



Social Security Amendment Act 2025

Public Act 2025 No 25
Date of assent 21 May 2025
Commencement see section 2

Contents

		Page
1	Title	7
2	Commencement	7

Part 1

Amendments to Social Security Act 2018

3	Principal Act	9
4	Section 5 amended (Guide to this Act)	10
5	Section 21 amended (What is work gap)	10
6	Section 119 amended (Person who fails to comply with requirement to undergo work ability assessment is subject to sanction)	10
7	Section 126 amended (Person who fails to comply with work-preparation obligation subject to sanction)	10
8	Section 136 amended (Person who fails to comply with obligations in relation to dependent children is subject to sanction)	10
9	Section 181 amended (Application of health and safety legislation, etc)	10
10	Section 183 amended (What this Part does)	11
11	New sections 183A to 183D and cross-heading inserted	11

Factors affecting benefits: jobseeker profiles

183A	Requirement to have completed jobseeker profile	11
183B	If person does not have jobseeker profile completed	12
183C	If person's spouse or partner does not have jobseeker profile completed	12

	183D	Period allowed for completion	13
12		Section 230 amended (How non-entitlement period, etc, affects supplementary benefits, and spouse or partner)	13
13		Section 232 amended (Sanctions for failure to comply with certain obligations under this Act)	13
14		New section 233A inserted (Cancellation of main benefit for continuing failure to comply)	14
	233A	Cancellation of main benefit for continuing failure to comply	14
15		Section 234 amended (Hierarchy of sanctions)	14
16		Section 235 amended (Failure, and first, second, and third failure, defined for obligations other than young person or young parent obligations)	14
17		Sections 236 and 237 replaced	15
	236	Sanction for first failure: reduction of rate of main benefit	15
	236A	Sanction for first failure: money management	16
	236B	Sanction for first failure: community work experience: general	17
	236C	Sanction for first failure: community work experience: failure without good and sufficient reason to meet requirements	19
	236D	Sanction for first failure: community work experience: replacement sanction if good and sufficient reason why cannot meet requirements	21
	237	Sanction for second failure: suspension of main benefit	22
18		Section 236 amended (Sanction for first failure: reduction of rate of main benefit)	22
19		New sections 236E to 236J inserted	23
	236E	Sanction for first failure: report job search: general	23
	236F	Sanction for first failure: report job search: failure without good and sufficient reason to meet requirements	25
	236G	Sanction for first failure: report job search: replacement sanction if good and sufficient reason why cannot meet requirements	26
	236H	Sanction for first failure: upskilling: general	27
	236I	Sanction for first failure: upskilling: failure without good and sufficient reason to meet requirements	29
	236J	Sanction for first failure: upskilling: replacement sanction if good and sufficient reason why cannot meet requirements	30

20	Section 238 amended (Sanction for third failure: cancellation of main benefit)	31
21	Section 239 replaced (Reduction or suspension of reduced benefit)	31
	239 Continuation of sanction following regrant of specified benefit	31
22	Section 242 amended (Failures that cannot be counted)	32
23	New section 243AAA inserted (Exclusion of sanction for first or second failure, if not failure to accept offer of suitable employment, and timely recompliance occurs)	32
	243AAA Exclusion of sanction for first or second failure, if not failure to accept offer of suitable employment, and timely recompliance occurs	32
24	Sections 245 to 248 replaced and amended	32
	244A Meaning of default amount of main benefit payable	32
	245 Variation for breach of specified obligation by one spouse or partner	33
	246 Variation for breach of specified obligation by both spouses or partners	33
	247 Variation for reduction of rate of benefit (by half or to zero), or money management, suspension, or cancellation of benefit, or non-entitlement period, affecting couple with 1 or more dependent children	34
	248 Variation for reduction to zero of rate of main benefit, or suspension or cancellation of main benefit, or non-entitlement period, affecting sole parent	35
25	Section 252 amended (MSD must give notice of sanction)	36
26	New section 252A inserted (MSD must give notice of non-financial sanction)	37
	252A MSD must give notice of non-financial sanction	37
27	Section 254 amended (How notice of sanction may be given)	37
28	Section 256 amended (When reduction, suspension, or cancellation of benefit takes effect)	38
29	Section 261 amended (How person recomplies after failure to comply with obligation)	38
30	New sections 261A and 261B inserted	38
	261A How person recomplies after failure that resulted in money management being imposed and taking effect	39
	261B How person recomplies after failure that resulted in community work experience being imposed and taking effect	39
31	New sections 261C and 261D inserted	39
	261C How person recomplies after failure that resulted in report job search being imposed and taking effect	40

	261D	How person recomplies after failure that resulted in upskilling being imposed and taking effect	40
32		Section 262 replaced (Impossibility of remedying failure of work-test obligation)	40
	262	Impossibility of remedying failure of work-preparation or work-test obligation	40
33		Section 263 amended (How person recomplies after failure to comply with drug-testing obligation)	40
34		Section 265 amended (Failure of drug test for purposes of recompliance constitutes third failure)	41
35		New section 270A inserted (Cancellation of youth payment and incentive payments for continuing failure to comply)	41
	270A	Cancellation of youth payment and incentive payments for continuing failure to comply	41
36		Section 272 amended (Effect of cancellation of youth payment on accommodation supplement or temporary additional support)	41
37		Section 276 amended (Sanctions for failure by young person required to receive youth services to comply with obligations: other cases)	42
38		Section 278 amended (Sanctions for failure by young spouse or partner of specified beneficiary to comply with obligations: other cases)	42
39		New section 280A inserted (Cancellation of young parent payment and incentive payments for continuing failure to comply)	42
	280A	Cancellation of young parent payment and incentive payments for continuing failure to comply	42
40		Section 282 amended (Effect of cancellation of young parent payment)	43
41		Section 283 amended (Effect of cancellation of young parent payment on accommodation supplement or temporary additional support)	43
42		New section 285A and cross-heading inserted (Exclusion of sanction for first or second failure if timely recompliance occurs)	43
		<i>Special cases: variations on ordinary sanctions rules</i>	
	285A	Exclusion of sanction for first or second failure if timely recompliance occurs	43
43		Section 287 replaced (Procedure for imposing sanctions for failure to comply with young person or young parent obligation)	43
	287	Procedure for imposing sanctions for failure to comply with young person or young parent obligation	43
	287A	Procedure for imposing sanctions under section 276(2) or 278(2)	44
44		Section 298 amended (MSD must inquire into claim for benefit)	44

45	Cross-heading above section 320 amended	44
46	Section 320 amended (Effect of no longer being subject to work-test or young person obligations)	44
47	Section 321 amended (Effect of no longer being subject to dependent children obligations)	45
48	Section 322 amended (Effect of no longer being subject to work-preparation obligations)	45
49	Section 325 amended (General rule if person's entitlement to benefit ceases)	45
50	Section 332 amended (General rule)	45
51	Section 334 replaced (Exemptions)	45
	334 Exceptions for specified benefit based on prescribed circumstances	45
52	Section 339 amended (Payment generally to, or on account of, beneficiary personally)	46
53	Section 340 amended (Required manner of payment: general)	46
54	New sections 340A and 340B inserted	46
	340A Required manner of payment: money management for certain payments to people subject to sanction for first failure	46
	340B Credit on payment card at end of money management	47
55	Section 346 amended (Required manner of payment: payment on death of beneficiary)	48
56	Subpart 5A heading in Part 6 amended	48
57	Section 363A amended (Use of automated electronic systems to make decisions, exercise powers, comply with obligations, and take related actions)	49
58	Section 363A amended (Use of automated electronic systems to make decisions, exercise powers, comply with obligations, and take related actions)	49
59	Section 418 amended (Regulations: general)	49
60	Section 441 amended (Regulations: expiry and regrant of specified benefits)	50
61	Amendments to update references to money management	50
62	Schedule 1 amended	51
63	Schedule 2 amended	51

