



# Cabinet Legislation Committee

## Minute of Decision

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### Social Security Amendment Bill: Approval for Introduction

**Portfolio**                      **Social Development and Employment**

On 5 December 2024, the Cabinet Legislation Committee:

- 1            s 9(2)(ba)(ii) [REDACTED]
- 2            **noted** that in August 2024, Cabinet agreed to [SOU-24-MIN-0096 and CAB-24-MIN-0295.01]:
  - 2.1        introduce the Traffic Light System for benefit recipients and their partners (supporting the existing graduated sanctions regime) to communicate that clients must comply with their obligations or risk being sanctioned;
  - 2.2        introduce a 26-week benefit expiry and reapplication requirement for clients on Jobseeker Support;
- 3            **noted** that the Bill amends the Social Security Act 2018 and Social Security Regulations 2018 to:
  - 3.1        introduce non-financial sanctions of Money Management and Community Work Experience at the red level of the Traffic Light System for a first obligation failure;
  - 3.2        extend the period that obligation failures are counted against a client from 12 to 24 months, unless they are a client with youth activity obligations;
  - 3.3        require applicants of certain benefits (and their spouses or partners) to complete a Jobseeker Profile as a mandatory pre-benefit activity;
  - 3.4        introduce a 26-week expiry for Jobseeker Support and require recipients and their partners (if they have a partner included in their Jobseeker Support benefit) to reapply for their benefit every 26-weeks, replacing the current 52-week reapplication;
  - 3.5        remove annual income charging, and the full-time employment exemption period, for Jobseeker Support clients and introduce a weekly income charging requirement for all Jobseeker Support clients to align with the 26-week benefit expiry;

- 3.6 introduce transitional arrangements for 26-week reapplications, with specific transitional arrangements for those clients on Jobseeker Support receiving a sole-parent or grand-parented rate of benefit or who have their income assessed over 52-weeks to manage the change to weekly-income charging;
- 3.7 expand the current limited enabling provision to allow for automated decision making to deliver the proposals in the Bill;
- 3.8 introduce technical amendments to ensure the effective operation of the obligations and sanctions, and exception and extensions, regimes;
- 4 **agreed** that the Minister for Social Development and Employment (the Minister) introduce two additional non-financial sanctions of Upskilling and Report Job Search at the Select Committee stage of the Bill;
- 5 **authorised** the Minister to take policy decisions on the two additional non-financial sanctions to finalise draft legislative amendments that would implement these proposals in line with the overall aims of the Traffic Light System;
- 6 **agreed** for the inclusion of regulation-making powers in the Bill that enable:
- 6.1 transitional and savings provisions concerning amendments made by the Bill to address any unintended outcomes from implementation, with a sunset provision to revoke this power after three years;
- 6.2 minor and technical details for non-financial sanctions;
- 7 **noted** that the Minister made a number of decisions under delegated authority to finalise draft legislation, as listed in Appendix 1 to the paper under LEG-24-SUB-0259;
- 8 **authorised** the Parliamentary Counsel Office to make editorial corrections, or other non-substantive (policy neutral) drafting changes, to the Bill in preparation for introduction to the House of Representatives;
- 9 **approved** the Social Security Amendment Bill [PCO 26242/1.41] for introduction, subject to the final approval of the Government caucuses and sufficient support in the House of Representatives;
- 10 **agreed** that the Bill be introduced before the end of 2024;
- 11 **agreed** that the Government propose that the Bill be:
- 11.1 referred to the Social Services and Community Select Committee for consideration;
- 11.2 reported back to the House by 22 April 2025; and
- 11.3 enacted by 26 May 2025 for changes relating to the Traffic Light System and 1 July 2025 for changes relating to 26-week reapplications.

Tom Kelly  
Committee Secretary

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**Attendance: (See over)**

**Present:**

Hon Chris Bishop (Chair)  
Hon Simeon Brown  
Hon Shane Jones  
Hon Brooke van Velden  
Hon Louise Upston  
Hon Tama Potaka  
Hon Casey Costello  
Hon Nicole McKee  
Hon Simon Watts  
Hon Nicola Grigg  
Hon Andrew Bayly  
Hon Scott Simpson, MP  
Todd Stephenson, MP

**Officials present from:**

Officials Committee for LEG  
Leader of the House's Office