

7. MAR 2016

D Dahya fyi-request-3638-fd8cc3cf@requests.fyi.org.nz

Dear D Dahya

Thank you for your email of 15 February 2016 addressed to the Ministry's Official Information Act requests address. The Chief Executive has asked me to reply on his behalf.

I will provide information to each of your requests and questions in turn.

1. Regarding the original Job Seeker Agreements (at least prior to 2008) provided to beneficiaries by WINZ it clearly noted the obligations of both parties i.e. beneficiaries and MSD. Currently the equivalent form of the JSA existing today - presented on reapplication of the job seeker benefit - does not contain any obligations to the job seeker by MSD.

Why has this been removed?

Job Seeker Agreements were removed in September 2010 as part of a suite of changes made by the government known as 'Future Focus'. Attached is Future Focus Information which you may find of interest. You might also like to read more online at:

www.beehive.govt.nz/release/future-focus-better-work-approach

The 52 week reapplication form which you refer to has an entire section on obligations and can be accessed online at:

www.workandincome.govt.nz/documents/forms/re-application-within-52-weeks-form.pdf

 There are numerous references to MSD obligations to the job seeker noted on MSD/WINZ websites yet these obligations are not supported (nor enforceable?) by any legislation in the Social Securities Act.

Why is this and are these obligations enforceable in any way at all?

The obligations are set out in section 102A of the Social Security Act 1964 and you can access this information online at:

www.legislation.govt.nz/act/public/1964/0136/latest/DLM365297.html

Why isn't the information advertised on your websites aligned with MSD's accountability and why isn't it supported by legislation. Can they be enforced by the Social Security Appeal Authority despite not being supported by legislation?

As noted above, the obligations are legislated for. The obligations for the different types of assistance can vary slightly. However, you can access the obligations for Jobseeker Support on Work and Income's website at:

www.workandincome.govt.nz/on-a-benefit/obligations-for-getting-jobseeker-support.html

Thank you for taking the time to ask for clarification about these matters.

Yours sincerely

Rachel Sutherland General Manager

Ministerial and Executive Services



By the Numbers

THE BOTTOM LINE

\$88m **OVER 4 YEARS**

Estimated cost of the package

- Mostly funded through savings from returning childcare assistance income thresholds to 2008 levels.
- For example: threshold for one child reduced from \$77,272 to \$72,800 for new applications.

\$100m **OVER 4 YEARS**

Estimated benefit savings Estimated savings from benefit payments.

\$200m **OVER 10 YEARS**

Additional possible savings If just 5 per cent of solo parents with youngest child over the age of 6 are assisted into work.

A SNAPSHOT: BENEFITS IN NEW ZEALAND

MAIN BENEFITS

\$4.8b

ESTIMATED SPEND

345,000

Beneficiaries

PLUS: ADDITIONAL SUPPORT 08/09

\$254m One-off Hardship Grant - 1,084,000 payments

\$989m Accommodation Supplement - 300,000 people

\$390m Disability Allowance - 250,000 people

\$159m Childcare Assisstance - 35,000 subsidies

\$16.5m OSCAR* Subsidies - 11,000 subsidies

DPB: DOMESTIC PURPOSES BENEFIT

Longer-term, for those sole parents who need help to bring up children

\$1.53b

ANNUAL SPEND 08/09

97,000

Beneficiaries

43,000 have youngest child aged over 6

54,000 have youngest child aged under 6

UB: UNEMPLOYMENT BENEFIT

Short-term, for those temporarily unable to find work.

ANNUAL SPEND 08/09

64,000

Beneficiaries

12,000 have been on Unemployment Benefit for more than a year

1,240 have been on Unemployment Benefit for more than 4 years

SB: SICKNESS BENEFIT

Short-term, for those who are temporarily unable to work due to illness or injury.

ANNUAL SPEND 08/09

58,000

Beneficiaries

29,580 have been on Sickness Benefit for more than a year

9,000 medically assessed as capable of some part-time work or light duties

IB: INVALIDS BENEFIT

Long-term, for those unlikely to work in the next 2 years due to severe illness, injury, or disability.

1.26b

85,000 Beneficiaries Under Future Focus there will be no change for those with a serious incapacity to work, but rigorous eligibility criteria will apply to new applicants to ensure they get the right benefit,



FUTURE FOCUS

23 March 2010

The National-led Government believes that those New Zealanders who can work should be working. The Future Focus package aims to reform benefits by rebalancing obligations and support – to bring an unrelenting focus on work.

NEW OBLIGATIONS	PURPOSE	DETAILS
PART-TIME WORK TESTING	Shift the focus to what people can do, not what they can't	 Extend part-time work obligations to DPB recipients with youngest child over 6, Sickness Beneficiaries assessed as able to work. Those who qualify will be required to work at least 15 hours a week.
REAPPLY FOR UNEMPLOYMENT BENEFIT AFTER I YR	The long-term unemployed need active case management to get back to work	Beneficiaries must reapply after 12 months and have a comprehensive work assessment each time.
GRADUATED SANCTIONS	More flexibility will help sanctions to be applied when they should be	 Introduce a 50% benefit reduction as a sanction for the first failure of a work test. Simplify 100% suspension for ongoing non-compliance.
NEW CRITERIA FOR HARDSHIP GRANTS	Encourage people to spend wisely when seeking extra help	 Repeat applicants for one-off hardship payments will need to show how they are managing their money. Occasional applicants get streamlined assessment.
RIGOROUS REASSESSMENT FOR SICKNESS BENEFITS	Getting people back to work as soon as they are able	 Shorten the reassessment period to four weeks for the first two medical certificates. Compulsory reassessment after 12 months.
YOUTH TRAINING REQUIREMENT	Ensure young people are in education, work, or training	Young people on the Independent Youth Benefit required to be in education, work, or training.
NEW SUPPORT	PURPOSE	DETAILS
BOOSTING ABATEMENT LEVELS	Increasing incentives to work part-time to gain work skills, and confidence	 Allow those on DPB, Invalids Benefit, Widows Benefit and non-qualified partners of Superannuitants and Veterans to earn extra without affecting benefit,
LEGISLATED INFLATION ADJUSTMENT	Beneficiaries need more certainty about their income	 Legislate benefit increases in line with the Consumer Price Increase (CPI). Previously, there was no guarantee that benefits would rise with CPI.
TRAINING SUPPORT	Support for sole parents who are studying	New \$500 loan per year to support sole parents on DPB to study full time at level 4 or above.
CHILDCARE SUPPORT	More childcare options for sole parents	\$4 million over three years to increase the number of OSCAR* providers and places for children.
OTHER INITIATIVES	PURPOSE	DETAILS
WELFARE WORKING GROUP	Advise the Government on ways to reduce long-term welfare dependency	 Made up of expert social policy academics, and NGO and community representatives. Ensure welfare supports economic growth & fairness.