchasing Strategy* and provided information about where, and how many, additional public housing places were planned over the next four years. The Government was aiming to secure around 6,400 additional public housing places by June 2022 to supplement the existing 67,228 public housing places. A significant number of these 6,400 places were contracted for, under negotiation or part of the *Housing New Zealand Corporation* (HNZC) four-year plan (4,480 from HNZC and 874 from *Community Housing Providers*). To deliver on the 6,400 places, around 1,000 additional places were sought.  Of the 6,400 additional places, 3,550 were to be in the Auckland region, 715 in Wellington, 480 in the Canterbury region, 55 in Dunedin, with the remaining 1,600 spread across the rest of New Zealand.  HNZC would remain the primary provider of public housing in New Zealand, providing around 70 percent of places, with the remaining 30 percent provided by *Community Housing Providers*. The additional public housing places were funded through a combination of operating funding provided through the 2018 Budget, and HNZC borrowing from third-parties and funding from its operations. |
| 27 August 2018 | **Reform of the Residential Tenancies Act 1986: Government discussion document released** | The Government released a discussion document on the reform of the *Residential Tenancies Act 1986* (RTA). The purpose of reform was to ensure that the RTA remained suitable for the current renting environment. The proposed reform of the RTA had the following objectives:   * to improve security and stability for tenants, while maintaining adequate protection for landlords’ interests; * to ensure the appropriate balancing of the rights and responsibilities of tenants and landlords to promote good faith tenancy relationships and help renters feel more at home; * to modernise the legislation so it can respond to changing trends in the rental market; and * to improve quality standards of boarding houses and accountability of boarding house operators.   The discussion document focused on four areas for reform and set out a number of key questions:   1. Modernising tenancy laws so tenants felt more at home:   *Types of tenancy agreements, circumstances where a landlord could require a tenant to move, whether the responsibilities tenants and landlords have during a tenancy were appropriate, the types of modifications tenants should be able to make to a rental property, and how the law could better encourage landlords to allow tenants to keep pets?*   1. Setting and increasing rents:   *How rents are set and how and when they can be increased, options to address the practice of ‘rental bidding’, making it easier for tenants to understand how their rent might increase and how ‘market rent’ is challenged?*   1. Boarding house tenancies:   *Whether there should be new requirements to make it easier for authorities to monitor boarding houses?*   1. Enforcing tenancy laws:   *Powers available to government agencies to investigate alleged breaches of the RTA, whether the existing enforcement regime was accessible, efficient and proportionate to the modern renting environment and was structured in a way that ensured compliance?*  Submissions were sought by 21 October 2018. Proposals for change were announced in November 2019. |
| 20 September 2018 | **Tax Working Group: Interim report released** | The *Tax Working Group* released its interim report. The highlights of the interim report included:   * *Taxation of capital income.* The report set out two potential options for extending capital income taxation – extending the tax net to include gains on assets that are not already taxed; and taxing the deemed returns from certain assets (known as the risk-free rate of return method of taxation). * *Retirement savings.* The group identified opportunities to encourage saving among low-and middle-income earners, and make the tax treatment of retirement savings fairer, though they noted that the treatment of retirement savings is interlinked with the treatment of capital income, and further consideration was required. * *Housing affordability.* The group found that the tax system was not the primary cause of unaffordable housing, but was likely to have exacerbated the house price cycle. Further work would be undertaken to consider the housing market impacts of options for extending capital income taxation. * *Environmental and ecological outcomes.* The group highlighted significant scope for the tax system to sustain and enhance natural capital. Short-term opportunities included expanding the waste disposal levy, strengthening the emissions trading scheme, and advancing the use of congestion charging. * *Goods and Services Tax.* The group was not recommending any reduction in GST, or the introduction of exceptions. Instead, the group believed that other measures (such as transfers) would be more effective in supporting those on a low income. * *Business taxation.* The group was not recommending any reduction in the company tax rate or the introduction of a progressive company tax. Further work was signalled on the best ways to reduce compliance costs and enhance productivity. * *Administration of the tax system*. The group identified a number of opportunities to improve tax collection, including increasing penalties for non-compliance as well as establishing a single Crown debt agency to ensure all debtors are treated equally. A taxpayer advocate service was also recommended to assist small business in disputes with *Inland Revenue*.   The *Tax Working Group* had been established in November 2017 to examine improvements in the structure, fairness and balance of the tax system. It was scheduled to submit its final report to the *Minister of Finance* and the *Minister of Revenue* in February 2019. |
| 21 September 2018 | **Housing New Zealand Corporation: Social objectives to be contained in legislation**  **Change of name to Housing New Zealand and removal of the requirement to return surpluses to the Crown** | The Government announced that new social objectives for the *Housing New Zealand Corporation* would be enshrined in legislation. The new social objectives were:   * providing good quality, warm, dry, and healthy rental housing for those who need it most; * assisting tenants to sustain a tenancy; supporting tenants to be well-connected to their communities, to lead lives with dignity, and the greatest degree of independence possible; * being a fair and reasonable landlord, treating tenants and their neighbours with respect, integrity and honesty; * building and leasing additional houses in order to meet social need and fill housing shortages where they occur; * managing its housing stock prudently, upgrading and managing the portfolio to ensure it remains fit for purpose; * assisting neighbourhoods and communities in which it operates housing to flourish as cohesive, safe and prosperous places to live; * working with other agencies to achieve housing policy goals and improve tenant welfare; * providing services and products to support people accessing affordable housing; and * other social objectives as notified by the Minister in writing.   The Government also announced that it would remove the word ‘Corporation’ from the name of *Housing New Zealand* to provide a clear signal to tenants and the public about the change in focus. It was also proposed that legislation would be changed to remove the requirement for *Housing New Zealand* to return surpluses to the Crown, to provide a clear signal about on-going investment. Under the *Crown Entities Act 2004*, the *Minister of Finance* would still have the power to require a surplus to be returned, but the default would be that *Housing New Zealand* would retain any surplus funds.  *Note: Kāinga Ora – Homes and Communities was established from 1 October 2019.* |
| 26 September 2018 | **Public Housing Tenancy Reviews: Exemptions extended** | The Government announced that when tenancy reviews for public housing resumed in early 2019, there would be a wider group of tenants exempt from the review process.  From 2019, the categories of tenants who were exempt from the review process was widened to provide greater stability of tenure. The new exemption criteria were:   * tenancies where the signatory or their partner was aged 65 years or older; * tenancies where the signatory or their partner had one or more dependent children aged 18 years or under in their care (including foster children for whom payments were being made on the *Oranga Tamarki Act 1989*); * tenancies where the signatory or their partner received a *Supported Living Payment* (either because they had a permanent and severe disability, or because they were caring for another person (other than their spouse or partner) on a full-time basis); * tenancies with an agreed lifetime tenure with the *Housing New Zealand Corporation*; and * assured tenancies that applied to tenants that were working with *Oranga Tamariki – Ministry for Children*.   Exempt tenants would still be reviewed if their circumstances changed in a way that might impact on their eligibility for public housing, or if they needed to move into a different property that better met their needs.  Tenancy reviews for people living in public housing had been introduced in 2014 to ensure that people living in public housing still needed it, and that they were in a property suited to their needs. From 29 March 2018, public housing reviews had been suspended pending a review of the exemption criteria. Prior to the suspension, around 8,967 (14 percent) of public housing tenancies were exempt from the review process. With the expanded exemption criteria, 59,950 (81 percent) of public tenancies were exempt from the review process. From 18 February 2019, the *Ministry of Social Development* re-started tenancy reviews. |
| 1 October 2018 | **Ministry of Housing and Urban Development established** | The *Ministry of Housing and Urban Development* was established as the Government’s lead advisor on housing and urban development – providing-across-the-board advice on housing issues, including responding to homelessness, ensuring affordable, warm, safe and dry rental housing in the private and public market, and appropriate support for first-home buyers. |
| 1 October 2018 | **Social Housing: Appointment of the ‘regulatory authority’ and the ‘social housing agency’** | An Order in Council under the *Housing Restructuring and Tenancy Matters Act 1992*, appointed the *Ministry of Housing and Urban Development* as the ‘regulatory authority for social housing’. The *Ministry of Social Development* continued to be appointed as the ‘social housing agency’.  In 2013, an Order in Council had appointed *the Ministry of Business, Innovation and Employment* as the ‘regulatory authority for social housing’ and the *Ministry of Social Development* as the ‘social housing agency’.  With the establishment of the *Ministry of Housing and Urban Development*, the *Ministry of Business, Innovation and Employment* ceased to have any functions in relation to social housing. The *Ministry of Social Development* continued to have responsibility for a range of client-facing functions including eligibility assessment for social housing, managing the social housing register, and calculating the *Income-Related Rent* and related functions. |
| 1 October 2018 | **Disability Support: Direct payment not included as part of the means test for social assistance** | From this date, a prototype of a transformed disability support system commenced in the *MidCentral Health* region which included Palmerston North, Horowhenua, Manawatu, Otaki and Tararua districts. The prototype – *Mana Whaikaha* allowed disabled people and their whänau to make decisions about how to use funding for services and supports. It had been co-designed with disabled people, whänau and others in the disability sector. In the transformed system, payments were made directly into a bank account in the name of the disabled person, or to a person acting on their behalf, in advance of their purchasing or obtaining disability support.  To ensure that these payments did not impact on eligibility to social assistance, changes to Regulations were made to:   * exempt direct payments of disability support from being treated as income or a cash asset for assistance provided under the *Social Security Act 1964*; * exempt direct payments of disability support made to a student or their partner/spouse from being treated as personal income for the assessment of a *Student Allowance*; and * exempt direct payments of disability support from the definition of income used to calculate *Income-Related Rent* for social housing tenants (see below).   Changes to Ministerial Welfare Programmes were also made to ensure that disability support payments had no impact on eligibility to social assistance and the *Ministerial Directions on Eligibility for Social Housing and Continued Eligibility for Social Housing* were amended to ensure that eligibility to social housing was not affected. A change to tax legislation was made to ensure that disability support payments were not subject to income tax and did not affect social assistance delivered through the tax system.  Prior to this, disabled people received disability support in the form of services, which did not have any impact on eligibility for social assistance.  Feedback on the prototype in the MidCentral region was intended to assist in the development and refinement of a new disability support system. |
| 1 October 2018 | **Housing Restructuring and Tenancy Matters (Prescribed Elements of Calculation Mechanism) Regulations 2018** | Regulations made under the *Housing Restructuring and Tenancy Matters Act 1992* prescribed elements of the calculation mechanism for the purposes of calculating a person’s *Income-Related Rent.*  The Regulations re-enacted, with some modification, the prescribed elements of the calculation mechanism set out in Schedule 2 of the *Housing Restructuring and Tenancy Matters Act 1992*.  The Regulations also provided that a person’s weekly income, for the purposes of determining a person’s assessable income, did not include any direct payment of disability support made by or on behalf of the Crown to the person, or on that person’s behalf, for the purposes of purchasing or obtaining disability support services for the person (see above). |
| 1 November 2018 | **Porirua Regeneration Project** | The Government announced a $1.5 billion-dollar programme for revitalising eastern Porirua over the following 25 years. Alongside this, the Government announced that it would partner with Ngāti Toa to improve public housing in western Porirua. Together, the initiatives in eastern and western Porirua were expected to result in:   * approximately 2,900 public houses renewed to be warmer, drier and safer homes; * at least 2,000 extra affordable market homes in Porirua, including a significant number of *KiwiBuild* houses; and * 150 new and additional homes to the public housing stock elsewhere in Porirua.   Eastern Porirua (including the suburbs of Ascot Park, Waitangirua, Cannons Creek and Ranui) comprised around 2,000 *Housing New Zealand Corporation* properties representing around 49 percent of the total housing stock. While the revitalisation was housing-led, the Government initiated work with the eastern Porirua community, Ngāti Toa and the *Porirua City Council* to unlock the potential for social and economic growth, including working with the community to:   * improve neighbourhood design, upgrading parks and streets; * provide an opportunity to think about future education needs; and * create jobs for local people.   The *Hobsonville Land Company* – a 100 percent owned subsidiary of *Housing New Zealand Corporation* led the eastern Porirua development. Existing tenants continued to be housed under the terms of their current tenancy agreement and the changes had no impact on the level of rent they paid. |
| 24 November 2018 | **Housing and Urban Development Authority: Announcement**  **Kāinga Ora – Homes and Communities** | The Government announced that it was establishing a *Housing and Urban Development Authority* (HUDA) as a new Crown Agency to lead the Government’s large-scale and small-scale urban development projects and to be a public housing landlord. HUDA would consolidate the functions of the *Housing New Zealand Corporation* including its subsidiary the *Hobsonville Land Company,* and the *KiwiBuild Unit (*from the *Ministry of Housing and Urban Development).*  HUDA would lead a range of urban development projects throughout New Zealand, in partnership with local government, iwi and the private sector. For some large-scale complex development projects, it would have access to a range of statutory powers including:   * shortened planning and consenting processes; * building and changing infrastructure; * funding infrastructure and development; * bringing together parcels of land; and * reconfiguring reserves.   The Government proposed to introduce legislation to establish the HUDA in 2019, with the first projects expected to be up and running in early 2020.  The *Kāinga Ora – Homes and Communities Bill* was introduced on 29 May 2019. *Kāinga Ora – Homes and Communities* was established as a Crown Entity on 1 October 2019. |
| 26 November 2018 | **Social Security Legislation Rewrite: Social Security Act 2018** | The *Social Security Act 2018* came into force.  The purpose of the Act was:   * to enable the provision of financial and other support as appropriate: * to help people to support themselves and their dependants while not in paid employment; and * to help people to find or retain paid employment; and * to help people for whom work is not currently appropriate—because of sickness, injury, disability, or caring responsibilities—to support themselves and their dependants: * to enable in certain circumstances the provision of financial support to people to help alleviate hardship; * to ensure that the financial support referred to above is provided to people taking into account: * that, where appropriate, they should use the resources available to them before seeking financial support under the Act; and * any financial support that they are eligible for or already receive, otherwise than under the Act, from publicly funded sources: * to provide services to encourage and help young people to move to or remain in education, training, and employment, rather than receiving financial support under the Act; * to impose, on the following specified people or young people, the following specified requirements or obligations: * on people seeking or receiving financial support under the Act, administrative and, where appropriate, work-related requirements; and * on young people who are seeking or receiving financial support under the Act, educational, budget management, and (where appropriate) parenting requirements; and * on people receiving certain financial support under the Act, obligations relating to the education and primary health care of their dependent children.   The Act also provided that every person performing or exercising a duty, function, or power under the Act must have regard to the following general principles:   * work in paid employment offers the best opportunity for people to achieve social and economic well-being; * the priority for people of working age should be to find and retain work; * people for whom work may not currently be an appropriate outcome should be assisted to prepare for work in the future and develop employment-focused skills; and * people for whom work is not appropriate should be supported in accordance with the Act.   The following legislation was repealed:   * *Social Security Act 1964*; * *Department of Social Welfare Act 1971*; * *Social Welfare (Reciprocity Agreements and New Zealand Artificial Limb Service) Act 1990*; and * *Employment Services and Income Support (Integrated Administration) Act 1998*. |
| 26 November 2018 | **Social Security Legislation Rewrite: Residential Care and Disability Support Services Act 2018** | The *Residential Care and Disability Support Services Act 2018* came into force.  The purpose of this Act was to:   * specify the circumstances in which certain older persons were required to pay for their own long-term residential care; * specify the circumstances in which a funder must contribute towards the cost of those persons’ long-term residential care; * provide for those persons to apply for a means assessment to determine if, and how much, a funder must contribute towards the cost of their long-term residential care; * provide that those persons were not required to pay more than the maximum contribution (which amount is specified by written notice published on an Internet site and notified in the Gazette) for their long-term residential care, if that care is provided by a provider who has a contract with a funder to provide long-term residential care to older persons; * provide for the assessment of the amount a person is required to pay towards the cost of home-based disability support services supplied to that person; and * ensure that financial support (that is, a funder’s contribution to the cost of long-term residential care, or towards the cost of home-based disability support services) provided under the Act was provided to persons taking into account that, where appropriate, they should use the resources available to them before seeking financial support under the Act.   These provisions were previously contained in the *Social Security Act 1964* (sections 69FA and 132D, Part 4, and Schedules 27 and 30). |
| 26 November 2018 | **Social Security Legislation Rewrite: Artificial Limb Service Act 2018** | The *Artificial Limb Service Act 2018* came into force.  The purpose of this Act was to continue, state the functions of, and otherwise provide for, the *New Zealand Artificial Limb Service*.  These provisions were previously contained in the *Social Welfare (Reciprocity Agreements, and New Zealand Artificial Limb Service) Act 1990*. |
| 26 November 2018 | **Social Security Regulations 2018** | The *Social Security Regulations 2018* made under *Social Security Act 2018* re-enacted 24 former sets of regulations that were made under the former *Social Security Act 1964*, which were subsequently revoked. The new Regulations were divided into the following parts:   * assistance (including the *Accommodation Supplement*, *Childcare Support*, *Disability Allowance* and *Temporary Additional Support*); * obligations; * factors affecting benefits; * enforcement: sanctions and offences; * administration; * reviews and appeals; and * other provisions. |
| 26 November 2018 | **Residential Care and Disability Support Services Regulations 2018** | The *Residential Care and Disability Support Services Regulations 2018* made under the *Residential Care and Disability Support Services Act 2018* re-enacted the *Social Security (Long-term Residential Care) Regulations 2005* made under the *Social Security Act 1964*. |
| 26 November 2018 | **Social Security Act: Nurse practitioners able to undertake medical assessments** | The *Social Security Act 2018* contained provision to allow nurse practitioners to conduct medical assessment and complete medical certificates for all social security benefit and assistance related assessments. This included the *Disability Allowance*, *Child Disability Allowance, Jobseeker Support* (on the grounds of a health condition, injury or disability) and the *Supported Living Payment.*  Nurse practitioners were those authorised to practise at an advanced level, prescribe medicines and manage common and complex health conditions. The change recognised their advanced level of clinical training and competencies. Beneficiaries who already used a nurse practitioner were able to see the same nurse when applying for, or renewing, their benefit assistance for medical conditions, instead of having to see a doctor. |
| 26 November 2018 | **Ministry of Social Development: Self check-in trial** | The *Ministry of Social Development* commenced a trial of self check-in at their Porirua, Rotorua, Mangere and Manurewa service centres. This new feature allowed clients to check-in to their booked appointment via their *MyMSD* account, without having to wait in line to be seen.  In the first two months, the self check-in feature was used to check in to 2,029 appointments (16.7 percent of all appointments at the service centres in the trial).  Feedback from the trial informed preparations for a national roll-out scheduled for mid-April 2019. |
| 30 November 2018 | **Compensation payments to former Housing New Zealand tenants not included as part of the means test for social assistance** | In June 2018, *Housing New Zealand Corporation* (HNZC) completed a review of their methamphetamine contamination policies, which had resulted in tenancies being terminated because of low levels of methamphetamine contamination between 1 July 2013 and 1 June 2018. They found that the practice was ‘unnecessary and ill-judged’. As a result, discretionary grants were made by HNZC to an estimated 800 affected tenants and an additional 500 household members affected by the termination of a tenancy. Payment amounts varied depending on individual circumstances, but the grants were generally between $4,000 and $15,000 per terminated tenancy.  To avoid any impact from the discretionary grants on eligibility to social assistance, amendments were made to the *Social Security Regulations 2018*, the *Residential Care and Disability Support Services Regulations 2018* and the *Housing Restructuring and Tenancy Matters (Prescribed Elements of Calculation Mechanism) Regulations 2018* to exempt these HNZC discretionary grants and any income derived from them, from cash asset and income tests for financial assistance for a period of 12 months. |
| 1 December 2018 | **Low-cost doctor fees extended to all Community Services Card holders** | Low-cost general practitioner fees (Very Low-Cost Access (VLCA)) were extended to all recipients of the *Community Services Card* (CSC). This allowed all CSC holders to access the same lower general practice fees that patients enrolled in VLCA practices received. The initiative was expected to reduce general practice fees for an additional 541,000 people.  The VLCA scheme, introduced in 2006, provided extra funding to a general practice with an enrolled population of 50 percent high needs population (defined as Mäori, Pacific or New Zealand Deprivation Index quintile five), who agreed to maintain fees at or below set thresholds. The current thresholds were zero for children aged zero to 12 years, $12.50 for children aged 13 to 17 years and an $18.50 maximum for adults aged 18 or over. Prior to the change, around 205,000 people were enrolled in a VLCA general practice. As a result of the targeting mechanism, not all people who benefited from reduced fees were high needs and some high needs communities were not included in the VLCA scheme. |
| 1 December 2018 | **Free doctor visits for children: Extended to children under 14 years** | The provision for free visits to a general practitioner, after-hours visits and prescriptions for children under 13, was extended to children under 14. This was estimated to cover around 56,000 additional children. |
| 1 December 2018 | **Community Services Card: Eligibility extended** | An amendment to the *Health Entitlement Cards Regulations 1993* provided that all public housing tenants and all recipients of the *Accommodation Supplement* were eligible for a *Community Services Card,* without regard to their income. It was estimated that an additional 83,000 people would be eligible. This included dependent children.  The amendment also provided that the *Community Services Card* could be used as evidence that the cardholder or a dependent child of a cardholder was eligible for lower co-payments for general practice visits funded by the *Accident Compensation Corporation* (ACC). |
| 12 December 2018 | **Housing Support Assistance Programme and Advance Payment of Benefit: Assistance no longer available to cover letting fees** | The *Ministry of Social Development* ceased the provision of *Letting Fees Assistance* under the *Housing Support Assistance Programme*, and the *Advance Payment of Benefit* for letting fees because of changes to the *Residential Tenancies Act 1986* which meant people could no longer be charged a letting fee to rent a property.  Prior to this time, *Letting Fees Assistance* provided non-taxable, non-recoverable financial assistance to help people meet the cost of letting fees. Generally, assistance had only been available to non-beneficiaries. For beneficiaries, *Advance Payment of Benefit* had been available for this purpose. |
| 17 December 2018 | **2019 Review of Retirement Income Policies: Terms of Reference** | As provided by section 84 of the *New Zealand Superannuation and Retirement Income Act 2001*, the *Retirement Commissioner* was required to undertake, every three years, a review of retirement income policiesin New Zealand.  The Terms of Reference set out the aspects of retirement income policy that the Government wanted to see covered in the 2019 Review and identified the following key aspects that the Review was required to address:   * an assessment of the effectiveness of current retirement income policies for financially vulnerable and low-income groups, and recommendations for any policies that could improve their retirement outcomes; * an update and commentary on the developments and emerging trends in retirement income policy since the 2016 Review, both within New Zealand and internationally; * an assessment of the impact that the following will have on government retirement income policies, including KiwiSaver and New Zealand Superannuation:   + the changing nature of work, including the increasing number of people working in temporary and flexible jobs;   + declining rates of home ownership; and   + changes in labour market participation of those aged 65 years and older. * information about, and relevant to, the public’s perception and understanding of KiwiSaver fees; * Information about the public’s perception and understanding of ethical investments in KiwiSaver; * an assessment of the impact of current retirement income policies on current and future generations, with due consideration given to the fiscal sustainability of current New Zealand Superannuation settings; * information about the public’s perception of the purpose and principles of New Zealand Superannuation; and * an assessment of decumulation of retirement savings and other assets, including how Government can ensure New Zealanders make the most of their money in the decumulation phase.   The *Retirement Commissioner* was required to present a report to the *Minister of Commerce and Consumer Affairs* by the end of December 2019. |
| 19 December 2018 | **Minimum Wage: Government signals an increase to $20 per hour by 1 April 2021** | The Government announced that the minimum wage would increase to $17.70 per hour on 1 April 2019 – an increase of $1.20 per hour or $48 per week for a full-time worker. The starting out and training minimum wage would increase from $13.20 to $14.16 per hour.  The Government also indicated a minimum wage of $18.90 per hour to come into effect on 1 April 2020 and $20.00 to come into effect on 1 April 2021. These future rates would be subject to each year’s annual review, in accordance with the statutory process which takes into account prevailing economic conditions. |
| 21 December 2018 | **Financial assistance for school start-up costs: Applications for hardship assistance able to be processed over the phone** | From this time, *Ministry of Social Development* contact centres were able to help people over the phone with financial assistance for school uniforms, stationery and other school start-up costs. This involved simplifying processes for granting an *Advance Payment of Benefit* or *Recoverable Assistance for Non-beneficiaries* for school uniforms, school stationery and school costs, and removing the need to provide quotes in most cases.  Up until the end of January 2019, 2,737 school stationery payments and 5,342 school uniform payments were approved by contact centres. This accounted for over 60 percent of the hardship payments made in relation to the start of the school year. |
| December 2018 | **KiwiSaver HomeStart Grant and Welcome Home Loan: House price cap increased for new houses outside the main centres** | The house price caps for the *KiwiSaver HomeStart Grant* and the *Welcome Home Loan* (low-deposit loan underwritten by the government) for newly-built homes outside of the main centres were increased from $450,000 to $500,000. This brought the house price caps in line with the *KiwiBuild* house price caps for homes outside of Auckland or Queenstown.  The *Welcome Home Loan* allowed first-home buyers with an income up $130,000 a year as a couple or $85,000 or less as an individual to buy a house with a 10 per cent deposit instead of the industry-standard 20 per cent. The *KiwiSaver HomeStart Grant* gave buyers up to $20,000 of help in towards their deposit. |
| 21 January 2019 | **New Zealand Superannuation and Veteran’s Pension: Residential qualifications for the New Zealand Realm countries** | The residential qualifications for *New Zealand Superannuation* and the *Veteran’s Pension* were changed to allow the requirement that a person also have five years residence and presence in New Zealand over the age of 50 to be met instead with residence and presence in New Zealand, the Cook Islands, Niue or Tokelau (the Realm countries), or any combination of those countries and that territory.  The change removed a disincentive for people for people to return to and contribute to the Realm countries before reaching the age of 65. Prior to this change, some people had to delay their departure from New Zealand to the Realm countries or they had to return to New Zealand after the age of 50 in order to qualify for *New Zealand Superannuation* or the *Veteran’s Pension*. The change meant that people who had resided in New Zealand for at least ten years since the age of 20 could return to a Realm country and accrue their ‘five years over 50’, before becoming eligible for a pension at 65 years.  The legislative change had retrospective effect so as to count residence and presence in any of the Realm countries before the Act came into force as satisfying the ‘five years over 50’ requirement.  The new residential qualifications followed a change in 2015 that allowed residents of the Cook Islands, Niue and Tokelau who were otherwise eligible for New *Zealand Superannuation* or the *Veteran’s Pension* to apply from their home country. This change resulted in a smaller impact that envisaged and had resulted in requests from the governments of the Cook Islands and Niue for New Zealand to make changes to the ‘five years over 50’ rule. |
| 7 February 2019 | **Civil Defence Payments: Pigeon Valley wildfire** | Payments under the *Civil Defence Programme* were made available to people impacted by the Pigeon Valley wildfire near Nelson. A civil defence emergency was declared on 6 February 2019.  Payments under the *Civil Defence Programme* were made by the *Ministry of Social Development* in respect of:   * temporary accommodation costs, including payments to hosts billeting evacuees; * food, clothing and bedding; and * loss of livelihood for those unable to get to work, who needed to remain with family/whanau or where a workplace was closed.   Payments covered actual costs (less any insurance cover), up to a set maximum and were not subject to an income or asset test. As at 11 March 2019, 968 *Civil Defence Payments* had been made (to 660 people) totalling $263,537.  Provision for *Civil Defence Payments* was made under a Ministerial Welfare Programme under s124 (1) (d) of the *Social Security Act 1964* and saved under the *Social Security Act 2018.* |
| 18 February 2019 | **Public Housing: Tenancy reviews recommenced** | The *Ministry of Social Development* recommenced tenancy reviews for public housing tenants. With the expanded exemption criteria, around 81 percent of public housing tenants were exempt from the review process. Public housing tenancy reviews had been suspended in March 2018, pending the review of the exemption criteria. |
| 21 February 2019 | **Tax Working Group: Final report released** | The Government released the final report of the *Tax Working Group*.  The majority of the working group supported the introduction of a broad approach to the taxation of capital gains, involving a realisation-based tax applied to capital gains on a broad range of assets, at full rates, with no allowance for inflation. They acknowledged that this would come with compliance and efficiency costs but considered that these would be outweighed by a reduction in investment biases, as well as improvements to the fairness, integrity and fiscal sustainability of the tax system. They noted that some of these costs could be offset by other measures within a package of tax reform. Three members of the working group reached a different judgement, preferring an incremental approach to extending the tax base carefully over time. In their view, the revenue benefits, perceptions of fairness and possible integrity benefits of a broad-based capital gains tax would be outweighed by adverse efficiency impacts, increased compliance and administration costs and fiscal risk.  In total, the *Tax Working Group* presented 99 recommendations for the Government to consider, including:  *Taxation of business*   * retaining the imputation system; * not reducing the company tax rate at the present time; * not introducing a progressive company tax or introducing an alternative basis of taxation for smaller businesses; * tax measures that encourage building to a higher environmental standard and a regime that encourages investment into nationally-significant infrastructure projects;   *Retirement savings*   * refunding the employer’s superannuation contribution tax for *KiwiSaver* members earning up to $48,000 per annum; * ensuring that *KiwiSaver* members on parental leave receive the maximum *Member Tax Credit*, regardless of their level of contributions; * increasing the *Member Tax Credit* form $0.50 per $1 of contribution to $0.75 per $1 contribution, with the contribution cap remaining unchanged; * reducing the lower *Portfolio Investment Entity* (PIE) rates for *KiwiSaver* funds (10.5 percent and 17.5 percent) by five percentage points each;   *Personal income tax*   * increases to the bottom threshold of personal tax to increase the progressivity of the personal tax system, preferring this to introducing a tax-free threshold; * combining increases in the bottom threshold with an increase in the second marginal tax rate and if this is adopted, reducing the abatement rate for Working for Families tax credits to offset the impact of the increase; * an increase to net benefit payments to ensure that beneficiaries receive the same post-tax increase as other people on the same income; * consider changes to tax rates and thresholds alongside any recommendations made by the *Welfare Expert Advisory Group*; and * not reduce the top marginal tax rate.   *New Zealand Superannuation Fund*   * the New Zealand Superannuation Fund (NZSF) is granted tax-exempt status on the basis that the NZSF is an instrument of the Government of New Zealand This would bring the NZSF into line with the Government’s other large investment funds – ACC investment fund and the natural disaster fund of the Earthquake Commission. Tax exempt status would reduce the amount of contributions required from the Government as set out in the funding formula. It would also make it easier for the NZSF to apply for tax exemptions in foreign countries where these are available.   The *Tax Working Group* also set out four illustrative revenue-neutral packages to improve the structure, fairness and balance of the tax system for the Government’s consideration:   * a package that increases progressivity through reductions in personal income tax; * a package with a greater focus on measures to support businesses and housing affordability; * a package with greater focus on supporting savers, particularly those on lower incomes; and * a package with a more diversified focus, where business tax measures are deferred to enable greater savings measures.   All four packages were considered to be broadly revenue-neutral over five years, taking into account the projected additional revenue from extending capital gains taxation. All of the packages involved substantial personal income tax reductions that delivered the greatest proportional benefits to lower-income earners.  The *Tax Working Group* had been established in November 2017 to examine improvements in the structure, fairness and balance of the tax system. It had released an interim report in September 2018. |
| 24 February 2019 | **Healthy Homes Guarantee Act 2017: Healthy home standards for rental properties announced** | The new healthy home standards to make rental properties warmer and drier were announced by the Government. The standards set minimum requirements for heating, insulation, ventilation, moisture and drainage, and draught stopping in residential rental properties.  The new healthy home standards included:   * a heater that can heat the main living area to 18 degrees; * ceiling and under-floor insulation; * extraction fans for kitchens and bathrooms; * a ground moisture barrier for homes that have an enclosed sub-floor space; * adequate drainage and guttering to prevent water entering the home; and * draughts that make a home harder to heat were required to be blocked.   The compliance timeline for the new standards was:   * 1 July 2021 – private landlords were required to ensure that their rental properties complied with the healthy home standards, within 90 days of any new tenancy; * 1 July 2021 – all boarding houses were required to comply with the healthy home standards; * 1 July 2023 – all *Housing New Zealand Corporation* houses and registered *Community Housing Provider* houses were required to comply with the healthy home standards; and * 1 July 2024 – all rental homes were required to comply with the healthy home standards.   The areas of rental properties that were regulated by the healthy home standards were set by the *Healthy Homes Guarantee Act 2017*. In 2018, the healthy home standards consultation sought submissions from the public and industry on improving the quality of rental properties, so tenants would be happier and healthier. The consultation closed on 22 October 2018. The Regulations containing the healthy home standards came into force on 1 July 2019.  There were nearly 600,000 renting households in New Zealand and the rental housing stock was generally of poorer quality than owner-occupied homes. For example, it was estimated that around 200,000 families lived in rental homes that did not have ceiling or under-floor insulation. |
| 12 March 2019 | **Housing Accords and Special Housing Areas Act 2103: No new Special Housing Areas beyond September 2019** | The Government confirmed that it would not extend the *Housing Accords and Special Housing Areas Act 2013* beyond 16 September 2019. No new *Special Housing Areas* would be able to be established after this time and those already established would have two years to have their consents fast-tracked, before the Act was repealed in September 2021.  The purpose of the Act had been to enhance housing affordability by facilitating an increase in land and housing supply in certain regions or districts, identified as having housing supply and affordability issues. The Act had provided a short-term legislative tool that sought to improve housing affordability by facilitating an increase in land and housing supply in regions or districts with significant housing supply or affordability issues. It did this by providing a mechanism for central government to work together with territorial authorities to address housing supply and affordability issues through the negotiation of *Housing Accords* and the declaration of *Special Housing Areas*. The Act provided for resource consent applications for qualifying developments to be considered according to more permissive resource consent powers. Where a *Housing Accord* was in place, the accord territorial authority was able to exercise these powers.  Since the legislation was enacted in 2013, 11 *Housing Accords* had been signed between the Government and local authorities. |
