

## **ENSURING PEOPLE WITH A CHRISTCHURCH RESPONSE VISA AND RECENT PERMANENT RESIDENTS ARE SUPPORTED BY THE SOCIAL SECURITY ACT 2018**

### **Proposal**

- 1 Cabinet is asked to authorise the submission of the Social Security (Residential Requirement—Christchurch Response Visa) Amendment Regulations 2019 (the Regulations) to the Executive Council today at 4.00pm, 27 May 2019.

### **Policy**

- 2 I was invited by Cabinet to identify whether there are any gaps in the provision of income support for people affected by the Christchurch mosques attack. I identified that there are some people who may not be eligible for support under the Social Security Act 2018 (the Act) due to their residency status:
  - 2.1 People granted the Christchurch Response (2019) Visa (Christchurch Visa), which provides a special permanent residency visa, who have high cash assets;
  - 2.2 People with permanent residency who have not resided in New Zealand for two years since being granted residency, who have high cash assets; and
  - 2.3 People on temporary visas, who are not applying for permanent residency [CBC-19-MIN-0021 refers].

*The Regulations will ensure that people with a Christchurch Visa or permanent residency are eligible for all support under the Social Security Act 2018*

- 3 Under the current settings of the Act, to receive Jobseeker Support, Sole Parent Support, and Supported Living Payment, a person must generally be:
  - 3.1 a New Zealand citizen or permanent resident; and
  - 3.2 have resided continuously in New Zealand for a period of at least two years after becoming a citizen or resident.
- 4 People who do not meet the two year residency requirement may qualify for Jobseeker Support (on grounds of hardship) and Emergency Benefit. To qualify for these benefits, people without the two-year residency requirement are subject to a 'hardship' test, namely a cash asset test.<sup>1</sup> The cash asset test is not applied to other main benefits.
- 5 Supplementary assistance does not have a two-year residency requirement, so those with a Christchurch Visa or permanent residency are already eligible.

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<sup>1</sup> Single clients may have up to \$4,300 in assets and those in a relationship and/or with children may have up to \$7,464. Gifts or donations made to a person in relation to the Christchurch terrorist attack, or any income derived from them, are exempted from cash assets and income testing for 12 months by the Social Security Regulations 2018 [CAB-19-MIN-0134 refers]. However, all other assets that can easily be converted into cash would be counted as part of the cash asset test.

- 6 Cabinet agreed to make regulations to exempt the following people from the two-year residency requirement under the Act<sup>2</sup>:
  - 6.1 people with a Christchurch Visa (i.e. those outlined in paragraph 2.1 above); and
  - 6.2 people who would have been eligible for a Christchurch Visa, but were already permanent residents, and do not meet the two-year residency requirement (i.e. those outlined in paragraph 2.2 above).
- 7 The exemption means people with a Christchurch Visa or permanent residency will be eligible for main benefits without a cash asset test and would be subject to the general rules of the benefit system. This is a simple and targeted response for people who have been granted a Christchurch Visa.
- 8 The attached Regulations give effect to this proposal.

#### *Financial Cost*

- 9 Officials have estimated that there are approximately 188 people whom are eligible for the Christchurch Visa (those present at the mosque and their partners, children, and parents).
- 10 It is difficult to estimate the precise cost of this proposal, as there is limited information on the circumstances for this group, and how many have significant cash assets. A generous assumption would be that 20 percent of the 188 require income support and have cash assets above the appropriate limit. If the 20 percent of the 188 fell into this category<sup>3</sup>, and received support for the final seven weeks of the financial year, the cost would be approximately \$0.076 million in 2018/19. If the support was paid for a full financial year, it would cost \$0.563 million.

