



# Cabinet Legislation Committee

## Minute of Decision

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### Annual General Adjustment 2023 and Related Regulatory Changes

**Portfolio**                      **Social Development and Employment**

On 16 March 2023, the Cabinet Legislation Committee:

- 1        **noted** that, acting with Cabinet’s authority, the Ministers responsible for the Finance, Children, Housing, Education, Social Development and Employment, Health, and Veterans portfolios have approved new rates of New Zealand Superannuation, benefits, Student Allowances, Foster Care Allowance and new rates and thresholds for allowances and supplementary assistance [CAB Min (02) 7/1A];
  
- 2        **noted** that the instruments listed in paragraph 6 below:
  - 2.1        increase the rates of main benefits in line with the 7.22 percent increase in the CPI (All Groups), as agreed by Cabinet through a Budget 2023 pre-commitment, which complies with the statutory requirement to adjust the rates to reflect the 6.24 percent increase in the net average wage over the previous year [SWC-23-MIN-0007];
  
  - 2.2        increase the rates of Student Allowances, Orphan’s Benefit, Unsupported Child’s Benefit, Foster Care Allowance, rates of benefits payable to long-term hospital patients, and New Zealand Superannuation, to comply with the statutory requirement to adjust the rates to reflect the 7.22 percent increase in the Consumers Price Index (All Groups) over the previous year;
  
  - 2.3        increase rates and thresholds of allowances and various forms of supplementary assistance in line with the 7.22 percent increase in the Consumers Price Index (All Groups) over the previous year;
  
  - 2.4        increase income thresholds for Disability Allowance and the Community Services Card by applying the 7.22 percent increase in the Consumers Price Index (All Groups) over the previous year;
  
  - 2.5        increase Childcare Assistance income thresholds to reflect the 6.24 percent increase in the net average wage over the previous year, as well as an additional one-off increase through a Budget 2023 pre-commitment to account for growth in the net average wage since 2010 [CAB-22-MIN-0473];
  
  - 2.6        increase hardship assistance income thresholds to reflect the 6.24 percent increase in the net average wage over the previous year [CAB-22-MIN-0129];

- 2.7 amend the abatement regimes for the ‘at home’ and ‘away from home’ Student Allowance payments for those under 24 years of age without children, to maintain policy intent of keeping net abatement of these payments at 25 percent [CAB Min (04) 11/9]
- 2.8 increase the Blind Subsidy income thresholds to reflect the 6.24 percent increase in the net average wage over the previous year to meet requirements under the Social Security Act 2018, and add a further discretionary increase to the Blind Subsidy couple threshold so the overall adjustment is in line with the percentage increase to the Supported Living Payment [SWC-23-MIN-0007];
- 3 **noted** a further adjustment to the net weekly couple amount of New Zealand Superannuation will not be required in the 2023 AGA, as the 7.22 percent Consumers Price Index (All Groups) adjustment will see this amount exceeding the minimum 66 percent of net average wage statutory requirement;
- 4 **note** that a waiver of the 28-day rule is sought so that the instruments can come into force on 1 April 2023, on the grounds that the changes confer only benefits on the public;
- 5 **agreed** to waive the 28-day rule;
- 6 **authorised** the submission to the Executive Council of the following Orders and Amendment Regulations:
- 6.1 Social Security (Rates of Benefits and Allowances) Order 2023 [PCO 25262/6.0];
- 6.2 Social Security Amendment Regulations 2023 [PCO 25263/6.0];
- 6.3 Student Allowances Amendment Regulations 2023 [25265/7.0];
- 6.4 Oranga Tamariki (Minimum Rates of Payment for Board and Lodgings) Order 2023 [PCO 25267/6.0];
- 6.5 Health Entitlement Cards Amendment Regulations 2023 [PCO 25266/5.0];
- 6.6 Residential Care and Disability Support Services Amendment Regulations 2023 [PCO 25264/4.0];
- 7 **noted** that the instruments listed in paragraph 6 above come into force on 1 April 2023.

Rebecca Davies  
Committee Secretary

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**Present:**

Hon Grant Robertson (Chair)  
Hon Michael Wood  
Hon David Parker  
Hon Kieran McAnulty  
Hon Barbara Edmonds  
Hon Dr Duncan Webb  
Hon Willow-Jean Prime  
Tangi Utikere, MP

**Officials present from:**

Office of the Prime Minister  
Officials Committee for LEG