| 18 March 2019 | **Hardship Assistance: Removal of the mandatory budgeting requirements** | From this time, the mandatory budgeting activity regime for applicants for hardship grants from the *Ministry of Social Development* was removed. Hardship grants included:   * *Special Needs Grants*; * *Advance Payment of Benefit*; and * *Recoverable Assistance for Non-beneficiaries*.   A number of operational changes were also introduced including:   * early access to information and services from the first hardship grant, and at any application thereafter; * widening the scope of hardship assistance available through the different service channels at the *Ministry of Social Development*; and * removing the need for manager sign-off based on the number of previous grants.   The *Ministry of Social Development* could still apply an obligation to attend budgeting if it was considered to be beneficial to a person having trouble with budgeting.  The mandatory budgeting activity regime had been introduced in September 2010 as part of the *Future Focus* changes. It required people who had received three or more hardship grants within 12 months to:   * demonstrate that they had taken reasonable steps to improve their situation before they were able to receive further hardship grants; and * complete a compulsory budgeting activity before they were eligible for further hardship grants.   An intensive interview was required at the sixth grant. |
| 1 April 2019 | **Benefit Rates increased** | After tax rates of main *Social Security Benefits, Student Allowances, War Pensions* and other Social Security Allowances were increased by 1.69 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting benefit rates excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. |
| 1 April 2019 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 1.69 percent required a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, the net rate *of New Zealand Superannuation* paid to a married couple who both qualified was increased by 2.56 percent. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2019 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased to reflect the movement of 1.69 percent in the *Consumer Price Index* (less cigarettes and tobacco). An additional adjustment was, however, made to the income cut-out points to ensure that recipients of *New Zealand Superannuation* or a *Veteran’s Pension* did not lose eligibility as a result of the increase to the rate of their pension. The new income levels were:  *People other than NZS/VP recipients:*   * $27,139 Single (sharing); * $28,801 Single (alone); * $43,068 Couple; * $52,605 2 person family; * $64,752 3 person family; * $74,703 4 person family; * $84,478 5 person family; and * $95,236 6 person family.   For each additional child thereafter, income levels increased by $9,651.  *Recipients of NZS/VP:*   * $28,174 Single (sharing); * $29,943 Single (alone); * $44,877 Couple; * $52,605 2 person family; * $64,752 3 person family; * $74,703 4 person family; * $84,478 5 person family; and * $95,236 6 person family.   For each additional child thereafter, income levels increased by $9,651. |
| 1 April 2019 | **ACC Earner Premium unchanged** | The *ACC Earner Premium* remained at 1.39c (GST inclusive) in the dollar. The maximum earnings liable for the *Earner Premium* increased to $128,470 for 2019/2020, with the maximum premium of $1,785.73 for the 2019/2020 tax year. |
| 1 April 2019 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $936 per annum ($18.00 per week). |
| 1 April 2019 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by $1.20 per hour to $17.70 gross per hour ($708 for a 40-hour week or $593.11 after tax at the M rate).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by $0.96 per hour to $14.16 gross per hour (80 percent of the adult minimum wage).  The fortnightly adult minimum wage was set at $1,416 before tax, increased by $17.70 for each hour worked in excess of 80 per fortnight. The *Starting Out Minimum Wage* and *Training Minimum Wage* was set at $1,132.80 per fortnight before tax and $14.16 for each hour worked in excess of 80 per fortnight.  The increase to $17.70 per hour was expected to benefit approximately 209,200 workers and increase wages throughout the economy by $231 million per year. |
| 1 April 2019 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $26,156 to $26,572. It provided a minimum after tax income of $511 per week (an increase of $8 per week or $416 per year).  The *Minimum Family Tax Credit* provided a guaranteed minimum income to families with a dependent child or children who were in full-time work. It ensured that families did not face a reduction in income when moving from a social security benefit into paid work. |
| 1 April 2019 | **Student Allowance: Parental income threshold increased** | The *Parental Income Threshold* for a *Student Allowance* was increased by 1.69 percent to $55,958.24 for the 2019/2020 year.  The *Parental Income Threshold* had last been adjusted in April 2012, before being frozen at $55,027.96. |
| 1 April 2019 | **Student Loan Scheme: Repayment threshold increased** | The *Student Loan Repayment Threshold* was increased from $19,448 to $19,760 for the 2019/2020 tax year.  Loan repayments at 12c in the dollar were required on income above the threshold. |
| 1 April 2019 | **KiwiSaver: Changes to the scheme rules** | The following changes were made to the *KiwiSaver Scheme*:   * additional employee contribution rate options of six percent and ten percent were introduced (prior to this employee contribution rate options of three, four or eight percent were available, with three percent the default for those who made no election); * the maximum ‘contributions holiday’ period was reduced from five years to one year; * the name of the ‘contributions holiday’ was changed to ‘savings suspension’; * people aged over 65 were able to opt in to *KiwiSaver,* though they were not eligible for the *Member Tax Credit* and employer contributions were not compulsory; and * the five-year lock-in period (which affected members who joined *KiwiSaver* between the ages of 60 and 65) was removed.   The changes implemented some of the recommendations from the Retirement Commissioner’s *2016 Review of Retirement Income Policies*. |
| 1 April 2019 | **Accommodation Supplement: Back payments resulting from a historical error with boundaries excluded from the means test for social assistance** | Since the introduction of the *Accommodation Supplement* (AS) in 1993, the area boundaries used in the assessment were required to align with the *Government Statistician* area boundaries. However, since 1996, updates to the AS area boundaries were not always made by the *Ministry of Social Development* each time the *Government Statistician* area boundaries were updated. They had only been updated in 2005, using 2001 *Statistics New Zealand* boundaries. It was estimated that around 1,693 current and past recipients had been affected by the error, with around 1,064 underpaid between January 2001 and April 2018, with the average underpayment being around $1,000. In October 2018, the *Ministry of Social Development* was directed to proactively review AS entitlements and to pay arrears to correct past underpayments where possible.  Amendments to the *Social Security Regulations 2018* and the *Residential Care and Disability Support Services Regulations 2018* provided that lump-sum AS back-payments and income derived from these payments was exempt from income and asset testing for a period of 12 months.  The issue had been fixed going forward as a change to legislation in 2017 linked the AS boundaries to the *Statistics New Zealand* boundaries as at 26 June 2017 and allowed for Regulations to be made to define the AS area boundaries. The legislative requirement that the AS area boundaries be updated when *Government Statistician* area boundaries were updated was removed. |
| 1 April 2019 | **Tax Codes: Tailored tax codes replaced special tax codes** | Tailored tax codes replaced special tax codes. For clients of the *Ministry of Social Development* this impacted on recipients of *New Zealand Superannuation* or a *Veteran’s Pension* who were required to nominate the tax code appropriate to their circumstances. For those without other income, or where superannuation was their highest form of income, their superannuation was taxed at the standard ‘M’ tax rate. When superannuation was not their main source of income, they were required to advise the *Ministry of Social Development* as to the appropriate tax code for their superannuation.  From 1 April 2019, the *Inland Revenue Department* began contacting people who would be advantaged by using a tailored tax code. A person needed to provide proof of their tailored tax code for example, a letter from *Inland Revenue*, to the *Ministry of Social Development* in order for the code to be added to their *New Zealand Superannuation* or *Veteran’s Pension* record. |
| 2 April 2019 | **Christchurch Mosques Attack: Support payments excluded from the means test for social assistance** | To avoid any impact on social assistance payments, payments made from donations collected by or made by any of the following were exempt from the social assistance means test under the *Social Security Act 2018* and the *Residential Care and Disability Support Services Act 2018*:   * an organisation that had collected donations, for example, crowd-funding websites such as [www.everydayhero.co.nz](http://www.everydayhero.co.nz), [www.givealittle.co.nz](http://www.givealittle.co.nz), [www.launchgood.com](http://www.launchgood.com); * businesses; * employers; * individuals; and * overseas governments.   They payments were exempt from consideration as a cash asset and any income earned from those payments was not chargeable income, for a period of 12 months following the receipt of a payment.  The exemption also applied to people in *Public Housing* or in need of *Public Housing*, as the definition of cash assets (and specified exemptions) in the *Social Security Act 2018*, was also used in the assessment of need for *Public Housing.* The *Ministry of Social Development* also had discretion to exclude income from donations from being included in the *Income-related Rent* calculation.  For the cash asset test for the *Accommodation Supplement* and *Temporary Additional Support*, the exemption was applied retrospectively from 15 March 2019. |
| 7 April 2019 | **Housing New Zealand Corporation: Bond no longer collected from new tenants** | From this time, *Housing New Zealand Corporation* no longer collected a bond from new tenants. Prior to this time, it collected two weeks of income-related rent as a bond, though in many cases the *Ministry of Social Development* paid the bond through an *Advance Payment of Benefit* or a *Recoverable Assistance Payment* (for non-beneficiaries).  While new tenants no longer needed to pay a bond, they were still bound by their obligations as a tenant under the *Residential Tenancies Act 1986*. |
| 12 April 2019 – 12 October 2019 | **Rural Assistance for farmers in the Upper South Island – Drought and wildfires** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in the upper South Island whose income was affected by drought and/or the Tasman wildfires. For eligible farmers, assistance was available up until 12 October 2019.  The following territorial authorities were assessed as affected:   * Buller District Council; * Marlborough District Council; * Nelson City Council; and * Tasman District Council.   Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (Unemployment Benefit). |
| 16 April 2019 | **Debt refunds for some former Housing New Zealand tenants excluded from the social assistance means test** | In 2018, *Housing New Zealand Corporation* began making discretionary payments to former tenants and residents whose tenancies had been terminated because of low levels of methamphetamine contamination between 1 July 2013 and 1 June 2018. From November 2018, these grants were exempt from the income and cash asset tests for social assistance for a period of 12 months to ensure that they did not affect entitlements to assistance.  As a result of tenancies being terminated, some former tenants and household members has also incurred debts with the *Ministry of Social Development*. Around 8,500 recoverable grants (for example, *Advance Payment of Benefit, Special Needs Grants* and *Recoverable Assistance Payments*) had been made to former tenants and residents, totalling around $3.2 million.  While these debts were written off, in some cases people had already made repayments on the debt. In these cases, the *Ministry of Social Development* provided refunds. Amendments to Regulations provided that these refunds were not treated as income or a cash asset for a period of 12 months. |
| 17 April 2019 | **Tax Working Group: Government response** | The Government released its response to the recommendations of the *Tax Working Group*. The Government announced that it was not adopting any of the recommendations on a proposed capital gains tax and that no further work would be undertaken on it. Consequently, as there no additional revenue to recycle, it was also announced that no further work would be undertaken on the recommended changes to personal income tax.  The recommendations on retirement savings were included in the Government’s broader work programme on *KiwiSaver* and the consideration of options to increase *KiwiSaver* uptake and contributions.  The Government noted that they intended to direct the *Productivity Commission* to include vacant land taxes within its inquiry into local government funding and financing. Officials had also been directed to prioritise the *Tax Working Group’s* recommendations on ways to encourage investment in significant infrastructure projects and to improve the integrity of the tax system.  The *Tax Working Group* had been established in November 2017 to examine improvements in the structure, fairness and balance of the tax system. It had released an interim report in September 2018 and presented its final report and 99 recommendations to the Government in early 2019. |
| 1 May 2019 | **Winter Energy Payment commenced** | Payment of the *Winter Energy Payment* commenced. For 2019 and beyond, the payment period was 22 weeks – commencing on 1 May and ending on 1 October. The total amount payable was $450 for a single person and $700 for a sole parent or a couple.  The *Winter Energy Payment* was a non-taxable benefit paid with a beneficiary’s main benefit (including *New Zealand Superannuation* or the *Veteran’s Pension*) to assist beneficiaries to meet their household heating costs during the winter period. It was paid automatically with the benefit, though a beneficiary could contact the *Ministry of Social Development* and opt not to receive the additional payment.  The *Winter Energy Payment* had been established in 2018, when it was paid from 1 July until 1 October. |
| 3 May 2019 | **Welfare Expert Advisory Group: Report released** | The Government released the report of the *Welfare Expert Advisory Group* (WEAG).  The report contained 42 recommendations that called for a systematic overhaul of New Zealand’s social security system with a renewed focus on support to help those on benefits into sustainable work, improved income adequacy to ensure families on benefits were not in living in poverty and a culture change within the *Ministry of Social Development* to ensure beneficiaries were treated with respect. In summary, the recommendations included:   * changes to the purpose and principles of the *Social Security Act 2018* to restore dignity to people so they can participate meaningfully in their communities; * improving income adequacy by increasing income support to those on a low income, including increasing main benefits and indexing this support more generously, while ensuring that people are always better off in paid work; * introducing a living alone payment to acknowledge the additional costs faced by this group; * reform to *Working for Families* and other tax credits to increase income of individuals and families with children and to simplify the system; * restore trust in the system by rebalancing the social contract and improving the operation of the social security system in line with the new purpose and principles, including developing a mutual expectations framework; * reform of child-related payments so that they follow the child and can be apportioned with shared care; * recognise the importance of housing and promote housing policies that increase more affordable rental and ownership options for those reliant on a main benefit and those on a low income; * promote active labour market policies that enhance lifelong learning and assist people back into good and sustainable work; * adopt explicit requirements to improve outcomes for Mäori; * acknowledge health and disability needs among those reliant on a main benefit and improve conditions for the disabled, those with a health condition and their carers, including more equitable access to support; * support youth to engage in education, training and paid work; and * specific responses to achieve equitable outcomes for Pacific People engaging with the social security system.   The WEAG had been established in May 2018 to provide advice on options that could best give effect to the Government’s vision for the future direction of the social security system.  The Government’s vision for the social security system was that it ensured people had an adequate income and standard of living, were treated with and could live in dignity and were able to participate meaningfully in their communities. The emphasis of the social security system was on delivering compassionate, timely and appropriate support for those in need.  As an immediate response, the Government announced the following three changes:   * removing the provision that reduces the amount of benefit paid to a sole parent who does not name the other parent from 1 April 2020; * raising the income threshold after which benefit payments are reduced on account of other income to ensure that beneficiaries keep more of the money they earn, from 1 April 2020; and * funding for increased frontline staff at the *Ministry of Social Development* (170 in 2019/20 increasing to 263 in 2020/21) to increase the focus on helping more people into meaningful and sustainable employment. |
| 20 May 2019 | **Ministry of Social Development and New Zealand Customs Service: Approved Information Sharing Agreement** | An *Approved Information Sharing Agreement* (AISA) between the *Ministry of Social Development* and the *New Zealand Customs Service* was established by an *Order in Council*.  This converted the existing *Information Matching Agreement* between the two agencies into an AISA. The AISA removed the need for the *Ministry of Social Development* to give notice to clients who received supplementary assistance (such as the *Accommodation Supplement, Disability Allowance* or the *Winter Energy Payment*) before suspending their payment when they went overseas for more than 28 days. The *Ministry of Social Development* already had the authority to suspend a main benefit immediately if a beneficiary went overseas and this provision was also included in the AISA.  The change impacted mainly on recipients of *New Zealand Superannuation* or a *Veteran’s Pension* who were also receiving supplementary assistance and people who were receiving supplementary assistance, but who were not also receiving a main benefit. |
| 30 May 2019 | **New Zealand Superannuation and Veteran’s Pension: Changes announced** | As part of the 2019 Budget, the Government announced two changes to simplify and modernise *New Zealand Superannuation* and the *Veteran’s Pension*. From 1 July 2020, the following changes would move superannuation toward an individual entitlement:   * closing the non-qualified partner provision to new applicants, with people currently included as a non-qualified partner able to continue to receive this rate until their circumstances changed; and * removing the direct deduction of a government-administered overseas pension received by a superannuitant’s partner from a superannuitant’s pension.   As a result of the COVID-19 pandemic, the implementation of these changes was delayed until 9 November 2020. |
| 30 May 2019 | **Social Security Benefits: Future adjustment of main benefit rates to reflect growth in the average wage** | As part of the 2019 Budget, legislation was enacted to require after-tax rates of main social security benefits to be adjusted on 1 April each year by the growth in the after-tax average wage. The first adjustment on this basis would happen on 1 April 2020.  Since 1992, rates of main benefits had been adjusted on 1 April each year, by the movement in the *Consumers Price Index* (all groups). This had been a legislative requirement since 2010. |
| 3 June 2019 | **Eligibility for social security benefits: Christchurch mosques attack special visa holders**  **Christchurch Mosques Attack Ministerial Welfare Programme** | Provision was made for people affected by the Christchurch mosques attack to receive financial support under the *Social Security Act 2018*.  **Eligibility for a main social security benefit**  Regulations were made under the *Social Security Act 2018* to exclude holders of the special Christchurch visa from having to meet the two-year residency requirement for a main benefit. This meant they could receive a main benefit immediately, subject to the standard eligibility criteria, rather than having to apply for an *Emergency Benefit* which required an applicant to meet a cash assets test.  **Christchurch Mosques Attack Ministerial Welfare Programme**  A new *Ministerial Welfare Programme* provided for payments of special assistance to people who had been affected by the Christchurch mosques attack, but who did not qualify for support under the *Social Security Act 2018*.  People covered by the programme were:   * people who were eligible for the special Christchurch visa, but had not yet been granted it and were in New Zealand on 15 March 2019; * people whose family member was injured or died in the Christchurch mosques attack:   + a non-dependent adult child or non-dependent adult sibling of a person who died, was injured or was present in the Christchurch mosques attack; and   + present in New Zealand on a temporary entry class visa. * people who were connected to affected community and have mental trauma:   + was part of or connected to the mosques at Linwood Avenue and Deans Avenue or the Christchurch Muslim community; and   + has been assessed by a health practitioner or counsellor to have mental trauma as a result of the Christchurch mosques attack; and   + was present in New Zealand on 15 March 2019; and   + was present in New Zealand on a temporary entry class visa.   People covered by the programme could receive the equivalent amount of support that was available to a person who met the requirements of s 205(1) of the *Social Security Act 2018* (refugees, protected persons, or people who were applying for permanent residence but were compelled to remain in New Zealand due to unforeseen circumstances).  Donations provided to people affected by the mosque attacks were excluded from the means test for social assistance.  The programme had an expiry date of 4 June 2020. |
| 14 June 2019 | **Christchurch Mosques Attack Ministerial Welfare Programme: Coverage widened** | Two amendments were made to widen the coverage of the *Christchurch Mosques Attack Ministerial Welfare Programme*:   * to allow a person who is applying for the Christchurch visa and had been granted or was eligible for the Emergency Benefit (EB) to receive payments under the Act or programme (but not both). This was necessary because the *Ministry of Social Development* was not be able to pay *Family Tax Credit/Best Start Tax Credit* under the *Income Tax Act 2007* to people receiving EB, unless they or their child was a citizen or permanent resident in terms of the *Income Tax Act 2007*; and * to extend the programme to the partners/spouses and parents of people who died, were injured or were present in the attacks. This was necessary because the partner or parent of a person who died or was injured in the attacks but who was not in New Zealand on 15 March 2019 did not qualify for the Christchurch visa and may not be able to be included in any main benefit/welfare payment of a person who was injured or present in the attacks. |
| 21 June 2019 | **Compensation payments from non-Crown entities excluded from the means test for social assistance** | Ex-gratia and compensation payments for harm received from New Zealand based non-Crown entities were exempt from the means test for social assistance. This included:   * entities engaged, funded, licensed, or registered by the Crown to provide services at the time of the circumstances that led to the payment regardless of whether they are engaged, funded, licensed, or registered by the Crown at the time the payment is made; * faith-based institutions, as defined in the *Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions Order 2018*; * charitable trusts registered under the *Charitable Trusts Act 1957* and charitable entities registered under the *Charities Act 2005*; * boards under the *Charitable Trusts Act 1957*; and * incorporated societies, as defined in the *Incorporated Societies Act 1908*.   Prior to this, the exemption for compensation payments relating to harm was limited to payments received from the Crown.  The new exemption was not time limited and the 12-month time limit for the exemption that had previously applied to ex-gratia and compensation payments received from the Crown was removed. |
| 1 July 2019 | **Residential Care Subsidy: Adjustment of asset levels** | The asset thresholds for the *Residential Care Subsidy* were adjusted by the movement in the *Consumer Price Index* (all groups) for the year to the end of March 2019 (1.48 percent).  Single people and couples with both partners in care were able to keep up to $230,495 in assets - up from $227,125, before they were used to contribute to the cost of their care. Couples both 65 years or over with one in residential care were able to keep $126,224 (excluding family home and car) - up from $124,379, or they could elect the higher asset threshold of $230,495 (including family home and car). |
| 1 July 2019 | **Residential Care Subsidy: Increase to the income from assets exemption** | The ‘income from assets exemption’ for the *Residential Care Subsidy* was adjusted by the movement in the *Consumer Price Index* for the year to the end of March 2019 (less the price increases from cigarette and tobacco products) 1.29 percent. The new income from asset exemption levels (after tax) were:   * single people: $1,005 per annum; * couple (both in care): $2,009 per annum; and * couple (one in care): $3,013 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2019 | **Paid Parental Leave increased** | *Paid Parental Leave* was increased from a maximum of $564.38 gross per week to a maximum of $585.80 gross per week.  The increase reflected the 3.8 percent increase in average ordinary time weekly earnings over the year to March 2019.  The minimum payment for self-employed parents increased from $165.00 per week to $177.00 per week (equivalent to 10 hours at the minimum wage). |
| 1 July 2019 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $630 to $640; and * the income threshold was increased from $25,180 to $25,660.   The change reflected a 1.9 percent increase in the *Consumer Price Index* (All groups) for the 2018 calendar year. The maximum amount of the rebate was rounded up/down to the nearest $5.  The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2019/2020 rating year was $25,660 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2019/2020 rating year (1 July 2019 to 30 June 2020), based on their income for the previous tax year (year ended 31 March 2019). |
| 1 July 2019 | **New Zealand Superannuation and Veteran’s Pension: Interface with ACC weekly compensation** | Claimants of the *Accident Compensation Corporation* (ACC) who first become entitled to weekly compensation for a personal injury while close to or above the superannuation qualification age (65 years) were able to receive up to 24 months of weekly compensation, regardless of whether they also received *New Zealand Superannuation* or a *Veteran’s Pension*.  A further change allowed a surviving spouse to receive up to five years of ACC weekly compensation, regardless of age and without any impact on their superannuation.  Prior to this change:   * people who qualified for ACC weekly compensation two years or more before reaching the superannuation qualification age were only able to receive superannuation from age 65 (ie they ceased to qualify for weekly compensation at age 65); * people who qualified for ACC weekly compensation between 12 and 24 months before reaching the qualification age were entitled to receive weekly compensation until they reached the superannuation qualification age. After reaching the superannuation qualification age, they could continue to receive weekly compensation for a period of 24 months since their weekly compensation qualification date, but they had to elect to receive either weekly compensation, or *New Zealand Superannuation* or a *Veteran’s Pension*; * people who became entitled to receive ACC weekly compensation in the 12 months before the superannuation qualification age or after qualifying for superannuation could receive weekly compensation for a period of 12 months. At the end of the 12-month period, they could continue to receive weekly compensation for a further 12 months, but they had to elect to receive either weekly compensation, or *New Zealand Superannuation* or a *Veteran’s Pension*; and * ACC weekly compensation paid to a surviving spouse was treated in the same way as weekly compensation.   Note: Where a recipient of *New Zealand Superannuation* or a *Veteran’s Pension* included a non-qualified partner in their superannuation, the pension was subject an income test and any weekly compensation was counted as income. |
| 1 July 2019 | **Healthy Home Standards: Residential rental properties required to be insulated** | From this time, all residential rental properties, subject to a few exceptions, were required to be insulated.  The insulation requirements had been introduced in 2016 by the *Residential Tenancies (Smoke Alarms and Insulation) Regulations 2016* which provided for a staged approach to the implementation of the insulation requirements.  As part of the wider *Healthy Home Standards* announced in February 2019 and contained in the *Residential Tenancies (Healthy Home Standards) Regulations 2019*, landlords were required to comply with the 2016 insulation requirements. In addition to insulation, the 2019 *Healthy Home Standards* added minimum requirements for heating, ventilation, moisture and drainage, and draught stopping in residential rental properties. The compliance timeline required all residential rental properties to comply with the additional *Healthy Home Standards* by 1 July 2024. |
| 30 August 2019 | **Housing Accords and Special Housing Areas: Final eight Special Housing Areas designated** | Eight additional *Special Housing Areas* were designated under *the Housing Accords and Special Housing Areas Act 2013*. These were the final *Special Housing Areas* to be designated before the legislative provision expired. The new *Special Housing Areas* were:   * Tauranga: Emerald Shores Drive, Papamoa East (77 homes); * Hamilton: Quentin Drive (111 homes); * Hamilton: Rotokauri North (1,450 to 1,800 homes); * Nelson: 3A Hill Street (20 homes); * Nelson: 3D Hill Street (15 homes); * Nelson: Suffolk Road (11 homes); * Nelson: Haven Road (30 homes); and * Queenstown-Lakes: Coneburn Valley, (450-600 homes).   Once land was designated as a *Special Housing Area*, development could be fast-tracked under the *Housing Accords and Special Housing Areas Act 2013*. To ensure these eight new developments proceeded, the developers needed to lodge resource consent applications with the appropriate regional authority before September 16, 2019.  Eleven territorial authorities had been using the Act to develop land for housing, including the *Queenstown Lakes District Council*, which had approved more than 1,600 building sites across eight developments.  In 2013, the *Housing Accords and Special Housing Areas* legislation had been introduced as a short-term measure, particularly focused on Auckland, to enable new housing areas to be opened-up while the new *Auckland Unitary Plan* was being completed. In September 2016, the date by which *Special Housing Areas* could be established was extended by three years, to 16 September 2019 and the date of repeal of the entire Act was extended by three years to 16 September 2021. The extension recognised high housing demand in areas outside of Auckland where the legislation was providing for an on-going supply of new residential housing and where the existing plan change processes were likely to be too slow. |
| 4 September 2019 | **KiwiBuild reset** | The Government announced a ‘reset’ of its *KiwiBuild* programme. The ‘reset’ included:   * new ways for people to become home-owners, such as shared-ownership schemes; * boosting supply by building more homes where evidence shows they were needed; * letting friends or family amalgamate their $10,000 deposit assistance available under the *HomeStart Deposit Grant Scheme and KiwiSaver* – previously this was capped at $10,000 for an existing home or $20,000 for a new home; * reducing from ten percent to five percent, the deposit required for a government-backed mortgage via the *Welcome Home Loan Deposit Scheme*; * reducing from ten percent to five percent the deposit requirement for the *HomeStart Grant* – this could include the grant and funds withdrawn from *KiwiSaver*; and * reducing the amount developers receive for triggering the government underwrite rather than selling to KiwiBuild buyers.   The Government also dropped its target of 100,000 houses over ten years, with *KiwiBuild* homes in Te Kauwhata, Canterbury and Wanaka that had not sold being released to the open market. |
| 9 September 2019 | **Social Housing Fast-track: Specified children or young people in custody under the Oranga Tamariki Act 1989 or in an approved permanent care arrangement** | Fast-track to social housing became available for specified children or young people in custody under the *Oranga Tamariki Act 1989* or in an approved permanent care arrangement.  The fastrack applied to the following households:   * with a child or young person in the custody or *Oranga Tamariki – Ministry for Children*, or in the custody of an iwi social service, under the *Oranga Tamariki Act 1989*; or * receiving and *Orphans Benefit* or an *Unsupported Child’s Benefit* under the *Social Security Act 2018*, for a child or young person who had previously been in one of the above custody arrangements and had moved into a permanent care arrangement.   Households with these children or young people could be fast-tracked for social housing, subject to the following criteria:   * the household must be eligible for social housing; * the child’s placement in the household was, or was intended to be for 12 months or longer, or was permanent; and * placing the household into social housing was needed to help meet the needs of the child, including stability of care.   Fast-track recognised that certain households applying for social housing were at risk of experiencing negative outcomes. Helping them get into social housing more quickly was intended to improve their long-term outcomes. If the household met all the criteria, they were fast-tracked for the next available (suitable) social housing property based on matching, by the social housing provider, even if there were other people on the waiting list (social housing register) with a higher priority rating.  Fast-track already existed for people on the social housing register in a designated North Island *District Health Board* area who were at risk of rheumatic fever. |
| 1 October 2019 | **Kāinga Ora – Homes and Communities established** | *Kāinga Ora – Homes and Communities* was established. This new agency brought together *Housing New Zealand Corporation,* its development subsidiary the *Hobsonville Land Company*, and the *KiwiBuild Unit* from the *Ministry of Housing and Urban Development*. *Kāinga Ora - Homes and Communities* was a Crown Entity established under the *Kāinga Ora - Homes and Communities Act 2019* and a Crown Agency under the *Crown Entities Act 2004*.  The objective of *Kāinga Ora – Homes and Communities* was that it contributed to sustainable, inclusive and thriving communities that:   * provided people with good quality, affordable housing choices that meet diverse needs; * supported good access to jobs, amenities and services; and * otherwise sustained or enhanced the overall economic, social, environmental and cultural well-being of current and future generations.   The functions of *Kāinga Ora – Homes and Communities* included:   * providing rental housing, principally for those who needed it most; * providing appropriate accommodation for community organisations; * making loans for housing purposes, to administer programmes for financial assistance for home ownership and to give other financial assistance relating to housing; * giving advice to people help and advice on matters relating to housing or services related to housing; * providing housing or services related to housing as an agent for departments of State or Crown entities; * initiating or undertaking urban development, whether on its own account or on behalf of other persons; and * providing leadership or co-ordination in relation to urban development.   The *Kāinga Ora – Homes and Communities Act 2019* established the following operating principles for *Kāinga Ora – Homes and Communities* to contribute to the social, economic, environmental and cultural well-being of current and future generations by:   * providing good quality, warm, dry and healthy rental housing; * support tenants to be well connected to their communities, lead lives with dignity and sustain tenancies; * working with community providers to support tenants and ensure those most in need are supported and housed; * being a fair and reasonable landlord, treating tenants and their neighbours with respect, integrity and honesty; * managing its housing stock prudently, including upgrading and managing its housing to ensure it remains fit for purpose; * ensuring that housing it develops is appropriately mixed (with public, affordable and market housing) and is of good quality; * ensuring its urban development contains quality infrastructure and amenities that support community needs; * assisting communities where it has housing stock, to develop and thrive as cohesive and safe places to live; * identifying and protecting Māori interests in land, and recognising and providing for the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, wāhi tapu, and other taonga; * operating in a manner that recognises environmental, cultural and heritage values and that mitigates the effects of climate change; * partnering and having early and meaningful engagement with Māori and offering Māori opportunities to participate in urban development; * partnering and engaging meaningfully with other persons and organisations, including in order to help people into home ownership and to help grow capability across the housing and development sector; and * maximising alignment and synergies through its multiple functions in order to support inclusive, integrated housing and urban development.   The legislation also removed the ability of a future Government to sell off state houses and removed the requirement for state housing to return a dividend to the Crown. |
| 1 October 2019 | **Government Policy Statement on Housing and Urban Development: Legislative requirement** | The *Kāinga Ora - Homes and Communities Act 2019* required Ministers to issue a *Government Policy Statement on Housing and Urban Development* (GPS – HUD) no later than 1 October 2021 and that it must be reviewed at least every three years.  The purpose of the GPS – HUD was to:   * state the Government’s overall direction and priorities for housing and urban development; and * inform and guide the decisions and actions of agencies involved in, and the activities necessary or desirable for, housing and urban development.   The GPS – HUD was required to include the following:   * the Government’s overall direction for housing and urban development, including a multi-decade outlook; * the Government’s priorities for housing and urban development; * how the Government expects *Kāinga Ora–Homes and Communities* to manage its functions and operations to meet the Government’s direction and priorities for housing and urban development; * how the Government expects other agencies to support that direction and those priorities; * the Government’s expectations in relation to Māori interests, partnering with Māori, and protections for Māori interests; and * how the Government expects *Kāinga Ora–Homes and Communities* to recognise the need to mitigate and adapt to the effects of climate change.   The first GPS – HUD was released on 28 September 2021. |
| 1 October 2019 | **SuperGold Card – Digital platform launched** | An upgrade to the *SuperGold Card* platform was launched which included a new digital platform for card holders and businesses. This included a revamped website for card holders and businesses and a new SuperGold App which allowed people to:   * search for offers by item or business name; * explore offers by category; * filter by offers by sub-category or location; and * explore offers nearby using a map.   The *SuperGold Card* had been introduced in August 2007 and offered discounts and concessions (the off-peak public transport concession was launched in October 2008) to all New Zealanders who were aged 65 years or over (and those under 65 years receiving *New Zealand Superannuation* or a *Veteran's Pension*). The card was automatically sent to all New Zealand residents who received *New Zealand Superannuation* or a *Veteran's Pension*, or if they were aged 65 years or over and received some other form of assistance from the *Ministry of Social Development*. |
| 1 October 2019 | **First Home brand: Support for first home buyers** | The *KiwiSaver HomeStart Grant* and the *Welcome Home Loan* were rebranded as:   * *First Home Grant*; and * *First Home Loan*.   The following changes were also implemented:   * allowing friends or family amalgamate their $10,000 deposit assistance available under the *First Home Grant* – previously this was capped at $10,000 for an existing home or $20,000 for a new home; * reducing from ten percent to five percent the deposit requirement for the *First Home Grant* – this could include the grant and funds withdrawn from *KiwiSaver*; and * reducing from ten percent to five percent, the deposit required for a government-backed mortgage via the *First Home Loan* scheme.   These changes had been announced in September 2019 as part of the Government’s *KiwiBuild* reset. |
| 17 October 2019 | **Lump sum payments of benefits excluded from the means test for social assistance** | From this time, a lump sum benefit payment paid by the *Ministry of Social Development* was exempt from the means test for social assistance for a period of 12 months.  A lump sum payment included a benefit paid under the *Social Security Act 2018* (including special assistance granted under a Ministerial Welfare Programme).  Lump sum payments could be made by the *Ministry of Social Development* for a number of reasons including:   * the grant of a benefit; * the correction of a Ministry error; * a change in a beneficiary’s circumstances; and * a review of a beneficiary’s benefit (eg an annual review).   Lump sum payments did not include:   * Funeral Grants; * Income Related Rent refunds; * tax credits paid under the *Income Tax Act 2007*; or * ex gratia and compensation payments made by the Ministry, which may be covered by a separate income and cash asset exemption.   The change ensured that for the first 12 months after the lump sum payment was made, the payment was not treated as a cash asset or chargeable income for the purposes of determining a person’s *Accommodation Supplement* or *Temporary Additional Support* entitlements under the Act. It also ensured that, for the first 12 months after the payment was made, the payment and income derived from the payment were not treated as income. |
