



# Cabinet

CAB Min (02) 12/8(48)

## Minute of Decision

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Minister of Social Services and Employment

(MSD)  
(CYFS)  
(Labour)

**Copies to:**

- Prime Minister
- Deputy Prime Minister
- Minister of Finance
- Associate Minister of Finance (Hon Trevor Mallard)
- Associate Minister of Social Services and Employment (Hon Parekura Horomia)
- Hon Laila Harré
- Associate Minister of Social Services and Employment (Hon Ruth Dyson)
- Associate Minister of Social Services and Employment (Hon Tariana Turia)
- Controller and Auditor-General
- Secretary, EXG
- Secretary, SEQ

### 2002 Budget: Social Services Package

On 22 April 2002 Cabinet, following reference from the Cabinet Policy Committee:

- 1 **noted** that Cabinet had agreed to the budget initiatives in the Social Services Package for Votes Community and Voluntary Sector; Labour; Employment; Immigration; Child, Youth and Family Services; Social Development; Work and Income and Revenue for inclusion in the 2002 Budget Package as set out in CAB (02) 160 and summarised below:

#### Summary of initiatives

*Operating initiatives (provisions impact) – new initiatives*

Ref.	Initiative	All figures are \$m, GST inclusive					Outyears
		2001/02	2002/03	2003/04	2004/05	2005/06	
	<b>Vote Community and Voluntary Sector</b>						
13	Community Organisation Grants Scheme	-	2.060	2.060	2.060	2.060	2.060

14	Extension of Community Internship Programme	-	0.435	-	-	-	-
<b>Total Vote Community and Voluntary Sector</b>		-	<b>2.495</b>	<b>2.060</b>	<b>2.060</b>	<b>2.060</b>	<b>2.060</b>
<b>Vote Labour</b>							
3	Vocational Services	-	0.330	0.670	0.800	0.930	1.230
<b>Vote Employment</b>							
15	Community Access to Information and Communication Technology	-	0.472	0.495	0.495	0.450	0.450
16	Electronic Labour Market Portal	-	0.909	0.777	0.777	0.357	0.338
18	Skills Report	-	0.285	0.286	0.371	0.286	0.286
19	Skilled Vacancy Survey	-	0.342	0.483	0.946	0.946	0.946
20	Development of a Graduate Outcomes Survey	-	0.354	-	-	-	-
21	Integrated Dataset Development	-	1.231	1.216	1.024	1.024	-
<b>Total Vote Employment</b>		-	<b>3.593</b>	<b>3.257</b>	<b>3.613</b>	<b>3.063</b>	<b>2.020</b>
<b>Vote Immigration</b>							
22	Employment-Related Migrant Settlement Projects	-	0.270	0.270	0.270	0.270	0.270
23	Medical screening of people proposed for the refugee quota	-	0.500	0.500	0.500	0.500	0.500
25	Refugee and Migrant Service - Volunteer Training Course	-	0.110	0.110	0.110	0.110	0.110
<b>Total Vote Immigration</b>		-	<b>0.880</b>	<b>0.880</b>	<b>0.880</b>	<b>0.880</b>	<b>0.880</b>
All figures are \$m, GST inclusive							
Ref.	Initiative	2001/02	2002/03	2003/04	2004/05	2005/06	Outyears
<b>Vote Child, Youth and Family Services</b>							
7	OSCAR	-	0.265	0.339	0.339	0.339	0.339
26	Extension of Stronger Communities Action Fund	-	0.504	0.504	0.504	0.504	-
27	Enhanced Caregiver Support	-	0.467	0.624	0.624	0.624	0.624
29	Support for Family Violence Clients	-	0.556	1.056	1.056	1.056	1.056
30	Local Services Mapping	-	0.592	0.592	-	-	-
32	Social Workers In Schools	-	0.998	0.998	0.998	0.998	0.998
35	Unaccompanied Young People (MV Tampa)	0.793	0.174	-	-	-	-
36	Day Reporting Centre Pilots	-	1.040	1.683	1.683	1.683	-
38	Improving Youth Justice Sector Effectiveness	-	0.551	0.551	-	-	-
39	Community Programmes - Sex Offenders	-	0.747	1.041	1.041	1.041	1.041
40	Transition from Care to Independence	-	0.400	-	-	-	-
41	Auckland Sexual Abuse HELP Foundation	0.100	-	-	-	-	-
<b>Total Vote Child, Youth and Family Services</b>		<b>0.893</b>	<b>6.294</b>	<b>7.388</b>	<b>6.245</b>	<b>6.245</b>	<b>4.058</b>
<b>Vote Social Development</b>							
2	Vocational Services	-	5.380	6.670	13.600	16.210	16.210
7	OSCAR	-	7.140	9.440	9.365	9.365	9.365
12	Enhanced Child Support Administration	-	(0.404)	(0.931)	(0.930)	(0.923)	(0.923)
47	Pathways	-	6.230	5.231	5.296	5.296	5.296
54	Enhanced Case Management	-	13.972	14.254	13.589	13.439	13.439
57	Single Abatement Regime	-	0.372	1.122	1.193	1.193	1.193
60	Care Supplement	-	0.162	0.172	0.193	0.224	0.268
63	Commissioner for Children's Baseline	-	0.100	0.100	0.100	0.100	0.100

