



Cabinet Social Outcomes Committee

Minute of Decision

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Welfare that Works Bonus Payment: Policy Decisions

Portfolio **Social Development and Employment**

On 17 September 2025, the Cabinet Social Outcomes Committee:

- 1 **noted** that the proposals in the paper under SOU-25-SUB-0130 give effect to the Welfare that Works manifesto document, which proposes introducing a one-off Bonus Payment of \$1,000 to reward under 25 year olds who have been on Jobseeker Support for longer than a year who enter employment and remain off main benefit for 12 months;
- 2 **noted** that the Bonus Payment aligns with the Government's target to support young people into work and have fewer people on the Jobseeker Support benefit;
- 3 **noted** that the Bonus Payment will be funded through funding committed to the initiative Employment Services – Investing in Frontline Staff and Employment Programmes as a part of Budget 2025, of which introduction and delivery of the Bonus Payment is expected to require s 9(2)(f)(iv);
- 4 **authorised** the Minister for Social Development and Employment (the Minister) to make decisions on the detailed design of the Bonus Payment, including the eligibility criteria, delivery of payments, and effective dates;
- 5 **noted** that eligible clients will need to complete an application to the Ministry of Social Development to receive the payment once they are eligible;
- 6 **authorised** the Minister to establish a welfare programme under section 101 of the Social Security Act 2018, by October 2026, to allow the Bonus Payment to be provided to young people who meet the eligibility criteria;
- 7 **noted** that the Minister intends the Bonus Payment welfare programme to be confirmed by October 2025 to ensure that young people can be told about the potential to receive a Bonus Payment when entering the Welfare that Works community job coaching programme;
- 8 **noted** that the Bonus Payment will be exempt as income based on the Social Security Act 2018 definitions;
- 9 **agreed** to amend the Social Security Regulations 2018 to provide that the Bonus Payment is exempted as a cash asset when assessing eligibility for all assistance dependant on the Accommodation Supplement cash asset test;

- 10 **authorised** the Minister to issue drafting instructions to the Parliamentary Counsel Office to amend the Social Security Regulations 2018 as per paragraph 9 above.

Jenny Vickers
Committee Secretary

Present:

Hon David Seymour
Hon Nicola Willis
Hon Simeon Brown
Hon Louise Upston (Chair)
Hon Mark Mitchell
Hon Matt Doocey
Hon Nicole McKee
Hon Casey Costello
Hon Karen Chhour
Hon Nicola Grigg

Officials present from:

Office of the Prime Minister
Officials Committee for SOU
Office of the Minister for Social Development and Employment
Office of the Minister for Seniors
Office of the Minister of Police