

Jobseeker Support – tightening eligibility for 18 and 19 year olds**Initiative Sponsor: Ministry of Social Development****Description:**

A parental assistance test will be added to the eligibility criteria for Jobseeker Support and Emergency Benefit for single 18 and 19 year olds. This test will assess whether the young person can reasonably be expected to rely on their parents or caregivers for financial support.

If it is determined that their parents or caregivers can support them, single 18 and 19 year olds will not be eligible for Jobseeker Support Work Ready, Jobseeker Support Health Condition Disability, or Emergency Benefit from July 2027.

Financial Impact:

The impacts each year are set out in the tables below:

Vote Social Development Opex:

(\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
Total	-	0.582	3.983	(84.072)	(84.197)	(163.704)

Vote Social Development Capex:

(\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
Total	-	0.172	1.545	-	-	1.717

Why is eligibility for Jobseeker Support and Emergency Benefit for 18 and 19 year olds being tightened?

The Government wants to make sure that income support is appropriately targeted to people who most need it. Young people should be in education, training, or employment, and if they are not, it is expected that their parents or guardians will support them. This change will strengthen the incentives for young people to enter education, training, or employment.

People aged under 20 who are married, in a civil union or a de facto relationship will not be subject to a parental assistance test. This is consistent with the expectation in the Social Security Act 2018 that people in a relationship should rely on their partner or spouse for support.

What is the parental assistance test?

Further work needs to be done by the Ministry of Social Development (MSD) on the appropriate design of the new parental assistance test. This will be finalised before the relevant legislation is introduced.

When will these changes come into effect?

The parental assistance test will be added to the eligibility criteria from July 2027 for single 18 and 19 year olds applying for Jobseeker Support or Emergency Benefit, subject to the necessary legislation being passed.

How many people will be affected?

It is estimated that approximately 17,800 people aged 18 and 19 will not be eligible for Jobseeker Support in the first two years of implementation.

This policy will not apply to Sole Parent Support or Supported Living Payment.

What if the relationship between the 18 or 19 year old and their parents or guardians has broken down, or if the 18 or 19 year old has been subject to physical, psychological, emotional, or sexual violence in their parent's or guardian's home?

The Ministry of Social Development will take these types of situations into account when developing the detailed design of the parental assistance test.

Will 18 and 19 year olds who aren't eligible for Jobseeker Support or Emergency Benefit be able to get help from MSD to find work?

MSD provides a variety of assistance to help non-beneficiaries to move into work. This includes resources and work-related information to assist people to find their own employment or to move into work-related training. In addition, MSD offers a job search service and employment workshops and has specialised work brokers and employment coordinators that focus on linking people to employers. There are also some employment programmes that can be used by non-beneficiaries.

Will 18 and 19 year olds who are not eligible for Jobseeker Support be able to access hardship and other supplementary assistance (e.g. Accommodation Supplement)?

Final decisions on the parental assistance test will be made later this year, including settings for access to hardship and supplementary assistance.