



ANALYSIS

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SCHEDULE
Consequential Amendments to Social Security Act 1964

1997, No. 23

An Act to amend the Social Security Act 1964

[30 June 1997

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

1. Short Title and commencement—(1) This Act may be cited as the Social Security Amendment Act (No. 3) 1997, and is part of the Social Security Act 1964 (“the principal Act”).

(2) This Act comes into force on 1 January 1998.

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

“(1) Subject to the provisions of this Part, every person who is—

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

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

and who has resided continuously in New Zealand for not less than 12 months at any time, is entitled to receive a sickness benefit under this Part if the Director-General is satisfied that

the person is temporarily incapacitated, or will for an indefinite period be incapacitated, for work through sickness or accident, and that for that reason he or she has suffered a loss of salary, wages, or other earnings.”

(2) The following enactments are consequentially repealed:

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

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

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

3. Unemployment benefits—(1) Section 58(1) of the principal Act (as amended by section 14(1) of the Social Security Amendment Act (No. 2) 1990) is amended by omitting the words “of or over the age of 18 years or who is of or over the age of 16 years and is married with a dependent child or dependent children”, and substituting the words “of or over the age of 25 years”.

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

“(3) Every person who—

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

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

“(c) Is otherwise qualified to receive an unemployment benefit under subsection (1)—

is entitled instead to receive an unemployment benefit under this Part.

“(4) Nothing in subsection (3) entitles a person under the age of 25 years to apply for an unemployment benefit if an unemployment benefit being paid to that person under that subsection, or pursuant to section 3(4) of the Social Security Amendment Act (No. 3) 1997, is cancelled.”

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

(4) Notwithstanding the provisions of subsections (1) and (3), the Director-General must continue to pay an unemployment

benefit to any person under the age of 25 years who was in receipt of an unemployment benefit under section 58 of the principal Act immediately before the commencement of this section, while that person remains eligible for it under that section, as if those subsections had not been enacted.

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

“Young Job Seekers’ Allowances

“59B. Young job seekers’ allowances—(1) Every person under the age of 25 years who is—

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

“(b) Of or over the age of 16 years and married with a dependent child or dependent children—
is entitled to a young job seeker’s allowance under this Part if the Director-General is satisfied that the person—

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

“(d) Is not a full-time student; and

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

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

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

“(2) It is a condition of a benefit under this section that the person granted the benefit complies with section 60HC (which relates to work testing).

“59C. Rates of young job seekers’ allowances—
(1) Section 59 (1A) to (1C) and (2) apply to a young job seeker’s allowance as if their references to ‘unemployment benefit’ were references to ‘young job seeker’s allowance’.

“(2) The rate of the young job seeker’s allowance payable to any beneficiary is the appropriate rate specified in the Ninth Schedule, but that rate may be affected by the application of section 59 (1A) to (1C) or (2) or section 60L.

“59D. Spouse of young job seeker’s allowance recipient—Section 59A (which relates to mandatory interviews and work testing for spouses) applies to a young job seeker’s allowance as if its references to ‘unemployment benefit’ were references to ‘young job seeker’s allowance’.

“59E. Period for which young job seeker’s allowance payable—(1) A young job seeker’s allowance is payable for a period not exceeding 13 weeks from the date the applicant became entitled to receive it (whether or not that period has been broken by a period of temporary employment or training).

“(2) Every person still qualified to receive a young job seeker’s allowance on the expiration of that period is entitled instead to receive an unemployment benefit under section 58 (3).”

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) Section 60F of the principal Act (as so inserted) is amended by adding the following subsection:

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

(4) Notwithstanding the provisions of subsections (1) and (2), the Director-General must continue to pay an independent youth benefit to any person who was in receipt of an independent youth benefit under section 60F of the principal Act immediately before the commencement of this section,

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

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

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

(2) For the purposes of assessing entitlement to an accommodation supplement under sections 61E and 61EA of the principal Act, the term “beneficiary” includes any person aged 16 years or 17 years who is being paid a job search allowance pursuant to section 7 (2).