Part 2

Amendments to Social Security Regulations 2018

64	Principal regulations	52
65	Regulation 163 amended (Guide to Part 5)	52
66	New regulations 163A and 163B inserted	52
	163A Money management: prescribed proportion and prescribed period	52

	163B	Community work experience: prescribed search period and prescribed minimum number of hours per week for prescribed minimum number of weeks	53
67		New regulations 163C and 163D inserted	53
	163C	Report job search: prescribed period and prescribed minimum number of job-search activities per week	53
	163D	Upskilling: prescribed period and prescribed minimum number of hours per week of attendance at, and participation in, 1 or more employment-related training programmes or courses	53
68		Regulation 165 amended (Guide to Part 6)	53
69		Regulation 165 amended (Guide to Part 6)	54
70		Regulation 187 amended (Expiry date for jobseeker support)	54
71		Regulation 189 replaced (Exemptions from expiry)	54
	189	Circumstances in which under section 334 of Act specified benefit does not expire under section 332 of Act	54
72		Regulation 190 replaced (Requirements for regrant of specified benefits)	55
		<i>Requirements for regrant: specified benefits other than jobseeker support</i>	
	190	Specified benefits to which regulations 190A to 190G apply	55
	190A	Requirements for reapplication form, supporting evidence, etc	55
	190B	Requirements completed before expiry date	55
	190C	Requirements completed in 20 working days starting on expiry date	56
	190D	Person intending to reapply contacts MSD before expiry date	56
	190E	Conditional payment of specified benefit and other assistance	57
	190F	When reapplication form meets application form requirements	58
	190G	When reapplication form treated as new application form	58
		<i>Requirements for regrant: specified benefits that are jobseeker support</i>	
	190H	Specified benefits to which regulations 190J to 190P apply	58
	190I	Meaning of period allowed to complete requirements	58
	190J	Requirements for reapplication form, supporting evidence, etc	59

	190K	Requirements completed before expiry date	60
	190L	Requirements completed in 20 working days starting on expiry date	61
	190M	Person intending to reapply contacts MSD before expiry date	61
	190N	Conditional payment of jobseeker support and other assistance	62
	190O	When reapplication form meets application form requirements	63
	190P	When reapplication form treated as new application form	63
73		New subpart 4A of Part 6 inserted	63
		Subpart 4A—Money management	
	192A	Required manner of payment: money management for certain payments to people subject to sanction for first failure	63
74		Regulation 206 amended (Debts due to the Crown)	65
75		Amendments to update references to money management	65
76		Schedule 1 amended	65
77		Schedule 6 amended	65
		Schedule 1	66
		Amendments to Social Security Act 2018 to update references to money management	
		Schedule 2	67
		New Part 10 inserted into Schedule 1 of Social Security Act 2018	
		Schedule 3	71
		Amendments to Social Security Regulations 2018 to update references to money management	
		Schedule 4	72
		New Part 14 inserted into Schedule 1 of Social Security Regulations 2018	

The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Social Security Amendment Act 2025.

2 Commencement

General rule: commencement on 26 May 2025

- (1) This Act comes into force on 26 May 2025.
- (2) Subsection (1) is subject to subsections (3) and (4).

Exception: commencement on 1 July 2025

- (3) The following sections (about work gap eligibility for, and expiry and regrant of, jobseeker support and other specified benefits) come into force on 1 July 2025:

Amendments to Social Security Act 2018

- (a) section 5 (section 21 amended (what is work gap));
- (b) section 49 (section 325 amended (general rule if person's entitlement to benefit ceases));
- (c) section 50 (section 332 amended (general rule));
- (d) section 51 (section 334 replaced);
- (e) section 58 (section 363A amended (use of automated electronic systems to make decisions, exercise powers, comply with obligations, and take related actions));
- (f) section 60 (section 441 amended (regulations: expiry and regrant of specified benefits));
- (g) section 63(8) (Schedule 2 amended):

Amendments to Social Security Regulations 2018

- (h) section 68 (regulation 165 amended (guide to Part 6));
- (i) section 70 (regulation 187 amended (expiry date for jobseeker support));
- (j) section 71 (regulation 189 replaced);
- (k) section 72 (regulation 190 replaced);
- (l) section 74 (regulation 206 amended (debts due to the Crown));
- (m) section 77 (Schedule 6 amended).

Exception: commencement on 20 October 2025

- (4) The following sections (about the non-financial sanctions that are report job search and upskilling) come into force on 20 October 2025:

Amendments to Social Security Act 2018

- (a) section 6(2) (section 119 amended (person who fails to comply with requirement to undergo work ability assessment is subject to sanction));
- (b) section 7(2) (section 126 amended (person who fails to comply with work-preparation obligation subject to sanction));
- (c) section 8(2) (section 136 amended (person who fails to comply with obligations in relation to dependent children is subject to sanction));
- (d) section 9(1) (section 181 amended (application of health and safety legislation, etc));
- (e) section 12(2) (section 230 amended (how non-entitlement period, etc, affects supplementary benefits, and spouse or partner));

- (f) section 13(2) (section 232 amended (sanctions for failure to comply with certain obligations under this Act));
- (g) section 14(2) (new section 233A inserted (cancellation of main benefit for continuing failure to comply));
- (h) section 15(3) (section 234 amended (hierarchy of sanctions));
- (i) section 18 (section 236 amended (sanction for first failure: reduction of rate of main benefit));
- (j) section 19 (new sections 236E to 236J inserted);
- (k) section 21(2) (section 239 replaced (reduction or suspension of reduced benefit));
- (l) section 24(2) (sections 245 to 248 replaced and amended);
- (m) section 25(5) and (7) (section 252 amended (MSD must give notice of sanction));
- (n) section 26(2) and (3) (new section 252A inserted (MSD must give notice of non-financial sanction));
- (o) section 28(4) (section 256 amended (when reduction, suspension, or cancellation of benefit takes effect));
- (p) section 29(2) (section 261 amended (how person recomplies after failure to comply with obligation));
- (q) section 31 (new sections 261C and 261D inserted);
- (r) section 46(3) (section 320 amended (effect of no longer being subject to work-test or young person obligations));
- (s) section 47(2) (section 321 amended (effect of no longer being subject to dependent children obligations));
- (t) section 48(2) (section 322 amended (effect of no longer being subject to work-preparation obligations));
- (u) section 59(2) (section 418 amended (regulations: general));
- (v) section 63(3) to (6) (Schedule 2 amended):
Amendments to Social Security Regulations 2018
- (w) section 65(2) (regulation 163 amended (guide to Part 5));
- (x) section 67 (new regulations 163C and 163D inserted).

Part 1

Amendments to Social Security Act 2018

3 Principal Act

This Part amends the Social Security Act 2018.