#### *A Ministerial Welfare Programme will be established to assist people with temporary visas*

- 11 To address the gap in income support for those on temporary visas who are not applying for permanent residency (i.e. the group outlined in 2.3 above), Cabinet agreed that I establish a Ministerial Welfare Programme (the Programme) to provide income support to:
  - 11.1 People eligible for the Christchurch Visa (but have not yet applied for the Visa); or
  - 11.2 non-dependent adult children and non-dependent adult siblings (of those who died in the terrorist attacks or those who were injured) who are in New Zealand on temporary visas; or
  - 11.3 those who are part of, or connected to, the two mosques or the Christchurch Muslim community experiencing mental trauma due to the attacks, and were present in New Zealand on 15 March, 2019 (this does not include witnesses of the attacks or family members of those who died, who are eligible for the Christchurch Visa).
- 12 As Minister for Social Development, I have legislative authority to approve the establishment of a Programme under the Act. Officials are drafting the Programme and it will come into effect on Monday 3 June 2019.

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<sup>2</sup> Sections 16(5) and 421 of the Act allow for regulations to be made to exempt specified people from the two-year residency requirement.

<sup>3</sup> 20 percent would include ten couples and 18 individuals.

## **Timing and the 28-day rule**

- 13 In the paper to the Cabinet Business Committee, I indicated that the Regulations and Programme would be implemented within three weeks; which provided time for the necessary legislative and operational changes.
- 14 I therefore seek a waiver of the 28-day rule on the grounds that the Regulations confer only benefits on the public. The commencement date will be 3 June 2019, which is the earliest opportunity for the Regulations to come into force. The Regulations, if approved, will be submitted to the Executive Council for consideration today at 4.00 pm.

## **Compliance**

- 15 The Regulations comply, where applicable, with the following:
  - 15.1 the principles of the Treaty of Waitangi;
  - 15.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;
  - 15.3 the principles and guidelines set out in the Privacy Act 1993;
  - 15.4 relevant international standards and obligations;
  - 15.5 the regulation-making powers in section 421 of the Social Security Act 2018; and
  - 15.6 the Legislation Guidelines (2018 edition), which are maintained by the Legislation Design and Advisory Committee.
- 16 No statutory prerequisites exist for making the Regulations.

## **Regulation Review Committee**

- 17 There are no grounds for the Regulations Review Committee to draw the Amendment Regulations to the attention of the House under Standing Order 319.

## **Certification by Parliamentary Counsel**

- 18 The Regulations have been certified by the Parliamentary Counsel Office as being in order for submission to Cabinet.

## **Regulatory impact and compliance cost statement**

- 19 The Treasury Regulatory Quality Team has determined that the decisions sought in the policy paper were not subject to the Regulatory Impact Analysis requirements on the basis that they will have no or minor impacts on businesses, individuals, or not-for-profit entities.

## **Publicity**

- 20 As part of the legislative requirements, the Amendment Regulations will be notified in the *New Zealand Gazette* on Thursday 30 May 2019.

21 The Ministry of Social Development is developing a communications strategy for communicating the changes to those newly eligible for income support.

## Consultation

22 The Ministry of Business, Innovation, and Employment, the Treasury, Immigration NZ, and Inland Revenue were consulted. The Department of Prime Minister and Cabinet were informed.

## Recommendations

1 I recommend that Cabinet:

1.1 **Note** that on 13 May 2019 Cabinet agreed to amend regulations under the Social Security Act 2018 to exempt the following groups from the two-year requirement for support under section 16(2)(a)(i) of the Social Security Act 2018:

1.1.1 those with Christchurch Response (2019) Visas; and

1.1.2 people who would have been eligible for the Christchurch Response (2019), Visas, but were already permanent residents, and do not meet the two-year residency requirement.

1.2 **Note** that the Social Security (Residential Requirement—Christchurch Response Visa) Amendment Regulations 2019 (the Regulations) give effect to the decision identified in recommendation 1.1 above.

1.3 **Authorise** the submission of the Regulations to the Executive Council.

1.4 **Note** that a waiver of the 28-day rule is sought on the grounds that the Regulations confer only benefits on the public.

1.5 **Agree** to waive the 28-day rule so that the Regulations can come into force on 3 June 2019.

Authorised for lodgement

Hon Carmel Sepuloni  
Minister for Social Development

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