| 29 October 2019 | **Social Security Agreement with South Korea** | A *Social Security Agreement* between New Zealand and South Korea was signed in Seoul by the Minister of Foreign Affairs of New Zealand and the Minister of Foreign Affairs of the Republic of Korea.  The Agreement was limited to coverage of Korean National Pensions and *New Zealand Superannuation* and the *Veteran’s Pension*.  The main provisions of the Agreement were:   * the authority to pay pensions in partner countries; * provisions for information sharing between the parties so that correct pension entitlement could be determined; * the residency/contribution requirements of each country for pension entitlement; * rules establishing how each country would consider residency or contributions in the other country to provide coverage to people who did not have sufficient residence or contributions to qualify for a pension; * the formula for the proportional calculation that determined the pension rate each individual was to receive (the rate of payment of *New Zealand Superannuation* and *Veteran's Pension* in South Korea would be calculated on a proportional basis that depended on the length of residence in New Zealand between the ages of 20 and 65); * provisions by which each partner country could organise the implementation of the Agreement; and * provisions regarding the duration and termination of the Agreement.   The Agreement came into force on 1 March 2022. |
| 4 November 2019 | **Housing Support Products – Rent Arrears Assistance introduced** | As part of the *Housing Support Products* programme a new recoverable payment for *Rent Arrears Assistance* was introduced.  *Rent Arrears Assistance* provided assistance to a person who was unable to access other forms of assistance to meet rent arrears, either because they had income over the limit for other assistance such as *Recoverable Assistance for Non-beneficiaries* or an *Advance Payment of Benefit*, or because they received an *Accommodation Supplement* and were therefore not entitled to recoverable assistance for rent arrears.  The new *Rent Arrears Assistance* aimed to help people in rent arrears who would otherwise not be entitled to assistance to retain their tenancy and thereby avoid:   * entering social housing; * needing emergency housing; and/or * becoming homeless.   *Rent Arrears Assistance* could be granted, subject to a means test, regardless of whether a person was receiving other assistance from the *Ministry of Social Development*. *Rent Arrears Assistance* was generally paid directly to the landlord or letting agency. The maximum *Rent Arrears Assistance* payable was the lesser of:   * the amount of the rent arrears payable by the client or * $2,000.   Generally, *Rent Arrears Assistance* could only be paid once in a 52-week period, unless there were exceptional circumstances.  *Housing Support Products*, including *Rent Arrears Assistance*, were administered by the *Ministry of Social Development* under the *Housing Support Assistance Ministerial Welfare Programme 2014*. |
| 17 November 2019 | **Reform of the Residential Tenancies Act – Proposals for change** | The Government announced a package of changes to the *Residential Tenancies Act 1986*. The proposed changes included:   * limiting rent increases to once every 12 months and banning bidding for rental properties; * improving a tenant’s security by removing a landlord’s right to use no clause terminations to end a periodic tenancy agreement; * making rental properties safer and more liveable by letting tenants add minor fittings such as brackets to secure furniture against earthquake risk, baby-proof the property, install doorbells or hang pictures; and * improving compliance with the law by increasing financial penalties and introducing new tools to take direct action against parties who are not meeting their obligations.   The proposed changes followed the release of a public consultation document in August 2018.  The Government proposed to introduce legislation to provide for the changes in 2020. |
| 28 November 2019 | **Porirua Housing Partnership signed** | A partnership was signed between the Crown and local iwi, Te Rünanga o Toa Rangātira (Ngāti Toa). The partnership provided for Ngāti Toa’s new *Community Housing Provider*, Te Ähura Möwai to manage properties and tenancies for over 900 state homes in western Porirua (Titahi Bay, Mana and Tawa) for 25 years, starting on 1 July 2020. As a result of the impact of COVID-19, the date of the transfer was delayed until 3 October 2020.  The partnership was part of the wider Porirua development which had been announced by the Government in November 2018. Existing tenants retained their tenancy and if they needed to be temporarily re-housed they had the choice to return to their original area, to a new or upgraded home. |
| 13 December 2019 | **Student Allowances: State–supported care arrangements no longer impacted on entitlement or eligibility to a Student Allowance** | Amendments to the *Student Allowances Regulations 1998* ensured that State-supported care arrangements no longer impacted on a young person’s entitlement or eligibility to a *Student Allowance*.  The changes included:   * excluding from the definition of parent a specified caregiver of that student. This ensured, for example, that a young person who was, or had been, in specified State-supported care did not have their eligibility to a *Student Allowance* affected by a person who was their specified caregiver; * excluding from the definition of personal income, any financial assistance received by the student under the *Oranga Tamariki Act 1989*. This change ensured that any financial assistance of that kind did not affect the student’s eligibility to a *Student Allowance*; and * excluding from the definition of a spouse’s or partner’s income, any financial assistance received by the spouse or partner under the *Oranga Tamariki Act 1989*. This change ensured that any financial assistance of that kind did not affect the student’s eligibility to a *Student Allowance*.   The changes applied to study commencing on or after 1 January 2020. |
| 17 December 2019 | **Temporary Accommodation Assistance (Canterbury Earthquake) Programme – Grandparented for current recipients** | The *Temporary Accommodation Assistance (Canterbury Earthquake) Programme* was grandparented for current recipients until 31 December 2020. The grandparenting provision also covered people who had made an application prior to 31 December 2019, but whose application was not yet completed. It was expected, that by December 2020, there would be fewer than 15 remaining recipients.  From February 2011, *Temporary Accommodation Assistance* had been available to Canterbury homeowners who had been required to leave their home as a result of the earthquakes and who, as a result, faced additional accommodation costs. Between 2011 and the end of August 2019, the *Ministry of Social Development* had paid $62 million in assistance to around 3,400 households. The programme had been set to expire on 31 December 2019. |
| 20 December 2019 | **2019 Review of Retirement Income Polices** | The interim *Retirement Commissioner* provided the *Minister of Commerce and Consumer Affairs* with the *2019 Review of Retirement Income Policies*.  The report concluded that *New Zealand Superannuation* (NZS) was working effectively to support New Zealanders to maintain a foundational standard of living and recommended that NZS should be retained on current settings, at least until more equitable retirement outcomes were achieved for all New Zealanders. Specifically, the report noted that raising the age of eligibility for NZS in the next two to three decades could significantly risk heightening equity issues. It was suggested that in the meantime, a purpose statement for New Zealand’s retirement income system be developed by the *Retirement Commissioner* to provide certainty as to the aims of NZS.  The report made several recommendations on other aspects of retirement income including:   * establishing a new Government employment-connection service, with a focus on connecting New Zealanders to their next job; * establishing additional forms of housing support for low and middle-income New Zealanders who would be retiring over the following 20 years, particularly those who were reliant on selling their house to supplement their income and those who didn’t own a house and had inadequate savings; * introducing small automatic annual steps in *KiwiSaver* contributions (0.5 percent per annum, up to a cap of 10 percent); * targeting the Government contribution to *KiwiSaver* to more effectively incentivise voluntary (non-employee) contributions; * phasing in employer contributions to *KiwiSaver* for members aged 65 or over, and considering the implications of doing so for people aged under 18; * establishing a centralised financial capability hub to consider applications for hardship withdrawals from *KiwiSaver*; * adding a side-car savings facility to *KiwiSaver* for short-term emergencies; * auto-enrolling beneficiaries in *KiwiSaver* through a government contribution; * undertaking modelling to consider the potential impact of removing the *KiwiSaver* owner-occupier requirements for the purchase of residential property; * considering the introduction of *KiwiSaver* care credits for New Zealanders; * excluding fixed-fees from low-balance KiwiSaver accounts; * displaying fee projections on annual *KiwiSaver* member statements; * improving disclosure around share investing in *KiwiSaver*; and * making prescribed investor rates (PIR) tax refundable for those who had overpaid their tax on their *KiwiSaver* account.   The report also noted the intention of the *Retirement Commissioner* to advance a work programme on decumulation. |
| 16 January 2020 | **Employment and Work Readiness Programme: Funding restricted to lower level training courses** | An amendment to the *Employment and Work Readiness Ministerial Welfare Programme* restricted funding for course costs for longer education or training courses under the programme, to courses which were Level 3 or below on the *New Zealand Qualifications Framework*.  The programme had been established in March 2014 to provide special assistance for eligible people who were or may be at risk of long-term benefit receipt:   * to help them become ready for work by reducing barriers to their employment; and * if they were ready for work, to help facilitate their transition into, and retention of, sustainable employment. |
| 13 February 2020 | **Aotearoa/New Zealand Homelessness Action Plan** | The Government released the *Aotearoa/New Zealand Homelessness Action Plan*.  Th action plan set out an overarching framework for communities Māori, Iwi, providers and government agencies to work together to prevent and reduce homelessness. The framework consisted of a vision, guiding principles, action areas, outcomes and actions.  The vision was: “*homelessness in New Zealand is prevented where possible, or it is rare, brief and non-recurring*”.  The guiding principles that underpinned the plan and the actions were:   * the Treaty of Waitangi; * whānau-centred and strengths-based; * focus on stable homes and wellbeing; * kaupapa Māori approaches; * supporting and enabling local approaches; and * a joined-up approach across agencies and communities.   The plan was focused on four broad areas:   * **prevention** – individuals and families receive the support they need so that homelessness stops happening in the first place; * **supply** – New Zealanders have a place to call home and the use of motels for emergency accommodation is reduced; * **support** – individuals and families experiencing homelessness move quickly into stable accommodation and access wider social support to address needs; and * **system enablers** – the system supports an enables the vision.   The action plan had 18 immediate actions for 2020, and a number of longer-term actions to be developed for implementation over the period 2020 – 2023.  Actions for Phase One (2020-2023) included:  *Prevention*   * partnering with Māori to prevent homelessness through whenua-based initiatives; * redesigning and expanding the *Sustaining Tenancies Programme*; * expanding housing support for young people leaving the care of *Oranga Tamariki*; * supporting women leaving prison; * supporting returned overseas offenders who were homeless;   *Supply*   * increasing supply to reduce the use of emergency housing; * supporting Māori Community Housing Providers and other Māori and iwi providers;   *Support*   * piloting a rapid rehousing approach; * expanding support (intensive case managers, navigators and support services) for all people in emergency housing for more than seven days; * introducing housing broker roles within the *Ministry of Social Development*; * preparing people for private rental through ‘ready to rent’ programmes; * assisting for families with children in emergency housing with the additional costs faced (eg transport to school, school lunches etc) [Flexible Fund implemented from 2 November 2020];   *System Enablers*   * creating a local innovation and partnership fund; * building capacity and capability of Māori providers; * enabling and supporting kaupapa Māori approaches; * ongoing involvement of people with lived experience of homelessness; and * improving evidence and data on homelessness. |
| 16 February 2020 | **Residential Earthquake-Prone Building Financial Assistance Scheme** | The Government announced the *Residential Earthquake-Prone Building Financial Assistance Scheme* to assist owner-occupiers of units and apartments facing financial hardship over earthquake strengthening costs.  Under the scheme, loans of up to $250,000 were available from *Kāinga Ora* which were secured as a mortgage against the property. A sub-market interest rate was charged (set at 60 percent of the sum of the Reserve Bank’s monthly average of five-year fixed interest rates and a low-equity margin of 1.25 percent).  To be eligible, an applicant needed to meet the following criteria:   * be a New Zealand citizen or permanent resident; * be a unit owner-occupier; and * demonstrate that they could not get finance from a lender or would as a condition of a loan be required to sell their unit when the building is no longer earthquake prone, or if offered a loan from a lender, it would cause significant financial hardship.   The scheme was limited to units/apartments purchased before 1 July 2017 and to units within a building in an area of high seismic risk, which was two or more storeys in height and contained three or more household units, and the building was subject to *Earthquake-Prone Building Notice* issued by a territorial authority.  Expressions of interest in the scheme were sought with *Kāinga Ora* taking applications from mid-2020. Applications for loans were scheduled to close on 30 June 2027.  The Chief Executive of *Kāinga Ora* had the discretion to approve loans that would otherwise fall outside of the owner eligibility criteria. |
| 2 March 2020 – 2 November 2020 | **Rural Assistance for farmers in Northland and parts of Auckland – Drought** | The *Rural Assistance Provisions* (within the *Special Needs Grants Programme*) were activated for farmers in Northland and parts of Auckland whose income was affected by drought. *Rural Assistance Payments* were available in the following areas:   * Far North District; * Kaipara District; * Whangarei District; and * the Auckland City Council wards of Rodney, Albany, Waitemata and Gulf, North Shore, Waitakere and Whau.   Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (Unemployment Benefit). For eligible farmers, assistance was available up until 2 November 2020. |
| 13 March 2020 | **Christchurch Mosques Attack: Support payments excluded from the means test for social assistance on a permanent basis** | In April 2015, following the Christchurch Mosque attacks, financial support in the form of donations to those affected were exempt from the cash asset and income test for assistance under the *Social Security Act 2018*. From this time, the exemption was made permanent – financial gifts and donations and income derived from them was exempt from the income and cash assets test for social assistance. The exemption was made permanent due to the unprecedented nature of the attacks and the exceptional circumstances of those affected. |

**Part VIII: Responding to a Crisis, March 2020 – September 2023**

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| 17 March 2020 | **COVID-19 Response: Government response package** | The Government announced an initial $12.1 billion package to support New Zealanders and their jobs from the global impact of the *Corona Virus Disease 2019* (COVID-19).  The $12.1 billion package included:   * an initial $500 million boost for health services; * $5.1 billion in wage subsidies for affected businesses in all sectors and regions (subsequently revised to $9.3 billion with changes to the wage subsidy scheme); * $126 million in COVID-19 leave and self-isolation support; * $2.8 billion income support package, including a permanent $25 per week increase to after tax rates of main social security benefits, and a doubling of the *Winter Energy Payment* for 2020 only; * $100 million redeployment package; * $2.8 billion in business tax changes to free-up cashflow, including a provisional tax threshold lift, the reinstatement of building depreciation and writing off interest on the late payment of tax; and * $600 million for an initial aviation support package. |
| 17 March 2020 | **COVID-19 Response: Wage Subsidy** | The *COVID-19 Wage Subsidy* became available for employers in all regions who were impacted by COVID-19 and faced laying off staff or reducing their hours.  The subsidy was available to an employer, contractor, sole trader or the self-employed.  The qualifying criteria were:   * the business must be registered and operating in New Zealand; * employees must be legally working in New Zealand; * the business must have experienced a minimum 30 percent decline in actual or predicted revenue over the period of a month when compared with the same month in 2019, and that decline was related to COVID-19; * the business must have taken active steps to mitigate the impact of COVID-19; and * employers must have made their best efforts to retain employees and pay them a minimum of 80 percent of their normal income for the subsidised period.   The COVID-19 Wage Subsidy was paid at a flat rate of:   * $585.80 for people working 20 hours or more per week; and * $350.00 for people working less than 20 hours per week.   The subsidy was paid as a lump sum and covered 12 weeks per employee. The scheme effectively subsidised wages to the level of 60 per cent of the median wage over 12 weeks.  Employers did not have to pay GST or tax on the wage subsidy. It was exempt from GST and classified as "excluded income" for business tax purposes. Employees were required to pay tax on their wage subsidy payment as it’s paid to them as part of their normal wages. This meant it was subject to the usual deductions (eg. PAYE, Student Loan, KiwiSaver, ACC, etc).  The subsidy was for wages only. It was designed to help keep staff employed while a business considered the changes that may be needed while the disruption continues, and to ensure the future viability of the business.  The maximum subsidy that could be paid to a single business was $150,000. A business could only get the subsidy once. |
| 17 March 2020 | **COVID-19 Response: Leave Payment** | The *COVID-19 Leave P*ayment was available to support people financially if they needed to self-isolate, could not work because they were sick with COVID-19 or could not work because they were caring for dependants who were required to self-isolate or who were sick with COVID-19.  The *COVID-19 Leave Payment* was available for eight weeks from 17 March 2020. Employers were able to apply for it more than once. It was paid to employers who had eligible employees and they must pass the payment onto their employees in full.  Employers, contractors, sole traders or the self-employed, could qualify to get the *COVID-19 Leave Payment*. It covered full-time, part-time and casual employees, and contractors who were legally working in New Zealand and who:   * needed to self-isolate in line with *Ministry of Health* Guidelines and had registered as needing to self-isolate with *Healthline*, could not work from home and their self-isolation was not because they left New Zealand since16 March 2020 when the travel restrictions were imposed; or * could not work because the person had been diagnosed with COVID-19; or * could not work because they were caring for dependants who were required to self-isolate or who were sick with COVID-19.   The *COVID-19 Leave Payment* was paid at a flat rate of:   * $585.80 to a person working 20 hours or more per week; and * $350.00 to a person working less than 20 hours per week.   Employers receiving the payment for employees who were required to self-isolate could receive it for 14 days. As people could be required to self-isolate more than once, employers were able to apply on an ‘as needed’ basis. It could be paid for the entire period an employee is sick (or looking after a dependent person who is sick) with COVID-19 but the employer needed to apply every 14 days.  Self-employed people who were legally working in New Zealand are eligible for the payment if they:   * were usually earning the minimum wage when they decided to self-isolate; and * were expecting to work for the period of self-isolation; and * could not draw an income for the period of self-isolation.   State sector employers could not receive the payment as it was expected that they would pay employees their normal wages through periods of self-isolation. |
| 19 March 2020 | **Social Wellbeing Agency** | The *Social Investment Agency* was renamed the *Social Wellbeing Agency*.  The change reflected a shift in focus away from social investment to improving social wellbeing. Improving social wellbeing was focused on enabling people, whānau and communities to live the lives to which they aspired and included both material conditions and quality of life.  The *Social Wellbeing Agency* had two broad functions:   * the provision of cross-social system advice and supporting the social sector with cross-system work; and * the creation of insights, tools, and practices that improve cross social system decision making for improving wellbeing.   The role of the *Social Wellbeing Agency* included:   * the provision of strategic advice on issues that cut across or fell between agency responsibilities; * a resource that could be called upon to lead, on behalf of all agencies, cross-cutting pieces of work; * a strengthened secretariat for the *Social Wellbeing Board* (formerly the *Social Investment Board*); and * support for the *Cabinet Social Wellbeing Committee*, where necessary.   The *Social Investment Agency* (SIA) had been established in July 2017 as a standalone departmental agency hosted within the *State Services Commission*. It had replaced the *Social Investment Unit* previously operating as part of the *Ministry of Social Development*. The SIA had been established to provide robust all-of-Government social investment advice about which people government should be investing further in, and in what ways. This included applying rigorous and evidence-based investment practices to social services. The SIA had also been tasked with building the social investment architecture for all government and NGO agencies to use to help frontline staff fine-tune services and make them better targeted. |
| 20 March 2020 | **COVID-19 Response: Temporary Accommodation Service activated** | The *Ministry of Business, Innovation and Employment* (MBIE) was responsible for coordinating the provision of temporary accommodation for people who were displaced from their homes as a result of an emergency under clause 73 of the *National Civil Defence Emergency Management Plan Order 2015* (the Order). MBIE managed this responsibility through its *Temporary Accommodation Service* (TAS).  TAS’s core activities were to:   * work with other agencies, organisations and businesses as part of the emergency response; * identify and register displaced individuals and households who needed support to find temporary accommodation; * undertake needs assessments to clarify what temporary accommodation options were suitable and affordable; and * coordinate the provision of temporary accommodation placement.   TAS provided support to people already in New Zealand who were displaced from their homes. This included people waiting to leave New Zealand. It included situations where people were unable to self-isolate in their own home, where pre-planned arrangements had fallen through, or where people were unable to make their own accommodation arrangements.  TAS sought a part-payment from households placed in temporary accommodation, set at 90 percent of the national lower quartile market rent. Part-payment charges were $225 per week for a one-bedroom unit, $300 per week for a two-bedroom unit, and $375 per week for a three-bedroom unit. TAS did, however, not turn anyone away who could not afford the part-payment. It was estimated that around 50 percent of households would to be unable to make the part-payment. Households received up to $75 per person per day for food costs, with many reliant on hotel kitchens as they could not visit supermarkets.  TAS was activated on 20 March 2020 and by 7 April 2020 was supporting around 195 households in temporary accommodation with a total number of 427 registered households. These people were being placed in hotel and motel accommodation. Under the Order, TAS was not required to distinguish between New Zealand citizens or residents, and foreign nationals. The majority of households registering with TAS stated that their affected home was in New Zealand.  The *Ministry of Health* was mandated to deal with all international arrivals at the border, for both quarantine and self-isolation accommodation purposes. Support was provided by the *New Zealand Police*. |
| 23 March 2020 – 23 November 2020 | **COVID-19 Response: Initial benefit stand down temporary suspension** | As part of the response to the economic downturn associated with the COVID-19 virus, new applicants for a main social security benefit were not subject to the initial benefit stand down. The initial stand down provisions were suspended for eight months.  The initial stand down applied a wait period of either one or two weeks depending on previous income and family circumstances of an applicant for a main social security benefit.  During this period, the *Student Allowance Transfer Grant* and recoverable *Special Needs Grants* during the initial stand down were not available. *Steps to Freedom Grants* remained available for released prisoners who did not have a stand-down imposed if their individual circumstances (i.e. actual re-establishment costs) justified it.  The benefit non-entitlement period for voluntary unemployment or loss of employment as a result of serious misconduct continued to operate during this period.  The suspension of the initial stand down was subsequently extended until 24 July 2021. |
| 24 March 2020 | **COVID-19 Response: Changes to the Wage Subsidy Scheme** | A number of changes were made to the *COVID-19 Wage Subsidy Scheme*. These included:   * the $150,000 cap was removed, so that all employers could access the full payments to subsidise each of their workers’ salaries; * new businesses (eg. that were less than a year old) and high growth firms (eg. firms that have had significant increase in revenue) were also eligible. They needed to demonstrate the revenue loss assessment against a similar time period (for example a 30 percent loss of income, attributable to COVID-19, in March 2020 compared to January 2020); and * self-employed people with variable monthly incomes were eligible if they could demonstrate the revenue loss assessment against the previous year’s monthly average (eg. 30 percent loss of income attributable to COVID-19 comparing March 2020 to the average monthly income in the period March 2019 to March 2020).   The other criteria continued to apply, including the 30 percent revenue reduction and for businesses, their best endeavours, to maintain their named employees at 80 percent of their pre-COVID-19 income. The same 12-week period applied to the wage subsidy scheme.  Payments under the revised wage subsidy scheme were not available in respect of an employee who had received (or was receiving) payment under the original *COVID-19 Wage Subsidy Scheme*.  It was clarified that the scheme did not cover registered charities, non-governmental organisations, incorporated societies and post-settlement governance entities.  These changes to the *COVID-19 Wage Subsidy Scheme* meant that the forecast cost of the scheme was lifted from $5.1 billion to $9.3 billion. This assumed that 50 percent of businesses accessed the 12-week scheme.  Further clarification (18 April 2020) provided that an employer could receive the *COVID-19 Wage Subsidy* where an employee was temporarily out of New Zealand, was intending to start back at work on a specific date but could no longer return because of COVID-19 travel restrictions. |
| 24 March 2020 –  27 September 2020 | **COVID-19 Response: Mortgage Holiday Repayment Scheme** | A six-month principal and interest payment holiday was available to mortgage holders and small business customers whose income and/or health was affected by the economic disruption from COVID-19. The scheme was available to those with loans secured against residential property, including owner-occupiers, investors and businesses. During the holiday period, interest on the loan still accrued and was added to the loan amount. This meant that post the mortgage repayment holiday, higher repayments would be required, or the term of the mortgage would need to be extended. Banks assessed the suitability of the scheme for each customer who asked for a repayment holiday.  To support the scheme, the *Reserve Bank* agreed to reduce banks’ core funding ratios from 75 percent to 50 percent, to assist banks to make funding available.  The Scheme was subsequently extended to 31 March 2021. |
| 25 March 2020 –  25 September 2020 | **COVID-19 Response: Rent freeze and temporary protection for tenants** | As part of the response to COVID-19 residential rents were frozen for a period of six months (until the end of 25 September 2020).  Provisions were also put in place to provide increased protection for tenants who may have otherwise had their tenancy terminated. Landlords were unable to terminate existing tenancies unless limited and specific and justified reasons applied. The protections against terminations applied for a period of three months (until the end of 25 June 2020).  Rent increases and terminations that had been notified prior to 25 March 2020, but not actioned were invalid.  Boarding houses were also subject to the rent freeze and similar protections against terminations.  The changes were intended to ensure that people could stay in their homes during the lock-down period and supported individuals and families to self-isolate, stay home and maintain physical distancing. They also ensured that in the short-term tenants did not lose their home due to a reduction in their income as a result of COVID-19. |
| 25 March 2020 | **COVID-19 Response: Taxation Measures** | The *COVID-19 Response (Taxation and Social Assistance Urgent Measures) Act 2020* introduced a range of tax measures in response to COVID-19. These included:   * restoring building depreciation to support businesses and encourage investment in new and existing building by reinstating depreciation deductions for non-residential buildings. It provided business support by improving cashflow in the near-term, and assisted with the broader economic recovery by stimulating business investment in new and existing buildings; * increasing the provisional tax threshold from $2,500 to $5,000 to reduce the compliance burden for small businesses as well as freeing up cashflow. It allowed people to delay paying their provisional tax. They could wait until 7 February in the year following the year they filed their return before they had to pay, instead of having to pay in instalments throughout the year. It was estimated to benefit 95,000 people; * allowing immediate low-value asset write offs to encourage spending by temporarily increasing the threshold of the value of assets which could be deducted in the year the asset was purchased. The threshold was increased from $500 to $5,000 for assets purchased in the 12 months from 17 March 2020 (reducing to $1,000 from 17 March 2021); * bringing forward broader R&D refundability. Planned refundability measures were brought forward by one year, to the 2019–20 income year. This was intended to help relieve cashflow problems, encourage businesses to retain their R&D staff, and (where possible) support these firms to continue their R&D in the current environment; * allowing use of money interest to be waived. The *Inland Revenue Department* could cancel interest on a late tax payment if the taxpayer’s ability to make a payment due on or after 14 February 2020 was significantly adversely affected by the COVID-19 outbreak; and * allowing the *Inland Revenue Department* to share information with a wider group of government agencies to assist the efficient and effective delivery of the Government’s COVID-19 response. |
| 26 March 2020 – 25 November 2020 | **Rural Assistance for farmers in North Island, parts of the South Island and the Chatham Islands – Drought** | The Rural Assistance Provisions (within the *Special Needs Grants Programme*) were activated for farmers in the North Island and northern half of the South Island and the Chatham Islands whose income was affected by drought. *Rural Assistance Payments* had been available to eligible farmers in Northland and north Auckland since 2 March 2020.  Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (Unemployment Benefit). For eligible farmers, assistance was available up until 25 November 2020. |
| 26 March 2020 | **COVID-19 Response: Additional funding for community organisations** | A financial package ($27 million) was provided to social sector services and community groups to ensure they could continue to provide essential support to communities during Alert Level Four (national lock-down).  The package supported services that   * ensured people have access to the food and other goods they need to survive; * provided a place for people to live; * supported disabled people to maintain critical wellbeing; and * kept families safe from harm and offer crisis support.   As was the case in countries around the world battling the global pandemic, there was a significant increase in the demand for these essential social sector services.  The immediate funding provided:   * up to $16 million for essential social sector services delivered by non-government agencies so they could continue to support individuals, families, whānau and communities at risk through uncertain circumstances and respond to increased demand; * up to $6 million funding for disability community participation providers to put in place appropriate health mitigations for the current group orientated services and provide support for disabled people during the lock-down; and * up to $4.8 million to provide community grants or fund innovative community-led solutions to support local resilience. |
| 27 March 2020 | **COVID-19 Response: Leave Payment Scheme discontinued** | The *COVID-19 Leave Payment* (implemented from 17 March 2020) was no longer available for employers. Applications already submitted continued to be processed and paid. The original leave payment scheme was designed when few people were in self-isolation and was no longer fit for purpose in the nationwide lockdown (Alert Level-4). Its removal also prevented ‘double-dipping’ with the *COVID-19 Wage Subsidy*. |
| 30 March 2020 | **COVID-19 Response: Administration of social security benefits and housing support** | A number of temporary changes were made to the administration of social security benefits to reduce contact with beneficiaries and unnecessary work for medical practitioners. These were:   * deferring the need to provide subsequent medical certificates for people receiving *Jobseeker Support, Sole Parent Support, Supported Living Payment* and the *Child Disability Allowance*; * deferring reviews of the *Disability Allowance*; * delaying annual reviews; * clearing any *Special Benefit* expiries or reviews; * deferring any new work-test obligation failures; * clearing any 52-week reapplications for people receiving *Job Seeker Support* or *Sole Parent Support*; and * extending the period (previously 13 weeks) for which *Temporary Additional Support* could be granted.   New assessments for public housing were paused for the duration of the lockdown, with the exception of assessments for people placed into emergency housing. Tenancy reviews for public housing tenants and *Income-Related Rent* reviews were paused.  *Ministry of Social Development* service centres were closed for ‘face to face’ appointments. Services were provided online or over the phone. |
| 30 March 2020 | **Emergency Housing Special Needs Grants – Client contribution and grant period extended to up to 21 days**  **Allowable cost for Temporary Additional Support**  **Emergency Housing Grants for up to 21 days** | From this time, recipients of an *Emergency Housing Special Needs Grant* (EHSNG) who had been in emergency housing for more than seven days were required to contribute 25 percent of their income towards the cost of emergency accommodation. This aligned the emergency housing contribution with the contribution applicable to people in transitional housing and public housing. For beneficiaries, the contribution was taken out of their next available benefit payment.  [*Note: Following the outbreak of COVID-19, implementation of the client contribution was deferred until 19 October 2020.*]  The emergency housing contribution and the transitional housing contribution became an allowable cost for *Temporary Additional Support* and the grandparented *Special Benefit*. For *Temporary Additional Support* the allowable cost was the housing contribution less the A*ccommodation Loading*.  A change was made to allow an EHSNG to be granted for up to 21 days – previously seven days. This provided more flexibility for dealing with individual circumstances, particularly when alternative accommodation was available from a specified future date. |
| 1 April 2020 | **Main Benefits: Rates increased by the movement in the after-tax average wage** | After tax rates of main *Social Security Benefits* wereincreased by 3.09 percent to reflect the increase in the after-tax average wage over the previous 12 months.  Prior to this, rates of main benefits had been adjusted on 1 April each year by the movement in the *Consumer Price Index* (excluding cigarettes and tobacco products). This would otherwise have resulted in an adjustment of 1.66 percent. The adjustment based on the average wage movement delivered a higher increase for beneficiaries. For example:   * $11.26 per week for a couple (no children) receiving *Jobseeker Support* – an increase of $5.20 per week above what they would have received if the adjustment had been based on the *Consumer Price Index*; * $10.48 per week for a recipient of *Sole Parent Support* – an increase of $4.84 per week above what they would have received if the adjustment had been based on the *Consumer Price Index*; and * $8.44 per week for a single adult recipient of the *Supported Living Payment* – an increase of $3.89 per week above what they would have received if the adjustment had been based on the *Consumer Price Index.*   The change to annual indexation had been announced as part of the 2019 Budget. |
| 1 April 2020 | **COVID-19 Response: Main social security benefits increased by $25 per week** | As part of the COVID-19 response, all after-tax rates of main social security benefits were increased by $25 per week. This was in addition to the annual general adjustment outlined above.  Note that prior to April 2020, 18-19 year old recipients of *Jobseeker Support* who were living at *home* received 80 percent of the after-tax rate of benefit received by a single person under the age of 25 years. As a result of the increases to all benefit rates, the amount payable was no longer 80 percent. |
| 1 April 2020 | **Student Allowances, Foster Care Allowances and other social security payments and thresholds increased by the movement in Consumer Price Index** | Rates of *Student Allowances*, *Foster Care Allowances*, *Orphan’s Benefit, Unsupported Child’s Benefit,* *War Pensions* and other social security Benefits, allowances and thresholds were increased by 1.66 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting these rates excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. |
| 1 April 2020 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 1.66 percent required a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, the net rate *of New Zealand Superannuation* paid to a married couple who both qualified was increased by 3.08 percent. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2020 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased to reflect the movement of 1.66 percent in the *Consumer Price Index* (less cigarettes and tobacco). An additional adjustment was, however, made to the income cut-out points to ensure that recipients of *New Zealand Superannuation* or a *Veteran’s Pension* did not lose eligibility as a result of the increase to the rate of their pension. The new income levels were:  *People other than NZS/VP recipients:*   * $27,590 Single (sharing); * $29,380 Single (alone); * $43,784 Couple; * $53,480 2 person family; * $65,829 3 person family; * $75,945 4 person family; * $85,882 5 person family; and * $96,819 6 person family.   For each additional child thereafter, income levels increased by $9,812.  *Recipients of NZS/VP:*   * $28,910 Single (sharing); * $30,740 Single (alone); * $46,110 Couple; * $53,480 2 person family; * $65,829 3 person family; * $75,945 4 person family; * $85,882 5 person family; and * $96,819 6 person family.   For each additional child thereafter, income levels increased by $9,812. |
| 1 April 2020 | **ACC Earner Premium unchanged** | The *ACC Earner Premium* remained at 1.39c (GST inclusive) in the dollar. The maximum earnings liable for the *Earner Premium* increased to $130,911 for 2020/2021, with the maximum premium of $1,819.66 for the 2020/2021 tax year. |
| 1 April 2020 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $954 per annum ($18.35 per week). |
| 1 April 2020 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $26,572 to $27,768. It provided a minimum after tax income of $534 per week (an increase of $23 per week or $1,196 per year).  The *Minimum Family Tax Credit* provided a guaranteed minimum income to families with a dependent child or children who were in full-time work. It ensured that families did not face a reduction in income when moving from a social security benefit into paid work.  The *Minimum Family Tax Credit* for the 2020/2021 year was subsequently increased from $27,768 to $29,432 ($566 per week) to account for the increase in rates of main social security benefits by $25 per week on 1 April 2021. |
| 1 April 2020 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by $1.20 per hour to $18.90 gross per hour ($756 for a 40-hour week or $632.04 after tax at the M rate).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by $0.96 per hour to $15.12 gross per hour (80 percent of the adult minimum wage).  The fortnightly adult minimum wage was set at $1,512 before tax, increased by $18.90 for each hour worked in excess of 80 per fortnight. The *Starting Out Minimum Wage* and *Training Minimum Wage* was set at $1,209.60 per fortnight before tax and $15.12 for each hour worked in excess of 80 per fortnight.  The increases were expected to deliver gains for up to 242,400 workers.  The increase was in line with the Government’s goal that the adult minimum wage reached $20 per hour by 2021. This goal had been announced in December 2018. |
| 1 April 2020 | **Student Allowance: Parental income threshold increased** | The *Parental Income Threshold* for a *Student Allowance* was increased by 1.66 percent to $56,888.52 for the 2020/2021 year. |