4 Section 5 amended (Guide to this Act)

In section 5(4), after “for example,”, insert “jobseeker profiles,”.

5 Section 21 amended (What is work gap)

Repeal section 21(3).

6 Section 119 amended (Person who fails to comply with requirement to undergo work ability assessment is subject to sanction)

- (1) In section 119, after “section 236,”, insert “236A, 236B,”.
- (2) In section 119, after “236B,”, insert “236E, 236H,”.

7 Section 126 amended (Person who fails to comply with work-preparation obligation subject to sanction)

- (1) In section 126, after “section 236,”, insert “236A,”.
- (2) In section 126, after “236A,”, insert “236H,”.

8 Section 136 amended (Person who fails to comply with obligations in relation to dependent children is subject to sanction)

- (1) In section 136(1), after “section 236,”, insert “236A, 236B,”.
- (2) In section 136(1), after “236B,”, insert “236E, 236H,”.
- (3) In section 136(2), replace “section 243” with “section 243AAA, 243,”.

9 Section 181 amended (Application of health and safety legislation, etc)

- (1) Replace section 181(1)(a) with:

- (a) is doing work as part of a job-search activity—
 - (i) in accordance with P’s work-test obligations; or
 - (ii) under section 236E (sanction for first failure: report job search: general); or
 - (iii) under section 261 (how person recomplies after failure to comply with obligation); or
 - (iv) under section 261C (how person recomplies after failure that resulted in imposition of report job search); or
 - (v) under section 324 (effect of participation in certain activities on non-entitlement period); or

- (2) Replace section 181(1)(b) with:

- (b) is a beneficiary and is doing work as part of—
 - (i) an employment-related activity arranged by MSD; or
 - (ii) an activity in the community arranged by MSD.

10 Section 183 amended (What this Part does)

Before section 183(2)(a), insert:

(aaa) jobseeker profiles:

11 New sections 183A to 183D and cross-heading inserted

In Part 4, after the subpart 2 heading, insert:

Factors affecting benefits: jobseeker profiles

183A Requirement to have completed jobseeker profile

When this section applies

- (1) This section applies if—
- (a) MSD is contacted by a person (**P**) (or by some other person acting on P's behalf) requesting financial assistance under this Act for P; and
 - (b) the request for financial assistance for P is not a request for the regrant under section 336 of a specified benefit (as defined in section 331) that is—
 - (i) jobseeker support; or
 - (ii) sole parent support; and
 - (c) MSD considers that—
 - (i) the appropriate financial assistance would be a benefit that is jobseeker support or sole parent support; or
 - (ii) the appropriate financial assistance would be a benefit that is an emergency benefit and, if that financial assistance were granted to P, P would, or would likely, be subject to conditions that are or include that P be available for, and take reasonable steps to obtain, suitable employment.

Requirement for P

- (2) MSD must require P to have a jobseeker profile completed to MSD's satisfaction.

Requirement for specified spouse or partner of P

- (3) If P has a spouse or partner who is not, in the spouse's or partner's own right, receiving or applying for a main benefit under this Act, New Zealand superannuation, or a veteran's pension, and who is not, or is not likely to be, subject to obligations under section 166 or 167, MSD must also require P's spouse or partner to have a jobseeker profile completed to MSD's satisfaction.

Jobseeker profile

- (4) In this section and sections 183B to 183D, **jobseeker profile** means a form provided—
- (a) by or on behalf of MSD to P or P's spouse or partner; and

- (b) to enable P or P's spouse or partner, by completing the form, to record P's or P's spouse or partner's work experience, qualifications, and work preferences.

Form and revocation of requirement

- (5) A requirement under subsection (2) or (3)—
 - (a) may be oral or written; and
 - (b) may be revoked orally or in writing if, and only if, MSD considers the requirement is not reasonable in the circumstances of P, of P's spouse or partner, or of both.

183B If person does not have jobseeker profile completed

- (1) MSD is not required under section 298(1) to inquire into a claim for any benefit referred to in section 183A(1) made by or on behalf of a person (**P**) specified in section 183A(1) unless—
 - (a) P has the jobseeker profile completed to MSD's satisfaction; or
 - (b) MSD has revoked the requirement under section 183A(2) for P to have the jobseeker profile completed to MSD's satisfaction.
- (2) Subsection (1) applies whether or not an application for a benefit has been completed by or on behalf of P.
- (3) Any application for a benefit made by or on behalf of P lapses unless—
 - (a) P has the jobseeker profile completed to MSD's satisfaction within the period allowed under section 183D(1); or
 - (b) MSD has revoked the requirement under section 183A(2) for P to have the jobseeker profile completed to MSD's satisfaction.

183C If person's spouse or partner does not have jobseeker profile completed

- (1) This section applies if—
 - (a) a person specified in section 183A(1) (**P**) has a spouse or partner who is required to have a jobseeker profile completed to MSD's satisfaction under section 183A(3); and
 - (b) P's spouse or partner fails to have the jobseeker profile completed to MSD's satisfaction within the period allowed under section 183D(1).
- (2) If this section applies under subsection (1), it applies until—
 - (a) P's spouse or partner has the jobseeker profile completed to MSD's satisfaction; or
 - (b) MSD revokes the requirement under section 183A(3) for P's spouse or partner to have the jobseeker profile completed to MSD's satisfaction.
- (3) P receives the following forms of assistance (if all or any of them is granted) at the following rate or rates only:

- (a) any benefit referred to in section 183A(1) that P is granted, at half of the rate of that benefit payable to a beneficiary—
 - (i) who is in a relationship; and
 - (ii) whose spouse or partner is not granted a benefit in the spouse's or partner's own right; and
- (b) the accommodation supplement, temporary additional support, or both (if any), to which P and P's spouse or partner would apart from this subsection be entitled, at half of the otherwise applicable rate or rates.

183D Period allowed for completion

Default period allowed

- (1) The period allowed (*see* sections 183B(3)(a) and 183C(1)(b)) is—
 - (a) the period that—
 - (i) starts on the date of first contact by or on behalf of P; and
 - (ii) ends on the 20th working day after that date; or
 - (b) a longer period allowed by MSD under subsection (2).

MSD may allow longer period

- (2) Before or after the end of the 20-working-day period referred to in subsection (1)(a), MSD may allow P or P's spouse or partner a longer period if MSD considers that good and sufficient reason exists for P or P's spouse or partner not being able to have the jobseeker profile completed to MSD's satisfaction within that 20-working-day period.

12 Section 230 amended (How non-entitlement period, etc, affects supplementary benefits, and spouse or partner)

- (1) After section 230(1)(b), insert:
 - (ba) a reduction of the rate of a main benefit to zero under section 236, 236A, or 236C; or
- (2) In section 230(1)(ba), replace “or 236C” with “236C, 236F, or 236I”.

13 Section 232 amended (Sanctions for failure to comply with certain obligations under this Act)

- (1) Replace section 232(2)(a) with:
 - (a) reduction of the rate of a main benefit or imposition of a non-financial sanction in accordance with sections 236, 236A, and 236B:
- (2) In section 232(2)(a), replace “and 236B” with “236B, 236E, and 236H”.
- (3) After section 232(2), insert:
 - (3) MSD must not impose under this section a non-financial sanction on a young person to whom section 276(2)(a) or (b) or 278(2)(a) or (b) applies.
- (4) This section is subject to sections 243AAA, 243, and 245 to 248.

