



Report

Date: 24 May 2019

Security Level: IN CONFIDENCE

To: Hon Carmel Sepuloni, Minister for Social Development

Establishing the Christchurch Mosques Attack Welfare Programme

Purpose of the report

- 1 This report seeks your:
 - 1.1 agreement to include a cash asset test for the Temporary Additional Support (TAS) aspect of the Christchurch Mosques Attack Welfare Programme (the Programme);
 - 1.2 agreement to include the equivalent of the Best Start payment in the Programme; and
 - 1.3 approval of the attached Programme.

Recommended actions

It is recommended that you:

- 1 **note** that Cabinet agreed you establish a Ministerial Welfare Programme to provide income support to:
 - 1.1 People eligible for the Christchurch Response (2019) Visa (Christchurch Visa); or
 - 1.2 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
 - 1.3 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).
- 2 **note** that the attached Christchurch Mosques Attack Welfare Programme (the Programme) reflects these criteria
- 3 **note** that as officials have worked through the drafting of the Programme, two issues have arisen which require your decision
- 4 **agree** to include a cash asset test for the Temporary Additional Support aspect of the Programme

Agree / Disagree

- 5 **note** that a cash asset test is necessary to ensure that people do not receive more support on a temporary visa than they would as a New Zealand citizen or permanent resident (including the Christchurch Visa)
- 6 **agree** to include the equivalent of the Best Start payment in the Programme
- Agree / Disagree**
- 7 **note** that this ensures that those on the Programme receive an equivalent level of support as those who are eligible for an Emergency Benefit, on the grounds that they are compelled to stay in New Zealand and are applying for permanent residency
- 8 **note** that the attached Programme reflects agreement to the recommendations above
- 9 **sign** the attached *Christchurch Mosques Attack Welfare Programme*
- Agree / Disagree**
- 10 **note** that your office will arrange for copies of the attached Programme to be tabled in the House of Representatives
- 11 **note** that officials will arrange for publication of the Programme in the next issue of the New Zealand Gazette
- 12 **note** that the attached Programme will commence on 3 June, 2019.

Alex McKenzie
Acting General Manager
Policy

Date

Hon Carmel Sepuloni
Minister for Social Development

Date

Background

- 2 You were invited by Cabinet to identify whether there are any gaps in the provision of income support for people affected by the Christchurch mosques attack. You identified three groups of people who may not be eligible for support under the Social Security Act 2019 (the Act) due to their residency status:
 - 2.1 People granted the 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.
- 3 Cabinet agreed to make regulations to ensure that the first two groups can access main benefits without a cash asset test. The Social Security (Residential Requirement—Christchurch Response Visa) Amendment Regulations 2019 will be considered by Cabinet on Monday 27 May.

We seek your approval and signature for the attached Ministerial Welfare Programme

- 4 Cabinet also agreed to establish a Ministerial Welfare Programme to ensure those on temporary visas, who were affected by the Christchurch mosques attack, can access income support (referred to in paragraph 2.3 above).
- 5 Attached is a Ministerial Welfare Programme reflecting Cabinet's decisions. Prior to your approval of the Programme, we seek your agreement on two matters.

We seek your agreement to include a cash asset test for the Temporary Additional Support aspect of the Programme

- 6 Cabinet agreed that the Programme would provide an equivalent level of support to those on a temporary visa, but who are compelled to stay in New Zealand and are applying for permanent residency (compelled group). The compelled group can receive Emergency Benefit (EB), Winter Energy Payment (WEP), TAS, and Family Tax Credit (FTC). Cabinet agreed that the general rules of those payments would be applied, except for a cash asset test.
- 7 The policy rationale of removing the cash asset test is to ensure that people are not disadvantaged by their residency status. As the Regulations (referred to in paragraph 3 above) ensure that people with Christchurch Visas can access a main benefit without a cash asset test, it was consistent with the policy rationale to remove the cash asset test for EB. There are no cash asset tests for WEP and FTC, so they are not affected.
- 8 As currently drafted, the Programme does not have a cash asset test on the part of the Programme that replicates EB, WEP, and FTC. There is a cash asset test for the TAS part of the Programme¹, which is set at the same level as the TAS cash asset test applied to people who qualify ordinarily.
- 9 If a cash asset test for TAS was not included, people on temporary visas would be advantaged compared to those receiving support under the Act. The advantage is demonstrated where people move from the Programme onto support provided under the Act. Take the following example:

¹ 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].

- 9.1 Khaled is a single person with no children, and \$15,000 of cash assets in his bank account. He is eligible for a Christchurch Visa, but has not yet decided whether he wants to continue living in New Zealand, or return to Bangladesh.
 - 9.2 Khaled applies for support under the Programme, and receives the equivalent of EB (\$218.93), WEP (\$20.46), and TAS (\$55.00). This totals \$294.39 weekly.
 - 9.3 Khaled applies for the Christchurch Visa. He is moved onto EB and off the Programme, as he meets the criteria of being compelled to stay in New Zealand. He receives EB and WEP, but is ineligible for his \$55 weekly in TAS because of his cash assets. He receives a reduction of \$55 per week in overall financial assistance.
 - 9.4 Once Khaled is granted a Christchurch Visa, he is moved to Jobseeker Support, and continues to be ineligible for TAS.
- 10 That outcome would be contrary to the policy intent of the Programme. This example is also likely to occur in reality, as some people coming onto the Programme will be considering whether to apply for the Christchurch Visa, and will then be moved to support under the Act when they are granted the Christchurch Visa.
 - 11 As Minister for Social Development, you have legislative authority to draft the Programme, and therefore make decisions on the detailed design of the Programme.
 - 12 We therefore recommend that cash asset tests are included for the TAS equivalent in the Programme. There is no cash asset test for the EB, WEP, or FTC equivalent parts of the Programme. This ensures consistency of treatment for people with different residency status, and that no one will be financially disadvantaged by applying for the Christchurch Visa.

We seek your agreement to include the equivalent of the Best Start payment in the Programme

- 13 As noted above, the Programme replicates the support that the compelled group can receive. In the Cabinet paper, this was identified as EB, WEP, TAS, and FTC.
- 14 Officials have subsequently identified that this group can also receive the Best Start payment. It is consistent with the policy rationale for the Programme to include the equivalent of Best Start in its provision. Note a cash asset test does not apply to the Best Start payment.
- 15 We seek your agreement to include the equivalent of the Best Start payment in the Programme.

Next steps

- 16 The Programme is currently drafted to reflect these recommendations. If you agree to our recommendations to include the cash asset test and equivalent of the Best Start payment, you can sign the attached Christchurch Mosques Attack Welfare Programme.
- 17 If you do not agree to one or both of the above recommendations, we will redraft the Programme, and seek your approval for the updated programme as soon as practicable.
- 18 Your office will then arrange for copies of the Programme to be tabled in the House of Representatives. Officials will arrange for publication of the Programme in the New Zealand Gazette.

19 The commencement date for the Programme is 3 June, 2019. Clause 18 provides for backdating of the Programme for up to 28 days from 3 June if the applicant was eligible for support before the date of 3 June. The 28 day limit aligns with settings under the Act.

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