

Departmental Disclosure Statement

Social Security (COVID-19 Income Relief Payment to be Income) Amendment Bill
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The departmental disclosure statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by the Ministry of Social Development.

The Ministry of Social Development certifies that, to the best of their knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

22 May 2020.

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Part One: General Policy Statement

This Bill ensures that a payment received by a person under the COVID-19 Income Relief Payment Programme (the Programme) is treated as the person's income for the purposes of the Social Security Act 2018 (the Act).

The Programme will be approved and established under the Act. Payments under the Programme will provide temporary income relief to people who have lost their jobs as a result of the impact of COVID-19. The intention is to ease the income shock individuals and whānau may experience from unemployment.

A payment under the Programme will be paid to eligible people for up to 12 weeks, at a rate of \$490 per week if they were previously in full-time employment (30 hours or more a week), or \$250 per week if they were previously in part-time employment (15 to 29 hours a week).

The Programme will come into force on 8 June 2020 and will be available for eligible people who have lost their jobs on or after 1 March 2020 and no later than 30 October 2020. People will be able to apply until 13 November 2020.

People cannot receive a payment under the Programme at the same time as an income-tested main benefit, but people will (if otherwise eligible) be able to receive at the same time supplementary assistance and hardship assistance under the Act.

The change made through these amendments will ensure that access to income-tested support provided for under the Act, or approved and established under the Act, takes into account the actual financial resources a person has received or is receiving. To achieve this outcome, the definition of income in Schedule 3 of the Act must be amended to include a payment under the Programme. The payment would otherwise be excluded as income by clause 8(a) of Schedule 3.

Part Two: Background Material and Policy Information

Published reviews or evaluations

2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?	NO

Relevant international treaties

2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?	NO

Regulatory impact analysis

2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?	NO
This proposal is a direct response to COVID-19. A Regulatory Impact Assessment is therefore not required (CAB-20-MIN-0138 refers) and was not feasible for the agencies to complete due to the tight timeframes.	

Extent of impact analysis available

2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?	NO

2.5. For the policy to be given effect by this Bill, is there analysis available on:	
(a) the size of the potential costs and benefits?	NO
(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?	NO

2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:	
(a) the level of effective compliance or non-compliance with applicable obligations or standards?	NO
(b) the nature and level of regulator effort put into encouraging or securing compliance?	NO

Part Three: Testing of Legislative Content

Consistency with New Zealand's international obligations

3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?
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No specific issues relevant to international obligations were identified in the development of the policy in this Bill. As such, there have been no formal steps to determine whether the policies to be given effect by this Bill are consistent with New Zealand's international obligations.

Consistency with the government's Treaty of Waitangi obligations

3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?

No specific issues were identified in the Bill that may have implications for the rights and interests of Māori protected by the Treaty of Waitangi. As such, no formal steps have been taken to determine whether the policies to be given effect by this Bill are consistent with the principles of the Treaty of Waitangi.

Consistency with the New Zealand Bill of Rights Act 1990

3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?	NO
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Offences, penalties and court jurisdictions

3.4. Does this Bill create, amend, or remove:	
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(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?	NO
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(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?	NO
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Privacy issues

3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?	NO
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External consultation

3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?	NO
<p>This Bill only makes consequential changes to the Social Security Act 2018 to give effect to the policy on the COVID-19 Income Relief Payment therefore external consultation was not required.</p> <p>Consultation with key government departments was undertaken for both the development of the COVID-19 Income Relief Payment and the policy to be given effect by this Bill.</p> <p>Departments consulted were:</p> <ul style="list-style-type: none">• The Department of the Prime Minister and Cabinet (Child Poverty Unit and Policy Advisory Group)• The Treasury• Inland Revenue• The Ministry of Education• Veterans' Affairs New Zealand• The Ministry of Housing and Urban Development• The Ministry of Business, Innovation and Employment• The Ministry of Health.	

Other testing of proposals

3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?	NO
<p>The specific charging of income that is given effect by this Bill has not been able to be tested or assessed. However, the charging of income in this manner is consistent with the Ministry of Social Development's current IT system and therefore it is known that the provisions are workable.</p>	

Part Four: Significant Legislative Features

Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	NO

Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	NO

Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	NO

Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(a) create or amend a strict or absolute liability offence?	NO
(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	NO

Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	NO

Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	NO

Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	NO

4.8. Does this Bill create or amend any other powers to make delegated legislation?	NO

Any other unusual provisions or features

4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?	NO
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