65	Social Policy Evaluation and Research (SPEaR)	-	0.655	0.605	0.605	0.605	0.605
68	Accommodation Benefit for Students	-	0.238	0.505	0.519	0.533	0.533
70	Kbase on Campus	-	0.788	0.667	0.648	0.648	0.648
71	Foodbank Social Coalition Fund	-	0.300	0.300	0.330	-	-
73	Heartland Service Centres	-	0.441	0.331	0.331	0.331	0.331
74	Nationally Representative NGO Body	-	0.150	0.300	-	-	-
<b>Total Vote Social Development</b>		-	<b>35.524</b>	<b>38.776</b>	<b>44.636</b>	<b>47.021</b>	
<b>Vote Work and Income</b>							
12	Enhanced Child Support Administration	(0.002)	-	-	-	-	-
<b>Vote Revenue</b>							
12	Enhanced Child Support Administration	(0.013)	(3.262)	(5.540)	(5.548)	(5.507)	(5.507)
<b>TOTAL NEW INITIATIVES</b>		<b>0.878</b>	<b>45.854</b>	<b>47.481</b>	<b>52.889</b>	<b>54.692</b>	<b>51.806</b>

**Operating initiatives (provisions impact) – baseline savings**

		All figures are \$m, GST inclusive					
Ref.	Initiative	2001/02	2002/03	2003/04	2004/05	2005/06	Outyears
<b>Vote Social Development</b>							
76	CEO Wage Subsidy Reprioritisation	-	(3.900)	(9.000)	-	-	-
78	Child Disability Allowance	-	-	0.455	(4.893)	(9.457)	(9.457)
80	Disability Allowance Costs for Counselling	-	0.167	(2.445)	(3.878)	(4.180)	(4.180)
86	Enhanced Independent Youth Benefit Administration	-	(0.531)	(1.782)	(1.996)	(2.216)	(2.216)
88	New Migrants	-	(7.269)	(3.967)	(0.523)	(0.523)	(0.523)
90	Partial Reprioritisation of Wage Subsidies	-	(6.000)	-	-	-	-
<b>Total Savings in Vote Social Development</b>		-	<b>(17.533)</b>	<b>(16.739)</b>	<b>(11.290)</b>	<b>(16.376)</b>	<b>(16.376)</b>
<b>Vote Work and Income</b>							
76	CEO Wage Subsidy Reprioritisation	(3.570)	-	-	-	-	-
88	New Migrants	(7.845)	-	-	-	-	-
90	Partial Reprioritisation of Wage Subsidies	(12.000)	-	-	-	-	-
92	TOPS	(2.761)	-	-	-	-	-
<b>Total Savings in Vote Work and Income</b>		<b>(26.176)</b>	<b>(17.553)</b>	<b>(16.739)</b>	<b>(11.290)</b>	<b>(16.376)</b>	<b>(16.376)</b>
<b>Total Impact of Savings on Operating Provisions</b>		<b>(26.176)</b>	<b>(17.553)</b>	<b>(16.739)</b>	<b>(11.290)</b>	<b>(16.376)</b>	<b>(16.376)</b>

**Cross Vote initiatives**

**Vocational services**

- 2 approved the following changes to appropriations to provide additional funding relating to employment assistance to 200 high needs school leavers, job assistance providing on the job support, and the implementation of the vocational services strategy, with a corresponding impact on the Government's operating provisions:

### Accommodation Benefit for Students

- 66 **agreed** to increase the Accommodation Benefit subsidy rate from 50% to 75% for students with children and without a spouse, with the following costs:

Vote Social Development	All figures are \$m, GST-inclusive where applicable				
	2001/02	2002/03	2003/04	2004/05	2005/06 & Outyears
Operating Provisions Impact	-	0.238	0.505	0.519	0.533
Outside the Provisions (tax on benefit payments)	-	0.038	0.080	0.083	0.086
<b>Total Baseline Impact</b>	-	<b>0.276</b>	<b>0.585</b>	<b>0.602</b>	<b>0.619</b>

- 67 **agreed** to increase the maximum rate for Accommodation Benefit specified in the Student Allowance Regulations 1998 from \$40.00 to \$60.00 a week;
- 68 **approved** the following changes to appropriations to put into effect the decisions in paragraphs 66 and 67:

Vote Social Development	\$m - increase/(decrease)					GST
	2001/02	2002/03	2003/04	2004/05	2005/06 & Outyears	
Benefits and Other Unrequited Expenses:						
Student Allowances	-	0.276	0.585	0.602	0.619	N/A

- 69 **invited** the Minister of Social Services and Employment to instruct Parliamentary Counsel to draft the necessary amendment to the Student Allowances Regulations 1998 to give effect to the decision in paragraph 67;

### Kbase on Campus

- 70 **approved** the following changes to appropriations to introduce 'Kbase on Campus', to provide student associations with a computer link to facilitate resolution of individual students' loans and allowances issues, with a corresponding impact on the Government's operating provisions:

Vote Social Development	\$m - increase/(decrease)					GST
	2001/02	2002/03	2003/04	2004/05	2005/06 & Outyears	
Departmental Output Class: Services to Students (funded by revenue Crown)	-	0.788	0.667	0.648	0.648	Incl.

### Foodbank Social Coalition Fund

- 71 **approved** the following changes to appropriations to establish a fund to support pilot partnership initiatives between the Ministry of Social Development and significant social service providers who operate foodbanks, with a corresponding impact on the Government's operating provisions: