



Social Security (Rates of Benefits and Allowances) Order 2018

Patsy Reddy, Governor-General

Order in Council

At Wellington this 26th day of February 2018

Present:

The Right Hon Jacinda Ardern presiding in Council

This order is made under sections 61H and 61HA of the Social Security Act 1964 and sections 15 and 16 of the New Zealand Superannuation and Retirement Income Act 2001 on the advice and with the consent of the Executive Council.

Contents

		Page
1	Title	2
2	Commencement	2
3	Date from which certain provisions to have effect	2
4	Discretionary increases under section 61H of Social Security Act 1964 to amounts of funeral grants	2
5	Mandatory adjustments under section 61HA of Social Security Act 1964	2
6	Mandatory adjustments under sections 15 and 16 of New Zealand Superannuation and Retirement Income Act 2001	3
7	Other discretionary increases under section 61H of Social Security Act 1964	3
8	Revocation	3
	Schedule 1	3
	Mandatory adjustments	

Schedule 2
Discretionary increases

5

Order**1 Title**

This order is the Social Security (Rates of Benefits and Allowances) Order 2018.

2 Commencement

- (1) This order comes into force on 1 April 2018.
- (2) Subclause (1) applies with the following exceptions:
 - (a) clause 5 comes into force as stated in clause 5(2):
 - (b) clause 6 comes into force as stated in clause 6(2):
 - (c) clause 7 comes into force immediately after the commencement of clauses 5 and 6.

3 Date from which certain provisions to have effect

In accordance with section 61H(2) (including as applied by section 61HA(6)) of the Social Security Act 1964, clauses 4, 5, and 7—

- (a) have effect from 1 April 2018 (that is to say, from the beginning of 1 April 2018); and
- (b) apply to amounts payable or applicable on or after 1 April 2018.

4 Discretionary increases under section 61H of Social Security Act 1964 to amounts of funeral grants

- (1) In the Social Security Act 1964, sections 61DB, 61DC, and 61DD, replace “\$2,030.91” with “\$2,058.52”.
- (2) The amendments made by subclause (1) apply, in accordance with section 61H(2) of the Social Security Act 1964, only in respect of persons who die on or after 1 April 2018.

5 Mandatory adjustments under section 61HA of Social Security Act 1964

- (1) In each provision of the Social Security Act 1964 listed in the first column of Part 1 of Schedule 1 of this order, replace, in each place, the amount set out opposite to that provision in the second column with the amount set out opposite to that provision in the third column.
- (2) By virtue of section 61HA(5) of the Social Security Act 1964, this clause—
 - (a) comes into force on 1 April 2018; and

- (b) applies to benefits (within the meaning of that Act) payable on and after that date.

6 Mandatory adjustments under sections 15 and 16 of New Zealand Superannuation and Retirement Income Act 2001

- (1) In each provision of the New Zealand Superannuation and Retirement Income Act 2001 listed in the first column of Part 2 of Schedule 1 of this order, replace the amount set out opposite to that provision in the second column with the amount set out opposite to that provision in the third column.
- (2) By virtue of section 15(6) of the New Zealand Superannuation and Retirement Income Act 2001, this clause—
 - (a) comes into force on 1 April 2018; and
 - (b) applies to New Zealand superannuation payable on and after that date.

7 Other discretionary increases under section 61H of Social Security Act 1964

- (1) In each provision of the Social Security Act 1964 listed in the first column of Part 1 of Schedule 2 of this order, replace the amount set out opposite to that provision in the second column with the amount set out opposite to that provision in the third column.
- (2) In each provision of the New Zealand Superannuation and Retirement Income Act 2001 listed in the first column of Part 2 of Schedule 2 of this order, replace the amount set out opposite to that provision in the second column with the amount set out opposite to that provision in the third column.

8 Revocation

The Social Security (Rates of Benefits and Allowances) Order 2017 (LI 2017/30) is revoked.