| 1 April 2020 | **Student Loan Scheme: Repayment threshold increased** | The *Student Loan Repayment Threshold* was increased from $19,760 to $20,020 for the 2020/2021 tax year.  Loan repayments at 12c in the dollar were required on income above the threshold. |
| 1 April 2020 | **Main Social Security Benefits: Changes to the income test** | The income abatement thresholds for main social security benefits were increased. The following income test applied:  **Jobseeker Support**   * For single people and couples, income in excess of $90 gross per week reduced the after-tax rate of benefit by 70c. * Sole parents who were transferred from *Sole Parent Support* to *Jobseeker Support* when their youngest child turned 14 and new sole parent applicants for *Jobseeker Support* were subject to the more generous abatement regime that encouraged part-time work. Income of between $115 and $215 gross per week reduced the after-tax benefit by 30c and income in excess of $215 gross per week reduced the after-tax benefit by 70c. * For sole parents who had their income assessed annually, they could earn up to $5,480 gross before their benefit was reduced. * Sole parents in receipt of *Jobseeker Support* who had to pay childcare costs because they were working could receive an additional income exemption of $20 per week.   **Sole Parent Support**   * Income of between $115 and $215 gross per week reduced the after-tax rate of benefit by 30c. Income in excess of $215 per week reduced the after-tax rate of benefit by 70c. A beneficiary who had their income charged annually could earn up to $5,980 before their benefit was affected. Income between $5,980 and $11,180 reduced the amount of benefit payable by 30c for each dollar and income in excess of $11,180 reduced the amount of benefit payable by 70c for each dollar. * Recipients of *Sole Parent Support* who had to pay childcare costs because they were working could receive an additional income exemption of $20 per week.   **Supported Living Payment**   * Income of between $115 and $215 gross per week reduced the after-tax rate of benefit by 30c. Income in excess of $215 per week reduced the after-tax rate of benefit by 70c. A beneficiary who had their income charged annually could earn up to $5,980 before their benefit was affected. Income between $5,980 and $11,180 reduced the amount of benefit payable by 30c for each dollar and income in excess of $11,180 reduced the amount of benefit payable by 70c for each dollar. * An additional income exemption of $20 per week applied to personal earnings and all the earnings of a blind beneficiary were exempt. This did not apply to the earnings of a spouse/partner unless they also qualified for the *Supported Living Payment* in their own right. * There was no couple rate of *Supported Living Payment* for carers. Where there was a partner, they would either qualify for another benefit in their own right or have their own income. In these situations, joint income in between $5,480 and $11,180 reduced the after-tax amount of benefit by 15c and income in excess of $11,180 reduced the after-tax amount of benefit by 35c.   The increase to the abatement thresholds reflected the announcement as part of the 2019 Budget that the abatement thresholds for main social security benefits would be increased (in line with increases to the minimum wage) on 1 April each year from 2020 to 2023 (inclusive). |
| 1 April 2020 | **New Zealand Superannuation and Veteran’s Pension: Changes to the income test when a non-qualified partner included** | The income test for *New Zealand Superannuation* and *Veteran’s Pension* when a non-qualified partner was included was changed. The income exemption was increased from $5,200 per annum to $5,980 per annum. Income in excess of the exemption continued to reduce the before tax benefit by 70c for each dollar of income (before tax). These changes mirrored the changes to the income test for employment-related social security benefits. |
| 1 April 2020 | **Income Support Package: Transitional Assistance Payment** | A *Transitional Assistance Payment* was implemented for people who were financially disadvantaged as a result of the implementation of the changes to the income test for social security benefits, the indexation of benefits and the increase to all main social security benefits as part of the COVID-19 response. Due to interdependencies within the social security system, people could be disadvantaged, particularly through reductions in the amount of *Childcare Assistance* and/or *Temporary Additional Support* to which they were entitled.  The *Transitional Assistance Payment* was available to those who experienced an overall reduction in their income support payments. It was available until the earlier of a change in circumstances which resulted in a net positive effect on their total income, or financial assistance increasing due to other income support changes implemented after 1 April 2020, or 1 April 2021. |
| 1 April 2020 | **Sole parent social security benefits: Removal of the penalty for not naming the other parent** | Section 192 of the *Social Security Act 2018*, that reduced the benefits of sole parents who did not name the other parent, was repealed. Around 12,000 sole parent families were better off, with sole parents’ incomes who were affected by the reduction increasing by an average of $34 per week.  Prior to its removal, the penalty reduced the sole parent benefit by $22 per week for each dependent child for whom the other parent was not named. After 13 weeks, the penalty could be increased by a further $6 per week (regardless of the number of children).  The financial penalty for not naming the other parent was first applied to sole parents receiving the *Domestic Purposes Benefit* in 1980s, and subsequently extended to most other sole parent benefits. This was originally linked to the *Liable Parent Contribution Scheme* and subsequently the *Child Support Scheme,* with people applying for most sole parent benefits required to name the other parent who was then assessed for their liability for child support, with child support received up to the level of the sole parent benefit retained by the State. In the 1980s, the amount by which the sole parent benefit was reduced in respect of each child whose other parent had not been identified was set to equate to the maximum amount of *Family Support* paid in respect of the first additional child ($16 per week from October 1986).  The removal of the sole parent benefit deduction had been announced by the Government in May 2019 as part of its initial response to the recommendations of the *Welfare Expert Advisory Group*. |
| 1 April 2020 | **COVID-19 Response: Business Finance Guarantee Scheme** | The Government and banks implemented the *Business Finance Guarantee Scheme* for small and medium sized businesses to protect jobs and support the economy. The scheme provided short-term credit subject to the following criteria:   * a limit of $500,000 per loan; * eligible firms were those with a turnover of between $250,000 and $80 million per annum; and * loans were for a maximum of three years and expected to be provided by the banks at competitive rates.   The Government carried 80 percent of the credit risk with the remaining 20 percent carried by the banks. |
| 6 April 2020 | **COVID-19 Response: Payment of Childcare Assistance ceased** | From 26 March 2020, all educational facilities were closed when New Zealand moved into Alert Level 4. *Childcare Assistance* could not be paid while providers were not providing care and as a result the *Ministry of Social Development* stopped payments from 6 April 2020. No overpayments were established for the period 26 March 2020 to 6 April 2020. Payment of childcare assistance resumed from 18 May 2020. |
| 6 April 2020 | **COVID-19 Response: Essential Workers Leave Payment Scheme** | This *Essential Workers Leave Payment* was intended to help employers support essential workers who had to stay at home to comply with public health guidance, and whose employers were unable to keep paying them. It was paid to eligible employers by the *Ministry of Social Development.*  To qualify an employer must have been deemed to be an essential business (as listed on the *Ministry of Business, Innovation and Employment* website) and had essential service workers who:   * were at higher risk if they get COVID-19, and *Ministry of Health* guidelines recommended they stayed at home during the lockdown (and potentially longer); * came into contact with someone who had COVID-19 and must self-isolate for 14 days (as required by *Ministry of Health* guidelines); * had tested positive for COVID-19 and were required to remain off work until they've been cleared by a health professional to be released from self-isolation; or * had household members who were at higher risk if they get COVID-19 and *Ministry of Health* recommend the worker also remains at home to reduce the risk to them.   An employer must have also considered sick or discretionary leave available to the employee and be unable to financially support their employee (e.g. the cost of paying for an employee’s leave and replacement staff is significant).  The *Essential Workers Leave Payment* was paid at a flat rate of:   * $585.80 for people who were working 20 hours or more per week (full-time rate) * $350.00 for people who were working less than 20 hours per week (part-time rate).   It was paid as a lump sum and covered four weeks per employee. An employer could apply for a subsequent payment for an employee, beyond the initial four-week period. The employer was required to make the usual employer deductions when payments were made to employees (e.g. PAYE, *Student Loan*, *KiwiSaver*, *Child Support* etc). The *Essential Workers Leave Payment* was not subject to GST and not counted as income of the business to which it was paid.  An employer could not receive a wage subsidy and the *Essential Workers Leave Payment* in respect of the same employee for the same period. |
| 6 April 2020 | **COVID-19 Response: Wage Subsidy Scheme – publication of the list of companies receiving payments** | The names of companies that had received payments under the *COVID-19 Wage Subsidy* *Scheme* were published on the *Ministry of Social Development* website. People were able to search for companies that had received a wage subsidy payment, the number of applicants the payment covered and the total payment that the company had received.  The information was updated daily as applications were paid out.  Recipients who were sole traders or contractors/self-employed were not included on the initial list.  As of 5 April 2020, the *Ministry of Social Development* had received 426,115 applications for COVID-19-related wage and leave subsidies. As of 5 April 2020, $5.361 billion had been paid, in respect of 876,217 people (747,314 employees and 128,903 sole traders).  Since the subsidy applications opened (on 16 March 2020) the *Ministry of Social Development* had received the following applications:   * 287,351 for the initial wage subsidy; * 26,140 for the initial leave payment scheme; and * 112,624 for the modified wage subsidy. |
| 14 April 2020 | **COVID-19 Response: Tertiary Student Support Package announced** | A tertiary student support package was announced to assist tertiary students financially to continue their studies.  It included:   * help to cover extra costs, by increasing the student loan amount available for course-related costs for full-time students from $1,000 to $2,000, on a temporary basis; * continuing support payments (*Student Loan* and *Student Allowance*) for students unable to study on-line for up to eight weeks; and * making technical changes to ensure that:   + where students received partial tuition fee refunds in 2020 because their course has been discontinued due to COVID-19, this would not affect their future entitlement to a *Student Loan*; and   + where students were unable to complete a course of study in 2020 due to COVID-19, this would not affect their entitlement to *Fees Free Tertiary Study*.   From 22 April 2020, domestic tertiary students who were enrolled in full-time tertiary study could access the additional support from the *Ministry of Social Development*. |
| 30 April 2020 | **COVID-19 Response: Tax Loss Carry-Back Scheme** | To assist businesses with the economic impact of COVID-19 a temporary *Tax Loss Carry-Back Scheme* provided cash refunds for businesses.  Businesses expecting to make a loss in either the 2020 year or the 2021 year could use that loss to offset profits they had made the year before. In other words, they could carry the loss back one year to the preceding income year. This could be done before the loss year return was filed.  To be eligible a business must have:   * incurred, or expect to incur a loss in the 2020 or the 2021 tax year; and * made a profit in the year before the loss was made. |
| 17 April 2020 | **Christchurch Mosques Attack Ministerial Welfare Programme extended** | The Christchurch *Mosques Attack Ministerial Welfare Programme* provided for payments of special assistance to people who had been affected by the Christchurch mosques attack, but who did not qualify for a main benefit under the *Social Security Act 2018*.  The programme, established on 3 June 2019, had been set to expire on 4 June 2020. The expiry date was extended to 2 June 2021. It was subsequently extended to 30 June 2023.  As at March 2020, approximately 40 people were receiving support under the programme. |
| 20 April 2020 | **COVID-19 Response: Verification of expenses for the Disability Allowance** | An Amendment to the *Ministerial Direction on the Disability Allowance* provided that when granting or reviewing a person’s entitlement to a *Disability Allowance*, verification of any particular expense was not required if a state of local emergency or state of national emergency was in force, an epidemic notice had been given, and was in force or an event had occurred where it was reasonable to expect that either a state of emergency or epidemic notice may be imminent. |
| 20 April 2020 – 20 October 2020 | **COVID-19 Response: Payment of social security benefits to beneficiaries stranded overseas** | Where a beneficiary was overseas and had intended to return to New Zealand, and their return was delayed due to COVID-19 restrictions (e.g. borders were closed or flights were cancelled) a Ministerial Welfare Programme provided an extension to the payment period for current benefits (beyond the standard 28 days, or 26 weeks for superannuitants) and for the resumption of payment of some suspended benefits, to support beneficiaries until they could return to New Zealand.  The *COVID-19 New Zealanders Stranded Overseas Support Programme* provided non-recoverable special assistance to New Zealand beneficiaries and superannuitants who were stranded overseas because of the effects of COVID-19, until it could be reasonably expected that they could return to New Zealand. Assistance under the programme was available to applicants who were receiving; *New Zealand Superannuation* or a *Veteran’s Pension*, a main benefit or supplementary assistance immediately before leaving New Zealand (and who left New Zealand before 26 March 2020), who had been unable to return to New Zealand because of travel restrictions due to the effects of COVID-19 and who would, if they had returned to New Zealand when they anticipated, have otherwise remained entitled to receive payment at the domestic rate. Payments under the programme were equivalent to the benefit and supplementary assistance they would otherwise have received if they had returned to New Zealand. Lump sum payments of assistance were also available under the programme for those applicants whose intended return date was prior to the commencement date of the programme or who have experienced hardship.  From 1 May 2020, if a beneficiary stranded overseas was receiving payments under the programme, they also received the *Winter Energy Payment*, unless they had opted out.  The availability of the programme was subsequently extended until 27 April 2021, and then to 31 August 2021. |
| 28 April 2020 | **COVID-19 Response: Leave Support Scheme** | The *COVID-19 Leave Support Scheme* was introduced to provide financial assistance to employers during the COVID-19 public health restrictions to:   * encourage employees to self-isolate (stay at home) when they needed to do so; and * support employees who were unable to work from home, to have an income when they could not work.   The *COVID-19 Leave Support Scheme* replaced the *COVID-19 Essential Workers Leave Support Scheme* (introduced on 6 April 2020) and broadened eligibility beyond essential businesses, to support all workers who met the criteria, at all COVID-19 Alert Levels.  The *COVID-19 Leave Support Scheme* was paid to an employer at a flat rate of:   * $585.80 for people who were working 20 hours or more per week (full-time rate); and * $350.00 for people who were working less than 20 hours per week (part-time rate).   It was paid as a lump sum and covered four weeks per employee. An employer could apply for a subsequent payment for an employee, beyond the initial four-week period. The employer was required to make the usual employer deductions when payments were made to employees (e.g. PAYE, *Student Loan, KiwiSaver, Child Support* etc). The leave payment was not subject to GST and not counted as income for the business to which it was paid.  An employer could not receive a wage subsidy and the leave payment in respect of the same employee for the same period. |
| 1 May 2020 – 1 October 2020 | **COVID-19 Response: Winter Energy Payment increased as a temporary measure for 2020 only** | Payment of the *Winter Energy Payment* commenced. The payment period was 22 weeks – commencing on 1 May and ending on 1 October.  As part of the COVID-19 response the *Winter Energy Payment* was doubled. This was a temporary measure for 2020 only.  For 2020, the total amount payable was $900 for a single person ($40.91 per week) and $1,400 for a sole parent or a couple ($63.64 per week).  The *Winter Energy Payment* was a non-taxable benefit paid with a beneficiary’s main benefit (including *New Zealand Superannuation* or the *Veteran’s Pension*) to assist beneficiaries to meet their household heating costs during the winter period. It was paid automatically with the benefit, though a beneficiary could contact the *Ministry of Social Development* and opt not to receive the additional payment.  The *Winter Energy Payment* had been established in 2018, when it was paid from 1 July until 1 October. |
| 8 May 2020 | **COVID-19 Response: Change to the Wage Subsidy scheme** | From this time, the *Minister of Finance* could approve exceptions for some state sector organisations to be eligible for the *COVID-19 Wage Subsidy*. |
| 12 May 2020 – 12 June 2020 | **COVID-19 Response: Small Business Cashflow Loan Scheme** | The *Inland Revenue Department* commenced taking applications for the *Small Business Cashflow Loan Scheme*. The scheme provided assistance of up to $100,000 to firms employing 50 or fewer full-time equivalent employees. It provided $10,000 and an additional $1,800 per equivalent full-time employee.  Loans were interest free if they were paid back within one year. Otherwise, the interest rate was three percent for a maximum term of five years. Repayments were not required for the first two years.  As was the case with the *COVID-19* *Wage Subsidy Scheme*, a business had to declare that they were a viable business and that they would use the money for core business operating costs. The loan was underpinned by a legally binding contract.  Payments were made within five days of a loan being approved.  The application date was subsequently extended from 12 June 2020 to 24 July 2020. By early June 2020, more than $1.18 billion had been disbursed to more than 70,000 small businesses under the cashflow scheme. |
| 26 May 2020 | **COVID-19 Response: Update** | At 26 May 2020, the *Ministry of Social Development* had received **580,543** applications for wage subsidies. These were made up of:   * wage subsidy **288,862**; * modified wage subsidy **257,982**; * leave payment **26,143**; * essential Worker **4,493**; and * leave Support **3,063.**   Of these, 456,733 applications had been granted and 46,783 declined. The total number of jobs associated with paid applications was 1,656,924 (1,433,740 employees and supporting 223,184 self-employed people).  At 15 May 2020, there were 188,432 people receiving *Job Seeker Support* (Unemployment Benefit) an increase of 43,771 (30.3 percent) since 13 March 2020. Recipients of *Jobseeker Support* represented an estimated 6.3 percent of the working-age population, up from an estimated 4.8 percent on 13 March 2020. |
| 8 June 2020 – 30 October 2020 | **COVID-19 Response: COVID Income Relief Payment (CIRP)** | The *COVID-19 Income Relief Payment* (CIRP) was available as an alternative to a social security benefit for people who had lost their job between 1 March 2020 and 30 October 2020.  CIRP was paid at a rate of $490 per week for someone previously in full-time work including self-employment (30 hours or more), and $250 per week for someone previously in part-time work including self-employment (between 15 hours and 29 hours a week). It was available for up to 12 weeks and paid weekly ($5,880 in total for a full-time worker who qualified for the entire 12-week period - $11,760 for a couple who both qualified for the full-time rate).  CIRP was an individual entitlement so a couple who had both lost their jobs could each receive the payment, though it was not available where a couple had one partner remaining in work and earning from wages/salary $100,000 or more per annum (before tax).  CIRP was:   * available as an alternative to the main benefit - those in receipt of a main social security benefit were not eligible, though this group could opt to receive CIRP instead of a main benefit for 12 weeks; * available to people aged 65 or over receiving *New Zealand Superannuation* or a *Veteran’s Pension* (though could not be paid where a non-qualified partner was included) or a *Student Allowance (*though students were only eligible for the part-time rate of CIRP); * available to people receiving supplementary financial assistance through the *Ministry of Social Development*, such as the *Accommodation Supplement* – CIRP was treated as income when assessing these payments; * not income-tested or asset tested and was paid on an individual basis. If both partners in a relationship lost their job and met the other eligibility criteria, each of them would be eligible to receive the full rate of payment (i.e., up to a total of $980 per week); and * non-taxable and had no impact on *Working for Families* assistance, *Child Support* payments or *Student Loan* repayments.   CIRP was not available to people who received a redundancy payment of $30,000 (before tax) or more, income protection insurance payments or earnings-related ACC payments. The payment was not available to those who voluntarily terminated their employment during the eligible period (e.g. resigned), who were dismissed for misconduct, or who reached the end of a fixed-term employment agreement.  CIRP was available to people who had lost their job. People who were still working, but on reduced hours were not eligible. People receiving CIRP were expected to be available for, and actively seeking suitable work and taking appropriate steps towards gaining new employment. If a person found employment within the 12-week period CIRP payments ceased.  CIRP was implemented to coincide with the *COVID-19 Wage Subsidy Programme* closing for new applications. People who had lost their job between 1 March 2020 and 8 June 2020 who were already receiving a main social security benefit could chose to switch to the new payment from 8 June 2020.  Applications for CIRP could be made online via the *Ministry of Social Development* website from 8 June 2020 to 13 November 2020. |
| 9 June 2020 | **COVID-19 Response: Commencement of main social security benefits** | As part of the COVID-19 response, the initial stand down for main social security benefits was suspended between 23 March 2020 and 23 November 2020. As a result of a drafting error, the ‘employment ceased’ calculation was also removed. Termination payments such as holiday pay and sick pay (but excluding redundancy payments) are taken into account when determining the effective date that a person’s employment ceased. The *Social Security Regulations 2018* were amended to provide that termination payments were taken into account for the purpose of calculating the commencement date for a main social security benefit. |
| 10 June 2020 – 1 September 2020 | **COVID-19 Response: Wage Subsidy Extension Payment** | The *Wage Subsidy Extension Payment* was available from the *Ministry of Social Development* to support employers, including sole traders, who were still significantly impacted by COVID-19 after the 12-week Wage Subsidy had ended. It was available for an eight-week period, from 10 June 2020 until 1 September 2020.  The required revenue drop for businesses was reduced from 50 percent to 40 percent. The business must have had a revenue loss of at least 40 percent for a 30-day period in the 40 days immediately prior to the application date (but beginning no earlier than 10 May 2020) versus the nearest comparable period in 2019.  Up to 230,000 businesses, covering up to 910,000 workers were estimated to be eligible for the extended scheme.  Up until this time, the existing COVID Wage Subsidy Scheme had paid out $10.997 billion in respect of 1.66 million jobs. A survey of businesses that had used the scheme reported that for nearly two thirds the wage subsidy meant they were better able to use other cashflow for non-staff overheads, like commercial rent. About 89 percent said the wage subsidy would help them keep operating for the foreseeable future, while only six percent of those surveyed have indicated they are considering redundancies in the next few months. |
| 17 June 2020 | **COVID-19 Response: Apprenticeship Support Programme**  **Apprenticeship Support Initiative** | The Government announced a $519.8 million package to help protect the jobs of existing and new apprentices through the COVID-19 recovery. The new support package was intended to help ensure the jobs of existing apprentices were secure, as well as encouraging new apprentices to start training.  The *Apprenticeship Support Programme* contained four initiatives:   * a new *Apprentice Boost Initiative* – $380.6 million wage subsidy to employers to help them keep existing apprentices and employ new ones. From 5 August 2020 until April 2022 (subsequently extended to 4 August 2022 and then 31 December 2023), an estimated 18,000 employers were able to apply to the *Ministry of Social Development* for funding of up to $12,000 per apprentice in their first 12 months of training ($1,000 per month), and up to $6,000 in their second 12 months. * expanding *Mana in Mahi* - $30.3 million in new funding was provided to expand the *Ministry of Social Development’s Mana in Mahi* programme, which helped people move into long-term work and gain a formal industry qualification. It would now provide up to 24 months of support and an increased wage subsidy. This was in addition on the $49.9 million existing funding for *Mana in Mahi* from Budget 2019. *Mana in Mahi* supported those most disadvantaged in the labour market through industry training, including pre-apprenticeship training and formal level 4 apprenticeship programmes, and into long-term sustainable work. It included:   + a wage subsidy for employers;   + funding for pre-employment training;   + incentive payments for participants; and   + ongoing access to pastoral care. * a *Group Training Scheme* to provide $19 million to support seven existing Group Training Schemes to continue to employ apprentices and trainees and provide related services to host businesses. This was delivered by the *Tertiary Education Commission*; and * a *Regional Apprenticeships Initiative*   The *Apprenticeship Support Programme* contained targeted support for apprentices likely to be disproportionately impacted by COVID-19, with a focus on Māori, Pacific and disabled learners and those in regions without a strong history of apprenticeship training. |
| 19 June 2020 | **COVID-19 Response: Update** | By 19 June 2020, the *Ministry of Social Development* had received 692,873applications for wage subsidies. Payments under the Wage Subsidy and Leave Schemes totaled $11.9 billion, of which $872,9 million was for the *Wage Subsidy Extension Scheme*. These payments were associated with 1,695,175 jobs, of which 205,243 were jobs under *the Wage Subsidy Extension Scheme*. At 19 June 2020, 5,960 refunds of subsidy payments had been received totaling $176.1 million.  At 19 June 2020, there were 6,960 recipients of the *COVID Income Relief Payment*. Of these, 6,351 were formally full-time workers and 609 formally part-time workers. Just over 2,000 recipients had transferred from *Jobseeker Support* (Unemployment Benefit).  At 19 June 2020, there were 189,720 people receiving *Jobseeker Support* (Unemployment Benefit) an increase of 45,059 (31.1 percent) since 13 March 2020. Recipients of *Jobseeker Support* represented an estimated 6.3 percent of the working-age population, up from an estimated 4.8 percent on 13 March 2020. |
| 1 July 2020 | **COVID-19 Response: In Work Tax Credit employment hours test removed** | As part of the COVID-19 response, working families no longer needed to be “normally” working at least 20 hours a week (sole parents) or 30 hours a week (couples with children) to be eligible for the *In Work Tax Credit* (IWTC).  Removing the hours test extended eligibility for the IWTC to all families who were not receiving a main social security benefit and had some level of employment income each week. The change was made in the context of people facing a reduction in their hours of employment or variation in their hours of employment, in the wake of the COVID-19 virus. Around 19,000 low-income families were expected benefit from this change.  The IWTC was an income-tested cash payment of $72.50pw ($3,770 per year) to working families with children. |
| 1 July 2020 | **Paid Parental Leave increased**  **Increased to 26 weeks** | *Paid Parental Leave* was increased from a maximum of $585.80 gross per week to a maximum of $606.46 gross per week.  The increase reflected the 3.5 percent increase in average ordinary time weekly earnings over the year to March 2020.  The minimum payment for self-employed parents increased from $177.00 per week to $189.00 per week (equivalent to 10 hours at the minimum wage).  The maximum period of Government provided *Paid Parental Leave* was increased from 22 weeks to 26 weeks. This change had been announced by the Government in November 2017. |
| 1 July 2020 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $640 to $655; and * the income threshold was increased from $25,660 to $26,150.   The change reflected a 1.9 percent increase in the *Consumer Price Index* (All groups) for the 2019 calendar year. The maximum amount of the rebate was rounded up/down to the nearest $5.  The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2020/2021rating year was $26,150 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2020/2021 rating year (1 July 2020 to 30 June 2021), based on their income for the previous tax year (year ended 31 March 2020). |
| 1 July 2020 | **Residential Care Subsidy: Adjustment of asset levels** | The asset thresholds for the *Residential Care Subsidy* were adjusted by the movement in the *Consumer Price Index* (all groups) for the year to the end of March 2020 (2.53 percent).  Single people and couples with both partners in care were able to keep up to $236,336 in assets - up from $230.495, before they were used to contribute to the cost of their care. Couples both 65 years or over with one in residential care were able to keep $129,423 (excluding family home and car) - up from $126,224, or they could elect the higher asset threshold of $236,336 (including family home and car). |
| 1 July 2020 | **Residential Care Subsidy: Increase to the income from assets exemption** | The ‘income from assets exemption’ for the *Residential Care Subsidy* was adjusted by the movement in the *Consumer Price Index* for the year to the end of March 2020 (less the price increases from cigarette and tobacco products) 2.25 percent. The new income from asset exemption levels (after tax) were:   * single people: $1,027 per annum; * couple (both in care): $2,054 per annum; and * couple (one in care): $3,081 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 6 July 2020 | **COVID-19 Response: Rates of Orphan’s Benefit, Unsupported Child’s Benefit and Foster Care Allowance increased** | Rates of the *Orphan’s Benefit*, *Unsupported Child’s Benefit* and the *Foster Care Allowance* were increased by $25 per week. The new weekly rates were:   * 0-4 years - $200.71; * 5-9 years - $225.55; * 10-13 years - $244.11; and * 14+ years - $262.59.   *Foster Care Allowance* was paid by *Oranga Tamariki* to caregivers who provided care for children in State care. *Orphan’s Benefit* and *Unsupported Child’s Benefit* were paid by the *Ministry of Social Development* to eligible caregivers outside the statutory care system. |
| 6 July 2020 – 31 December 2020 | **COVID-19 Response: Increased availability of assistance with rent arrears** | As a temporary measure, all recoverable assistance with rent arrears was paid by the *Ministry of Social Development* via rent arrears assistance in the *Housing Support Assistance Programme*. To expand access to recoverable assistance with rent arrears for residential tenants, the following temporary changes were made:   * the maximum amount payable was increased from $2,000 to $4,000; and * the *Housing Support Assistance Programme* was considered in the first instance to provide recoverable support for both beneficiaries and non-beneficiaries with rent arrears.   The income limit for assistance under the *Housing Support Assistance Programme* was the income cut-out point for the *Accommodation Supplement* for the applicable family type living in Area 1. The cash asset limits were the same as those for the *Accommodation Supplement*.  Prior to this time, rent arrears assistance had been available either as an *Advance Payment of Benefit* or as *Recoverable Assistance for Non-Beneficiaries*. For people who did not qualify for either of these payments, recoverable assistance had been available to eligible people via the *Housing Support Assistance Programme*.  The provision of this temporary assistance was subsequently extended until the end of 30 June 2021. |
| 24 July 2020 | **Progressive Home Ownership Scheme: Announcement** | The Government announced a $400 million *Progressive Home Ownership Scheme*. Once fully implemented, the scheme was expected to assist around 4,000 households into home ownership. The fund which focused on assisting households to purchase ‘new builds’, had a priority to support:   * locations with severe housing affordability issues; * households unable to otherwise buy; and * Māori, Pacific people, and families with children.   The scheme was intended to support a number of home ownership models, including:   * **shared-equity**, where a household owns part of the home and a third-party the rest with the household buying back the share from the third-party over time; * **rent to buy**, where the provider purchases the house outright and a household rents the home from the provider at a below market rent that allows them to save for a deposit, with the right to purchase the home from the provider outright, or through a shared-equity scheme; and * **leasehold**, where a provide sells a home to a household, but retains ownership of the land, with the household able to purchase the land at a later date.   The first phase of the fund was delivery via providers in Auckland and Queenstown to support the around 100 families into home ownership.  As part of the Scheme, *Kāinga Ora* administered a ‘direct to household’ option, providing a shared-equity scheme whereby the government through *Kāinga Ora* took a share in the purchase of the home (up to $200,000) for a period of 15 years. This was implemented from October 2021.  To be eligible for the *Progressive Home Ownership Scheme* applicants needed to be:   * over the age of 18; * not currently own property in New Zealand or overseas; * a New Zealand citizen, permanent resident or resident visa holder who is ordinarily resident in New Zealand; * a household with a before tax income of under $130,000 per year; * a first-home buyer or ‘second chancer’ (as defined in the eligibility criteria for *KiwiBuild*); and * able to secure a commercial mortgage and have saved some of the amount for a deposit.   Households were also able to access other supports including the *First Home Grant*, *First Home Loan,* and the *Accommodation Supplement*, where eligible. |
| 5 August 2020 | **COVID-19 Response: Apprenticeship Boost Initiative implemented** | As part of the *Apprenticeship Support Programme*, the *Apprentice Boost Initiative* – $380.6 million wage subsidy to employers to help them keep existing apprentices and employ new ones was implemented.  Initially from 5 August 2020 until April 2022 (subsequently extended to 4 August 2022 and then 31 December 2023), an estimated 18,000 employers were able to apply to the *Ministry of Social Development* for funding of up to $12,000 per apprentice in their first 12 months of training ($1,000 per month plus GST), and up to $6,000 in their second 12 months ($500 per month plus GST). |
| 5 August 2020 | **COVID-19 Response: Mana in Mahi expanded** | As part of the *Apprenticeship Support Programme*, the *Mana in Mahi* (Strength in Work) initiative was expanded. From this time, it provided up to 24 months of support and an increased wage subsidy.  The new maximum rates of assistance were:   * wage subsidy: up to $16,000 (plus GST) for the participant's first year in Mana in Mahi, and up to $8,000 (plus GST) for the second year (this rate was paid proportionally for part-time employment); * support with training (pre-employment or on-the-job): up to $2,000 (plus GST) as agreed at the start of the *Mana in Mahi* contract; * fees for education or training course: up to $16,000 in total (plus GST) over two years (and not more than $8,000 within a 52-week period) towards course fees (where fees were not already covered by other fees free initiatives such as *Fees Free* or *Targeted Training and Apprenticeship Fund*); * incentive payments; up to $6,000 in total over two years (and not more than $3,000 within a 52-week period) at attendance and training milestones; and * additional educational support costs: up to $4,000 in total over two years (and not more than $2,000 within a 52-week period) for the actual and reasonable costs of any additional educational support costs.   Mana in Mahi was a programme that supported people who were at risk of long-term benefit receipt to get an apprenticeship, or other formal industry qualification, to gain sustainable employment. It was introduced in 2018, with expanded funding in the 2019 Budget and further expanded as part of *Apprenticeship Support Programme* – part of the Government’s COVID-19 response.  The Mana in Mahi programme was administered by the *Ministry of Social Development* under the *Employment and Work Readiness Assistance Programme*. The Ministry determined whether a participant and their employer were eligible for, and would be accepted in, Mana in Mahi. The employer also needed to meet requirements set out in their Mana in Mahi contract with the Ministry.  Mana in Mahi participants could qualify for incentive payments, financial assistance to support their education or training, pastoral care and mentoring.  Mana in Mahi employers were paid a wage subsidy for the participant and may also get financial assistance towards the cost of the participant’s course fees, education and training. |
| 7 August 2020 | **COVID-19 Response: Residential Development Response Fund** | The *Residential Development Response Fund* was established to support the residential construction sector and to minimise the economic impact from COVID-19. The fund was intended to help progress stalled or at-risk developments that supported the government’s broader housing objectives. Projects were supported through the sharing of some of the increased COVID-19 risks, with the government underwriting developments.  The new fund operated alongside the *KiwiBuild* programme and provided more flexibility where a buyer had not been found. This included selling *KiwiBuild* homes to progressive home ownership providers, community housing providers and where appropriate *Kāinga Ora*. Up to 25 percent of *KiwiBuild* homes in an underwritten development could be sold on the open market to further incentivise lenders and developers to keep delivering new housing. |
| 12 August 2020 | **Residential Tenancies Act: Changes to tenancy laws** | A number of changes to the tenancy laws were included in the *Residential Tenancies Amendment Act 2020*. These included:   * removing ‘no-cause’ 90-day termination notices and replacing them with a list of specified, justified reasons that a landlord can end a tenancy; * making rental properties safer and more liveable by enabling tenants to make minor changes to the property, such as installing child proofing, hanging pictures or earthquake proofing; * improving compliance by introducing a range of tools for the regulator (*Ministry of Business, Innovation and Employment*) to respond to people who were not meeting their obligations; * banning landlords from seeking rental bids; and * limiting rent increases to once every 12 months.   The changes followed the release of a public consultation document in August 2018.  To give landlords and tenants time to prepare for the new rules, most of the changes came into force after a period of six months. The 12-monthly limit on rent increases came into effect on 12 August 2020. Rent increases could take effect from 26 September 2020 (at the end of the rent freeze which was part of the COVID-19 response).  The changes also confirmed that the *Residential Tenancies Act 1986* did not apply to transitional housing or emergency housing. |
| 1 October 2020 | **Work Readiness Assistance: Incentive payment increased to $5,000 – ‘$5K to Work’** | The $3,000 incentive payment available to eligible beneficiaries who were required to relocate to take up a confirmed offer of paid employment was increased to $5,000.  Known as ‘*$5k to Work*’, a beneficiary who met the eligibility criteria for assistance under the *Employment and* *Work Readiness Assistance Programme* and who was relocating to take up paid employment could qualify if they met the following criteria:   * proof of a confirmed, sustainable job offer that would continue for more than 91 days that was either:   + 30 hours or more per week (included instances where a 90-day trial period was part of the job offer); or   + less than 30 hours per week if the client could support themselves without a main benefit.   The ‘*$5K to Work’* grant had to be repaid if the client returned to benefit within 91 days or returned to study. |
| 3 October 2020 | **Porirua Housing Partnership: Transfer of State houses** | Over 900 State houses in western Porirua (Titahi Bay, Mana and Tawa) were transferred to *Ngāti Toa’s* new *Community Housing Provider*, *Te Ähura Möwai*. Under a partnership signed in 2019 they would manage the properties and tenancies for 25 years.  Existing tenants retained their tenancy and if they needed to be temporarily re-housed during redevelopment they had the choice to return to their original area, to a new or upgraded home. |
| 19 October 2020 | **Emergency Housing Special Needs Grant: Client contribution implemented** | From this time, recipients of an *Emergency Housing Special Needs Grant* (EHSNG) who had been in emergency housing for more than seven days were required to contribute 25 percent of their income towards the cost of emergency accommodation. This aligned the emergency housing contribution with the contribution applicable to people in transitional housing and public housing. For beneficiaries, the contribution was taken out of their next available benefit payment. |
