

## **Cabinet**

## **Minute of Decision**

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## COVID-19 Recovery Package: Increases to Main Benefits and the Winter Energy Payment

Portfolio Social Development

On 23 March 2020, Cabinet:

- noted that on 16 March 2020, Cabinet agreed to the following changes as part of the government response to the economic impacts of COVID-19:
  - 1.1 increase main benefit rates by \$25 per week
  - double the rate of the Winter Energy Payment for 2020 only;

[CAB-20-MIN-0108]

- noted that legislative changes are needed to enact both the \$25 increase to main benefits and the doubling of the rate of the Winter Energy Payment;
- noted that consequential amendments will be made to a number of payments which have existing links to main benefits;
- 4 **noted** that in December 2019, Cabinet approved funding for the Income Support Package (Transitional Assistance) Programme to provide transitional assistance for people affected by the Budget 2019 Income Support Package [SWC-19-MIN-0201];
- noted that due to complex interactions in the income support system, the already established Income Support Package (Transitional Assistance) Programme will be amended by the Minister for Social Development to also account for reductions in assistance for a small number of people as a result of the main benefit increase;
- agreed that the Transitional Assistance funding required for phase one of the Recovery package will be met from the existing Transitional Assistance appropriation as there is sufficient funding available in the existing Transitional Assistance appropriation;
- 7 **noted** that further legislative changes are needed to ensure the increase to the Winter Energy Payment is temporary only, and these changes will be made through a bill which is planned to be passed under urgency in early April 2020;
- 8 **authorised** the submission to the Executive Council of the Social Security (Rates of Benefits and Allowances) (COVID-19 Recovery Package) Amendment Order 2020 [PCO 22812/2.0];

- 9 **noted** that a waiver of the 28-day rule is sought:
  - 9.1 so that the Amendment Order can come into force on 27 March 2020;
  - on the grounds that the changes being made by the Amendment Order will only confer benefits to the public;
- agreed to a waiver of the 28-day rule.

Michael Webster Secretary of the Cabinet

## **Hard-copy distribution:**

Prime Minister Deputy Prime Minister Minister for Social Development