14 New section 233A inserted (Cancellation of main benefit for continuing failure to comply)

- (1) After section 233, insert:

233A Cancellation of main benefit for continuing failure to comply

- (1) MSD must cancel a person's (P's) main benefit if—
- (a) MSD has, under section 232, imposed a sanction described in subsection (2)(a) or (b) of that section on P; and
 - (b) P fails to recommit, within 13 weeks after the sanction takes effect, with each obligation—
 - (i) for which the sanction was imposed for a failure to comply with; and
 - (ii) that P has not ceased to have (including, without limitation, under section 321 or 322); and
 - (c) section 320 does not apply to P.
- (2) On cancellation under this section of P's main benefit, to be again entitled to a main benefit under this Act, P must apply for the benefit and establish that P is eligible for it.
- (3) This section is subject to sections 236D(3)(d) and 245 to 248.
- (2) In section 233A(3), after “236D(3)(d)”, insert “, 236G(3)(d), 236J(3)(d),”.

15 Section 234 amended (Hierarchy of sanctions)

- (1) In section 234, after “The sanction that MSD must impose under section 232(1)”, insert “(subject to section 232(3) and (4))”.
- (2) Replace section 234(a) with:
- (a) for a first failure, reduction of the rate of a main benefit or imposition of a non-financial sanction in accordance with sections 236, 236A, and 236B:
- (3) In section 234(a), replace “and 236B” with “236B, 236E, and 236H”.

16 Section 235 amended (Failure, and first, second, and third failure, defined for obligations other than young person or young parent obligations)

In section 235, replace the definitions of **failure**, **first failure**, **second failure**, and **third failure** with:

failure, in relation to a person, means a failure—

- (a) by the person, or in relation to the person's dependent children or the person's spouse or partner's dependent children, to comply with an obligation that is specified in section 233; and
- (b) that occurred at any time (however, if it occurred more than 24 months or, if applicable, 12 months, before the failure for which the calculation

is made, then *see also* section 242(1) and (3) and, if applicable, the express modifications made to section 242(1) and (3) by sections 287 and 287A); and

- (c) that, for the purposes of section 242(1), is taken to have occurred on the date MSD decides that the person has, as a beneficiary, failed, without a good and sufficient reason, to comply with the appropriate obligation (*see* section 242(2))

first failure, in relation to a person, means a failure (as defined in this section)—

- (a) by the person, or in relation to the person's dependent children or the person's spouse or partner's dependent children; and
- (b) that is the first one by the person, or in relation to the person's dependent children or the person's spouse or partner's dependent children

second failure, in relation to a person, means a failure (as defined in this section)—

- (a) by the person, or in relation to the person's dependent children or the person's spouse or partner's dependent children; and
- (b) that occurs after the person has recomplied with the obligation to which a first failure related

third failure, in relation to a person, means a failure (as defined in this section)—

- (a) by the person, or in relation to the person's dependent children or the person's spouse or partner's dependent children; and
- (b) that occurs after the person has recomplied with the obligation to which a second failure related.

17 Sections 236 and 237 replaced

Replace sections 236 and 237 with:

236 Sanction for first failure: reduction of rate of main benefit

Eligibility

- (1) This section applies to a person (**P**) if P has a first failure, and either—
 - (a) P does not meet the eligibility requirements in sections 236A(1)(b) and 236B(1)(b) because—
 - (i) P is not subject to active case management by MSD; and
 - (ii) P does not have 1 or more dependent children; or
 - (b) P does meet the eligibility requirements in sections 236A(1)(b) and 236B(1)(b), and MSD does not impose a non-financial sanction for P's first failure.

Imposition

- (2) If this section applies to P, MSD must, for the first failure of P, reduce the rate of P's main benefit by half until P recomplies.

Effect

- (3) If the rate of P's main benefit is reduced by half under this section, MSD must not, for the first failure of P, do the following:
- (a) impose money management; or
 - (b) impose community work experience.
- (4) If P fails to recompile within 4 weeks after the initial reduction under this section takes effect, MSD must reduce the rate of P's main benefit to zero until the earlier of the following events:
- (a) P recomplies;
 - (b) MSD cancels P's main benefit under section 233A.

Relationship with other sections

- (5) This section is subject to sections 243AAA, 243, 245 to 248, and 320 to 322.

236A Sanction for first failure: money management*Eligibility*

- (1) This section applies to a person (P) if—
- (a) P has a first failure; and
 - (b) either—
 - (i) P is subject to active case management by MSD; or
 - (ii) P has 1 or more dependent children; and
 - (c) MSD is satisfied—
 - (i) that it is appropriate in the circumstances to impose money management on P; and
 - (ii) that it is more appropriate to impose that sanction than any other sanction that can be imposed for P's first failure.

Imposition

- (2) If this section applies to P, MSD must, for the first failure of P, impose money management—
- (a) under section 232(2)(a) and this section; and
 - (b) only if, in the 5 working days from the giving of the section 252 notice, P discusses with MSD, in an appointment with MSD, P's failure to comply.

Effect: general

- (3) If money management is imposed on P, MSD must not, for the first failure of P,—

- (a) reduce the rate of P's main benefit by half under section 236(2); or
 - (b) impose a non-financial sanction other than money management.
- (4) While money management that is imposed on P has effect,—
- (a) the prescribed proportion of an instalment of P's main benefit that is an instalment payable to P (*see* regulations made under section 418(1)(ia)) is paid by the required manner of payment for money management (*see* regulations made under section 418(1)(jb));
 - (b) the rest of the instalment is paid under section 339;
 - (c) specified arrears are credited or paid, and specified debt is recovered, under regulations made under section 418(1)(jb).
- (5) If P fails to recompile (*see* section 261A) within the prescribed period starting when the sanction takes effect under subsection (6)(a) (*see* regulations made under section 418(1)(ib)), MSD must reduce the rate of P's main benefit to zero until the earlier of the following events:
- (a) P recomplies (*see* section 261A);
 - (b) MSD cancels P's main benefit under section 233A.

Duration

- (6) Money management that is imposed on P has effect for the following duration:
- (a) from the date stated in the notice of non-financial sanction under section 252A(2)(c); and
 - (b) until the end of the prescribed period from that date (*see* regulations made under section 418(1)(ib)), even if P recomplies (that is, both of the things specified in section 261A(2)(a) and (b) have occurred) within the prescribed period.
- (7) Subsection (6)(b) applies even if P's main benefit is suspended for reasons unrelated to a sanction for failure to comply with 1 or more obligations under this Act that are specified in section 233.

Relationship with other sections

- (8) This section is subject to sections 243AAA, 243, 245 to 248, and 320 to 322.

236B Sanction for first failure: community work experience: general

Eligibility

- (1) This section applies to a person (**P**) if—
- (a) P has a first failure; and
 - (b) either—
 - (i) P is subject to active case management by MSD; or
 - (ii) P has 1 or more dependent children; and

- (c) P's first failure is not a failure to comply with a drug-testing obligation; and
- (d) P has—
 - (i) work-test obligations under either or both of sections 144 and 146; and
 - (ii) no currently-in-force deferrals of, or exemptions from, those work-test obligations; and
- (e) P's first failure does not involve either or both of the following:
 - (i) more than 1 failure of the same obligation;
 - (ii) a failure of more than 1 obligation; and
- (f) MSD is satisfied—
 - (i) that it is appropriate in the circumstances to impose community work experience on P; and
 - (ii) that it is more appropriate to impose that sanction than any other sanction that can be imposed for P's first failure.