| 2 November 2020 | **Social Housing: Changes to the residency criteria** | The residential qualifications for social housing were expanded to include the following people:   * refugees or protected persons; * holders of a *Christchurch Response Visa*; * those receiving payments under the *Christchurch Mosques Attack Welfare Programme*; and * applicants for a residence class visa who were receiving payments under the *Special Needs Grant Programme* due to the loss of the support of their partner due to family violence. |
| 2 November 2020 | **Flexible Funding Assistance for people with children living in emergency housing** | *Flexible Funding Assistance* was a last resort, non-taxable and non-recoverable financial assistance for people with a dependent child or children staying in accommodation funded by the *Emergency Housing Special Needs Grant* (EHSNG).  The purpose of *Flexible Funding Assistance* was to assist with meeting the educational, early childhood and wellbeing needs of families with children, when additional costs occurred because they are staying in emergency housing, usually a motel. This could include costs for children travelling to school or other activities, school lunches or attending after school/holiday programmes.  Payments of *Flexible Funding Assistance* were made by contracted providers to suppliers on behalf of the *Ministry of Social Development*.  The assistance was paid under the *Social Security Act 2018*, via a new Ministerial Welfare Programme – Flexible Funding Programme.  The *Flexible Funding Assistance Programme* was a time-limited initiative with an expiry date of 2 November 2023. This was subsequently extended until 30 June 2024. |
| 9 November 2020 | **New Zealand Superannuation and Veteran’s Pension: Non-qualified partner provision removed and overseas government pensions received by a partner no longer deducted** | The following changes were made to the eligibility rules for *New Zealand Superannuation* and the *Veteran’s Pension*:   * closing the non-qualified partner provision to new applicants, with people currently included as a non-qualified partner able to continue to receive this rate until their circumstances changed; and * removing the direct deduction of a government-administered overseas pension received by a superannuitant’s partner from a superannuitant’s pension.   The changes had been announced as part of the 2019 Budget, with implementation delayed due to COVID-19. |
| 9 November 2020 | **Emergency Benefit: Two new categories introduced** | As a result of the closure of the option to include a non-qualified spouse or partner in a person’s *New Zealand Superannuation* or *Veteran’s Pension*, two new eligibility categories were implemented for the *Emergency Benefit*:   * an applicant who would be eligible for a *Supported Living Payment* except that they were caring full-time for a superannuitant spouse or partner; and * an applicant who would be eligible for *Jobseeker Support* except they had a superannuitant spouse or partner and were the principal caregiver of a dependent child aged under 14 years. |
| 24 November 2020 | **COVID-19 Response: Initial stand down temporary suspension extended** | On 23 March 2020, the initial stand-down of one or two weeks that applied to most applicants for a main social security benefit was temporarily suspended to support clients through the impact of COVID-19. The temporary suspension was extended until 24 July 2021. |
| 27 November 2020 | **Seasonal Work Assistance Programme: Maximum payment increased** | The maximum weekly payments under the *Seasonal Work Assistance Programme,* where it was not possible to undertake seasonal work due to adverse weather conditions, were increased. The payment structure was simplified to one set of rates based on hours of work. Prior to this, there were higher hourly rates for people with children. The maximum total payment in a 26-week period was increased from $940 to $2,149.  The *Seasonal Work Assistance Programme* was introduced in 2002 and provided non-taxable financial assistance to former beneficiaries who took up seasonal horticultural work and were unable to work due to adverse weather conditions. |
| 1 December 2020 | **COVID-19 Response: Emergency Benefit for temporary visa holders** | Provision was made to pay the *Emergency Benefit* to temporary visa holders who were in hardship and could not return home due to COVID-19. A temporary visa holder did not have to be ordinarily resident in New Zealand to qualify for this assistance.  An *Emergency Benefit* for temporary visa holders could be paid to a person who:   * was aged 16 years or older; * held a valid temporary visa (work, student or visitor visas that was not a sponsored visa) and who was not eligible for another type of social security benefit; * was either: ◦making plans to return home as soon as their circumstances allowed or had work to support themselves starting within a short-time (e.g., they could return home but there was a delay or they had a genuine job offer to take up in the short-term that would allow them to sustain themselves in New Zealand); or * unable to return home because of COVID-19 restrictions or another unforeseen event that meant they could not use available means of getting home (e.g., a severe medical event); * had no other means to support themselves or their partner or dependent children (if any) while they were stranded in New Zealand; * was in hardship; and * had taken all reasonable steps to find other means of supporting themselves or to return home.   People who qualified for the *Emergency Benefit* could also receive the *Family Tax Credit* and *Best Start Tax Credit*, where eligible.  This provision was set to expire on 28 February 2021 but was subsequently extended until 31 August 2021. |
| 1 December 2020 | **Healthy Homes Standards: Statement of compliance** | Landlords were required to include a statement of their current level of compliance with the *Healthy Homes Standards* in most new or renewed tenancy agreements. All private rental housing was required to be fully compliant by 1 July 2024. |
| 21 January 2021 | **Public Housing Plan 2021-2024** | The Government released the *Public Housing Plan 2021-2024* which outlined intentions as to where the additional public housing (6,000 places) and transitional housing (2,000 places) announced in the 2020 Budget would be located. These places were scheduled to be delivered by 2024. It superseded the *2018 Public Housing Plan*.  The Plan anticipated:   * greater collaborative partnerships between the *Ministry of Housing and Urban Development*, *Kāinga Ora*, iwi and Māori, Local Government and the construction industry; * more public housing delivered in regional centres and towns where housing demand was growing the fastest – alongside delivery in the main centres; * more placed-based and MAIHI (*Māori and Iwi Housing Innovation Framework for Action*) approaches and bespoke solutions to respond to different housing needs – especially for Māori; and * an increase in the number of new build public housing and a progressive decrease in the proportion of private market homes leased for public housing. |
| 4 February 2021 | **COVID-19 Response: COVID Income Relief Payment (CIRP) ceased** | Payment of the *COVID-19 Income Relief Payment* (CIRP) ceased. CIRP had been available for 12 weeks as an alternative to a social security benefit for people who had lost their job between 1 March 2020 and 30 October 2020.  At the end of the 12-week period, recipients were transferred to the appropriate social security benefit, where eligible. |
| 9 February 2021 | **COVID-19 Response: Short-Term Absence Payment** | The *Short-Term Absence Payment* (STAP) was available to businesses (including the self-employed) whose workers needed to stay at home while they awaited a COVID-19 test result. It provided a one-off payment of $350 per worker to help pay that staff member while they awaited a test result, if they were unable to work from home.  STAP also covered household contacts (or secondary contacts) who were staying at home in line with public health guidance, while waiting for a close contact to get a test result.  The following employees were not eligible for the payment:   * those who did not have COVID-19 symptoms and were taking part in routine testing in their workplace, such as border and Managed Isolation and Quarantine (MIQ) workers; * those who did not have COVID-19 symptoms and were taking part in surveillance-testing; * returning international air crew; * employees currently overseas; * employees staying in managed isolation facilities; and * employees of a State Sector organisation or Stated Owned Enterprise.   A business could apply to the *Ministry of Social Development* for the payment. An application could be made up to eight weeks after the COVID-19 test was taken. A business could not get the *COVID-19 Leave Support Scheme*, or any other COVID-19 subsidy for the same worker for the same time period. |
| 11 February 2021 | **Hardship Assistance: Costs resulting from assignment, sub-letting or ending a tenancy early** | Recoverable assistance (*Advance Payment of Benefit* or *Recoverable Assistance Payment for Non-Beneficiaries*) was available in respect of costs faced by a tenant resulting from assignment, sub-letting or ending a tenancy early. The guideline for the maximum payment was $200.  Changes to the *Residential Tenancies Act 1986*, provided that if a landlord incurred actual and reasonable costs due to assignment, sub-letting or ending a tenancy early, they could recover these costs from the tenant. A landlord could only charge for their actual and reasonable costs once they have provided a breakdown of their expenses to the tenant. |
| 15 February 2021 | **COVID-19 Response: Flexi-Wage Subsidy expansion** | The Government announced a $300 million expansion of the *Flexi-Wage Subsidy Programme* to get 40,000 more New Zealanders into work over the next two years.  The *Flexi-Wage Subsidy* expansion widened eligibility to support people who were not receiving a social security benefit but were disadvantaged in the labour market, increased the subsidy rates, introduced set rates and durations, and increased support for people out of work wanting to become self-employed.  The total amount of *Flexi-wage Subsidy* and extra assistance paid for a person could not exceed $22,000 (GST inclusive) in a 52-week period.  Payments were made by the *Ministry of Social Development* via a Ministerial Welfare Programme for special assistance under the Social Security Act 2018 - *Flexi-wage Employment Assistance Programme.*  From 16 August 2021, payments of the *Flexi-wage Subsidy* were made four weeks in advance, instead of four weeks in arrears. |
| 18 February 2021 | **COVID-19 Response: Resurgence Support Payment introduced** | A new *Resurgence Support Payment* was introduced to help businesses directly affected when there was a move to COVID Alert Level 2 or above for a week or more. This was intended to help sectors like hospitality and events, who faced particular disruptions as COVID Alert Levels changed.  The one-off *Resurgence Support Payment* was available from the *Inland Revenue Department* and subject to the following criteria:   * the lower of $1,500 plus a $400 payment per employee up to a total of 50 FTEs (maximum total payment of $21,500 or $1,900 for a sole trader) **or** four times the actual revenue decline experienced by the business; * businesses needed to declare a drop of 30 percent or more in income over a 14-day period as a result of an increase from COVID Alert Level 1 to COVID Alert Level 2 or higher; and * they must have been in business for at least six months in order to apply.   Applications for the payment were open in myIR for eligible business and organisations seven days after the alert level increase. They remained open for one month after the return to Alert Level 1.  The *Resurgence Support Payment* was made available:   * in February/March 2021, following Auckland moving to Alert Level 3 and the rest of New Zealand moving to Alert Level 2; and * in June 2021, following Wellington moving to Alert Level 2. |
| 23 February 2021 | **Social Security benefits: 52-week reapplications restarted** | 52-week reapplications for *Jobseeker Support* and *Sole Parent Support* were restarted after being deferred due to COVID-19. Beneficiaries were required to reapply for their benefit and complete a work assessment. In the following situations beneficiaries were not required to complete the 52-week reapplication:   * they were in hospital; * they were receiving Residential Support Services; or * an emergency or adverse event had occurred in their region. |
| 28 February 2021 | **COVID-19 Response: Emergency Benefit for temporary visa holders extended** | The provision to pay *Emergency Benefit* to temporary visa holders was set to end on 28 February 2021. It was extended until 31 August 2021.  Eligible people were those with a valid temporary visa who were in financial hardship (met the hardship test for the *Emergency Benefit*) and could not return home due to COVID-19.  People who qualified for the *Emergency Benefit* could also receive the *Family Tax Credit* and *Best Start Tax Credit*, and from 1 May 2021, the *Winter Energy Payment*. |
| 4 March 2021 | **COVID-19 Wage Subsidy activated** | The *COVID-19 Wage Subsidy* was activated to support businesses while Auckland was in Alert Level 3 and the rest of New Zealand in Alert Level 2 – Sunday 28 February 2021 to Sunday 7 March 2021 .  To qualify, a business needed to experience a 40 percent decline in revenue over a consecutive 14-day period between 28 February and 21 March 2021, compared to a typical 14-day period between 4 January and 14 February 2021 (six weeks before the change in Alert Levels). The Subsidy was available to businesses throughout New Zealand.  The subsidy for March 2021 was paid for two weeks at the rate of:   * $585.80 a week for each full-time employee retained (20 hours a week or more); and * $350 a week for each part-time employee retained (less than 20 hours a week).   Payments were available from Monday 8 March 2021.  The subsidy was not available in respect of an employee for the period they were covered by the *Leave Support Scheme* or *Short-Term Absence Payment*.  A business may also have been able to receive the *Resurgence Support Payment* from the *Inland Revenue Department* to assist with business costs.  The subsidy was available to be activated when Alert Level 3 or 4 was activated for seven days or more. |
| 19 March 2021 | **Nelson City Council social housing transferred to Kāinga Ora** | 142 *Nelson City Council* social housing properties were sold to *Kāinga Ora* with the transfer taking place on 19 March 2021. Tenants were told about their change of landlord in November 2020.  The agreement between *Nelson City Council* and *Kāinga Ora* provided that existing tenants could stay in their homes and that their rent would not increase (taking into account a loss in any eligibility to the *Accommodation Supplement*) for the 12 months following the transfer.  Most tenants qualified for an *Income-Related Rent* and as a result had a reduction in their housing costs.  Council social housing tenants were able to receive the *Accommodation Supplement* where eligible. Tenants of *Kāinga Ora* were not eligible for the *Accommodation Supplement* but instead received an *Income-Related Rent*. |
| 23 March 2021 | **Taxation: Measures announced to reduce investor demand for residential property** | The Government announced a housing package that was intended to increase the supply of houses and remove incentives for speculators, to deliver a more sustainable residential housing market. This included two taxation measures:   * extending the ‘bright-line test’ from five years to ten years, with an exemption to incentivise new builds – from 27 March 2021; and * phasing out interest-deductibility for owners of residential investment property (interest was able to be claimed as an expense and reduce overall tax liability). Interest deductibility would not be available in respect of residential investment property purchased after 27 March 2021. For residential investment property purchased before this date, interest deductibility was to be phased out over a four-year period, with the phase-out completed by 1 April 2025. |
| 26 March 2021 | **KiwiSaver: Early withdrawal for people with life-shortening congenital conditions** | Regulations under the *KiwiSaver Act 2006* provided a list of life-shortening congenital conditions that guaranteed early withdrawal under the new *KiwiSaver* withdrawal category created in 2020.  The life-shortening congenital conditions were:   * down syndrome; * cerebral palsy; * huntington’s disease; and * fetal alcohol spectrum disorder.   People with these conditions were automatically entitled to apply to withdraw from their *KiwiSaver* fund at a time that is right for them to retire, rather than once they turn 65.  For others born with life-shortening congenital conditions – these might be rarer conditions – withdrawal was still available under the new provisions. In these cases, the only additional requirement was for a medical practitioner to verify that the person suffered from a life-shortening congenital condition. |
| 27 March 2021 | **Taxation of gains from residential property: ‘Bright-line test’ extended from five to ten years** | The ‘bright-line test’, which taxed gains from residential investment property acquired and sold within a specified timeframe, was extended from five years to ten years. Income arising under the ‘bright-line test’ was taxed at a person’s marginal income tax rate.  A person’s home was excluded from the ‘bright-line test’, but the exclusion only applied to the period where the property was used as the main home. Transfers upon death, including subsequent sale by a beneficiary and transfers resulting from a relationship property agreement were also exempt.  The extension to the bright-line test was part of the Government’s response to reduce investor demand for property. Decreasing the tax advantage that property investors could receive would reduce the amount investors were prepared to pay for a given house and the number of houses that they would buy. The measure was intended to support first-home buyers and help lift New Zealand’s home ownership rates.  From 1 October 2021, interest deductibility was no longer allowed in respect of residential investment property acquired on or after 27 March 2021. Tax deductions on interest on borrowings drawn down before 27 March 2021 for residential investment property were to be phased out between 1 October 2021 and 31 March 2025.  From 1 October 2021, an exemption for property development and new build rental housing was applied to stimulate investment in new housing. A property that received its code of compliance certificate on or after 27 March 2020 was eligible to deduct interest for up to 20 years. This exemption applied to the initial purchaser of the new build and any subsequent owner within the 20-year period. |
| 1 April 2021 | **Main Benefits: Rates increased by the movement in the after-tax average wage** | After tax rates of main *Social Security Benefits* wereincreased by 3.10 percent to reflect the increase in the after-tax average wage over the previous 12 months. |
| 1 April 2021 | **Student Allowances, Foster Care Allowances and other social security payments and thresholds increased by the movement in Consumer Price Index** | Rates of *Student Allowances*, *Foster Care Allowances*, *Orphan’s Benefit, Unsupported Child’s Benefit*, *War Pensions* and other social security benefits, allowances and thresholds were increased by 1.15 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting these rates excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. |
| 1 April 2021 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 1.15 percent required a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the average ordinary time weekly wage. As a result, the net rate *of New Zealand Superannuation* paid to a married couple who both qualified was increased by 3.10 percent. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2021 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased to reflect the movement of 1.15 percent in the *Consumer Price Index* (less cigarettes and tobacco). An additional adjustment was, however, made to the income cut-out points to ensure that recipients of *New Zealand Superannuation* or a *Veteran’s Pension* did not lose eligibility as a result of the increase to the rate of their pension. The new income levels were:  *People other than NZS/VP recipients:*   * $27,909 Single (sharing); * $29,618 Single (alone); * $44,290 Couple; * $54,098 2 person family; * $66,589 3 person family; * $76,822 4 person family; * $86,873 5 person family; and * $97,937 6 person family.   For each additional child thereafter, income levels increased by $9,926.  *Recipients of NZS/VP:*   * $29,677 Single (sharing); * $31,568 Single (alone); * $47,378 Couple; * $54,098 2 person family; * $66,589 3 person family; * $76,822 4 person family; * $86,873 5 person family; and * $97,937 6 person family.   For each additional child thereafter, income levels increased by $9,926. |
| 1 April 2021 | **ACC Earner Premium unchanged** | The *ACC Earner Premium* remained at 1.39c (GST inclusive) in the dollar. The maximum earnings liable for the *Earner Premium* increased to $130,911 for 2021/2022, with the maximum premium of $1,819.66 for the 2021/2022 tax year. |
| 1 April 2021 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $967 per annum ($18.59 per week). |
| 1 April 2021 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $29,432 to $30,576. It provided a minimum after tax income of $588 per week.  The *Minimum Family Tax Credit* provided a guaranteed minimum income to families with a dependent child or children who were in full-time work. It ensured that families did not face a reduction in income when moving from a social security benefit into paid work.  The changes to the income test for main social security benefits (see below) which increased the overall income of beneficiaries with other earnings, required an increase in the level of the *Minimum Family Tax Credit*. |
| 1 April 2021 | **In-Work Tax Credit: Continued eligibility during short breaks in paid work** | From 1 April 2021, people could continue to receive the *In-Work Tax Credit* for up to two weeks when taking an unpaid break from work. This could be either during a transition between jobs, or where a person was unpaid for a period or left employment. People needed to notify the *Inland Revenue Department* to ensured that their *In-Work Tax Credit* payments continued. |
| 1 April 2021 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by $1.10 per hour to $20.00 gross per hour ($800 for a 40-hour week or $667.73 after tax at the M rate).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by $0.88 per hour to $16.00 gross per hour (80 percent of the adult minimum wage).  The fortnightly adult minimum wage was set at $1,600 before tax, increased by $20.00 for each hour worked in excess of 80 per fortnight. The *Starting Out Minimum Wage* and *Training Minimum Wage* was set at $1,280 per fortnight before tax and $16.00 for each hour worked in excess of 80 per fortnight.  The increases were expected to deliver gains for up to 175,500 workers.  The increase was in line with the Government’s goal that the adult minimum wage reached $20 per hour by 2021. This goal had been announced in December 2018. |
| 1 April 2021 | **Student Allowance: Parental income threshold increased** | The *Parental Income Threshold* for a *Student Allowance* was increased by 1.15 percent to $57,545.28. for the 2021/2022 year. |
| 1 April 2021 | **Student Loan Scheme: Repayment threshold increased** | The *Student Loan Repayment Threshold* was increased from $20,020 to $20,280 for the 2021/2022 tax year.  Loan repayments at 12c in the dollar were required on income above the threshold. |
| 1 April 2021 | **Main Social Security Benefits: Changes to the income test** | The income abatement thresholds for main social security benefits were increased. The following income test applied:  **Jobseeker Support**   * For single people and couples, income in excess of $160 gross per week (equivalent to eight hours work at the adult minimum wage) reduced the after-tax benefit by 70c. * Sole parents who were transferred from *Sole Parent Support* to *Jobseeker Support* when their youngest child turned 14 and new sole parent applicants for *Jobseeker Support* were subject to the more generous abatement regime that encouraged part-time work. Income of between $160 and $250 gross per week reduced the after-tax benefit by 30c and income in excess of $250 gross per week reduced the after-tax benefit by 70c. * For sole parents who had their income assessed annually, they could earn up to $8,320 gross before their benefit was reduced. * Sole parents in receipt of *Jobseeker Support* who had to pay childcare costs because they were working could receive an additional income exemption of $20 per week.   **Sole Parent Support**   * Income of between $160 and $250 gross per week reduced the after-tax rate of benefit by 30c. Income in excess of $250 per week reduced the after-tax rate of benefit by 70c. A beneficiary who had their income charged annually could earn up to $5,980 before their benefit was affected. Income between $8,320 and $13,000 reduced after-tax rate of benefit payable by 30c for each dollar and income in excess of $13,000 reduced the after-tax rate of benefit by 70c for each dollar. * Recipients of *Sole Parent Support* who had to pay childcare costs because they were working could receive an additional income exemption of $20 per week.   **Supported Living Payment**   * Income of between $160 and $250 gross per week reduced the after-tax net rate of benefit by 30c. Income in excess of $250 per week reduced the after-tax rate of benefit by 70c. A beneficiary who had their income charged annually could earn up to $5,980 before their benefit was affected. Income between $8,320 and $13,000 reduced the after-tax rate of benefit payable by 30c for each dollar and income in excess of $13,000 reduced the after-tax rate of benefit payable by 70c for each dollar. * An additional income exemption of $20 per week applied to personal earnings and all the personal earnings of a blind beneficiary were exempt. As an incentive for the personal effort of a severely disabled person to participate or continue in employment, there was discretion to disregard all or part of any income earned from employment as chargeable income for benefit purposes. This did not apply to the earnings of a spouse/partner, unless they also qualified for the *Supported Living Payment* in their own right. * There was no couple rate of *Supported Living Payment* for carers. Where there was a partner, they would either qualify for another benefit in their own right or have their own income. In these situations, joint income between $8,320 and $13,000 reduced the after-tax amount of benefit by 15c and income in excess of $13,000 reduced the after-tax amount of benefit by 35c.   The *Abatement Threshold Increase (Transitional Assistance) Programme 2021* provided temporary assistance for up to 12 months (until 31 March 2022) to specified beneficiaries who were financially disadvantaged as an unintended consequence of changes to income test. Transitional assistance was available in respect of a reduction in *Childcare Assistance* or *Temporary Additional Support*, or both, or of special assistance under the *Christchurch Mosques Attack Welfare Programme*, if the reason for that reduction was or included the effect of the changes to the income test. |
| 1 April 2021 | **New Zealand Superannuation and Veteran’s Pension: Changes to the income test when a non-qualified partner included** | The income test for *New Zealand Superannuation* and the *Veteran’s Pension* when a non-qualified partner was included was changed. The income exemption was increased from $5,980 per annum to $8,320 per annum. Income in excess of the exemption continued to reduce the before tax benefit by 70c for each dollar of income (before tax). These changes mirrored the changes to the income test for employment-related social security benefits.  The provision for a person to include their non-qualifying partner in their *New Zealand Superannuation* or *Veteran’s Pension* was closed to new applicants from 9 November 2020. Existing recipients had been grandparented until their circumstances changed. |
| 1 April 2021 | **Personal Income Tax: Rate of income tax increased to 39 percent for higher income earners** | For people earning over $180,000 per annum, the tax rate on their earnings that exceeded $180,000 was increased from 33 percent to 39 percent.  The change resulted in the following income tax scale:   * up to $14,000 - 10.5%; * $14,001 to $48,000 - 17.5%; * $48,001 and up to $70,000 - 30%; * $70,001 and up to $180,000 - 33%; and * $180,001 and over - 39%.   The tax increase was expected to impact the top two percent of income earners. |
| 1 April 2021 | **Child Support Scheme: Measures to reduce complexity, improve fairness and increase compliance.** | The 2017 discussion document *Making Tax Simpler: Better administration of social policy* contained proposals aimed at improving the way social policy entitlements and obligations, including the *Child Support Scheme*, were administered by the *Inland Revenue Department*. The focus of the discussion document was not on changing the fundamental policy settings, but rather improving the administration by taking advantage of the opportunity offered by the modernisation of the Inland Revenue Department’s systems. Following public feedback, the following changes were made to the administration of the Scheme:   * simplifying the penalty rules; * introducing compulsory employer deductions for new liable persons (people who were liable to pay *Child Support* before 1 April 2021 and who were compliant with their obligations could continue to choose to pay by another method); * limiting retrospective reassessments by introducing a ‘time bar’ restricting reassessments of *Child Support* to a four-year period (prior to this reassessments could go back to 1992); and * amending the definition of income by incorporating investment income and no longer offsetting losses from earlier years. |
| 1 April 2021 | **First Home Products: Income caps and house price caps increased** | The income caps were increased from $85,000 to $95,000 for individual buyers and from $130,000 to $150,000 for multiple buyers. The regional house price caps were increased to reflect the increased cost of housing.  The *First Home Grant Scheme* provided a deposit subsidy for first-home buyers of up to $5,000 when buying an existing property or up to $10,000 for a new build property. The grant was available to eligible *KiwiSaver* members who had been contributing three percent of their salary to *KiwiSaver* for at least three years. The amount of the grant was based on the number of years that an individual had been a contributing *KiwiSaver* member.  The *First Home Loan Scheme* assisted first home buyers to secure a loan with a five percent deposit.  To be eligible for the grant and/or the loan, buyers must have been earning under the income caps and purchasing a property below the house price cap for the region they were buying in. Buyers were also required to meet other eligibility criteria (such as the minimum age) and meet bank lending requirements. |
| 14 April 2021 | **COVID-19 Response: New Zealanders Stranded Overseas Support Programme extended** | From 20 April 2020, the *New Zealanders Stranded Overseas Support Programme* provided non-recoverable special assistance to applicants who were previously eligible for New Zealand Superannuation, Veteran's Pension or a benefit, including supplementary assistance, but who, because of the effects of COVID-19, had been unable to return to New Zealand, and to whom assistance at the domestic rate was not otherwise payable.  The payment was not available to beneficiaries who had left New Zealand on or after 26 March 2020, or to beneficiaries who had no intention of returning to New Zealand.  The programme was extended until 31 August 2021. |
| 4 June 2021 to 4 June 2022 | **Christchurch Mosques Attack Welfare Programme extended** | Financial assistance available under the *Christchurch Mosques Attack Ministerial Welfare Programme* was extended for a further year until 4 June 2022.  The programme provided financial assistance to people affected by the Mosque attacks, where their residency status might otherwise have prevented them receiving assistance under the standard provisions of the *Social Security Act 2018*.  Between June 2019 and December 2020, 111 people had received assistance under the Programme at a total cost of $1.065 million. In March 2021, 14 people continued to receive assistance under the Programme and around 10 were expected to continue to need assistance until June 2022.  The programme had been introduced in June 2019, initially for a period of 12 months, but subsequently extended until 4 June 2021, by which time the residency status of people requiring assistance was expected to be confirmed.  Note that the programme was subsequently extended until 30 June 2023. |
| 8 June 2021 | **Te Ara Ahunga Ora (Retirement Commission)** | The *Commission for Financial Capability* adopted a refreshed Māori name to reflect their new strategic purpose, vision, and mission, and returned to their founding English name.  From this time the Commission was known as – *Te Ara Ahunga Ora Retirement Commission.*  The independent office of the *Retirement Commissioner* had been established from 1 April 1994 under the provisions of the *Retirement Income Act 1993,* subsequently incorporated within the *New Zealand Superannuation and Retirement Income Act 2001.* In July 2011, the *Retirement Commission* was renamed the *Commission for Financial Literacy and Retirement Income* and in 2015 had adopted the name *Commission for Financial Capability*. The *Retirement Commissioner* had remained as head of the Commission throughout the period. |
| 9 June 2021 | **Residential Care Subsidy: Lump sum retrospective payments excluded from the means test for social assistance** | Following a 2019 Court of Appeal finding that some aspects of the Ministry of Social Development’s financial means assessment for the *Residential Care Subsidy* were inconsistent with the legislation, retrospective reviews were undertaken, and payments made to around 2,100 affected clients, or to their estate. Retrospective back-payments were exempt from the asset and income tests for the *Residential Care Subsidy* and social security benefits for a period of 12 months from the date of payment. |
| 25 June 2021 | **Ministry of Social Development: Payments by cheque ceased** | From this time the *Ministry of Social Development* no longer made payments using cheques. *Westpac Banking Corporation* who provided banking services to Government agencies no longer accepted or issued cheques.  The main impact of this change was payment of the *Steps to Freedom Grant* for prisoners on release from prison. From this time, payment was made directly to a supplier of goods and services, to a Westpac Steps to Freedom Card or by direct credit to the applicant’s (or their agent’s) bank account.  The Ministry could also no longer accept cheques as payment. For example a person with a debt could not deposit a cheque into a Ministry account for debt repayments. |
| 1 July 2021 | **Paid Parental Leave increased** | *Paid Parental Leave* was increased from a maximum of $606.46 gross per week to a maximum of $621.76 gross per week.  The increase reflected the 2.5 percent increase in average ordinary time weekly earnings over the year to March 2021.  The minimum payment for self-employed parents increased from $189.00 per week to $200.00 per week (equivalent to 10 hours at the minimum wage). |
| 1 July 2021 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $655 to $665; and * the income threshold was increased from $26,150 to $26,510.   The change reflected a 1.4 percent increase in the *Consumer Price Index* (All groups) for the 2020 calendar year. The maximum amount of the rebate was rounded up/down to the nearest $5.  The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2021/2022 rating year was $26,510 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2021/2022 rating year (1 July 2021 to 30 June 2022), based on their income for the previous tax year (year ended 31 March 2021). |
| 1 July 2021 | **Residential Care Subsidy: Adjustment of asset levels** | The asset thresholds for the *Residential Care Subsidy* were adjusted by the movement in the *Consumer Price Index* (all groups) for the year to the end of March 2021 (1.52 percent).  Single people and couples with both partners in care were able to keep up to $239,930 in assets - up from $236,636, before they were used to contribute to the cost of their care. Couples both 65 years or over with one in residential care were able to keep $131,391 (excluding family home and car) - up from $129,423, or they could elect the higher asset threshold of $239,930 (including family home and car). |
| 1 July 2021 | **Residential Care Subsidy: Increase to the income from assets exemption** | The ‘income from assets exemption’ for the *Residential Care Subsidy* was adjusted by the movement in the *Consumer Price Index* for the year to the end of March 2021 (less the price increases from cigarette and tobacco products) 1.44 percent. The new income from asset exemption levels (after tax) were:   * single people: $1,042 per annum; * couple (both in care): $2,083 per annum; and * couple (one in care): $3,125 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2021 | **Main social security benefits: Rates of payment increased** | All after-tax rates of main social security benefits were increased by $20 per week. For a couple receiving a benefit the total increase was $40 per week. This was the first stage of an adjustment to rates of main benefits that was announced in the 2021 Budget. The second stage of the adjustment took place from 1 April 2022. In total, weekly main benefit rates were increased by between $32 and $55 per adult, with a greater increase for beneficiary households with children. The increases were in line with the recommendation from the 2018/2019 *Welfare Expert Advisory Group* (WEAG).  The *Transitional Assistance Payment - Benefit Rate Increase* was provided for beneficiaries receiving *Temporary Additional Support* who were financially worse off overall on 1 July 2021 as an unintended consequence of either:   * the increase to main benefit rates on 1 July 2021; or * the change to the calculation of the Disability Exception Amount in the *Temporary Additional Support* formula on 1 July 2021.   Beneficiaries who may have been financially worse off overall included some receiving *Temporary Additional Support* (or the equivalent Christchurch Mosques Attack special assistance) who could lose entitlement to the upper limit of *Temporary Additional Support* and the Disability Exception Amount. The payment was non-taxable and paid for up to 12 months. Eligible beneficiaries automatically received the *Transitional Assistance Payment*. |
| 1 July 2021 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $30,576 to $31,096. It provided a minimum after tax income of $598 per week.  The *Minimum Family Tax Credit* provided a guaranteed minimum income to families with a dependent child or children who were in full-time work. It ensured that families did not face a reduction in income when moving from a social security benefit into paid work.  The increase was required as a result of the increase to rates of main social security benefits on 1 July 2021. |
| 1 July 2021 to 1 January 2025 | **Training Incentive Allowance: Reinstated for higher level courses** | For the period 1 July 2021 to 1 January 2025, the *Training Incentive Allowance* was extended to eligible beneficiaries undertaking courses at levels 4 to 7 of the *New Zealand Qualifications Framework*. This included degree-level study at the undergraduate level.  The *Training Incentive Allowance* supported sole parents, carers and disabled people receiving an eligible social security benefit with the upfront and ongoing costs of study. In 2009, the level of study supported by the *Training Incentive Allowance* was restricted to qualifications at Level 3 on the *New Zealand Qualifications Framework* and below.  The maximum amount payable was $114.19 per week ($4,567.60 per year). Recipients were also able to access the *Student Loan Scheme* for fees and course costs (but not living costs as this was provided via their social security benefit).  The reinstatement of the *Training Incentive Allowance* replaced the *Sole Parent Support Study Assistance Loan.* Sole parent beneficiaries could no longer apply for *Sole Parent Study Assistance Loan*. Since 2011, the *Sole Parent Study Assistance* *Loan* provided non-taxable, interest-free recoverable assistance to eligible sole parent beneficiaries to help with study costs for courses at level 4 or above on the *National Qualifications Framework,* up to undergraduate degree level, to improve their skills and chances of getting paid employment. |
| 1 July 2021 | **Childcare Assistance: Supplementary assistance payments excluded from the income test** | Supplementary assistance payments were no longer included within the definition of income for assessing eligibility to *Childcare Assistance* (*Childcare Subsidy* and *OSCAR Subsidy*). The supplementary payments excluded from the income test were:   * *Accommodation Supplement*; * *Temporary Additional Support*; * *Special Benefit*; * *Disability Allowance*; * *Special Disability Allowance*; and * *Youth Payment* and *Young Parent Payment* incentive payments. |
| 1 July 2021 | **Orphan’s Benefit and Unsupported Child’s Benefit: Eligibility extended to periods of short-term care** | Eligibility to the *Orphan’s Benefit* and *Unsupported Child’s Benefit* was extended to short-term caregivers of children who were unable to live with their parents. Prior to this, eligibility to the *Orphan’s Benefit* and *Unsupported Child’s Benefit* was based on an expectation of providing care for 12 months or more.  The change improved support for caregivers who took on the care of children outside of the State care system for a short or uncertain length of time. |
| 1 July 2021 | **Temporary Additional Support: Disability Exception Amount increased** | A person who qualified for *Temporary Additional Support* could receive more than the upper limit (30 percent of the after tax rate of the relevant main social security benefit) if they qualified for the *Disability Exception Amount* – the person’s deficiency was greater than the upper limit and they or their family had excess disability costs (disability costs that qualified for but were in excess of the maximum rate of the *Disability Allowance*).  From 1 July 2021, the *Disability Exception Amount* covered:   * up to the first $100 of applicable excess disability costs in full; and * 30 percent of any remaining applicable excess disability costs over $100.   Prior to this time, the disability exception amount was 30 percent of the excess disability costs total. The change provided additional support to people with high disability costs by increasing the amount of disability costs covered by the *Disability Exception Amount*.  A Disability Exception Amount was only available when:   * the person had a deficiency greater than the upper limit for *Temporary Additional Support*; **and** * any member of the person’s family, or a child for whom they received an *Orphan’s Benefit* or *Unsupported Child’s Benefit,* was getting the maximum amount of the *Disability Allowance*; **and** * any member of the person’s family, or a child for whom they received an *Orphan’s Benefit* or *Unsupported Child’s Benefit*, had excess disability costs. |
| 1 July 2021 | **Healthy Homes Standards: Residential rental properties required to comply within 90 days of any new or renewed tenancy** | From 1 July 2021, all private residential rental properties were required to comply with the *Healthy Homes Standards* within 90 days of any new or renewed tenancy, with all private rentals complying by 1 July 2024. All boarding houses were required to comply by 1 July 2021. All houses rented by *Kāinga Ora* (formerly *Housing New Zealand Corporation*) and registered *Community Housing Providers* were required to comply by 1 July 2023.  The *Healthy Homes Standards* incorporated five aspects of a rental property, which all contributed to a warm and dry home:   * heating; * insulation; * ventilation; * moisture and drainage; and * draught stopping.   Since July 2019, ceiling and underfloor insulation had been compulsory in all rental homes where it was reasonably practicable to install. The new standardsrequired landlords to provide properties with, at least one fixed heating device capable of heating the living room to at least 18 degrees, opening windows in most rooms and extractor fans in bathrooms and kitchens. |