10. Consequential amendments—(1) The principal Act is amended in the manner specified in the Schedule.

(2) The Social Security Amendment Act 1996 is amended—

(a) By repealing section 14:

(b) By omitting from section 33 (1) the words “(as substituted by section 19 (1) of the Social Security Amendment Act (No. 2) 1991)”, and substituting the words “(as substituted by section 2 (1) of the Social Security Amendment Act (No. 2) 1996)”:

(c) By omitting from section 33 (2) the words “(as so substituted) is hereby further amended by repealing subsection (3)”, and substituting the words “is amended by repealing subsection (3) (as so substituted)”.

(3) The Social Security Amendment Act (No. 2) 1996 is amended by repealing so much of section 2 (1) as relates to section 77 (3) of the principal Act.

Section 10 (1)

SCHEDULE

CONSEQUENTIAL AMENDMENTS TO SOCIAL SECURITY ACT 1964

Provision Amended	Amendment
Section 3 (1) 	<p>By repealing paragraph (b) (v) of the definition of the term "benefit" (as substituted by section 2 (1) of the Social Security Amendment Act (No. 2) 1990), and substituting the following subparagraph:</p> <p style="padding-left: 40px;">"(v) A young job seeker's allowance payable under section 59B:".</p> <p>By omitting from paragraph (a) of the definition of the term "work-tested beneficiary" (as inserted by section 2 (6) of the Social Security Amendment Act 1996) the words "job search allowance", and substituting the words "young job seeker's allowance".</p> <p>By omitting from paragraph (a) of the definition of the term "work-tested benefit" (as so inserted) the words "job search allowance", and substituting the words "young job seeker's allowance".</p> <p>By inserting in the definition of "work-tested spouse" (as so inserted), after the words "unemployment benefit", the words "or a young job seeker's allowance".</p>
Section 3 (5) (as added by section 2 (7) of the Social Security Amendment Act 1996)	By inserting, after the words "unemployment benefit", the words "or a young job seeker's allowance".
Section 60GA (b) (ii) (as inserted by section 16 of the Social Security Amendment Act 1996)	By inserting, after the words "unemployment benefit", the words "or a young job seeker's allowance".
Section 60H (1) (as substituted by section 17 of the Social Security Amendment Act 1996)	By omitting from paragraph (b) of the definition of the term "employment" the words "job search allowance", and substituting the words "young job seeker's allowance".
Section 60H (2) (c) (as so substituted)	By inserting, after the words "unemployment benefit", the words "or a young job seeker's allowance".
Section 60HA (1) (a) (ii) (as inserted by section 18 of the Social Security Amendment Act 1996)	By inserting, after the words "unemployment benefit", the words "or young job seeker's allowance".

SCHEDULE—*continued*CONSEQUENTIAL AMENDMENTS TO SOCIAL SECURITY ACT 1964—*continued*

Provision Amended	Amendment
Section 60HA (as so inserted)	<p>By adding the following subsection:</p> <p>“(4) For the purposes of subsection (3), where, under section 58 (3), an unemployment benefit is granted to a person in receipt of a young job seeker’s allowance,—</p> <p>“(a) That unemployment benefit and that young job seeker’s allowance are to be considered to be the same benefit; and</p> <p>“(b) The grant of that benefit is to be considered as having occurred on the date the young job seeker’s allowance was granted.”</p>
Section 60HD (1) (b) (as so inserted)	By inserting, after the words “unemployment benefit”, the words “or a young job seeker’s allowance”.
Section 60HF (as so inserted)	By inserting, after the words “unemployment benefit” wherever they occur, the words “or young job seeker’s allowance”.
Section 60JA (4) (as inserted by section 20 of the Social Security Amendment Act 1996)	By inserting, after the words “unemployment benefit”, the words “or a young job seeker’s allowance”.
Section 60JA (5) (as so inserted)	By inserting in paragraph (b), after the words “unemployment benefit”, the words “or a young job seeker’s allowance”.
Section 60JA (10) (as so inserted)	By inserting in the definition of the term “benefit”, after the words “unemployment benefit”, the words “or a young job seeker’s allowance”.
Section 60L (as substituted by section 24 (1) of the Social Security Amendment Act 1996)	<p>By inserting, after the words “unemployment benefit” where they first occur, the words “or a young job seeker’s allowance”.</p> <p>By omitting paragraph (b), and substituting the following paragraph:</p> <p>“(b) Has a spouse who is unemployed but who is not entitled to a benefit because of section 60H, or because he or she is unemployed because of a strike of the type referred to in—</p> <p>“(i) Paragraph (b) of the proviso to section 58 (1); or</p>