Imposition

- (2) If this section applies to P, MSD must, for the first failure of P, impose community work experience—
 - (a) under section 232(2)(a) and this section; and
 - (b) only if, in the 5 working days from the giving of the section 252 notice, P discusses with MSD, in an appointment with MSD, P's failure to comply.

Effect: general

- (3) If community work experience is imposed on P, MSD must not, for the first failure of P, do the following (except under section 236D):
 - (a) reduce the rate of P's main benefit by half under section 236(2); or
 - (b) impose a non-financial sanction other than community work experience.
- (4) While community work experience that is imposed on P has effect,—
 - (a) P must, within the prescribed search period starting when the sanction takes effect under subsection (5)(a) (*see* regulations made under section 418(1)(ic)), and with the support from MSD (if any) that MSD considers it appropriate to provide to P for the purpose, find 1 or more positions—
 - (i) each of which is a position—
 - (A) with a community or voluntary sector organisation that MSD is satisfied is reasonably suitable; and
 - (B) that MSD is satisfied is reasonably suitable; and

- (ii) that alone is, or that together are, for at least the following (*see* regulations made under section 418(1)(id)):
 - (A) the prescribed minimum number of hours per week; and
 - (B) the prescribed minimum number of weeks that start as specified in paragraph (b)(ii); and
 - (iii) that may be or include 1 or more positions that start in the prescribed search period, in which case the prescribed minimum number of weeks start at the earliest start of those 1 or more positions (*see* paragraph (b)(ii)); and
- (b) P must perform the duties of the 1 or more positions that comply with paragraph (a) for at least the following:
 - (i) the prescribed minimum number of hours per week; and
 - (ii) the prescribed minimum number of weeks that start—
 - (A) immediately after the prescribed search period; or
 - (B) if paragraph (a)(iii) applies, at the earliest start in the prescribed search period of those 1 or more positions.

Duration

- (5) Community work experience that is imposed on P has effect—
 - (a) from the date stated in the notice of non-financial sanction under section 252A(2)(c); and
 - (b) until whichever occurs first of the following:
 - (i) P recomplies after the community work experience is imposed on P (*see* section 261B);
 - (ii) the rate of P's main benefit is reduced to zero under section 236C;
 - (iii) a replacement sanction imposed under section 236D takes effect.

Relationship with other sections

- (6) This section is subject to sections 236C, 236D, 243AAA, 243, 245 to 248, and 320 to 322.

236C Sanction for first failure: community work experience: failure without good and sufficient reason to meet requirements

When this section applies

- (1) This section applies if, after community work experience that is imposed on P has effect,—
 - (a) P has not met the requirements that apply to P under section 236B(4) (*see* subsections (2) and (3)); and
 - (b) P has not satisfied MSD within the reasonable period specified in subsection (4) that a good and sufficient reason existed as to why P failed to meet those requirements.

When P has not met requirements that apply to P

- (2) For the purposes of subsection (1)(a) and of section 236D(1)(a), P has not met the requirements that apply to P under section 236B(4) if—
- (a) at the end of the prescribed search period (*see* regulations made under section 418(1)(ic)), MSD has not been provided with supporting evidence of P's compliance with requirements under section 236B(4)(a); or
 - (b) at the end of the prescribed search period (*see* regulations made under section 418(1)(ic)), MSD has been provided with supporting evidence of P's compliance with requirements under section 236B(4)(a), but at the end of 5 days after the prescribed search period that evidence has not satisfied MSD of P's compliance with those requirements; or
 - (c) at the end of 5 days after the prescribed minimum number of weeks (*see* regulations made under section 418(1)(id)), MSD has not been provided with supporting evidence that has satisfied MSD of P's compliance with requirements under section 236B(4)(b).

- (3) Subsection (2) does not limit the generality of subsection (1)(a) or of section 236D(1)(a).

Reasonable period

- (4) The reasonable period mentioned in subsection (1)(b) and in section 236D(1)(b) must be one that—
- (a) MSD considers reasonable in the circumstances of P; and
 - (b) ends no later than the end of the prescribed minimum number of weeks (*see* regulations made under section 418(1)(id)).

MSD must reduce rate of P's main benefit to zero

- (5) MSD must reduce the rate of P's main benefit to zero with effect—
- (a) starting on the first day of the week of P's non-compliance or, if MSD is unable to determine the date of P's non-compliance,—
 - (i) starting on the first day after the prescribed search period or (if applicable) after the prescribed minimum number of weeks, if P has not in that period or (if applicable) in those weeks contacted MSD about P's non-compliance; or
 - (ii) starting on the first day of the prescribed search period or (if applicable) of the prescribed minimum number of weeks if—
 - (A) P has in or after that period or (if applicable) in or after those weeks contacted MSD about P's non-compliance; and
 - (B) MSD has not been provided with supporting evidence that satisfies MSD of the date of P's non-compliance; and
 - (b) ending on whichever occurs first of the following events:
 - (i) P recomplies (*see* section 261B(3) and (4)):

- (ii) MSD cancels P's main benefit under section 233A.

Exception to general rule about when reduction to zero takes effect

- (6) However, if P satisfies MSD within a period that complies with subsection (4)(a), but that does not also comply with subsection (4)(b), that a good and sufficient reason existed as to why P failed to meet the requirements that apply to P under section 236B(4), then MSD must reduce the rate of P's main benefit to zero under subsection (5) with effect on and after the first day after the prescribed minimum number of weeks (*see* regulations made under section 418(1)(id)).

Consequences of rate of P's main benefit being reduced to zero

- (7) If the rate of P's main benefit is reduced to zero under subsection (5),—
 - (a) P is no longer required to meet the requirements that apply to P under section 236B(4); and
 - (b) P recomplies under section 261B(3) and (4); and
 - (c) the 13-week period in section 233A(1)(b) starts when community work experience imposed on P takes effect.

Relationship with other sections

- (8) This section is subject to sections 243AAA, 243, 245 to 248, and 320 to 322.

236D Sanction for first failure: community work experience: replacement sanction if good and sufficient reason why cannot meet requirements

When this section applies

- (1) This section applies if, at any time after community work experience that is imposed on P has effect,—
 - (a) P has not met the requirements that apply to P under section 236B(4) (*see also* section 236C(2) and (3)); and
 - (b) P has satisfied MSD within the reasonable period specified in section 236C(4) that a good and sufficient reason existed as to why P could not meet those requirements.

MSD must impose replacement sanction

- (2) MSD must impose on P, without giving a section 252 notice, a replacement sanction under section 236(2) that is to reduce the rate of P's main benefit by half until P recomplies, and that starts to take effect—
 - (a) at the time that P satisfied MSD that the good and sufficient reason existed, if the good and sufficient reason relates to requirements that apply to P under section 236B(4)(a) and that time is before or at the end of the prescribed search period (*see* regulations made under section 418(1)(ic)); and
 - (b) on the first day after the end of the prescribed search period (*see* regulations made under section 418(1)(ic)), if the good and sufficient reason

relates to requirements that apply to P under section 236B(4)(a) and the time that P satisfied MSD that the good and sufficient reason existed is—

- (i) after the end of the prescribed search period; and
- (ii) before or at the end of the prescribed minimum number of weeks (*see* regulations made under section 418(1)(id)); and
- (c) at the time (within the reasonable period specified in section 236C(4)) that P satisfied MSD that the good and sufficient reason existed, if the good and sufficient reason relates to the requirements that apply to P under section 236B(4)(b).