| 1 July 2021 | **Emergency Housing: Contracted Emergency Housing Pilot in Rotorua** | A place-based contracted emergency housing pilot was established in Rotorua. As part of the pilot, approximately 200 families with a dependent child or children were relocated from motels funded through the *Emergency Housing Special Needs Grant* (EHSNG) to motels contracted for emergency housing by the *Ministry of Housing and Urban Development*.  Once the transition was complete, it was intended that all families with children with an emergency housing need in Rotorua would be in contracted emergency housing and no longer receiving an EHSNG. The contracted motels were for the exclusive use of families with children needing emergency housing and wrap around support services were funded as part of the contracts. Families in contracted emergency housing were required to pay a contribution (25 percent of income) towards their accommodation costs on the same basis as recipients of an EHSNG or a resident of transitional housing/public housing. The pilot was established with central government agencies working alongside iwi, the local Council and community providers.  People without children and with an emergency housing need continued to receive support with their emergency housing costs via the EHSNG.  The pilot was intended to test a new way of responding to and addressing acute emergency housing needs in the community, with consideration to be given to expanding the model to additional locations. |
| 8 July 2021 | **Public Housing Tenancy Reviews: Pause on reviews extended until February 2022** | In March 2020, public housing tenancy reviews had been suspended by the *Ministry of Social Development* to allow resources to be reprioritised in response to COVID-19.  In order to provide stability for public housing tenants potentially impacted by any resurgence of COVID-19 and to allow Ministry staff to be reassigned to higher priority work, the suspension of tenancy reviews was extended until February 2022.  Prior to the initial suspension in March 2020, very few public housing tenants were exiting public housing following a tenancy review and *Kāinga Ora*, as part of its focus on sustaining tenancies, was not issuing a 90-day notice to end a tenancy where a tenancy review had determined that a tenant was no longer eligible for public housing.  The pause on public housing tenancy reviews was subsequently extended until March 2024. |
| 25 July 2021 | **Initial Benefit Stand Down reinstated** | The initial benefit stand down for applicants for a main social security benefit was reinstated. The initial stand down applied a wait period of either one or two weeks depending on an applicant’s previous income and family circumstances.  From 23 March 2020 to 24 July 2021, as part of the response to the economic downturn associated with COVID-19, new applicants for a main social security benefit were not subject to the initial benefit stand down. |
| 1 August 2021 | **COVID-19 Response: Apprenticeship Boost Initiative extended** | The *Apprenticeship Boost Initiative* was extended until 4 August 2022. The number of maximum number of monthly payments was increased to 24 and a number of other changes were made to make the programme compatible with the reform of New Zealand's vocational education system enabled by the enactment of *the Education (Vocational Education and Training Reform) Amendment Act 2020*.  The *Apprenticeship Boost Initiative* had been implemented on 5 August 2020 as part of a wider apprenticeship support programme. It helped employers with the cost of keeping their current apprentices or hiring new ones for up to 24 months of their programme of study. This payment was intended to help apprentices to stay in their jobs so they could earn and progress towards their level 4 qualifications and provide a more skilled workforce to assist New Zealand to recover from the impact of COVID-19.  The rate of payment was based on the apprentice's year of study under the apprenticeship programme as at the employer's declaration point. Rates of payment were:   * $1,000 per month (excluding GST) / $1,150 (including GST) for apprentices in their first year of training (1 - 12 months); and * $500 per month (excluding GST) / $575 (including GST) for apprentices in their second year of training (13 - 24 months).   First year apprentices received a higher rate as there was a higher level of investment required by employers to support their new apprentices. |
| 2 August 2021 – 1 August 2022 | **Rural Assistance for farmers in the South Island and the Chatham Islands – Drought and Floods** | The Rural Assistance Provisions (within the *Special Needs Grants Programme*) were activated for farmers in the South Island and the Chatham Islands whose income was affected by drought and floods. *Rural Assistance Payments* had been available to eligible farmers in northern half of the South Island and the Chatham Islands whose income was affected by drought since 26 March 2020.  Eligible farmers received a non-taxable weekly payment equivalent to *Jobseeker Support* (*Unemployment Benefit*). For eligible farmers, assistance was available up until 1 August 2022. |
| 20 August 2021 – 9 December 2021 | **COVID-19 Response: Wage Subsidy Scheme August 2021** | The *COVID-19 Wage Subsidy Scheme (August 2021)* was available for 16 weeks (eight two-weekly payments, were made from 20 August 2021) to support businesses impacted by the escalation to COVID Alert Level 4 nationwide on 17 August 2021, to help the businesses stay connected to their workers. The business must have experienced or were expecting to experience at least a 40 percent decline in revenue.  Businesses who received the previous *COVID-19 Wage Subsidy*, or payments under the *Leave Support Scheme* payments, or the *Short-Term Absence Payment* could apply for the same employees again, if they met the qualifications, but only once the period for any previous payment had ended  Businesses and self-employed people applied online for the *COVID-19 Wage Subsidy Scheme (August 2021)*. Applications could be made from 9.00am, 20 August 2021. Payments were made as a lump sum to the business for each named employee (including self-employed people) and covered the two-week period from the date of application.  The *COVID-19 Wage Subsidy Scheme (August 2021)* was paid at a flat rate based on each named worker's normal (or expected) hours of paid employment:   * $600 (before tax) for 20 hours or more per week, or 40 hours or more per fortnight; or * $359 (before tax) for less than 20 hours per week, or less than 40 hours per fortnight. |
| 24 August 2021 | **COVID-19 Response: Increase to payment rates for the Short-Term Absence Payment** | The *Short-Term Absence Payment* had been available since 9 February 2021 for businesses, including self-employed people, to help pay their workers who could not work from home while they waited for a COVID-19 test result.  Due to the new *COVID-19 Wage Subsidy Scheme (August 2021)* being paid at an increased payment rate compared to previous wage subsidy schemes, there was also an increase to the payment rates for the *Short-Term Absence Payment.*  The *Short-Term Absence Payment* rate increased from $350 to $359. The increased rate applied to all applications made on or after 24 August 2021, even if the relevant COVID-19 test was taken before 24 August 2021. |
| 24 August 2021 | **COVID-19 Response: Increase to payment rates for the Leave Support Scheme** | The COVID-19 *Leave Support Scheme* had been available since March 2020 and provided financial assistance to businesses to encourage workers to self-isolate when they needed to in line *Ministry of Health* guidelines, during the COVID-19 public health restrictions, and to support them with an income when they could not work from home.  Due to the new *COVID-19 Wage Subsidy Scheme (August 2021)* being paid at an increased payment rate, compared to previous wage subsidy schemes, there was also an increase in the *COVID-19 Leave Support Scheme*, payment rates.  The *COVID-19 Leave Support Scheme* was paid for a one-week period as a lump sum at a flat rate based on each named employee’s normal (or expected) hours of paid employment:   * $600 (gross) for 20 hours or more per week, or 40 hours or more per fortnight (previously $585.80); or * $359 (gross) for less than 20 hours per week, or less than 40 hours per fortnight (previously $350). |
| 14 September 2021 | **COVID-19 Response: Student support during study breaks** | *Student Allowances* and *Student Loan* (living costs) payments could continue to be paid for during study breaks of longer than three weeks if the extended break was due to COVID-19 restrictions. |
| 28 September 2021 | **Government Policy Statement on Housing and Urban Development** | The 2021 *Government Policy Statement on Housing and Urban Development* (GPS – HUD) required under the *Kāinga Ora – Homes and Communities Act 2019*, set out the Government’s long-term vision for housing and urban development in Aotearoa New Zealand, with a focus on the infrastructure and homes needed to nurture thriving communities in the decades to come.  The Government’s vision was that ‘that everyone in New Zealand lives in a home and within a community that meets their needs and aspirations’. Informing this vision, were four aspirational outcomes:   * thriving and resilient communities; * wellbeing through housing; * **Māori housing through partnership; and** * an adaptive and responsive system   The GPS-HUD set out six areas of focus:   * ensuring more affordable homes are built; * ensuring houses meet the needs of our communities; * enabling people into stable, affordable homes; * supporting whānau to have healthy, affordable homes with secure tenure; * re-establishing housing’s primary role as a home rather than a financial asset; and * planning and investing in our places.   Under Part 2 of the *Kāinga Ora – Homes and Communities Act 2019*, Ministers were required to issue a GPS - HUD, the first of which had to be issued by October 2021, and then reviewed at least every three years. *Kāinga Ora* was required to give effect to the GPS – HUD when performing its functions.  The purpose of the GPS – HUD was to state the Government’s overall direction and priorities for housing and urban development and provide a long-term vision for all those in the system including *Community Housing Providers*, NGOs, iwi and Māori. |
| 28 September 2021 | **MAIHI Ka Ora: National Māori Housing Strategy 2021 - 2051** | The *Ministry of Housing and Urban Development* released *MAIHI Ka Ora: National Māori Housing Strategy 2021 – 2051* which complemented the *Government Policy Statement on Housing and Urban Development.* The Strategy had been developed in partnership with *Te Puni Kökiri*, with the support of the *National Iwi Chairs Forum*, some hapü and iwi, and Te Matapihi he tirohanga mö te Iwi Trust, and developed through Maihi Whare Wānaga.  The Strategy had a shared vision that: ‘*all whānau have safe, healthy, affordable homes with secure tenure, across the Māori housing continuum*.’ Its implementation demanded both Māori and the Crown work together in genuine partnership. It took Te Maihi o te Whare Māori – Māori and Iwi Housing Innovation Framework for Action (MAIHI) which drove a whole of system approach and elevated it to provide the strategic direction for the whole Māori housing system.  The Strategy highlighted that over the next 30 years, the Māori-Crown partnership would look to make changes that would improve the housing outcomes for future generations of Māori, their whānau and their mokopuna.  To ensure that the Strategy adequately addressed the immediate and short-term challenges facing Māori housing, a number of priority areas were identified with Māori housing broken into six major components:   * Māori-Crown partnerships; * Māori-led local solutions; * Māori housing supply; * Māori housing support; * Māori housing system; and * Māori housing sustainability.   The Strategy signalled that work under each area would look to Respond, Review or Reset in line with achieving the goals for the future of Māori Housing. |
| 5 October 2021 | **First Home Partner Scheme (shared-equity scheme)** | The *First Home Partner Scheme* was launched by *Kāinga Ora*. Under the scheme, *Kāinga Ora* would take an equity share in the property (with a maximum share of 25 percent or $200,000, whichever was the lower). The *First Home Partner Scheme* was part of the government’s $400 million *Progressive Home Ownership* scheme.  To be eligible for *First Home Partner*, an applicant had to meet the following criteria:   * be over 18 years old; * be a New Zealand citizen, permanent resident, or a resident visa holder who is “ordinarily resident in New Zealand”; OR be applying with someone who meets the citizenship or residency requirements, and you are married to or in a civil union or de facto partnership with that person; * have a total household income before tax of no more than $130,000; * have a good credit rating (subject to a credit report); * be a first home buyer; * not previously received shared ownership support from *Kāinga Ora*; * be buying the home to live in and commit to living there as their primary place of residence for at least three years from the settlement date; and * provide evidence that they had a minimum contribution of 5 percent toward the purchase price of the home. This can include money from *KiwiSaver* first-home withdrawal, from a *First Home Grant*, savings or money gifted by a family member.   In addition to meeting the *Kāinga Ora* eligibility criteria for *First Home Partner*, an applicant needed to satisfy the lending criteria of a participating bank in order for them to provide a home loan for their share of the property.  In order to buy a home with *First Home Partner*, the home to be purchased had to be a new home or purchased ‘off the plans’.  It was expected that the homeowner would buy-out the *Kāinga Ora* share within 15 years and the share must have been purchased in full 25 years from the settlement date. |
| 26 October 2021 | **Seasonal Work Assistance Programme: Clarification that the programme included the viticulture industry** | For the avoidance of doubt, the definition of seasonal work in the *Seasonal Work Assistance Programme* was amended to include viticulture.  The *Seasonal Work Assistance Programme* under the *Social Security Act 2018* provided non-taxable financial support to former beneficiaries who had taken on seasonal horticultural work and who were unable to work due to adverse weather conditions. |
| 29 October 2021 | **Establishment of the Ministry for Disabled People announced** | The Government announced that a new *Ministry for Disabled People* would be established from 1 July 2022. It would join up all of the supports and services available to disabled people and replace a fragmented system where there was no single agency responsible for driving improved overall outcomes for disabled people. The new Ministry would take on most of the functions previously delivered by the Disability Directorate in the *Ministry of Health* and would:   * drive better outcomes for all disabled people; * lead and coordinate cross-government strategic disability policy, including policy advice on disability support services; * work to deliver and transform disability support services; and * progress work on the broader transformation of the wider disability system.   The *Ministry for Disabled People* was to be established as a departmental agency hosted by the *Ministry of Social Development* and would work closely with the *Ministry of Health* and the newly established *Health New Zealand* and the *Māori Health Authority* to ensure the health system was responsive to disabled people and their whānau. |
| 1 November 2021 – 28 February 2022 | **COVID-19 Response: Temporary increase to the income limits for hardship assistance** | The income limits used to determine eligibility for hardship assistance were increased for a period of four months. The temporary increase applied to assistance under the *Special Needs Grants Programme*, the *Advance Payment of Benefit Programme* and the *Recoverable Assistance for Non-Beneficiaries Programme*.  The gross income limit for a single person (18+ years) of $800 was based on working full-time (40 hours per week) at the minimum wage ($20 per hour). For a couple with children the limit was doubled to $1,600. For a sole parent with one or two children the income limit was the mid-point between the single and couple income limit. For a single person (16-17 years) the income limit of $640 was based on working 40 hours per week as the ‘starting-out’ minimum wage of $16 per hour.  Between 1 November 2021 and 5 December 2021 there were approximately 4,930 grants of hardship assistance to people with income recorded at a level that would previously have made them ineligible.  The temporary increase to the income limits did not apply to applicants for the *Emergency Housing Special Needs Grant*.  In December 2021, the temporary income limits were extended until 30 June 2022, including an adjustment to the income limits in line with the *Consumer Price Index* on 1 April 2022. From 1 July 2022, the temporary income limits were made permanent. |
| 8 November 2021 | **Social Security benefits: Removal of the subsequent child policy** | The removal of the subsequent child policy from the *Social Security Act 2018* and the *Social Security Regulations 2018* meant that the *Ministry of Social Development* would always consider the age of the youngest dependent child in a person’s care when determining eligibility for *Sole Parent Support* and when setting work or work preparation obligations for recipients of *Sole Parent Support* and partners of people receiving a main social security benefit. As a result of the change:   * some sole parents receiving *Jobseeker Support* were able to transfer to *Sole Parent Support* (where they could also be eligible for additional assistance such as the *Work Bonus*); * some parents had their obligations reduced from part-time work to work preparation obligations or from full-time work to part-time work or work preparation obligations.   Previously, if a sole parent had another child while receiving a benefit, their work or work preparation obligations and eligibility for *Sole Parent Support* were based on the age of their subsequent child until that child reached the age of one. Following this, their obligations were then based on the age of their next youngest non-subsequent child.  The change aligned with a recommendation made by the *Welfare Expert Advisory Group* in their 2019 report and was expected to impact around 11,400 beneficiaries. |
| 15 November 2021 | **New Zealand Superannuation and Retirement Income (Fair Residency) Amendment Act 2021** | The *New Zealand Superannuation and Retirement Income (Fair Residency) Amendment Act 2021* raised the minimum residency requirement for *New Zealand Superannuation* and the *Veteran’s Pension* from 10 years after the age of 20, to 20 years after age 20.  Starting in July 2024, this residency requirement was to be gradually increased until reaching 20 years in July 2042. This was a phased increase by birthdate and meant people who were born on or before 30 June 1959 remained subject to the existing 10-year requirement.  The additional years of residency required could be made up from residency in New Zealand, the Cook Islands, Niue or Tokelau (or a combination of these). People still needed to have lived in New Zealand, the Cook Islands, Niue or Tokelau (or a combination of these) for at least five years after they turned 50.  The transitional provision resulted in the following residency requirement (after age 20) for *New Zealand Superannuation* and the *Veteran’s’ Pension* based on date of birth:   * on or before 30 June 1959 10 years; * between 1 July 1959 and 30 June 1961 (inclusive) 11 years; * between 1 July 1961 and 30 June 1963 (inclusive) 12 years; * between 1 July 1963 and 30 June 1965 (inclusive) 13 years; * between 1 July 1965 and 30 June 1967 (inclusive) 14 years; * between 1 July 1967 and 30 June 1969 (inclusive) 15 years; * between 1 July 1969 and 30 June 1971 (inclusive) 16 years; * between 1 July 1971 and 30 June 1973 (inclusive) 17 years; * between 1 July 1973 and 30 June 1975 (inclusive) 18 years; * between 1 July 1975 and 30 June 1977 (inclusive) 19 years; and * on or after 1 July 1977 20 years.   There was an exception for refugees. The existing ten year residence and presence requirement was retained for a refugee who first become resident and present in New Zealand at the age 55 or higher. The total residence and presence requirement for a refugee who first becomes resident and present in New Zealand while aged 45-54 would be no more than the difference between the date that person was granted that status, and the date on which that person turned 65.  The increased residency requirement predominantly impacted migrants from countries with which New Zealand did not have a social security agreement, and New Zealanders who had spent, or were considering spending, large periods of time living and working outside of New Zealand in a country with which New Zealand did not have a social security agreement. This was because time spent living or contributing to the pension system in an agreement country generally counted towards meeting the residency requirements for *New Zealand Superannuation* or a *Veteran’s Pension*. |
| 1 December 2021 | **KiwiSaver: Changes to default fund providers and investment settings** | The number of default funds (to which new members were allocated if they did not make a decision about their fund) was reduced from nine to six – *Bank of New Zealand, Booster, BT Funds Management (Westpac), KiwiWealth, Simplicity* and *Smartshares*. The six default providers were selected on the basis of value for money for members in terms of lower fees and higher levels of service.  The default fund settings were changed to move the investment type from conservative to balanced to increase the likelihood of higher returns over the long-term.  Around 233,000 members of *KiwiSaver* were in a default fund with a total of around $2.4 billion invested in these funds. Conservative funds were ‘cashed up’ and reinvested in growth assets. The transition was spread over a number of weeks. |
| 1 December 2021 | **Orphan’s Benefit and Unsupported Child’s Benefit: Annual holiday and birthday allowances introduced** | The *Holiday Allowance* and *Birthday Allowance* were individual annual non-taxable payments to caregivers receiving an *Orphan’s Benefit* or *Unsupported Child’s Benefit*.  The allowances were intended to help with the costs of preparing a celebration, purchasing gifts, or planning an event or experience for the child, or children, in the caregiver's care.  The entitlement date for the *Holiday Allowance* was 25 December each year but it was paid prior to Christmas (generally two weeks before) to a caregiver whom the *Ministry of Social Development* expected to be receiving the benefit, subject to the condition that the caregiver was liable to repay the whole of the allowance if the caregiver was no longer receiving the benefit on 25 December.  From 1 January 2022, the entitlement date to the *Birthday Allowance* was the child’s birthday, though the *Ministry of Social Development* generally made the payment two weeks earlier, subject to the condition that the caregiver was liable to repay the whole of the allowance if the caregiver was no longer receiving the benefit on the child’s birthday.  The allowances were paid at half the weekly rate of the *Orphan’s Benefit* or *Unsupported Child’s Benefit*, resulting in the following amounts at implementation:   * child 0 – 4 years, $101.52; * child 5 – 9 years, $114.08; * child 10 – 13 years, $123.47; and * child 14+ years, $132.81.   These allowances covered the same costs as the *Christmas Allowance* and *Birthday Allowance* paid to *Oranga Tamariki* caregivers.  Caregivers did not need to apply for this assistance with payments being made automatically with their benefit. |
| 2 December 2021 | **COVID-19 Response: Access to designated premises**  **Public Housing, Transitional Housing and Emergency Housing**  **Offices of the Ministry of Social Development** | The *COVID-19 Public Health Response (Protection Framework) Order 2021* provided that a person could not be denied access to certain premises on vaccination grounds. The designated premises included:   * supermarkets and dairies; * pharmacies; * petrol stations; * public transport (except domestic air travel and Cook Strait ferries); * premises providing health services partly or wholly funded by the government; * *Kāinga Ora* housing; * housing provided by a registered *Community Housing Provider*, but only in respect of tenancies that were public housing; * any housing or accommodation or housing support service funded by the *Ministry of Housing and Urban Development, Department of Corrections* or *Oranga Tamariki*; * emergency accommodation provided by or funded by a government department; and * premises used to provide shelter or emergency or temporary housing for people in a civil defence emergency.   This meant that housing providers (public housing, transitional housing and emergency housing) were prohibited from requiring proof of vaccination status (eg My-Vaccine pass or similar) as a condition of staying on the premises. The *Ministry of Social Development* continued to assess eligibility for the *Emergency Housing Special Needs Grant*, regardless of a person’s vaccination status and continued to use providers of emergency housing who complied with the Order.  Subsequently, a decision was made to include offices of the *Ministry of Social Development* in the Order (on the list of designated premises that could not require a vaccine pass for entry). This meant that the Ministry could not require beneficiaries and people seeking assistance, their families, including children, or their support people, such as advocates, to show proof of vaccination when they came to a Ministry office. It did not apply to other visitors to *Ministry of Social Development* sites such as couriers, contractors and providers – these groups needed to show a vaccine pass. |
| 5 December 2021 | **Assistance for Afghan evacuees: Student Allowances and Student Loans** | People who held an *Afghan Emergency Resettlement Residency Visa*, were eligible for a *Student Allowance* when studying full-time in a recognised course of study or programme at an approved education provider.  People who held an *Afghan Emergency Resettlement Residency Visa*, were eligible for assistance under the *Student Loan Scheme* for study starting on or after 1 January 2022. |
| 10 December 2021 | **Assistance for Afghan evacuees: Re-establishment Grants** | Afghan evacuees, including those who applied for, or had been granted an *Afghan Emergency Resettlement Visa* were eligible for a *Re-establishment Grant* under the *Special Needs Grants* programme. The *Re-establishment Grant* provided a maximum total non-recoverable payment of $5,000, of which up to $3,500 could be used for accommodation costs. Where an applicant had more than two dependent children, the $5,000 limit was increased by $100 for each dependent child. |
| 10 December 2021 | **COVID-19 Response: Changes to the Leave Support Scheme** | Businesses could apply for the COVID-19 *Leave Support Scheme* for employees identified as affected persons who had been advised or directed to self-isolate for at least four consecutive days.  Payments under the *Leave Support Scheme* became a weekly payment. The employer could be eligible for subsequent weekly payments, but this was dependent on the number of calendar days that the employee had been advised or directed to self-isolate. The number of days an employee is advised or directed to self-isolate was rounded to the nearest seven days.  Payment was for a one-week period as a lump sum payment at the appropriate weekly subsidy rate for:   * working 20 hours or more; or * working under 20 hours.   Payment was made at a flat rate based on each named employee’s normal (or expected) hours of paid employment:   * $600 (gross) for 20 hours or more per week, or 40 hours or more per fortnight; or * $359 (gross) for less than 20 hours per week, or less than 40 hours per fortnight. |
| 13 December 2021 | **2022 Review of Retirement Income Policies: Terms of Reference** | As provided by section 84 of the *New Zealand Superannuation and Retirement Income Act 2001*, the *Retirement Commissioner* was required to undertake, every three years, a review of retirement income policies in New Zealand.  The Terms of Reference set out the aspects of retirement income policy that the Government wanted to see covered in the 2022 Review and identified the following key aspects that the Review was required to address:   * an update and commentary on the developments and emerging trends in retirement income policy since the 2019 Review, both within New Zealand and internationally; * the impact of government policy on the retirement savings outcomes and experiences of Māori as Treaty partners, and Pacific Peoples and women; * ensuring the 2022 Review has sufficient use of distributional analysis, cultural and gender lenses to understand the different impact of retirement policies across New Zealand; * new non-government initiatives to encourage people to save in a complex COVID environment, in collaboration with the private sector; * policy considerations (including design and product availability) for decumulation of retirement savings from *KiwiSaver* and other retirement savings schemes and assets after reaching the age of eligibility for *New Zealand Superannuation*; * policy considerations arising from the exclusion of people from *KiwiSaver* who held a temporary, visitor, work, or student visa; * income adequacy of *New Zealand Superannuation* for future retirees who were renting a home or did not own their own home outright; * the impact on retirement income adequacy, and retirement planning for New Zealanders who lived abroad, of the change to a 20-year residency eligibility period for *New Zealand Superannuation*; and * how diverse housing options for seniors would have different impacts on pre-retirement savings and retirement income. The work should be complementary to that undertaken by the *Office for Seniors* and other relevant agencies.   The *Retirement Commissioner* was required to present the report to the *Minister of Commerce and Consumer Affairs* by the end of December 2022. |
| 2 February 2022 | **Proposed New Zealand Income Insurance Scheme: Announcement** | The Government announced a proposal for an unemployment insurance scheme, to be known as the *New Zealand Income Insurance Scheme*. The proposal had been jointly developed by the Government, *Business New Zealand* and the *New Zealand Council of Trade Unions.*  The key features of the proposed scheme were:   * broad coverage for different working arrangements; * coverage for job loss due to redundancy, layoffs and health conditions and disabilities; * a four-week notice period and four-week payment, at 80 percent of salary, from employers; * a further six months of financial support from the scheme, including support for training at 80 percent of wages or a salary (capped at the maximum available under the ACC scheme of $1,820 per week); * a case management service to support people’s return to work; * administered by the *Accident Compensation Corporation*; * funded by levies on wages and salaries, with both workers and employers paying an estimated 1.39 percent each; and * workers eligible after six months of levy contributions in the previous 18 months.   The proposal was open for public consultation until 26 April 2022. |
| 1 March 2022 | **COVID-19 Response: Targeted support for businesses** | A new targeted *COVID Support Payment* was made available for businesses struggling with revenue during the Omicron outbreak.  The *COVID Support Payment* was $4,000 per business plus $400 per full-time employee, capped at 50 FTEs or $24,000. This was the same rate as the most recent *Transition Payment*.  The payment was available on a fortnightly basis for six weeks – three payments in total. This reflected the international experience that the peak of the Omicron outbreak should pass after about six weeks.  There was a higher threshold in terms of revenue loss than previous support in order to target those most affected. Firms needed to show a 40 percent drop in seven consecutive days within the six weeks prior to the shift to Phase 2 of the Omicron response on February 15, compared to seven days after that date.  Applications for the first payment opened on 28 February 2022, with payments starting from 1 March 2022.  Changes were also made to the *Small Business Cashflow Loans Scheme* to increase the amount of funding available to eligible businesses through the introduction of a ‘top-up’ loan.  The ‘top-up’ loan allowed those firms that had already accessed a loan to draw down an additional $10,000, with a new repayment period of five years and the first two years being interest free.  It was also agreed to remove the first two years of accrued base interest from all borrowers who had, or would, take out a loan under the scheme. This change meant that interest would only start accruing from the beginning of year three. |
| 1 March 2022 | **Social Security Agreement with South Korea** | The *Social Security Agreement* between New Zealand and South Korea came into force.  The Agreement had been signed in October 2019 and was limited to coverage of Korean National Pensions and *New Zealand Superannuation* and the *Veteran’s Pension*.  Under the Agreement:   * periods of coverage in Korea were periods of contributions recognised and completed under the legislation of Korea. After the age of 20 the contributions could be regarded as periods of residence and presence in New Zealand to meet the residence qualifications for *New Zealand Superannuation* or the *Veteran's Pension*; * periods of New Zealand working age residence could be taken into account for the purpose of establishing entitlement to Korean old age benefits; * Korean Old Age Benefit paid for retirement could be paid in New Zealand; and * *New Zealand Superannuation* and the *Veteran's Pension* could be paid in Korea.   War disablement pensions from either country were not included in the Agreement. |
| 14 March 2022 | **COVID-19 Response: Changes to the Leave Support Scheme** | The COVID-19 *Leave Support Scheme* was introduced in April 2020 and provided financial assistance to businesses (including self-employed people) during the COVID-19 public health restrictions. The scheme provided payments to encourage employees to self-isolate (stay at home) when they needed to in-line with public health guidelines, and to support employees unable to work from home with an income while they could not work.  The *Leave Support Scheme* was adapted to support the different phases of the Omicron Plan under the *COVID-19 Protection Framework*. A number of key changes were made, including:   * the need to self-isolate (for at least four consecutive days) was now determined under public health guidelines or advice from a medical practitioner, not from specific officials due to the rapidly changing environment and the impacts of rising case numbers; * *State-Owned enterprises* and mixed ownership model companies could now apply for the scheme without having to apply for an exception from the *Minister of Finance* through their monitoring agency; * businesses must make an application for periods of self-isolation ending from 14 March 2022, within 8 weeks; and * businesses were obliged to pay casual employees and employees who worked variable hours at least the subsidy rate, or their ordinary wages or salary if these were less than the subsidy rate. |
| 16 March 2022 | **COVID-19 Response: Changes to the eligibility criteria for the Short-Term Absence Payment** | The COVID-19 *Short-Term Absence Payment* (STAP) was available to businesses (including self-employed people) as a one-off payment for each employee who met the eligibility criteria. It has been available since February 2021 to help businesses pay their workers who could not work from home while they waited for a COVID-19 test result.  Changes were made to the eligibility criteria in line with the changed requirements for COVID-19 testing, and included the following changes:   * employees who had taken Rapid Antigen Tests (RAT) were not eligible for COVID-19 STAP, as the test results were available in around 15-20 minutes; * employees who needed to stay home and could not work while waiting for a COVID-19 test result must have taken a COVID-19 Polymerase Chain Reaction (PCR) test; * household members of close contacts (known as secondary contacts) and some other people were no longer eligible for a STAP as they did not need to self-isolate; and * all State-Owned Enterprises and mixed ownership model companies could apply for the scheme without applying for an exception. |
| 27 March 2022 | **Student Allowances and Student Loans: Residency criteria for Convention refugees, protected persons and their immediate family members** | The residency criteria for *Student Allowances* and the *Student Loan Scheme* for convention (asylum) refugees, protected persons, and their immediate family members were changed.  Convention (asylum) refugees and protected persons met the residency criteria for *Student Allowances* and *Student Loans* from the date they are granted refugee or protected person status. They had to have a valid temporary entry visa but they were no longer required to hold a residence class visa.  Immediate family members of Convention (asylum) refugees or protected persons were also able meet the residency criteria for *Student Allowances* and *Student Loans*, if the immediate family member held:   * a valid temporary entry visa and was eligible to transition to a residence class visa with the refugee or protected person; or * a residence class visa they transitioned to with the refugee or protected person.   These changes applied to study commencing on or after 1 May 2022. |
| 1 April 2022 | **Main Benefits: Rates increased by the movement in the after-tax average wage** | After tax rates of main *Social Security Benefits* wereincreased by 4.71 percent to reflect the increase in the after-tax average wage over the previous 12 months. |
| 1 April 2022 | **Student Allowances, Foster Care Allowances and other social security payments and thresholds increased by the movement in Consumer Price Index** | Rates of *Student Allowances*, *Foster Care Allowances*, *Orphan’s Benefit, Unsupported Child’s Benefit*, *War Pensions* and other social security benefits, allowances and thresholds were increased by 5.95 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting these rates was the ‘All Groups” Index. Between 2011 and 2021, the index used for adjusting benefits had excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. From 2022, the adjustment reverted to using the ‘All Groups’ Index. |
| 1 April 2022 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 5.95 percent did not require a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the after tax average ordinary time weekly wage. As a result of 5.95 percent increase, the after tax rate *of New Zealand Superannuation* paid to a married couple who both qualified was 66.81 percent of the after tax average wage . The single rates were adjusted accordingly so that a single person living alone received 65 percent of the after tax rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2022 | **Main Benefits: Additional increase** | Following the 1 July 2021 increase to main social security benefits of $20 per week per adult ($40 for a couple) rates of main benefits were increased further to the rates recommended in 2019 by the *Welfare Expert Advisory Group*.  An additional increase of $15 per adult (a total of $30 for a couple) was applied to beneficiaries with a dependent child or children.  Youth rates of main benefits received the same dollar increase to the adult rate of the equivalent benefit. |
| 1 April 2022 | **Orphan’s Benefit and Unsupported Child’s Benefit: Additional increase** | Rates of the *Orphan’s Benefit* and *Unsupported Child’s Benefit* were increased by $34.84 a week in respect of a child aged under five years and by $10 for children aged five and over. This change had been announced as part of the 2021 Budget. An additional increase of $5.00 per week was also applied. These increases were applied following the annual inflation adjustment to rates. The new weekly rates were:   * child 0 – 4 years, $296.42; * child 5 – 9 years, $276.62; * child 10 – 13 years, $256.72; and * child 14+ years, $254.95. |
| 1 April 2022 | **Student Allowances and Student Loans for Living Costs: Additional increase** | After tax rates of the *Student Allowance* were increased by $25 per week ($50 per week for a couple).  The *Student Loan Scheme* living cost entitlement was increased by $25 per week resulting in a new maximum of $281.96 per week.  These changes had been announced as part of the 2021 Budget and were applied after the annual inflation adjustment to rates. |
| 1 April 2022 | **Student Allowance: Parental income threshold increased** | The *Parental Income Threshold* for a *Student Allowance* was increased by 5.95 percent to $60,968.96 for the 2022/2023 year. |
| 1 April 2022 | **Student Loan Scheme: Repayment threshold increased** | The *Student Loan Repayment Threshold* was increased from $20,280 to $21,268 for the 2022/2023 tax year.  Loan repayments at 12c in the dollar were required on income above the threshold. |
| 1 April 2022 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased to reflect the movement of 5.95 percent in the *Consumer Price Index*. The new income levels were:  *People other than NZS/VP recipients:*   * $29,570 Single (sharing); * $31,380 Single (alone); * $46,925 Couple; * $57,317 2 person family; * $70,551 3 person family; * $81,393 4 person family; * $92,042 5 person family; and * $103,764 6 person family.   For each additional child thereafter, income levels increased by $10,517.  *Recipients of NZS/VP:*   * $31,443 Single (sharing); * $33,446 Single (alone); * $50,197 Couple; * $57,317 2 person family; * $70,551 3 person family; * $81,393 4 person family; * $92,042 5 person family; and * $103,764 6 person family.   For each additional child thereafter, income levels increased by $10,517. |
| 1 April 2022 | **ACC Earner Premium increased** | The *ACC Earner Premium* was increased from 1.39c (GST inclusive) in the dollar to 1.46c (GST inclusive). The maximum earnings liable for the *Earner Premium* increased to $136,544 for 2022/2023, with the maximum premium of $1,993.54 for the 2022/2023 tax year. |
| 1 April 2022 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $1,024 per annum ($19.69 per week). |
| 1 April 2022 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $31,096 to $32,864. It provided a minimum after tax income of $632 per week.  The *Minimum Family Tax Credit* provided a guaranteed minimum income to families with a dependent child or children who were in full-time work. It ensured that families did not face a reduction in income when moving from a social security benefit into paid work. The increase reflected the increase in rates of main social security benefits on 1 April 2022. |