**Schedule 1
Mandatory adjustments**

cls 5, 6

**Part 1
Adjustments to social security benefits and allowances**

Provision amended	Old amount (\$)	New amount (\$)
<i>Schedule 3 (rates of generally abolished former widows' benefits under section 21 as saved by clause 3 of Schedule 32 for reciprocity agreement applicants or recipients)</i>		
Clause 1	329.57	334.05
Clause 2	221.27	224.28
<i>Schedule 3A (rate of sole parent support)</i>		
Clause 1	329.57	334.05

**Social Security (Rates of Benefits and Allowances)
Order 2018**

Schedule 1

2018/19

Provision amended	Old amount (\$)	New amount (\$)
<i>Schedule 4 (maximum rates of orphans' benefits and unsupported child's benefits)</i>		
Clause 1(a)	206.71	209.52
Clause 1(b)	189.07	191.64
Clause 1(c)	171.35	173.68
Clause 1(d)	147.65	149.66
<i>Schedule 6 (rates of supported living payment benefits)</i>		
Clause 1(a)	214.88	217.80
Clause 1(b)	265.54	269.15
Clause 1(c)	374.10	379.19
Clause 1(d)	221.27	224.28
Clause 1(d)(i)	25.28	25.62
Clause 1(d)(ii)	12.64	12.81
Clause 1(e)	221.27	224.28
	25.28	25.62
Clause 1(f)	221.27	224.28
	25.28	25.62
Clause 1(g)	221.27	224.28
	25.28	25.62
Clause 3(a)	221.27	224.28
Clause 3(b)	246.55	249.90
<i>Schedule 9 (rates of jobseeker support)</i>		
Clause 1(aa)	141.62	143.55
Clause 1(a)	177.03	179.44
Clause 1(ab)	221.27	224.28
Clause 1(b)	212.45	215.34
Clause 1(ba)	329.57	334.05
Clause 1(c)	329.57	334.05
Clause 1(d)	177.03	179.44
Clause 1(d)(i)	25.28	25.62
Clause 1(d)(ii)	12.64	12.81
Clause 1(e)	177.03	179.44
	25.28	25.62
Clause 1(f)	177.03	179.44
	25.28	25.62
Clause 2	177.03	179.44
Clause 5	177.03	179.44
	12.64	12.81
<i>Schedule 16 (rates of generally abolished former DPB for solo parents under section 27B as saved by clause 3 of Schedule 32 for reciprocity agreement applicants or recipients)</i>		
Clause 1	329.57	334.05
Clause 2	221.27	224.28
<i>Schedule 22 (rates of benefits payable to long-term hospital patients)</i>		
Clause 1	43.93	44.53

Provision amended	Old amount (\$)	New amount (\$)
<i>Schedule 26 (rates and component of youth payment and young parent payment, and criteria for incentive payments)</i>		
Clause 1	177.03	179.44
Clause 2	166.90	169.17
Clause 3	329.57	334.05
Clause 4	177.03	179.44
Clause 5	177.03	179.44
Clause 5(i)	25.28	25.62
Clause 5(ii)	12.64	12.81

Part 2 Adjustments to superannuation entitlements

Provision amended	Old amount (\$)	New amount (\$)
<i>Schedule 1 (New Zealand superannuation entitlements)</i>		
Clause 1(a)	450.10	456.45
Clause 1(b)	413.60	419.55
Clause 1(c)	340.80	345.75
Clause 2(b)	645.56	655.06

Schedule 2 Discretionary increases

cl 7

Part 1 Increases to social security asset limits, etc

Provision amended	Old amount (\$)	New amount (\$)
<i>Schedule 6 (rates of supported living payment benefits)</i>		
Clause 2	351.27	354.28
	44.27	44.87
<i>Schedule 19 (rates of child disability allowance and disability allowance)</i>		
Clause 1	47.00	47.64
Clause 2	62.37	63.22
Clause 3	38.90	39.43
<i>Schedule 26 (rates and component of youth payment and young parent payment, and criteria for incentive payments)</i>		
Clause 10	214.30	217.22
	264.30	267.22
Clause 11	214.30	217.22
	314.30	317.22
<i>Schedule 31 (asset and income limits that may be applied to certain assistance)</i>		
Clause 1	1,062.51	1,076.96
Clause 2	1,770.44	1,794.51

