



**MINISTRY OF SOCIAL DEVELOPMENT**  
TE MANATŪ WHAKAHIATO ORA

# Welfare overhaul work programme



19/08/2021

Work Programme agreed in 2019

## Short-term work programme

### Reducing barriers to employment and training

- Increase abatement thresholds
- Expand tailored employment and career support
- Explore development of kaupapa Māori values approaches to employment
- Building a digital platform for self-directed employment and training services

### Better support for parents

- Changes to the In-Work Tax Credit
- s9(2)(f)(iv)
- Improvements to Childcare Assistance
- s 9(2)(f)(iv)
- Removing the subsequent child policy

### Ensuring income is accessible

- Reducing reliance on hardship assistance
- s9(2)(f)(iv)
- Exploring main benefit increases
- s9(2)(f)(iv)
- s 9(2)(f)(iv)
- Review drug-testing sanction
- Improving take-up of entitlements

### Better support for disabled people and people with health conditions

- s9(2)(f)(iv)
- Implementing Disability Employment Action Plan
- s9(2)(f)(iv)

## Medium-term work programme

### Resetting the foundations of the welfare system

- Review the purpose and principles of the Social Security Act 2018
- Develop a kaupapa Māori values framework for the welfare system

### Increasing income support and addressing debt

- Addressing income adequacy and income support levels
- Reviewing financial assistance and eligibility settings
- Debt reduction, prevention and improved debt management
- Review obligations and sanctions of the Social Security Act 2018

### Improving and expanding employment services

- Building an employment service for tailored support, employer partnerships and strengthening training and in-work services
- Review the Training Incentive Allowance

### Improving supports and services for disabled people, people with health conditions and their carers

- Reviewing eligibility settings for payments
- Consider a new wellbeing payment
- Improving employment services for disabled people

### Enhancing the community sector

- Social Sector Commissioning improvements

## Long-term work programme

### Simplifying the income support system

- Reviewing the level, eligibility and purpose of second-tier and third-tier assistance.

### Health and Wealth interface

- Ensuring alignment between the systems supporting disabled people and people with health conditions
- Responding to the Health and Disability System Review

### A fundamental review of housing subsidies and childcare assistance settings

- Considering interface between MSD supports and MoE funding
- Exploring structural changes to housing subsidies

Progress through the Welfare Overhaul

## Key Milestones

### 2018 Families Package

- Improved Working for Families
- Introduced Best Start and the Winter Energy Payment
- Extended parental leave
- Increased the Accommodation Supplement and other child-related payments

### 2019 Wellbeing Budget

- Indexation of main benefits to average wage increases
- Repeal of section 192 of the Social Security Act 2018
- Raised abatement thresholds
- Funded 263 additional work focused case managers

### 2020 Response to COVID-19

- Temporary improvements to income support settings
- Increased main benefits by \$25
- Removing the hours test from In-Work Tax Credit
- Expanded employment and training supports

### 2021 Wellbeing Budget

- Main benefit increases to WEAG levels
- Changes to abatement thresholds
- Reinstated the Training Incentive Allowance for higher level qualifications
- New medical certificate process

## Initiatives not yet fully implemented from the short-term work programme

### Improvements to the income support system

- s9(2)(f)(iv)

### Supporting disabled people, people with health conditions and their carers

- Reviewing financial support and eligibility settings s9(2)(f)(iv)

## Initiatives brought forward from the long-term work programme

- Review of Working for Families, including s 9(2)(f)(iv) the Accommodation Supplement
- Review of Childcare Assistance

Renewed Work Programme 2021

## Medium-term priorities

### Resetting the foundations of the welfare system

- Review the purpose and principles of the Social Security Act 2018
- Develop a kaupapa Māori values framework for the welfare system

### Improving employment supports and services

- Improving MSD's employment service
- Cross-agency review of active labour market policies
- Interactions with a potential social unemployment insurance scheme

### Improving supports and services for disabled people, people with health conditions and their carers

- Reviewing financial support and employment services for disabled people, people with health conditions and their carers
- Responding to wider health and disability sector reforms

### Enhancing the community sector

- Social Sector Commissioning improvements

## This work programme will also include:

### Improving the income support system and addressing debt

- Reviewing financial assistance and eligibility settings
- Debt reduction, prevention and improved debt management
- Improving core income support system functions

### Reviewing Working for Families and the Accommodation Supplement

- s9(2)(f)(iv)

### Reviewing Childcare Assistance

- This review will consider affordability, administrative improvements, and changes to recognise the structure and operation of the labour market

### Reviewing obligations and sanctions

- Pre-employment drug-testing sanction
- Warrant to arrest sanction
- Social obligations
- Work obligations

## Long-term priorities

This would be informed by progress being made in the medium-term. It is important to note that not all of the initiatives in the medium-term will be fully funded or implemented by 2023. Therefore, these initiatives would inform the details of the long-term work programme.