| 1 April 2022 | **Family Tax Credit: Rates increased**  **Future indexation** | Rates of the *Family Tax Credit* (FTC) were increased. The increase reflected a $5 per week increase to all rates, on top of the inflation adjustment that was required. An inflation-indexed increase to the FTC (and *Best Start Tax Credit*) was required once the cumulative increase in the *Consumer Price Index* reached five percent since the last adjustment (1 July 2018). The cumulative increase to the *Consumer Price Index* had reached 8.57 percent, triggering a corresponding increase in rates.  The new weekly rates were:   * first or only child 0-15 years $127.73 (increase of $14.69); * first or only child 16-18 years $127.73 (increase of $14.69); * second or subsequent child 0-12 years $104.08 (increase of $12.83); * second or subsequent child 13-15 years $104.08 (increase of $12.83); and * second or subsequent child 16-18 years $104.08 (increase of $12.83).   Indexation of the FTC and the *Best Start Tax Credit* was reset to 1 October 2021. Rates would be increased once the cumulative increase in the *Consumer Price Index* (All Groups Index) reached five percent. Prior to this, the index for adjustment was the *Consumer Price Index* (excluding cigarettes and tobacco products). |
| 1 April 2022 | **Best Start Tax Credit increased** | The *Best Start Tax Credit* was increased from $60 per week ($3,120 per year) to $65.15 per week ($3,388 per year). An inflation-indexed increase to the *Best Start Tax Credit* was required when the cumulative increase to the *Consumer Price Index* reached five percent since the last adjustment (the *Best Start Tax Credit* was introduced on 1 July 2018). A cumulative increase of 8.57 percent triggered the adjustment. |
| 1 April 2022 | **Family Tax Credit and In-Work Tax Credit: Abatement changes** | The abatement rate was increased from 25 percent to 27 percent once income exceeded the threshold of $42,700. This targeted support more towards lower income families. |
| 1 April 2022 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by $1.20 per hour (6.00 percent) to $21.20 gross per hour ($848 for a 40-hour week or $706.07 after tax at the M rate).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by $0.96 per hour to $16.96 gross per hour (80 percent of the adult minimum wage).  The fortnightly adult minimum wage was set at $1,696 before tax, increased by $21.20 for each hour worked in excess of 80 per fortnight. The *Starting Out Minimum Wage* and *Training Minimum Wage* was set at $1,356.80 per fortnight before tax and $16.96 for each hour worked in excess of 80 per fortnight.  The increase was expected to deliver gains for up to 300,000 workers. |
| 1 April 2022 to 30 June 2022 | **Cost of Living Assistance: Half-price public transport initiative and reduction in fuel excise duty and road-user charges** | Public transport fares across New Zealand were temporarily reduced by 50 percent to help ease the burden of the rising cost of living. The initiative was part of the government’s transport package to support New Zealanders through the global energy crisis. The wider package also included:   * a 25 cents a litre cut to *Fuel Excise Duty*; and * a 36 percent cut to *Road User Charges* across all legislated rates.   The half-price public transport fare initiative was subsequently extended until 31 January 2023, until 31 March 2023 and until 30 June 2023. From 1 July 2023, the *Community Connect Scheme* provided a 50 percent discount on public transport fares for peak and off-peak services for recipients of a *Community Services Card*.  The reduction in *Road User Charges* was subsequently extended until 31 January 2023. It was then reintroduced in February 2023 until 30 June 2023. The 25c a litre cut to *Fuel Excise Duty* was also extended until 30 June 2023. |
| 19 May 2022 | **First Home Grant Scheme: House price caps increased** | The house price caps for the *First Home Grant Scheme* were aligned with lower quartile market values for new and existing houses. This resulted in increases for most urban areas including:   * Auckland city – existing properties from $625,000 to $875,000 and new build properties from $700,000 to $875,000; * Hamilton urban area – existing properties from $525,000 to $650,000 and new build properties $600,000 to $725,000; * Tauranga urban area – existing properties from $525,000 to $800,000 and new build properties $600,000 to $875,000; * Wellington urban area – existing properties from $550,000 to $750,000 and new build properties $650,000 to $925,000; * Christchurch urban area – existing properties from $500,000 to $550,000 and new build properties from $550,000 to $750,000; and * Dunedin City – existing properties from $425,000 to $500,000 and new build properties from $550,000 to $675,000.   In some provincial locations, there was no change from the previous house price caps that were set in April 2021.  From this time, the house price and income caps were reviewed every six months to ensure that they stayed up to date.  The *First Home Grant Scheme* provided a deposit subsidy for first-home buyers of up to $5,000 when buying an existing property or up to $10,000 for a new build property. The grant was available to eligible *KiwiSaver* members who had been contributing three percent of their salary to *KiwiSaver* for at least three years, with eligibility subject to the income caps for *First Home Products*. The amount of the grant was based on the number of years that an individual had been a contributing *KiwiSaver* member. Prior to October 2019, the scheme was known as the *HomeStart Grant*. |
| 19 May 2022 | **First Home Products: Changes to the eligibility criteria** | A new income cap category was introduced for an individual buyer with one or more dependants, with the following income caps applied:   * individual buyer - $95,000; * individual buyer with one or more dependants - $150,000; and * two or more buyers - $150,000 (regardless of the number of dependants).   Relocatable homes that had received a new *Code of Compliance Certificate* within the previous 12 months qualified as ‘new homes’ for the purpose of access to the *First Home Grant*. Prior to this, relocatable homes were treated as ‘existing properties’.  Families participating in the *Progressive Home Ownership* rent-to-buy schemes were able to access the *First Home Grant* as if they were purchasing a ‘*new build’*. Prior to this, on the basis that people first moved into the home as a rental property, it was considered as an ‘*existing home*’ at the point they were ready to purchase the house.  Adjustments were also made to the *KiwiSaver* requirements for the *First Home Grant Scheme* to reduce the threshold amount of regular savings required to access the Grant. Instead of the requirement of regular *KiwiSaver* contributions of three percent of income for a minimum of three years, the requirement was changed to three percent of income or $1,000 annually (whichever was the lower) for a minimum of three years. The three years did not have to be continuous. |
| 1 June 2022 | **First Home Loan Scheme: House price caps removed** | Eligibility to the *First Home Loan Scheme* was no longer subject to regional price caps. This provided a greater choice of homes for prospective first-home buyers. Income caps and the lender requirements from banks remained. Prior to this, the *First Home Loan Scheme* was subject to the same regional house price caps as the *First Home Grant Scheme.*  The *First Home Loan Scheme* assisted first-home buyers to secure a loan with a five percent deposit. Loan applicants did not have to be KiwiSaver members to be eligible. Loan applicants were required to pay an insurance premium of one percent of the *First Home Loan* (with the Crown contributing 1.2 percent). Prior to October 2019, the scheme was known as the *Welcome Home Loan*. |
| 1 June 2022 | **Kāinga Whenua Loan Scheme: Loan cap increased** | The loan cap under the *Kāinga Whenua Loan Scheme* was increased from $200,000 to $500,000 (with a deposit requirement of 15 percent for every dollar borrowed over $200,000). The $200,000 loan cap had been set in 2010 and was seen as one reason why the uptake of loans under the scheme had been minimal – less than 80 since 2010.  The *Kāinga Whenua Loan Scheme* was established in 2010 to help Mori achieve home ownership on multiple-owned land and in a situation where they could not access finance. The scheme, administered by *Kāinga Ora* and *Kiwibank* supported Māori to build, purchase or relocate a house and could also be used for repairs and maintenance for an existing house. *Kiwibank* provided the loan which was underwritten by *Kāinga Ora –* with the loan secured against the house only. There were a number of eligibility requirements including that the build must be on multiple-owned Māori land, borrowers must have a licence to occupy, provide satisfactory proof of income and have a good credit history. The home built using the loan was required to be built on piles, be of one storey and of at least 50 square metres, have reasonable road access, and be located on the mainland of the North or South Island. |
| 3 June 2022 to 30 June 2023 | **Christchurch Mosques Attack Ministerial Welfare Programme extended** | The Christchurch *Mosques Attack Ministerial Welfare Programme* provided for payments of special assistance to people who had been affected by the Christchurch mosques attack, but who did not qualify for a main benefit under the *Social Security Act 2018*.  The programme, established on 3 June 2019, had been set to expire on 4 June 2022. The expiry date was extended to 30 June 2023. |
| 1 July 2022 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $665 to $700; and * the income threshold was increased from $26,510 to $28,080.   The change reflected a 5.9 percent increase in the *Consumer Price Index* (All groups) for the 2021 calendar year. The maximum amount of the rebate was rounded up/down to the nearest $5.  The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2022/2023 rating year was $28,010 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2022/2023 rating year (1 July 2022 to 30 June 2023), based on their income for the previous tax year (year ended 31 March 2022). |
| 1 July 2022 | **Residential Care Subsidy: Adjustment of asset levels** | The asset thresholds for the *Residential Care Subsidy* were adjusted by the movement in the *Consumer Price Index* (all groups) for the year to the end of March 2022 (6.9 percent).  Single people and couples with both partners in care were able to keep up to $256,554 in assets - up from $239,930, before they were used to contribute to the cost of their care. Couples both 65 years or over with one in residential care were able to keep $140,495 (excluding family home and car) - up from $131,391, or they could elect the higher asset threshold of $256,554 (including family home and car). |
| 1 July 2022 | **Residential Care Subsidy: Increase to the income from assets exemption** | The ‘income from assets exemption’ for the *Residential Care Subsidy* was adjusted by the movement in the *Consumer Price Index* for the year to the end of March 2022 of 6.9 percent. The new income from asset exemption levels (after tax) were:   * single people: $1,114 per annum; * couple (both in care): $2,228 per annum; and * couple (one in care): $3,341 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2022 | **Residential Care Subsidy: Allowable gifting levels increased** | The allowable gifting level was increased from $6,500 to $7,000 per annum for each applicant. Gifts of investments made in the five years before a person applied for the *Residential Care Subsidy* were included in the means assessment of assets (i.e. gifts above the allowable gifting level).  Gifts could also be made by the applicant or partner (if any) to another person who had provided a [high level of care](javascript:pop('http://doogle/map/definitions/high%20level%20of%20care.htm')) to the applicant. The gift must have been made within 12 months of the client's date of application for a financial means assessment. As long as the applicant had received at least one year of continuous high-level care, they could gift a maximum of $7,000 for each year of high-level care received, up to a maximum of $35,000 (minus any allowable gifting that had already taken place).  In 2004, Cabinet had directed that the allowable gifting amount be adjusted by $500 increments when the accumulated change in the *Consumer Price Index* would result in an adjustment of $500 or more. The accumulated *Consumer Price Index* movement since the last adjustment in July 2018 equated to an adjustment of $843, so an adjustment of $500 was applied. |
| 1 July 2022 | **Paid Parental Leave increased** | *Paid Parental Leave* was increased from a maximum of $621.76 gross per week to a maximum of $661.12 gross per week.  The increase reflected the 6.33 percent increase in average ordinary time weekly earnings over the year to March 2022.  The minimum payment for self-employed parents increased from $200.00 per week to $212.00 per week (equivalent to 10 hours at the minimum wage). |
| 1 July 2022 | **Whaikaha – Ministry of Disabled People established** | Whaikaha – The *Ministry of Disabled People* was established as a departmental agency, hosted by the *Ministry of Social Development.*  The Ministry incorporated most of the functions previously delivered by the Disability Directorate in the *Ministry of Health* and was established to:   * drive better outcomes for all disabled people; * lead and coordinate cross-government strategic disability policy, including policy advice on disability support services; * work to deliver and transform disability support services; and * progress work on the broader transformation of the wider disability system.   The new Ministry established a single agency responsible for driving improved overall outcomes for disabled people. The Ministry was organised into three business groups with a number of functions:  **Policy, strategy and partnerships**   * leadership/stewardship of disability in Government including strategic policy, stewardship and capability building for the wider government system to better serve the community (this included the *Office for Disability Issues* (ODI); * enhancing mana and self-determination of disabled people and their families, tāngata whaikaha Māori me ō rātou whānau through effective ways of communicating; * partnering at all levels to enable mana and self-determination of disabled people and their families, tāngata whaikaha Māori me ō rātou whanau; * honouring Te Tiriti o Waitangi so that Te Tiriti was embedded; * ensuring equity for Māori and Pacific people; * listening, insights and learning, including analysing input from the voices of the disability community, data, evaluation and research; * building capability and capacity so that disabled people had a strong voice; and * quality assessment and evaluation in line with *Enabling Good Lives* principles and the ongoing evolution of the disability-support system.   **Performance and governance**   * the Chief Executive's office – Ministerial support, secretariat support, programme office and support for the machinery of government function; * performance and governance – accountability, reporting processes, privacy; * relationship management with the *Ministry of Social Development*, *Ministry of Health* and *Health New Zealand* and the *Māori Health Authority;* and * corporate support services.   **Operational design and delivery**   * delivery of the disability-support system; * enabling person-directed support; * ongoing design and transformation of the disability-support system, including implementation of *Enabling Good Lives*; and * operational functions including operational performance, monitoring and analysis. |
| 1 July 2022 | **Hardship Assistance: Income limits permanently increased and future adjustment linked to wage growth** | As part of the response to COVID-19, the income limits used to determine eligibility for hardship assistance were increased for a period of four months from 1 November 2021. The temporary increase applied to assistance under the Special Needs Grants Programme, the *Advance Payment of Benefit Programme* and the *Recoverable Assistance for Non-Beneficiaries* Programme. The temporary increase to the income limits did not apply to applicants for the *Emergency Housing Special Needs Grant.*  In December 2021, the temporary income limits were extended until 30 June 2022, including an adjustment to the income limits in line with the *Consumer Price Index* on 1 April 2022. From 1 July 2022, the temporary income limits were made permanent. The permanent weekly income limits (before tax) were:   * single, 16 - 17 years $678.07; * single, 18+ years $847.59; * married, (with or without children) $1,695.18; * sole parent, 1 child $1,165.44; and * sole parent, 2+ children $1,483.29.   From 1 April 2023, the limits were to be indexed annually based on average wage growth.  The following weekly income limits remained in place for the *Emergency Housing Special Needs Grant*:   * single, 16 - 17 years $545.01; * single, 18+ years $626.37; * married, (with or without children) $909.81; * sole parent, 1 child $760.08; and * sole parent, 2+ children $800.78. |
| 1 July 2022 | **Public Housing: Rheumatic fever fast-track expanded** | From 1 July 2022, the Ministry of Health’s *Healthy Homes Initiative* (HHI) was expanded to include all of New Zealand. Accordingly, the public housing fast-track for children at risk of rheumatic fever (including where a child or young person was receiving treatment because of a previous episode of rheumatic fever) was available to qualifying households regardless of their geographic location within New Zealand.  The aim of the HHI was to increase the number of children living in warm, dry and healthy homes and to reduce the number of hospitalisations and poor health outcomes due to housing-related conditions.  The public housing fast-track for children at risk of rheumatic fever had been implemented in October 2013, initially only in Auckland. In March 2014, it was extended to all North Island District Health Boards where the risk of rheumatic fever was high. Households that qualified for the fast-track were matched to the next available suitable public housing property, even if there were people on the *Public Housing Register* (waiting list) with a higher priority rating.  Between 1 January 2021 and 30 June 2022, there were 267 households fast-tracked into public housing under the rheumatic fever provision. |
| 19 July 2022 | **Affordable Housing Fund: First round open for registrations** | The $350 million *Affordable Housing Fund*, announced in the 2022 Budget, supported the development of affordable homes for low-to-moderate income people and whānau, to rent or to buy.  The first round of the *Affordable Housing Fund* was targeted at rental developments for those people who struggled to meet the cost of a market rental but could not access public housing. Registrations were open until 24 August 2022.  As a result of round one, $50 million was committed to 92 homes across six centres/partnerships via the *Affordable Rental Pathway*.  The *Affordable Housing Fund* had two pathways:   * *Affordable Rental Pathway*   The *Affordable Rental Pathway* offered grant funding to not-for-profit organisations to deliver newly built affordable rental housing. Not-for-profits included organisations such as *Community Housing Providers*, iwi and Māori housing providers, councils, and charitable trusts.   * *Build-ready Development Pathway*   The *Build-ready Development Pathway* helped to secure affordable housing in build-ready developments that might not go ahead without government support. For eligible build-ready developments, where construction had not started, the government could work with developers, by either:   * purchasing land under a government land acquisition programme; or * pre-purchasing or underwriting homes ‘off the plans’ to reduce risk for developers and their financiers.   Round two of the *Affordable Rental Pathway* offered $100 million of grant funding. Applications for Round two closed on 31 March 2023. |
| 1 August 2022 | **Temporary Cost of Living Payment for lower income households** | A temporary *Cost of Living Payment* was introduced to support low to middle income New Zealanders over the winter period. The payment:   * was paid automatically by the *Inland Revenue Department* to low and middle income individuals aged 18 or over who had an assessed net income up to $70,000 for the 2021/2022 tax year; * excluded individuals who were receiving a social security benefit qualifying for the *Winter Energy Payment*; * provided a total $350 per individual, split over three payment dates beginning 1 August 2022 (then 1 September 2022 and 3 October 2022); and * was non-taxable and not included as income for social assistance, including *Working for Families*.   To be eligible for the *Cost of Living Payment* a person was required to be a New Zealand tax resident and present in New Zealand. People who had died during the tax year or were incarcerated were not eligible.  An individual’s eligibility for the payment was assessed before each monthly payment was made, to take into account any changes in circumstances. This ensured that individuals who moved off a benefit during the winter period (and who therefore missed out on the full rate of the *Winter Energy Payment*) could also receive part of the *Cost of Living Payment*.  Amendments to the *Social Security Regulations 2018* and the *Student Allowances Regulations 1998*  exempted the *Cost of Living Payment,* for a period of 12 months after receipt of the payment, from being considered as:   * income and cash assets for benefit purposes generally; * cash assets and chargeable income for eligibility for *Temporary Additional Support*; * cash assets for eligibility for the *Accommodation Supplement*; and * personal, partner and parental income for eligibility for a *Student Allowance*. |
| 5 August 2022 | **Apprenticeship Boost Initiative: Extended until 31 December 2023 and first year subsidy rate reduced** | The *Apprenticeship Boost Initiative*, which helped employers retain apprentices in their first two years of training, was extended until 31 December 2023.  The subsidy rate for first year apprentices was reduced from $1,000 plus GST ($1,150) a month to $500 plus GST ($575) a month. There was no grandparenting of the higher subsidy rate for employers already in the scheme.  The initiative had been implemented from 5 August 2020 as part of a package to help protect the jobs of existing and new apprentices through the COVID-19 recovery. Apprenticeship Boost helped employers with the costs of keeping their current apprentices or hiring new ones for up to 24 months of their programme of study. It helped apprentices to stay in their jobs so they could earn and progress towards their level 4 qualifications. The wider package was intended to help ensure the jobs of existing apprentices were secure, as well as encouraging new apprentices to start training. |
| 5 August 2022 | **Mana in Mahi: Changed from a two-year programme to a one-year programme** | *Mana in Mahi* (Strength in Work) employment programme was changed from a two-year programme to a one-year programme. The payment rates were adjusted to reflect this. *Mana in Mahi* was still available as a two-year programme to existing participants, who were accepted into *Mana in Mahi* before 5 August 2022.  The new maximum rates of assistance were:   * *wage subsidy*: up to $16,000 (plus GST) over one year (this was paid proportionally for part-time employment); * *support with training (pre-employment or on-the-job)*: up to $2,000 (plus GST) as agreed at the start of the *Mana in Mahi* contract; * *fees for education or training courses*: up to $8,000 (plus GST) over one year to towards training course fees (where fees were not already covered by other fees free initiatives such as *Fees Free* or *Targeted Training and Apprenticeship Fund*); * *incentive payments*: up to $3,000 over one year (paid in instalments of $1,000) at attendance and training milestones; and * *additional educational support costs*: up to $2,000 over one year for the actual and reasonable costs of any additional educational support costs.   *Mana in Mahi* was a programme that supported people who were at risk of long-term benefit receipt to get an apprenticeship, or other formal industry qualification, to gain sustainable employment. It was introduced in 2018, with expanded funding in the 2019 Budget and expanded further in August 2020 as part of *Apprenticeship Support Programme* – part of the Government’s COVID-19 response.  The *Mana in Mahi* programme was administered by the *Ministry of Social Development* under the *Employment and Work Readiness Assistance Programme*. The Ministry determined whether a participant and their employer were eligible for, and would be accepted in, *Mana in Mahi*. The employer also needed to meet requirements set out in their *Mana in Mahi* contract with the Ministry.  *Mana in Mahi* participants could qualify for incentive payments, financial assistance to support their education or training, pastoral care and mentoring.  *Mana in Mahi* employers were paid a wage subsidy for the participant and may also get financial assistance towards the cost of the participant’s course fees, education and training. |
| 12 August 2022 | **Rental Housing: Tax incentives to boost the supply of long-term rental housing** | The Government announced tax changes aimed at growing the supply of quality, secure rental housing. New and existing build-to-rent developments were exempt from the interest limitation rules (i.e. tax deductions for the cost of interest were allowed) in perpetuity, when offering ten-year leases and for as long as the homes were held as long-term rental housing.  To qualify, developments needed to offer tenants leases of at least ten years. Tenants could ask for shorter agreements if they wished and tenants were able to break the tenancy agreement at any time, with a 56-day notice period.  The definition of the ‘build-to-rent’ asset class included:   * at least 20 dwellings in one or more buildings that comprise a single development; * the dwellings and any common land have a single owner; * the dwellings are used or available for rent under the *Residential Tenancies Act 1986*; and * explicit personalisation policies must be offered (e.g., ability to make certain renovations), over and above the *Residential Tenancies Act 1986*.   For new build-to-rent assets, initial investors were able to deduct interest for as long as they held the asset and operated it as a build-to-rent development. Any subsequent investors could deduct interest as long as the asset was held and operated as a build-to-rent development. For existing build-to-rent developments, there was a transition period to allow them to satisfy the requirements (e.g. the ten-year minimum tenure requirement). Existing build-to-rent developments had until 1 July 2023 to offer all existing tenants a ten-year tenancy. Any build-to-rent developments completed after 1 July 2023 had to meet this requirement immediately.  Legislation provided for the exemption to take effect from 1 October 2021, to align with the date of the introduction of the interest limitation rules.  The interest limitation rules had taken effect from 1 October 2021 and were aimed at tilting the playing field for existing residential property away from investors and towards first-home buyers and owner occupiers. An exemption for new build housing had been included to ensure that the interest limitation rules did not have a negative impact on new supply. |
| 12 September 2022 | **COVID-19 Response: Changes to the Leave Support Scheme** | The *COVID-19 Leave Support Scheme* was amended in line with changes to the public health guidelines. As household contacts no longer needed to self-isolate, household contacts were no longer eligible for payments under the *COVID-19 Leave Support Scheme* as they were able to go to work outside of their home. |
| 17 October 2022 | **COVID-19 Response: Short-Term Absence Payment ceased** | The *Short-Term Absence Payment* which supported those needing to stay home while waiting for their COVID-19 PCR test result was discontinued. As Rapid-Antigen Tests (RATs) had become widely available, the need for the *Short-Term Absence Payment* had reduced.  To qualify for a payment, a person must have taken their PCR test on or before 22 August 2022. Applications could be made up to eight weeks after the PCR test was taken. The last date for applications for the *Short-term Absence Payment* was 17 October 2022. |
| 29 November 2022 | **2022 Review of Retirement Income Policies** | The *Retirement Commissioner* delivered the *2022 Review of Retirement Income Policies* to the *Minister of Commerce and Consumer Affairs*.  A strong case to retain the current policy settings for *New Zealand Superannuation* was put forward by the *Retirement Commissioner* as a key recommendation from the Review.  The research conducted for the 2022 Review had revealed three stories of retirement. The first was the dominant narrative that most were familiar with – a house owned outright with its occupants expecting a long and often healthy retirement. The research conducted for the Review highlighted that would be the case for fewer numbers of people in the future. The second story highlighted those struggling to get by in retirement, even where a home is owned outright, with people generally living just on *New Zealand Superannuation* and perhaps being ‘asset rich but cash poor’. It was also the story of a brief retirement, often the case for Māori and Pacific Peoples, whose life expectancy was shorter than Pākehā. The third story of retirement was an emerging one. It was the story of an increasing number of older people paying rent – 100 percent more by 2048 compared to 2020. It was also the story of continuing to pay a mortgage after age 65 – currently the case for one in five people of that age group.  The key recommendations from the Review were:   * maintain *New Zealand Superannuation* at current settings (current age of eligibility, universal, indexed); * financial services industry initiates new savings initiatives and improved decumulation advice; * provide better information on equity release products and *New Zealand Superannuation* rate differences (for married and sharing); * extend *KiwiSaver* eligibility to temporary visa holders; * to improve the retirement outcomes of Māori, establish an advisory rōpū to more fully consider the issues and lead the development of policy options to present to Government; * to improve the retirement outcomes of Pacific Peoples, provide stronger pathways to home ownership through structured financial capability programmes and request financial institutions to actively consider a collective approach to borrowing; * to improve the retirement outcomes of women, ensure that the gender and ethnic pay gaps and occupational gender segregation continue to be highlighted and addressed; * ensure *KiwiSaver* contributions are maintained during periods of parental leave; and * to extend the range of housing options for seniors, stimulate interest in building accessible and appropriately sized housing stock (both bigger and smaller) and increase the cash asset limit for the *Accommodation Supplement* to at least $42,700 per person. |
| 1 December 2022 | **Special Needs Grants: Increased assistance with dental costs** | The limit for *Special Needs Grants* for dental treatment was increased from $300 to $1,000. There was no longer a limit on the number of *Special Needs Grants* for dental treatment a person could access in a 52-week period. People who required multiple treatments to treat an issue were able to receive multiple grants up until they reached the $1,000 maximum limit. The $1,000 limit could be exceeded in exceptional circumstances.  In addition, the requirement for the need to have arisen from an emergency was removed. The previous requirement for the treatment to have arisen from an emergency situation meant that people were not eligible unless they were in pain, which meant they needed to wait until their issue significantly deteriorated before receiving treatment and being eligible for assistance. The change allowed people to receive treatment before they reached this point. |
| 9 December 2022 | **Rotorua Housing Accord** | The government signed a Housing Accord with *Rotorua Lakes Council*, *Te Arawa* and *Ngāti Whakaue*, which reflected a commitment to work together to build a better housing and urban future for Rotorua. It sought to "progressively reduce the use of motels for emergency housing in Rotorua to near zero”.  The Accord, had two main objectives:  *Objective One: Care and Well-being and Management of Emergency Housing.*   * to end the use of mixed-use motels or similar accommodation for emergency housing; * to provide appropriate support for, and actively manage, the individuals and whānau in emergency housing and look out for their care and well-being; * to ensure individuals and whānau exit emergency housing in an appropriate manner ready and equipped to move into better housing; * to manage the entry and placement of individuals and whānau into emergency housing; and * to mitigate current, and prevent further, adverse social, cultural, environmental, and economic effects of emergency housing on the Rotorua community.   *Objective Two: Housing Supply.*   * to build a pipeline that encompassed planning and infrastructure requirements that delivered public, affordable and other housing required to meet Rotorua's current and future demand; * to grow the overall volume of housing supply; * for the Crown and the Council to actively support those Te Arawa Iwi, hapū, and lands trusts and incorporations that wished to participate in housing supply to do so; and * to ensure new infrastructure and housing supply would be responsive to demand and provide for the long-term social, cultural, environmental and economic wellbeing of Rotorua and its people. |
| 1 January 2023 | **Student Allowance Accommodation Benefit: Rates linked to Territorial Authority areas** | From this time, *Student Allowance Accommodation Benefit* rates were mapped to City Council and District Council areas (Territorial Authorities). Due to changes in the collection of Residential Tenancy Bond data, the old region-based system was no longer suitable.  This change coincided with the annual general adjustment to regional rates. The maximum rate did not change and remained at $60 per week, with an exception for sole parents receiving a *Student Allowance* who could receive a weekly rate equivalent to what they would otherwise receive if they qualified for the *Accommodation Supplement* as a recipient of *Sole Parent Support*.  The Territorial Authority rate of *Accommodation Benefit* was calculated by:   * subtracting $40 from the average weekly room rate for the Territorial Authority (using the last 12 months data provided by *Ministry of Business Innovation and Employment*); and * multiplying by 0.5.   This calculation reflected that the standard rate of *Accommodation Benefit* was a 50 percent subsidy on any accommodation costs over $40, subject to the maximum weekly payment of $60.  Extramural students who lived in the Chatham Islands had their standard rate of *Accommodation Benefit* paid at $60 per week. Other students living on islands not captured by Territorial Authorities received the same rate of *Accommodation Benefit* as students living on the Chatham Islands.  If the new rate was lower than the rate a student was getting before 1 January 2023, their old rate was grandparented for the duration of their application (current study period) or until they had a change in circumstances. |
| 1 January 2023 | **Youth Guarantee Scheme extended** | Young people aged up to 24 years old could participate in the *Youth Guarantee Scheme*.  *Youth Guarantee* was provided to help young people access foundation learning (NCEA levels 1-3) without paying course fees. The courses were level 1-3 on the *New Zealand Qualifications Framework* (NZQF).  Young people participating in the scheme could only access the living costs and course-related costs components of a *Student Loan*, as *Youth Guarantee* courses were fees-free.  The *Youth Guarantee Scheme* had been established in 2010 for students who found the traditional classroom environment challenging and were at risk of dropping out of school. It was extended to 18-19 year olds from 1 January 2014. |
| 3 February 2023 | **Civil Defence Payments: Policy clarification.** | In response to the flooding in Auckland and surrounding areas, the following policy clarification for *Civil Defence Payments* was issued to *Ministry of Social Development* staff:   * payments were available to anyone with a current visa in New Zealand; * payments for food, clothing, bedding, and loss of livelihood were not limited to evacuees; * multiple applications could be considered for the same need (for example when a person’s home was flooded and assistance with costs (e.g., bedding and clothing) was provided via a *Civil Defence Payment* and subsequently the person’s temporary accommodation was flooded, then further assistance (with bedding or clothing) could be provided via a *Civil Defence Payment*); and * payments were not available for pet-related costs.   Payments under the *Civil Defence Scheme* were made without an income or asset test but did not cover costs met from insurance. Payments were non-taxable and did not impact on eligibility to other social assistance (with the exception of payments for loss of livelihood which were chargeable income for *Temporary Additional Support* and *Special Benefit*). Payments were made from the *Special Needs Grants* appropriation. |
| 6 March 2023 – 1 May 2023 | **Student Allowances and Student Loans: Payment during extended study breaks (impact of cyclone Gabrielle)** | In response to the impacts of cyclone Gabrielle, the payment of a *Student Allowance* or a *Student Loan* for living costs for study breaks of longer than three weeks was extended.  Payments between 6 March 2023 and 1 May 2023 could be continued for up to another eight weeks, if a student had a break in tuition because their education provider temporarily could not deliver their course(s) due to the impacts of cyclone Gabrielle.  A student had to remain enrolled in full-time study to receive payments for the period of the break. Payments could not continue if a student's education provider could deliver their course(s), but the student could not study because of the impacts of cyclone Gabrielle. |
| 13 March 2023 | **Housing-Related Recoverable Assistance: New Programme launched (Housing Support Products)** | A new housing-related recoverable assistance programme was launched by the *Ministry of Social Development* to assist people to obtain and retain private rental housing. The new programme (known as *Housing Support Products*) replaced housing-related grants previously available through three separate programmes – *Advance Payment of Benefit*, *Recoverable Assistance Programme for Non-Beneficiaries* and *Housing Support Products*.  There were seven individual *Housing Support Products*:   * **Bond Grant**: The purpose of this grant was to provide recoverable assistance for the payment of bond required by landlords, to assist eligible applicants with the cost of obtaining and retaining housing; * **Rent in Advance Grant**: The purpose of this grant was to provide recoverable assistance for the payment of rent in advance required by landlords, to assist eligible applicants with the cost of obtaining housing; * **Moving Costs Grant**: The purpose of this grant was to provide recoverable assistance towards the costs of moving household furniture, appliances, personal effects and personal belongings, to assist eligible applicants with the cost of moving to housing; * **Rent Arrears Grant**: The purpose of this grant was to provide recoverable assistance towards the payment of rent arrears, to assist eligible applicants to retain their housing when their rent was in arrears. The grant was only available to a tenant who was at risk of losing their tenancy due to the rent arrears and where the tenancy would be retained if the *Rent Arrears Grant* was paid. In practice, this meant that tenants of *Kāinga Ora* were generally not eligible for a *Rent Arrears Grant*, as Kāinga Ora’s sustaining tenancies policy meant that public housing tenancies were generally not at risk due to rent arrears. *Kāinga Ora* managed rent arrears directly with their tenants; * **Tenancy Costs Cover**: The purpose of this product was to support eligible applicants to obtain housing that they may have otherwise not been able to obtain, by providing assurances to potential landlords that the *Ministry of Social Development* would pay the applicant’s outstanding costs at the end of the tenancy (subject to an upper limit), if those costs exceeded the amount of bond paid; and * **Transition to Alternative Housing Grant**: The purpose of this grant was to provide a non-recoverable payment to eligible applicants to incentivise them to move from public housing to alternative housing (ie non-public housing).   The *Statement of Satisfactory Tenancy* and *Conditional Grant for Housing Assistance* that were available as part of the former *Housing Support Products Programme* were discontinued.  To be eligible for a grant under the new programme, a person had to meet an income and cash asset test (with the exception of *Tenancy Costs Cover* and the *Transition to Alternative Housing Grant*). The weekly income limit was aligned to the income (before tax) cut-out point for a non-beneficiary eligible for the maximum amount of the *Accommodation Supplement* in Area 1 (e.g. Auckland):   * single 16+ years: $1,270; * couple without children: $1,866; * couple with children: $2,189; * sole parent, 1 child: $1,730; and * sole parent, 2+ children: $2,010.   The cash asset limits were aligned to those applicable to the *Accommodation Supplement*:   * single person: $8,100; and * couple or sole parent: $16,200.   The maximum amount of a grant was set to equate to the actual rent a person was paying (grants under the previous programmes had generally been limited to a maximum dollar amount):   * *Bond Grant* – four weeks rent; * *Rent in Advance Grant* – two weeks rent; * *Rent Arrears Grant* – four weeks rent; and * *Tenancy Costs Cover* – four weeks rent.   The maximum amount for the *Moving Costs Grant* remained at $1,500, and the *Transition to Alternative Housing Grant* was $3,000.  Grants could be paid twice for the same purpose in a 52-week period. In cases where exceptional circumstances existed, additional grants could be made in a 52-week period. The *Transition to Alternative Housing Grant* could only be paid once.  Assistance under the new programme was initially only available to people who had a tenancy agreement under the *Residential Tenancies Act 1986*. It was intended that in late 2023 the new programme would be extended to people in less formal housing arrangements, including flatmates and boarders. This was subsequently delayed until 2024.  The funding for the new programme also included provision for a two-year pilot of non-recoverable financial assistance to help people who were particularly vulnerable in the housing market to obtain and maintain private rental housing. The initial focus for the pilot was people in emergency housing. The pilot was scheduled to be implemented in specified regions in 2024. |
| 13 March 2023 | **Kāinga Ora – Homes and Communities: Private (i.e. non-public) tenancies** | The Government approved *Kāinga Ora* piloting a mixed-tenure development at its redevelopment of 139 Greys Avenue in Auckland. Of the 276 units in the development, *Kāinga Ora* would rent 76 to non-public housing tenants. The remaining 200 units would be rented to public housing tenants, many with high needs, and with support services provided on site. The pilot was scheduled to run for three years until June 2026.  It was also agreed that *Kāinga Ora* would continue to operate as small number (unlikely to be more than 50 nationwide) of non-public housing tenancies that had resulted from activities that were consistent with its urban development and housing functions which resulted from the acquisition of:   * land and dwellings with sitting tenants, with the intention to redevelop in the future; and * housing portfolios, such as from councils, but where some sitting tenants were not assessed as eligible for public housing, but that housing would eventually be transitioned to public housing once the existing tenancy ended. |