Consequences of replacement sanction

- (3) If a replacement sanction under section 236(2) is imposed under subsection (2),—
 - (a) P is no longer required to meet the requirements that apply to P under section 236B(4); and
 - (b) the replacement sanction under section 236(2) operates in the same way as any other reduction of the rate of P's main benefit by half under section 236(2); and
 - (c) P recomplies under section 261 (*see* section 261(3)(b)); but
 - (d) for the purposes of the 13-week period in section 233A(1)(b), the replacement sanction must be treated as if it takes effect when community work experience that it replaces takes effect.

Relationship with other sections

- (4) This section is subject to sections 243AAA, 243, 245 to 248, and 320 to 322.

237 Sanction for second failure: suspension of main benefit

- (1) For a second failure by a person (P), MSD must suspend P's main benefit until the earlier of the following events:
 - (a) P recomplies;
 - (b) MSD cancels P's main benefit under section 233A.
- (2) This section is subject to sections 243AAA, 243, 245 to 248, and 320 to 322.

18 Section 236 amended (Sanction for first failure: reduction of rate of main benefit)

- (1) Replace section 236(1)(a) and (b) with:
 - (a) P is ineligible for a non-financial sanction because P does not meet the eligibility requirements in any of the following provisions:
 - (i) section 236A(1)(b);
 - (ii) section 236B(1)(b) to (c);

- (iii) section 236E(1)(b) to (e):
 - (iv) section 236H(1)(b) to (d); or
- (b) P is eligible for a non-financial sanction because P meets the eligibility requirements in all or any of the provisions specified in paragraph (a)(i) to (iv), and MSD does not impose a non-financial sanction for P's first failure.
- (2) Replace section 236(3) with:
- (3) If the rate of P's main benefit is reduced by half under this section, MSD must not, for the first failure of P, impose a non-financial sanction.

19 New sections 236E to 236J inserted

After section 236D, insert:

236E Sanction for first failure: report job search: general

Eligibility

- (1) This section applies to a person (P) if—
 - (a) P has a first failure; and
 - (b) either—
 - (i) P is subject to active case management by MSD; or
 - (ii) P has 1 or more dependent children; and
 - (c) P's first failure is not a failure to comply with a drug-testing obligation; and
 - (d) P has—
 - (i) work-test obligations under either or both of sections 144 and 146; and
 - (ii) no currently-in-force deferrals of, or exemptions from, those work-test obligations; and
 - (e) P's first failure does not involve either or both of the following:
 - (i) more than 1 failure of the same obligation;
 - (ii) a failure of more than 1 obligation; and
 - (f) MSD is satisfied—
 - (i) that it is appropriate in the circumstances to impose report job search on P; and
 - (ii) that it is more appropriate to impose that sanction than any other sanction that can be imposed for P's first failure.

Imposition

- (2) If this section applies to P, MSD must, for the first failure of P, impose report job search—

- (a) under section 232(2)(a) and this section; and
- (b) only if, in the 5 working days from the giving of the section 252 notice, P discusses with MSD, in an appointment with MSD, P's failure to comply.

Effect: general

- (3) If report job search is imposed on P, MSD must not, for the first failure of P, do the following (except under section 236G):
 - (a) reduce the rate of P's main benefit by half under section 236(2); or
 - (b) impose a non-financial sanction other than report job search.
- (4) If report job search is imposed on P,—
 - (a) P must within the prescribed period (starting when the sanction takes effect under subsection (5)(a)) undertake at least the prescribed minimum number of job-search activities per week (*see* regulations made under section 418(1)(ie)); and
 - (b) P must, by the end of each week of that period, report to MSD, to MSD's satisfaction, about the job-search activities that P has in that week undertaken to satisfy the requirements of paragraph (a), and about the nature of those activities; and
 - (c) P must provide MSD with supporting evidence of all of the job-search activities that P has reported under this section,—
 - (i) only to the extent that the evidence is of a kind that it is reasonable in the circumstances for P to provide; and
 - (ii) in a way that MSD decides, and advises P when MSD requires the evidence, is appropriate in the circumstances; and
 - (iii) promptly after MSD requires the evidence, and in any case within 5 days after the prescribed period.

Duration

- (5) Report job search that is imposed on P has effect—
 - (a) from the date stated in the notice of non-financial sanction under section 252A(2)(c); and
 - (b) until whichever occurs first of the following:
 - (i) P recomplies after report job search is imposed on P (*see* section 261C);
 - (ii) the rate of P's main benefit is reduced to zero under section 236F;
 - (iii) a replacement sanction imposed under section 236G takes effect.

Relationship with other legislation

- (6) This section is subject to sections 236F, 236G, 243AAA, 243, 245 to 248, and 320 to 322.

- (7) This section does not limit any regulations made under section 432(1) that require a person to undertake 1 or more stated pre-benefit activities that are or include reporting on the progress of job-search activities.

236F Sanction for first failure: report job search: failure without good and sufficient reason to meet requirements

When this section applies

- (1) This section applies if, after report job search that is imposed on P has effect,—
- (a) P has not met the requirements that apply to P under section 236E(4) (*see* subsections (2) and (3)); and
 - (b) P has not satisfied MSD within the reasonable period specified in subsection (4) that a good and sufficient reason existed as to why P failed to meet those requirements.

When P has not met requirements that apply to P

- (2) For the purposes of subsection (1)(a) and of section 236G(1)(a), P has not met the requirements that apply to P under section 236E(4) if MSD has not been provided with supporting evidence that has satisfied MSD of P's compliance with those requirements by the end of 5 days after the prescribed period for the purposes of section 236E(4) (*see* regulations made under section 418(1)(ie)).
- (3) Subsection (2) does not limit the generality of subsection (1)(a) or of section 236G(1)(a).

Reasonable period

- (4) The reasonable period mentioned in subsection (1)(b) and in section 236G(1)(b) must be one that—
- (a) MSD considers reasonable in the circumstances of P; and
 - (b) ends no later than the end of the prescribed period for the purposes of section 236E(4) (*see* regulations made under section 418(1)(ie)).

MSD must reduce rate of P's main benefit to zero

- (5) MSD must reduce the rate of P's main benefit to zero with effect—
- (a) starting on the first day of the week of P's non-compliance or, if MSD is unable to determine the date of P's non-compliance,—
 - (i) starting on the first day after the prescribed period for the purposes of section 236E(4) (*see* regulations made under section 418(1)(ie)), if P has not in that period contacted MSD about P's non-compliance; or
 - (ii) starting on the first day of the prescribed period for the purposes of section 236E(4) (*see* regulations made under section 418(1)(ie)), if—
 - (A) P has in or after that period contacted MSD about P's non-compliance; and

(B) MSD has not been provided with supporting evidence that satisfies MSD of the date of P's non-compliance; and

(b) ending on whichever occurs first of the following events:

(i) P recomplies under section 261C(3) and (4):

(ii) MSD cancels P's main benefit under section 233A.