SCHEDULE—*continued*CONSEQUENTIAL AMENDMENTS TO SOCIAL SECURITY ACT 1964—*continued*

Provision Amended	Amendment
Section 60L (as substituted by section 24 (1) of the Social Security Amendment Act 1996) — <i>continued</i>	“(ii) Section 59B (1) (c)—”. By inserting, after the words “rate of unemployment benefit”, the words “or a young job seeker’s allowance”.
Section 60M (1) (a) (i) (as substituted by section 26 of the Social Security Amendment Act 1996)	By inserting, after the words “unemployment benefit”, the words “or a young job seeker’s allowance”.
Section 61 (1) (as amended by section 17 (b) of the Social Security Amendment Act 1991)	By omitting from the first and second provisos the words “job search allowance” wherever they occur, and substituting in each case the words “young job seeker’s allowance”.
Section 69C (1) (a) (as substituted by section 15 (1) of the Social Security Amendment Act (No. 2) 1985)	By inserting, after the words “unemployment benefit,”, the words “or a young job seeker’s allowance, or an independent youth benefit on the ground specified in section 60F (1) (c) (i),”.
Section 69C (5) (a) (as substituted by section 5 of the Social Welfare (Transitional Provisions) Amendment Act (No. 2) 1993)	By inserting, after the words “unemployment benefit”, the words “, or a young job seeker’s allowance,”.
Section 70A (1) (b) (as substituted by section 9 (1) of the Social Security Amendment Act (No. 5) 1991)	By inserting in subparagraph (v), after the word “Act”, the words “or payable pursuant to section 58 (3)”.
	By inserting, after subparagraph (v), the following subparagraph: “(va) A young job seeker’s allowance granted under section 59B on an application made on or after 1 January 1998.”.
Section 71A (as inserted by section 21 (1) of the Social Security Amendment Act 1976)	By inserting in subsection (1) (a), after the words “this Act,”, the words “or an independent youth benefit on the ground specified in section 60F (1) (c) (i),”.
	By inserting in subsection (2), after the word “sickness,”, the words “independent youth,”.

SCHEDULE—*continued*CONSEQUENTIAL AMENDMENTS TO SOCIAL SECURITY ACT 1964—*continued*

Provision Amended	Amendment
Section 72 (b) 	By inserting, after the words “sickness benefit”, the words “, or an independent youth benefit on the ground specified in section 60F (1) (c) (i),”.
Section 77 (2) (as substituted by section 2 (1) of the Social Security Amendment Act (No. 2) 1996)	By omitting the words “job search allowance”, and substituting the words “young job seeker’s allowance”.
Section 77 (3) (as substituted by section 33 (2) of the Social Security Amendment Act 1996)	By omitting the words “job search allowance”, and substituting the words “young job seeker’s allowance”.
Section 80B (as substituted by section 35 of the Social Security Amendment Act 1996)	By omitting paragraph (a) (vii) of the definition of the term “income”, and substituting the following subparagraph: “(vii) A job search allowance or a young job seeker’s allowance;”.
Section 80BD (3) (as inserted by section 35 of the Social Security Amendment Act 1996)	By inserting, after the words “unemployment benefit,”, the words “or a young job seeker’s allowance,”.
Eighth Schedule (as substituted by section 39 (1) of the Social Security Amendment Act 1996)	By repealing clause 1 (a).
Ninth Schedule (as so substituted)	By omitting from the heading the words “JOB SEARCH ALLOWANCES”, and substituting the words “YOUNG JOB SEEKERS’ ALLOWANCES”.
	By repealing clause 4.
	By inserting in clause 5, after the words “unemployment benefit”, the words “or young job seeker’s allowance”.
Eighteenth Schedule (as substituted by section 34 (1) of the Social Security Amendment Act (No. 3) 1993 and amended by section YB 1 of the Income Tax Act 1994)	By omitting from each of paragraphs (b), (d), (e), and (g) of the definition of “base rate” in clause 1 of Part I the words “a first dependent child”, and substituting the words “an eldest dependent child who is under 16”.

This Act is administered in the Department of Social Welfare.