| 1 April 2023 | **Main Benefits: One-off increase to rates in addition to wage indexation** | After tax rates of main *Social Security Benefits* wereincreased by 7.22 percent to reflect the increase in *Consumer Price Index* over the previous 12 months.  Legislation required that after-tax rates of main social security benefits were adjusted on 1 April by the movement in the after-tax average wage over the 12 months to the end of the previous December.  For the year to the end of December 2022, the after-tax average wage increased by 6.24 percent. Over the same period prices, measured by the *Consumer Price Index,* increased by 7.22 percent.  As a result, a one-off, additional increase of 0.98 percent was applied to ensure that increase in rates of main benefits matched the increase in consumer prices. |
| 1 April 2023 | **Student Allowances, Foster Care Allowances and other social security payments and thresholds increased by the movement in Consumer Price Index** | Rates of *Student Allowances*, *Foster Care Allowances*, *Orphan’s Benefit, Unsupported Child’s Benefit*, *War Pensions* and other social security benefits, allowances and thresholds were increased by 7.22 percent to reflect the increase in the cost of living over the previous 12 months.  The *Consumer Price Index* used as a basis for adjusting these rates was the ‘All Groups” Index. Between 2011 and 2021, the index used for adjusting benefits had excluded the impact of increases in cigarette and tobacco prices. This was to ensure that beneficiaries were not compensated for the increase in tobacco excise. From 2022, the adjustment reverted to using the ‘All Groups’ Index. |
| 1 April 2023 | **Rates of New Zealand Superannuation/ Veteran’s Pension at least 66% of the average wage** | The movement in the *Consumer Price Index* of 7.22 percent did not require a top-up to ensure that the rate of *New Zealand Superannuation* payable to a married couple (who both qualified) was not less than 66 percent of the after tax average ordinary time weekly wage. As a result of 7.22 percent increase, the after tax rate *of New Zealand Superannuation* paid to a married couple who both qualified was 67.42 percent of the after tax average wage. The single rates were adjusted accordingly so that a single person living alone received 65 percent of the after tax rate paid to a married couple and a single person sharing accommodation 60 percent. |
| 1 April 2023 | **Hardship Assistance Income Limits: Linked to average wage growth** | The income limits for hardship assistance (*Advance Payment of Benefit*, *Recoverable Assistance for Non-Beneficiaries* and *Special Needs Grants*) were increased by 6.24 percent.  It had been announced as part of the 2022 Budget that that from 1 April 2023 the annual adjustment of the income limits for hardship assistance would be linked to annual average wage growth. |
| 1 April 2023 | **Childcare Assistance: Increase to income thresholds and future indexation linked to the average wage** | Childcare Assistance (*Childcare Subsidy* and *Out of School Care and Recreation Subsidy*) income thresholds were increased by 6.24 percent to reflect the growth in the average wage over the past year and by an additional amount to reflect the increase to the average wage since the income thresholds were frozen in 2010. The new weekly income thresholds (before tax) and the hourly rates were:  **One child**:   * Less than $1,009: $6.10 per hour; * $1,009 to $1,836: $4.86 per hour; * $1,837 to $1,989: $3.40 per hour; and * $1,990 to $2,143: $1.90 per hour.   **Two children**:   * Less than $1,160: $6.10 per hour; * $1,160 to $2,112: $4.86 per hour; * $2,113 to $2,280 $3.40 per hour; and * $2,281 to $2,449: $1.90 per hour.   **Three or more children**:   * Less than $1,299: $6.10 per hour; * $1,299 to $2,357: $4.86 per hour; * $2,358 to $2,556: $3.40 per hour; and * $2,557 to $2,755: $1.90 per hour.   From this time, the income thresholds were adjusted on 1 April each year to reflect annual average wage growth.  This change was announced as part of the 2022 Budget. Increasing the income thresholds was expected to result in an estimated 7,400 additional children receiving the Childcare Subsidy on average each month and an additional 2,900 children receiving the OSCAR Subsidy on average each month. Overall, this represented an increase of 36 percent in the number of children eligible for these subsidies. |
| 1 April 2023 | **ACC Earner Premium increased** | The ACC *Earner Premium* was increased from 1.46c (GST inclusive) in the dollar to 1.53c (GST inclusive). The maximum earnings liable for the *Earner Premium* increased to $139,384 for 2023/2024, with the maximum premium of $2,132.57 for the 2023/2024 tax year. |
| 1 April 2023 | **Student Allowance: Parental income threshold increased** | The *Parental Income Threshold* for a *Student Allowance* was increased by 7.22 percent to $65,370.76 for the 2023/2024 year. |
| 1 April 2023 | **Student Loan Scheme: Repayment threshold increased** | The *Student Loan Repayment Threshold* was increased from $21,268 to $22,828 for the 2023/2024 tax year. Loan repayments at 12c in the dollar were required on income above the threshold. |
| 1 April 2023 | **Community Services Card: Income cut-out points increased** | The income cut-out points for the *Community Services Card* were increased to reflect the movement of 7.22 percent in the *Consumer Price Index*. The new income levels were:  *People other than NZS/VP recipients:*   * $31,705 Single (sharing); * $33,646 Single (alone); * $50,313 Couple; * $61,455 2 person family; * $75,645 3 person family; * $87,269 4 person family; * $98,687 5 person family; and * $111,255 6 person family.   For each additional child thereafter, income levels increased by $11,227.  *Recipients of NZS/VP:*   * $33,713 Single (sharing); * $35,861 Single (alone); * $53,821 Couple; * $61,455 2 person family; * $75,645 3 person family; * $87,269 4 person family; * $98,687 5 person family; and * $111,255 6 person family.   For each additional child thereafter, income levels increased by $11,277. |
| 1 April 2023 | **Minimum Wage increased** | The *Adult Minimum Wage* was increased by $1.50 per hour (7.2 percent which aligned with the increase to the *Consumer Price Index* over the year to the end of December 2022) to $22.70 gross per hour ($908 for a 40-hour week or $754.06 after tax at the M rate).  The *New Entrant Minimum Wage* (applicable to 16-17-year olds) and *Training Minimum Wage* (applicable to some trainees) were increased by $1.20 per hour to $18.16 gross per hour (80 percent of the adult minimum wage).  The fortnightly adult minimum wage was set at $1,816 before tax, increased by $22.70 for each hour worked in excess of 80 per fortnight. The *Starting Out Minimum Wage* and *Training Minimum Wage* was set at $1,452.80 per fortnight before tax and $18.16 for each hour worked in excess of 80 per fortnight.  The increase was expected to deliver gains for an estimated 222,900 workers. |
| 1 April 2023 | **Minimum Child Support Liability increased** | The minimum liability under the *Child Support Scheme* was increased to $1,098 per annum ($21.11 per week). |
| 1 April 2023 | **Minimum Family Tax Credit increased** | The *Minimum Family Tax Credit* was increased from $32,864 to $34,216. It provided a minimum after tax income of $658 per week.  The *Minimum Family Tax Credit* provided a guaranteed minimum income to families with a dependent child or children who were in full-time work. It ensured that families did not face a reduction in income when moving from a social security benefit into paid work. The increase reflected the increase in rates of main social security benefits on 1 April 2023. |
| 1 April 2023 | **Family Tax Credit: Rates increased** | Rates of the *Family Tax Credit* (FTC) were increased, by $9.21 per week for the first or only child and by $7.50 per week for the second or subsequent child. The increase reflected the inflation-indexed increase to the FTC (and *Best Start Tax Credit*) that was required once the cumulative increase in the *Consumer Price Index* reached five percent since the last adjustment.  The new weekly rates were:   * first or only child 0-15 years $136.94 (increase of $9.21); * first or only child 16-18 years $136.94 (increase of $9.21); * second or subsequent child 0-12 years $111.58 (increase of $7.50); * second or subsequent child 13-15 years $111.58 (increase of $7.50); and * second or subsequent child 16-18 years $111.58 (increase of $7.50). |
| 1 April 2023 | **Best Start Tax Credit increased** | The *Best Start Tax Credit* was increased from $65.15 per week ($3,387.80 per year) to $69.85 per week ($3,632.20 per year). An inflation-indexed increase to the *Best Start Tax Credit* was required when the cumulative increase to the *Consumer Price Index* reached five percent since the last adjustment. |
| 11 April 2023 | **Homeshare Pilot launched** | A pilot housing initiative was launched with the objective of enabling older Aucklanders to remain living in their own homes and staying in their communities.  The *Homeshare Pilot* aimed to connect older homeowners with a spare bedroom with people who needed accommodation and were happy to lend them a hand. Through the pilot, older homeowners could find people to share their home with. They would be matched with another person who would provide them with social connection and support, in exchange for good quality, affordable accommodation.  The *Homeshare Pilot* was overseen and managed by *Age Concern Auckland*, in partnership with *Homeshare Australia and New Zealand* (HANZA). While relatively new to New Zealand, Homeshare arrangements had demonstrated a good deal of international success over the last 25 years. The overseas experience showed that getting the right match between homeowner and homesharer could be life-changing.  As part of the pilot, *Age Concern Auckland* aimed to establish between 40 and 50 Homeshares in the Auckland region over following 18 months.  The *Office for Seniors,* within the *Ministry of Social Development,* funded the *Homeshare Pilot* as part of the Government’s *Better Later Life Oranga Kaumātua* *2019 to 2034 Strategy*. The aim was to promote alternative housing options for older people, that allow them to ‘age in place’ safely and independently. |
| 1 May 2023 | **Porirua City Council social housing units sold to Ngāti Toa** | The ownership of *Porirua City Council’s* 26 pensioner flats moved from the Council to local iwi *Ngāti Toa Rangatira’s* community housing arm, *Te Ᾱhuru Mōwai*. These units provided people aged 65 or older with secure, low-cost accommodation that was close to shops and public transport. The complex had been built in 1974 as a means of providing low-cost pensioner accommodation and prior to the sale the units were managed by Wellington City Council's *City Housing Unit.*  *Te Ᾱhuru Mōwai* already managed 924 homes in western Porirua.  This continued the trend of councils either exiting the provision of social housing or transferring management or ownership of housing to a *Community Housing Provider* (CHP). In 2023, the number of housing units directly managed by councils or council-controlled organisations had more than halved from 2016 levels – falling from 14,000 units to around 6,500 (this included the transfer of Wellington City Council’s 1,950 units to a CHP from August 2023). |
| 12 May 2023 | **Subsidies provided under Kāinga Ora’s Energy Hardship Pilot: Exempt as income** | An amendment to the *Social Security Regulations* 2018 and the *Student Allowances Regulations 1998* provided that any subsidy received as part of the *Kāinga Ora Energy Hardship Pilot* was not considered income when assessing eligibility to assistance under the *Social Security Act 2018*, *Public and Community Housing Management Act 1992* and the *Student Allowances Regulations 1998*.  *Kāinga Ora* established a pilot during the winter months of 2023 and 2024 to investigate how capped electricity bills could impact the heating behaviour of public housing tenants and improve the health and wellbeing of 1,200 *Kāinga Ora* tenants. Households participating in the pilot only paid a capped amount based on their previous electricity bills. For electricity usage above the capped amount, *Kāinga Ora* paid a subsidy directly to the electricity supplier.  The pilot considered changes in electricity usage and internal household temperature, which was linked to *Kāinga Ora’s* administrative data (such as house age/type, prevalence of mould and maintenance spend). Integrated Data Infrastructure data was also used to understand the impact on cross-sector spending such as health costs, hardship assistance, hospitalisations and days off school. |
| 15 May 2023 | **First Home Grant: Price caps adjusted** | A review of the price caps for the *First Home Grant* found that based on current lower quartile market values the price caps would be lower in 24 Territorial Authority areas, the same in 24 areas and higher in three areas.  For existing properties, four changes were made to the price caps:   * Hauraki District – increased from $525,000 to $550,000; * Wairarapa – increased from $575,000 to $600,000; * Christchurch Urban Area – increased from $550,000 to $575,000; and * Kawerau District – reduced from $625,000 to $400,000 to correct an error when the price caps were last adjusted in May 2022.   The minimum *First Home Grant* price cap for new build properties was lifted from $500,000 to $650,000, with higher caps in some areas to reflect increases in construction costs. For example, the price cap for new build properties the Hamilton Urban Area was increased from $725,000 to $775,000, Matamata-Piako District from $625,000 to $800,000 and Whakatane District from $500,000 to $800,000. Overall, the price caps for new build homes were increased in 37 areas. Auckland City remained at $875,000 and the Wellington Urban Area at $925,000  The before tax income caps for first home products remained unchanged at:   * $95,000 for individual buyers; and * $150,000 for individual buyers with dependants and multiple buyers.   The *First Home Grant* was administered by *Kāinga Ora* and was available to eligible *KiwiSaver* members. The amount of the Grant was between $3,000 and $10,000, depending on the number of years the buyer had been in *KiwiSaver* and whether the property being purchased was an existing or new build home. |
| 15 May 2023 | **KiwiBuild Price Caps adjusted** | The following adjustments were made the *KiwiBuild* price caps for three-bedroom homes:   * Hamilton Urban Area – $715,000 to $720,000; * Christchurch Urban Area – $715,000 to $720,000; * Queenstown Lakes District – $845,000 to $860,000; and * Rest of New Zealand – $715,000 to $720,000.   The price caps for one bedroom and two bedroom homes were unchanged.  The before tax income caps for *KiwiBuild* remained unchanged at:’   * $120,000 for individual buyers; * $150,000 for individual buyers with dependants; and * $200,000 for multiple buyers.   The *KiwiBuild* programme worked with residential developers to increase access to more affordable housing opportunities for first-home buyers and to increases the pace with which new homes were brought to market. First-home buyers had to be aged 18 over, a New Zealand citizen or permanent resident, and be prepared to live in the home for a specified minimum period. |
| 18 May 2023 | **Free Early Childhood Education: To be extended to two-year olds from March 2024** | As part of the 2023 Budget, it was announced that Free *Early Childhood Education* (ECE) of up to 20 hours per week would be extended to two-year-olds from 1 March 2024.  From 1 July 2007, up to 20 hours per week of free ECE had been available to three to four year-old children participating in kohanga reo and teacher-led ECE services (kindergartens, centre-based and home-based). ECE providers could not require fees to be paid in respect of the hours covered by free ECE care. Optional charges were payable on a voluntary basis to cover features above regulations (eg hot lunches, trips, specialist teachers, additional teachers etc). |
| 29 May 2023 | **Social security: Return to physical verification of a new applicant’s identification** | From this time, people applying for *New Zealand Superannuation*, *Veteran’s Pension* and non-beneficiary on-going assistance (eg *Accommodation Supplement* or *Disability Allowance*) needed to bring their primary government-issued identification into a *Ministry of Social Development* service centre for verification. This applied to new applicants where the Ministry did not already have their identification on file. Applicants could still upload their identification in *MyMSD*, but they were also required to bring it into a service centre.  The return to physically verifying an applicant’s identification was to mitigate the risk of benefit fraud through identity theft.  This was seen as a temporary measure, pending completion of work on an identity verification tool with the *Department of Internal Affairs* which would allow the *Ministry of Social Development* to digitally verify people’s identity (if they had a New Zealand passport or driver licence). |
| 1 June 2023 | **First Home Loan: Insurance premium for borrowers reduced** | The *Lender’s Mortgage Insurance Premium* that buyers were required to pay was reduced from 1.0 percent of the loan balance to 0.5 percent of the loan balance. The reduction reflected overall claims made by lenders.  Prior to this, the total premium of 2.2 percent was made up of a 1.0 percent contribution from the borrower and a 1.2 percent contribution from the Crown. The reduction to 1.2 percent represented a Crown contribution of 0.7 percent and a buyer contribution of 0.5 percent.  The *First Home Loan* only needed a five percent deposit and was issued by selected banks and other lenders and underwritten by *Kāinga Ora*. This allowed the lender to provide loans that would otherwise sit outside their lending standards. The scheme was available to first-home buyers, or a previous homeowner in a similar financial position to a first home buyer, who had before tax income from the last 12 months of:   * $95,000 or less for an individual buyer; * $150,000 or less for an individual buyer with a dependant or dependants; or * $150,000 for two or more buyers, regardless of the number of dependants.   Successful applicants were required to pay a *Lender’s Mortgage Insurance Premium* and a loan application fee. |
| 1 July 2023 to 30 June 2024 | **Christchurch Mosques Attack Ministerial Welfare Programme extended** | The *Christchurch Mosques Attack Ministerial Welfare Programme* provided for payments of special assistance to people who had been affected by the Christchurch mosques attack, but who did not qualify for a main benefit under the *Social Security Act 2018*.  The programme, established on 3 June 2019, had been set to expire on 30 June 2023. The expiry date was extended to 30 June 2024. |
| 1 July 2023 | **Community Connect Scheme: More affordable public transport for lower income households** | Under the *Community Connect Scheme* recipients of a *Community Services Card* (CSC) were eligible for a 50 percent discount on public transport fares for peak and off-peak services.  Operators of public transport were authorised to be able to request to see a CSC when a cardholder was applying in person to have the fare concession loaded onto an existing or new travel card. For cash fares, CSC holders were required to show their card when purchasing a ticket to obtain the concession.  To authorise public transport operators to be able to request to see a CSC to determine eligibility for discounted services, amendments were made to the *Health Entitlement Cards Regulations 1993* and the *Social Security Regulations 2018.*  The implementation of the Scheme followed the end of the temporary half-price public transport for all on 30 June 2023. This temporary measure had applied since 1 April 2022 to assist households with the increasing cost of living. |
| 1 July 2023 | **Free public transport for children under the age of 13 and subsidised public transport for young people aged 13 to 24** | Free public transport (buses, trains and ferries) was implemented for children aged 5 to 12 years. Half price public transport was implemented for young people aged 13 to 24 years.  These changes, announced in the 2023 Budget, were estimated to provide cheaper public transport fares for an additional 774,000 New Zealanders, on top of the 895,000 New Zealanders already made eligible for half-price fares through the *Community Connect Scheme*.  This change was announced in the 2023 Budget. |
| 1 July 2023 | **Changes to the Rates Rebate Scheme** | The following changes to the *Rates Rebate Scheme* came into effect:   * the maximum rebate was increased from $700 to $750; and * the income threshold was increased from $28,080 to $30,100.   The change reflected a 7.2 percent increase in the *Consumer Price Index* (All groups) for the 2022 calendar year. The maximum amount of the rebate was rounded up/down to the nearest $5.  The additional income allowance for dependants remained at $500 per dependant. This meant that the income threshold for the 2023/2024 rating year was $30,100 increased by $500 for each dependant.  Homeowners could apply for the rebate for the 2023/2024 rating year (1 July 2022 to 30 June 2023), based on their income for the previous tax year (year ended 31 March 2023).  The total cost of the Scheme for the year ended 30 June 2002 was $55.3 million. For the year to the end of June 2023, it was forecast that that claims would total around $66 million. |
| 1 July 2023 | **Residential Care Subsidy: Adjustment of asset levels** | The asset thresholds for the *Residential Care Subsidy* were adjusted by the movement in the *Consumer Price Index* (all groups) for the year to the end of March 2023 (6.7 percent).  Single people and couples with both partners in care were able to keep up to $273,628 in assets - up from $256,554, before they were used to contribute to the cost of their care. Couples both 65 years or over with one in residential care were able to keep $149,845 (excluding family home and car) - up from $140,495, or they could elect the higher asset threshold of $273,628 (including family home and car). |
| 1 July 2023 | **Residential Care Subsidy: Increase to the income from assets exemption** | The ‘income from assets exemption’ for the *Residential Care Subsidy* was adjusted by the movement in the *Consumer Price Index* for the year to the end of March 2023 of 6.7 percent. The new income from asset exemption levels (after tax) were:   * single people: $1,188 per annum; * couple (both in care): $2,376 per annum; and * couple (one in care): $3,564 per annum.   This was the amount of a person’s annual income that was derived from assets that was not included in the calculation of the person's overall annual income for the purpose of the means assessment relating to income. |
| 1 July 2023 | **Residential Care Subsidy: Allowable gifting levels increased** | The allowable gifting level was increased from $7,000 to $7,500 per annum for each applicant. Gifts of investments made in the five years before a person applied for the *Residential Care Subsidy* were included in the means assessment of assets (i.e. gifts above the allowable gifting level).  Gifts could also be made by the applicant or partner (if any) to another person who had provided a [high level of care](javascript:pop('http://doogle/map/definitions/high%20level%20of%20care.htm')) to the applicant. The gift must have been made within 12 months of the client's date of application for a financial means assessment. As long as the applicant had received at least one year of continuous high-level care, they could gift a maximum of $7,500 for each year of high-level care received, up to a maximum of $37,500 (minus any allowable gifting that had already taken place).  In 2004, Cabinet had directed that the allowable gifting amount be adjusted by $500 increments when the accumulated change in the *Consumer Price Index* would result in an adjustment of $500 or more. The accumulated *Consumer Price Index* movement since the last adjustment in July 2022 equated to an adjustment of $831, so an adjustment of $500 was applied. |
| 1 July 2023 | **Paid Parental Leave increased** | *Paid Parental Leave* was increased from a maximum of $661.12 gross per week to a maximum of $712.17 gross per week.  The increase reflected the 7.7 percent increase in average ordinary time weekly earnings over the year to March 2023.  The minimum payment for self-employed parents increased from $212.00 per week to $227.00 per week (equivalent to 10 hours at the minimum wage).  In 2022, 56,200 people received *Paid Parental Leave*. |
| 1 July 2023 | **Flexi-wage Subsidy: Extended to people aged 65 or over** | The *Flexi-wage* *Subsidy* was extended to help eligible people aged 65 or over who were receiving *New Zealand Superannuation* or a *Veteran’s Pension*.  This reflected that a growing number of people were working beyond pension age, including some people that needed to keep working past this age.  Employers could access *Flexi-wage* for someone who was disadvantaged in the labour market and who needed some support to meet the job’s entry-level criteria. People over 65 could only get band one [$276 gross per week for 24 consecutive weeks ($6,624 in total, gross)], as the higher bands were for those who might otherwise be in receipt of a social security benefit for a long time. Other than this, eligibility criteria for people aged 65 or over were the same as other age groups. This included meeting the residence requirements and for those not receiving a main social security benefit, an income test. |
| 1 July 2023 | **Child Support passed on to sole parent beneficiaries** | Payments under the *Child Support Scheme*, administered by the *Inland Revenue Department* (IRD) were “passed on” (paid) in full to beneficiaries receiving a sole parent rate of a main social security benefit.  Since the *Child Support Scheme* was introduced in July 1992, sole parent beneficiaries were required to apply to IRD for a formula assessment of child support. IRD collected these child support payments on behalf of the sole parent beneficiary. Child support payments were retained to offset the cost of that sole parent’s main social security benefit, and any remainder was paid to the sole parent beneficiary. Other beneficiaries (such as re-partnered beneficiaries receiving a couple rate of benefit) had their child support payments passed on in full. Prior to 1992, a similar provision operated under the *Liable Parent Contribution Scheme* for sole parents applying for the *Domestic Purposes Benefit*.  Child support that was passed on was treated as income by the *Ministry of Social Development* (MSD) when calculating entitlements to a benefit and other assistance under the *Social Security Act 2018* and housing assistance under the *Public and Community Housing Management Act 1992*.  Child support payments were paid monthly by IRD, whereas benefit payments were paid by MSD either weekly or fortnightly. Monthly child support payments were treated as weekly income by spreading them over a period of four or five weeks in order to calculate the amount of financial support that a sole beneficiary was eligible to receive. Child support information was shared by IRD so MSD could charge these payments as income automatically for all beneficiaries receiving child support payments from IRD.  Beneficiaries applying for a sole parent rate of main benefit were no longer required to apply for child support through IRD. They could choose whether or not to apply and whether or not they received these payments via IRD or through a private arrangement.  A parent paying formula-assessed child support via IRD was able have this cost taken into account for any assessment of *Temporary Additional Support* or the grandparented *Special Benefit.*  The changes did not apply to caregivers receiving the *Unsupported Child’s Benefit*. They were still required to apply for child support and payments continued to be retained by IRD to offset the cost of the *Unsupported Child’s Benefit*. Any excess child support that these caregivers received continued to be counted as income by MSD.  While the change was implemented from 1 July 2023, the first payments were passed on to sole parent beneficiary parents from 22 August 2023. |
| 1 July 2023 | **Public Housing: Child Support included as assessable income** | In April 2014, the function of administering the *Income-Related Rent* for public housing tenants was transferred from *Housing New Zealand Corporation* (HNZC) to the *Ministry of Social Development* (MSD). At that time, Cabinet agreed that MSD would use HNZC’s existing calculations and mechanisms for the purpose of calculating the *Income-Related Rent*, including operational guidelines.  As a result, between April 2014 and July 2023 MSD only considered Child Support as income for the purpose of calculating the *Income-Related Rent* if it was the household’s sole source of income. This practice was inconsistent with the overall policy and legislation which included most Child Support payments as assessable income.  From 1 July 2023, MSD corrected this practice and Child Support was from that time considered assessable income when calculating the *Income-Related Rent*. As a result, some tenants who were receiving Child Support had an increase in their *Income-Related Rent*.  The change ensured equity between public housing tenants regardless as to the source of their income. The *Income-Related Rent* for all public housing tenants was based on their assessable income.  The change was implemented from July 2023 and impacted on existing tenants at their next annual review of their *Income-Related Rent*. A retrospective review in relation to any Child Support received between 2014 and 2023 was not undertaken.  This change also impacted on the housing needs assessment undertaken for applicants for public housing, with Child Support included in the assessment of affordability. |
| 1 July 2023 | **Pharmaceutical charges removed** | The $5 co-payment for pharmaceuticals was abolished. From this time, prescriptions became free-of-charge for all New Zealanders.  The change was estimated to benefit around three million people, including around 770,000 people over the age of 65 who had received prescription medicines in the previous year.  The change had been announced as part of the 2023 Budget. |
| 1 August 2023 | **Office for Disability Issues** | The *Office for Disability Issues* (ODI) was fully integrated into *Whaikaha - Ministry of Disabled People*. This saw the end of the ODI brand. |
| 1 August 2023 | **Wellington City Council social housing transferred to a Community Housing Provider - Te Toi Mahana** | From this time, *Wellington City Council* social housing was managed by a *Community Housing Provider* (CHP) - *Te Toi Mahana*. This was a charitable trust governed by a board of nine trustees.  Prior to this, *Wellington City Council* owned or managed approximately 1,950 tenancies with around 3,200 residents, with around 21 percent of residents aged 65 or over. In August 2022, the *Wellington City Council* had agreed to establish a CHP to advance the charitable purposes of relieving poverty and providing benefits to the community by way of providing community housing, social housing, public housing, and/or affordable rental housing.  The Council remained the owner of the majority of the properties which were leased to *Te Toi Mahana* (for a period of 30-35 years). *Te Toi Mahana* took over tenancy management (as well as providing access to a range of social services and community activities for tenants) and maintenance. As part of the establishment, *Te Toi Mahana* was gifted $10 million of property and $23 million of funds from the Council.  The Council remained responsible for delivering the major housing upgrade programme that was part of a 2008 agreement with central Government, and the implementation of the Healthy Homes upgrades.  Tenants were transferred to *Te Toi Mahana* on their existing agreements and rent and these would remain for these tenants as long as they were residents of the CHP. This included the Council’s core rental terms (including rent setting at 70 percent of the market rent, *Affordable Rent Limit Subsidy*, rent caps, 80+ rent freeze and an existing rent freeze until September 2023). A new *Tenant Support Fund* was established to help existing tenants who were experiencing financial hardship (to provide rent relief and/or cost-of-living support) who transitioned across to *Te Toi Mahana*.  New, eligible tenants of *Te Toi Mahana*, housed from the *Public Housing Register*, had access to the Government’s *Income-Related Rent Subsidy*. Funding had been set aside on the basis that up to 380 households would be housed from the *Public Housing Register* and eligible for the *Income-Related Rent Subsidy* in 2023/24 and 2024/25.  The change was intended to enable access to more funding so that more social housing could be built and to allow access to the *Income-Related Rent Subsidy* for new tenants. |
| 4 August 2023 | **Emergency Housing: Supplier standards introduced** | Changes were made to the *Special Needs Grants Welfare Programme* to limit the ability of the *Ministry of Social Development* (MSD) to make *Emergency Housing Special Needs Grants* (EHSNGs) in respect of suppliers of emergency housing, unless MSD was satisfied they met specific standards.  The changes established a tiered system of registered and non-registered suppliers. All emergency housing suppliers (usually motels) were expected to meet the standards, but suppliers were able to decide whether they wanted to opt in. MSD could only enforce the standards for opted-in suppliers, by removing their opted-in status.  MSD prioritised granting EHSNGs for a client to stay with a supplier that had opted-in to the supplier standards. MSD limited granting an EH SNG for a client to stay with a not opted in supplier to the following situations:   * there was no opted-in supplier adequate to meet the needs of the client and their immediate family; or * a supplier that is not opted-in to the standards was the most appropriate option; or * there were exceptional circumstances.   The supplier standards included:   * services provided were of a reasonable standard; * the accommodation included access to appropriate facilities; * services for the client were the same as for any other paying guest and reasonable for the cost; * reasonable efforts were made to provide the client with suitable sized accommodation for the number of people staying; * if the client had specific needs (e.g., accessibility needs), and the supplier had agreed to accommodate these, they will ensure that this is done throughout the client’s stay; * the client was able to lock their room from the inside and outside. * the supplier provided the client with clear information as part of the check-in process (including the rules of stay); * all people working for the supplier treated the client with respect and respected the client’s right to the quiet enjoyment of their space; * the supplier will respond to requests for repairs or maintenance within a reasonable timeframe; * the supplier will use a fair process to resolve any issues between themselves and the client; * the accommodation complied with applicable fire safety regulations; and * the accommodation held a valid Building Warrant of Fitness, if one was required.   There was a three-month transition period to allow suppliers to opt-in to the scheme.  Supplier standards were applied to all EHSNG grants from 6 November 2023. |
| 14 August 2023 | **Emergency Housing Special Needs Grants: Guidelines updated** | The guidelines for *Emergency Housing Special Needs Grants* (EHSNGs) were updated to make it clearer to staff of the *Ministry of Social Development* that if a person had access to accommodation adequate for their needs, even in the short-term, an EHSNG could not be granted, as the person did not have an immediate emergency housing need.  Guidance for the following discretionary reasons for declining an EHSNG application was updated to make it concise and consistent:   * unreasonably contributed to their need; * refuses to pay the contribution; and * failed to pay the contribution.   Guidance was strengthened around family violence, so that the circumstances of the person and their immediate family was fully taken into account, and they would generally meet the qualifications for a non-recoverable EHSNG.  Consistent guidance was provided as to applying a recovery rate of 25 percent of the person’s income when an EHSNG was a recoverable grant and the contribution did not apply. |
| 14 August 2023 | **Progressive Home Ownership Scheme expanded** | A number of changes were made to expand the *Progressive Home Ownership* (PHO) Scheme to more first-home buyers. The changes included:   * allowing buyers to purchase existing homes to increase access to eligible households, giving them a greater choice of homes, including more affordable homes, and homes in more locations; * increasing the PHO income cap from $130,000 to $150,000, reflecting the recent wage growth for many while retaining the focus on supporting those who need it, particularly for those living in the main centres/living in places with higher house prices; * broadening the income cap exemption for intergenerational whānau to include larger whānau allowing any eligible whānau of at least six people who normally live together to purchase a home through PHO; and * extending the recyclability of funding under PHO from 15 to 20 years for rent-to buy and shared equity schemes, to reduce the cost to participants and to support more households.   Introduced in 2020, the $400 million PHO scheme helped people into home ownership, particularly focusing on whānau with tamariki, Māori, and Pacific peoples. Since its introduction, 861 homes had been contracted, with 472 households moved in. The scheme aimed to get at least 1,500 homes contracted by June 2024.  PHO was delivered through three pathways:   * *Te Au Taketake* and the *Provider Pathway* - worked with PHO providers who developed homes and worked with whānau through leasehold, rent-to-buy and shared equity schemes; and * *First Home Partner* was delivered through *Kāinga Ora*, which was a shared-equity scheme targeted at households who could afford to service a standard mortgage but did not have a large enough deposit or did not qualify for a large enough home loan to purchase a suitable home. |
| 15 August 2023 | **COVID-19 Leave Support Scheme ended** | As the Government had removed the requirement to self-isolate for seven days when a person tested positive for COVID-19, eligibility for the *COVID-19 Leave Support Scheme* ended, as it was no longer required.  Employers could no longer apply for assistance for anyone who started self-isolation after 13 August 2023. Some people who were already isolating could still be eligible and employers had eight weeks to apply. Applications were totally closed from 11.59 pm on 10 October 2023.  The *COVID-19 Leave Support Scheme* was a payment that helped employers pay employees who were self-isolating because of COVID-19 and couldn't work from home. Self-employed people could also apply.  The *Ministry of Social Development* also closed its COVID-19 0800 Welfare Support Line, with callers redirected to the general line if they needed help with essential costs. |
| 4 September 2023 | **Temporary Accommodation Assistance for displaced homeowners: North Island weather events:** | *Temporary Accommodation Assistance* (TAA) was a weekly payment from the *Ministry of Social Development* (MSD) available to homeowners displaced by North Island Weather Events (NIWE) in early 2023 to assist with the cost of their temporary rental accommodation. People could apply for the TAA from 21 August 2023, with MSD granting assistance from 4 September 2023.  Eligibility was subject to the following criteria:   * homeowner was displaced from their home due to damage directly caused by the NIWE, and the property had been red or yellow stickered; * homeowner owned the home from which they had been displaced and continued to have costs associated with their damaged home (eg, mortgage, rates, insurance etc); * living in temporary private rental accommodation and paying rent, covered by the *Residential Tenancies Act 1986* on the date of announcement of the TAA (19 July 2023); * was registered with the *Temporary Accommodation Service* of the *Ministry of Business, Innovation and Employment* at the time of their application; and * had insurance cover for temporary accommodation costs which had been agreed and paid by their insurance company and this cover had been exhausted.   The TAA was not subject to an income or asset test, but the applicant was asked to declare that they had taken all reasonable steps to limit the cost of their temporary accommodation and MSD was able to take into account their wider financial circumstances in exercising its discretion to grant the TAA.  The weekly rate of TAA was based on family circumstances and the area in which their temporary rental accommodation was located. The maximum weekly rates reflected 100 percent of the average rent declared by recipients of the *Accommodation Supplement (AS)* in each of the four AS areas, by household type. The TAA payment was the lower of the person’s actual temporary accommodation costs (weekly rent) or the maximum weekly rate.  The maximum weekly TAA rates were:   * *single no children*: $330 (AS area 1), $270 (AS area 2), $260 (AS area 3), $250 (AS area 4); * *couple no children and*   *sole parent (1 child)*: $480 (AS area 1), $420 (AS area 2), $380 (AS area 3), $340 (AS area 4);   * *couple (1 child) and*   *sole parent (2 children)*: $560 (AS area 1), $480 (AS area 2), $430 (AS area 3), $380 (AS area 4); and   * *couple (2+ children) and*   *sole parent (3+ children)*: $610 (AS area 1), $510 (AS area 2), $460 (AS area 3), $400 (AS area 4).  Where insurance cover for temporary accommodation had ended prior to 4 September 2023, there was provision for MSD to make a lump sum hardship payment to an eligible homeowner, with the amount of the lump sum reflecting the date that insurance cover ended, back to 1 June 2023. The maximum lump sum payment for a large household (4+ bedrooms) with temporary rental accommodation in AS Area 1 was $10,718.57. Applications for the lump sum payment closed on 2 October 2023 (28-day application window).  The TAA ended when the affected homeowner no longer owned the affected home or was no longer incurring any costs associated with home ownership of their affected property, or repairs/remediation work on their affected home had been completed and they could move back in.  NIWE TAA was paid under a Ministerial Welfare Programme under section 101 of the *Social Security Act 2018*. The payments were non-taxable and did not impact on eligibility to other social assistance.  TAA could not be paid in respect of any period where a person received the *Accommodation Supplement*, *Student Allowance Accommodation Benefit*, *Temporary Additional Support* or *Special Benefit* in respect of their temporary accommodation costs.  Amendments to the *Social Security Regulations 2018* provided that TAA payments were not chargeable income for *Temporary Additional Support* and that people receiving TAA payments could not also include their temporary accommodation costs as an allowable cost for *Temporary Additional Support*.  An amendment to the *Ministerial Direction in relation to Special Benefit* provided that the TAA was not chargeable income for the grandparented *Special Benefit*.  TAA payments were not personal or spousal/partner income for the *Student Allowance*.  The TAA Programme was scheduled to expire at the end of 30 June 2024.  The TAA was an interim solution, with a more enduring solution to assist homeowners displaced by weather or other events scheduled to be developed and implemented in 2024. |

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| 25 September 2023 | **Temporary Accommodation Assistance for displaced homeowners: Severe weather events**  **(Expanded to include Nelson)** | Eligibility to *Temporary Accommodation Assistance* (TAA) for homeowners displaced by a severe weather event was expanded to include homeowners displaced by the heavy rainfall commencing on 17 August 2022 and ending on 20 August 2022 in the Whakatū/Nelson, Te Tai-o-Aorere/Tasman, Te Tauihu-o-te-waka/Marlborough districts.  The eligibility criteria were the same as for the *North Island Weather Events Temporary Accommodation Assistance* that had been implemented from 4 September 2023*.*  The Ministerial Welfare Programme established on 4 September 2023 to provide for the North Island Weather Events - Temporary Accommodation Assistance was renamed the *Temporary Accommodation Assistance (Severe Weather Events) Programme*. |