Exception to general rule about when reduction to zero takes effect

(6) However, if P satisfies MSD within a period that complies with subsection (4)(a), but that does not also comply with subsection (4)(b), that a good and sufficient reason existed as to why P failed to meet the requirements that apply to P under section 236E(4), then MSD must reduce the rate of P's main benefit to zero under subsection (5) with effect on and after the first day after the prescribed period for the purposes of section 236E(4) (*see* regulations made under section 418(1)(ie)).

Consequences of rate of P's main benefit being reduced to zero

(7) If the rate of P's main benefit is reduced to zero under subsection (5),—

(a) P is no longer required to meet the requirements that apply to P under section 236E(4); and

(b) P recomplies under section 261C(3) and (4); and

(c) the 13-week period in section 233A(1)(b) starts when the report job search imposed on P takes effect.

Relationship with other sections

(8) This section is subject to sections 243AAA, 243, 245 to 248, and 320 to 322.

236G Sanction for first failure: report job search: replacement sanction if good and sufficient reason why cannot meet requirements

When this section applies

(1) This section applies if, at any time after report job search that is imposed on P has effect,—

(a) P has not met the requirements that apply to P under section 236E(4) (*see also* section 236F(2) and (3)); and

(b) P has satisfied MSD within the reasonable period specified in section 236F(4) that a good and sufficient reason existed as to why P could not meet those requirements.

MSD must impose replacement sanction

(2) MSD must impose on P, without giving a section 252 notice, a replacement sanction under section 236(2) that is to reduce the rate of P's main benefit by half until P recomplies, and that starts to take effect at whichever occurs first of the following:

(a) P satisfies MSD that the good and sufficient reason existed:

- (b) the date on which the rate of P's main benefit is reduced to zero under section 236F(5)(a) within the prescribed period for the purposes of section 236E(4) (*see* regulations made under section 418(1)(ie)).

Consequences of replacement sanction

- (3) If a replacement sanction under section 236(2) is imposed under subsection (2),—
 - (a) P is no longer required to meet the requirements that apply to P under section 236E(4); and
 - (b) the replacement sanction under section 236(2) operates in the same way as any other reduction of the rate of P's main benefit by half under section 236(2); and
 - (c) P recomplies under section 261 (*see* section 261(3)(ba)); but
 - (d) for the purposes of the 13-week period in section 233A(1)(b), the replacement sanction must be treated as if it takes effect when report job search that it replaces takes effect.

Relationship with other sections

- (4) This section is subject to sections 243AAA, 243, 245 to 248, and 320 to 322.

236H Sanction for first failure: upskilling: general

Eligibility

- (1) This section applies to a person (P) if—
 - (a) P has a first failure; and
 - (b) either—
 - (i) P is subject to active case management by MSD; or
 - (ii) P has 1 or more dependent children; and
 - (c) P's first failure is not a failure to comply with a drug-testing obligation; and
 - (d) P's first failure does not involve either or both of the following:
 - (i) more than 1 failure of the same obligation;
 - (ii) a failure of more than 1 obligation; and
 - (e) MSD is satisfied—
 - (i) that it is appropriate in the circumstances to impose upskilling on P; and
 - (ii) that it is more appropriate to impose that sanction than any other sanction that can be imposed for P's first failure.

Imposition

- (2) If this section applies to P, MSD must, for the first failure of P, impose upskilling—

- (a) under section 232(2)(a) and this section; and
- (b) only if, in the 5 working days from the giving of the section 252 notice, P discusses with MSD, in an appointment with MSD, P's failure to comply.

Effect: general

- (3) If upskilling is imposed on P, MSD must not, for the first failure of P, do the following (except under section 236J):
 - (a) reduce the rate of P's main benefit by half under section 236(2); or
 - (b) impose a non-financial sanction other than upskilling.
- (4) If upskilling is imposed on P,—
 - (a) P must within the prescribed period (starting when the sanction takes effect under subsection (5)(a)) attend and participate in for at least the prescribed minimum number of hours per week (*see* regulations made under section 418(1)(if)) 1 or more employment-related training programmes or courses that MSD considers are suitable; and
 - (b) P must, by the end of each week of that period, report to MSD, to MSD's satisfaction, about the programmes or courses of that kind that P has in that week attended and participated in to satisfy the requirements of paragraph (a), and about the nature of those programmes or courses; and
 - (c) P must provide MSD with supporting evidence of all of the programmes or courses that P has reported under this section,—
 - (i) only to the extent that the evidence is of a kind that it is reasonable in the circumstances for P to provide; and
 - (ii) in a way that MSD decides, and advises P when MSD requires the evidence, is appropriate in the circumstances; and
 - (iii) promptly after MSD requires the evidence, and in any case within 5 days after the prescribed period.

Duration

- (5) Upskilling that is imposed on P has effect—
 - (a) from the date stated in the notice of non-financial sanction under section 252A(2)(c); and
 - (b) until whichever occurs first of the following:
 - (i) P recomplies after upskilling is imposed on P (*see* section 261D);
 - (ii) the rate of P's main benefit is reduced to zero under section 236I;
 - (iii) a replacement sanction imposed under section 236J takes effect.

Relationship with other legislation

- (6) This section is subject to sections 236I, 236J, 243AAA, 243, 245 to 248, and 320 to 322.

236I Sanction for first failure: upskilling: failure without good and sufficient reason to meet requirements

When this section applies

- (1) This section applies if, after upskilling that is imposed on P has effect,—
 - (a) P has not met the requirements that apply to P under section 236H(4) (*see* subsections (2) and (3)); and
 - (b) P has not satisfied MSD in the reasonable period specified in subsection (4) that a good and sufficient reason existed as to why P failed to meet those requirements.

When P has not met requirements that apply to P

- (2) For the purposes of subsection (1)(a) and of section 236J(1)(a), P has not met the requirements that apply to P under section 236H(4) if MSD has not been provided with supporting evidence that has satisfied MSD of P's compliance by the end of 5 days after the prescribed period for the purposes of section 236H(4) (*see* regulations made under section 418(1)(if)).
- (3) Subsection (2) does not limit the generality of subsection (1)(a) or of section 236J(1)(a).

Reasonable period

- (4) The reasonable period mentioned in subsection (1)(b) and in section 236J(1)(b) must be one that—
 - (a) MSD considers reasonable in the circumstances of P; and
 - (b) ends no later than the end of the prescribed period for the purposes of section 236H(4) (*see* regulations made under section 418(1)(if)).

MSD must reduce rate of P's main benefit to zero

- (5) MSD must reduce the rate of P's main benefit to zero with effect—
 - (a) starting on the first day of the week of P's non-compliance or, if MSD is unable to determine the date of P's non-compliance,—
 - (i) starting on the first day after the prescribed period for the purposes of section 236H(4) (*see* regulations made under section 418(1)(if)), if P has not in that period contacted MSD about P's non-compliance; or
 - (ii) starting on the first day of the prescribed period for the purposes of section 236H(4) (*see* regulations made under section 418(1)(if)), if—
 - (A) P has in or after that period contacted MSD about P's non-compliance; and
 - (B) MSD has not been provided with supporting evidence that satisfies MSD of the date of P's non-compliance; and
 - (b) ending on whichever occurs first of the following events:

- (i) P recomplies (*see* section 261D(3) and (4));
- (ii) MSD cancels P's main benefit under section 233A.