Provision amended	Old amount (\$)	New amount (\$)
Clause 3	1,395.12	1,414.09
Clause 4	1,498.64	1,519.01
Clause 5	485.32	491.92
Clause 6	557.78	565.36
Clause 7	810.15	821.16
Clause 8	676.84	686.04
Clause 9	713.09	722.78
Clause 10	524.48	531.61
Clause 11	635.99	648.92
Clause 12	944.49	963.80
Clause 13	731.47	741.41
Clause 14	770.66	781.14

Part 2

Increases to superannuation entitlements

Provision amended	Old amount (\$)	New amount (\$)
<i>Schedule 1 (New Zealand superannuation entitlements)</i>		
Clause 1(a)	456.45	463.04
Clause 1(b)	419.55	425.55
Clause 1(c)	345.75	350.76
Clause 2(a)	681.60	701.52
Clause 2(b)	655.06	664.68
Clause 3	43.93	44.53
Clause 4	38.90	39.43

Michael Webster,
Clerk of the Executive Council.

Explanatory note

This note is not part of the order, but is intended to indicate its general effect.

This order, which comes into force on 1 April 2018, increases a range of benefits, allowances, asset limits, and superannuation entitlements, etc. The increases reflect both mandatory adjustments and some additional discretionary increases. Where an annual CPI increase is required, it reflects the increase of 1.36% in the New Zealand Consumers Price Index from the December 2016 quarter to the December 2017 quarter, calculated for all quarters using the New Zealand Consumers Price Index (All Groups), excluding cigarettes and other tobacco products.

Annual CPI increases are required under section 61HA of the Social Security Act 1964 for the following benefits: former widows', sole parent support, orphans' and unsupported child's, supported living payment, jobseeker support, former domestic

purposes, the hospital rate, and youth payments and young parent payments. These increases are set out in *Part 1 of Schedule 1*.

Annual CPI increases are also required, under section 15 of the New Zealand Superannuation and Retirement Income Act 2001, to superannuation entitlements. Those increases may sometimes also be more than the CPI increase in order to meet the further requirements (in sections 15(3)(a) and (b) and 16) that the increases maintain a specified relationship to the net average wage and also maintain the proportional relationship of specified rates. The total of the increases required by both sections 15 and 16 is set out in *Part 2 of Schedule 1*.

The discretionary increases made under section 61H of the Social Security Act 1964 are in respect of—

- funeral grants:
- the income thresholds for a totally blind beneficiary to be eligible for an additional allowance:
- the rates of child disability allowance and disability allowance:
- the abatement rates and income limits for the youth payment and young parent payment:
- various asset and income limits that may be applied to certain assistance.

The increases are set out in *clauses 4 and 7 and Part 1 of Schedule 2*.

Increases to superannuation entitlements, which build on the increases set out in *Part 2 of Schedule 1*, are also made, as the current practice is to ensure that the net married couple rate of New Zealand superannuation is set at a minimum of 66% of the net average wage. (The rates of New Zealand superannuation that are amended in all cases are the gross rates, but the increase has been calculated in relation to the net rate in each case. Single rates are increased consequentially in order to maintain the proportional relationship of rates.) These increases are set out in *Part 2 of Schedule 2*.

This order is a confirmable instrument, and an annual confirmable instrument, under section 47B of the Legislation Act 2012. It is revoked, or taken to have been invalid for past operation, at the close of 30 June 2019 unless earlier confirmed by an Act of Parliament. That stated time is the applicable deadline under section 47C(1)(a) of the Legislation Act 2012.

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*: 1 March 2018.

This order is administered by the Ministry of Social Development.