Exception to general rule about when reduction to zero takes effect

- (6) However, if P satisfies MSD within a period that complies with subsection (4)(a), but that does not also comply with subsection (4)(b), that a good and sufficient reason existed as to why P failed to meet the requirements that apply to P under section 236H(4), then MSD must reduce the rate of P's main benefit to zero under subsection (5) with effect on and after the first day after the prescribed period for the purposes of section 236H(4) (*see* regulations made under section 418(1)(if)).

Consequences of rate of P's main benefit being reduced to zero

- (7) If the rate of P's main benefit is reduced to zero under subsection (5),—
- (a) P is no longer required to meet the requirements that apply to P under section 236H(4); and
 - (b) P recomplies under section 261D(3) and (4); and
 - (c) the 13-week period in section 233A(1)(b) starts when upskilling imposed on P takes effect.

Relationship with other sections

- (8) This section is subject to sections 243AAA, 243, 245 to 248, and 320 to 322.

236J Sanction for first failure: upskilling: replacement sanction if good and sufficient reason why cannot meet requirements

When this section applies

- (1) This section applies if, at any time after upskilling that is imposed on P has effect,—
- (a) P has not met the requirements that apply to P under section 236H(4) (*see also* section 236I(2) and (3)); and
 - (b) P has satisfied MSD in the reasonable period specified in section 236I(4) that a good and sufficient reason existed as to why P could not meet those requirements.

MSD must impose replacement sanction

- (2) MSD must impose on P, without giving a section 252 notice, a replacement sanction under section 236(2) that is to reduce the rate of P's main benefit by half until P recomplies, and that starts to take effect at whichever occurs first of the following:
- (a) P satisfies MSD that the good and sufficient reason existed;
 - (b) the date on which the rate of P's main benefit is reduced to zero under section 236I(5)(a) within the prescribed period for the purposes of section 236H(4) (*see* regulations made under section 418(1)(if)).

Consequences of replacement sanction

- (3) If a replacement sanction under section 236(2) is imposed under subsection (2),—
- (a) P is no longer required to meet the requirements that apply to P under section 236E(4); and
 - (b) the replacement sanction under section 236(2) operates in the same way as any other reduction of the rate of P's main benefit by half under section 236(2); and
 - (c) P recomplies under section 261 (*see* section 261(3)(bb)); but
 - (d) for the purposes of the 13-week period in section 233A(1)(b), the replacement sanction must be treated as if it takes effect when upskilling that it replaces takes effect.

Relationship with other sections

- (4) This section is subject to sections 243AAA, 243, 245 to 248, and 320 to 322.

Section 19: editorial change made by the PCO, on 20 November 2025, under sections 86(1) and 87(l)(iii) of the Legislation Act 2019 (2019 No 58).

20 Section 238 amended (Sanction for third failure: cancellation of main benefit)

In section 238(3), replace “sections 245 to 248 and 320 to 324” with “sections 243, 245 to 248, and 320 to 324”.

21 Section 239 replaced (Reduction or suspension of reduced benefit)

- (1) Replace section 239 with:

239 Continuation of sanction following regrant of specified benefit

- (1) This section applies to a person's (P's) specified benefit (as defined in section 331) if,—
- (a) when P's specified benefit expires under section 332,—
 - (i) the rate of P's specified benefit is reduced under section 236; or
 - (ii) money management imposed on P has effect (*see* section 236A); or
 - (iii) community work experience imposed on P has effect (*see* section 236B); or
 - (iv) P's specified benefit is suspended under section 237; and
 - (b) P is regranted a specified benefit under section 336.
- (2) P's regranted specified benefit under section 336 is subject to the relevant sanction specified in subsection (1)(a)(i), (ii), (iii), or (iv)—
- (a) on and after the commencement of that specified benefit; but

- (b) otherwise in the same way as that sanction would have continued to apply to P's specified benefit had it not expired under section 332.

(2) After section 239(1)(a)(iii), insert:

- (iiia) report job search imposed on P has effect (*see* section 236E); or
- (iiib) upskilling imposed on P has effect (*see* section 236H); or

22 Section 242 amended (Failures that cannot be counted)

- (1) In section 242(1), replace "12" with "24".
- (2) In section 242(3), replace "12-month" with "24-month".

23 New section 243AAA inserted (Exclusion of sanction for first or second failure, if not failure to accept offer of suitable employment, and timely recompliance occurs)

Before section 243, insert:

243AAA Exclusion of sanction for first or second failure, if not failure to accept offer of suitable employment, and timely recompliance occurs

MSD must cancel the imposition of a sanction (for example, a non-financial sanction) for a first or second failure by a person (**P**) if—

- (a) the failure is not a failure to comply with the work-test obligation to accept any offer of suitable employment (*see* section 144(b)); and
- (b) P has been given a section 252 notice stating that, on the basis of P's failure, MSD is reducing the rate of, or suspending, P's benefit; and
- (c) P recomplies under section 261(1) or (2) or 263 within 5 working days from the giving of the section 252 notice in relation to the failure.

24 Sections 245 to 248 replaced and amended

- (1) Replace sections 245 to 248 with:

244A Meaning of default amount of main benefit payable

In sections 245 to 248, **default amount of main benefit payable**, for a spouse or partner or sole parent, means any amount of a main benefit payable to them in accordance with the following (applied before, and disregarding, all variations under sections 245 to 248):

- (a) the applicable rate of the main benefit payable to them (before any reduction on account of income):
- (b) the appropriate income test applying to that rate:
- (c) regulations made under section 442(2)(e) (regulations: payments: apportionment) for the purposes of section 337 (how benefits are paid):
- (d) all other legislation that affects (for example, that requires deductions from) any amount of the main benefit payable to them.

245 Variation for breach of specified obligation by one spouse or partner*When this section applies*

- (1) This section applies if—
- (a) a main benefit is payable at a work-test couple rate; and
 - (b) the rate of the benefit is reduced (by half or to zero), or the benefit is money managed, suspended, or cancelled, under any 1 or more of sections 227, 232, 233A, 236, 236A, 236C, and 236D; and
 - (c) the reduction of the rate of benefit (by half or to zero), or the money management, suspension, or cancellation of the benefit, results from—
 - (i) the failure of one spouse or partner (**P**) to comply with 1 or more specified obligations under this Act; or
 - (ii) the application to one spouse or partner (**P**) of section 227.

Reduction (by half or to zero) of rate of benefit, or money management, suspension, or cancellation of benefit

- (2) For the period that the rate of benefit is reduced (by half or to zero), or the benefit is money managed, suspended, or cancelled, under any 1 or more of sections 227, 232, 233A, 236, 236A, 236C, and 236D,—
- (a) the reduction of the rate of benefit (by half or to zero), or the money management, suspension, or cancellation, applies only to any default amount of main benefit payable to P; and
 - (b) the other spouse or partner is entitled to receive any default amount of main benefit payable to them.
- (3) Any amount remaining after a reduction by half, or money management, is applied under subsection (2)(a) is payable to P.

246 Variation for breach of specified obligation by both spouses or partners*When this section applies*

- (1) This section applies if—
- (a) a main benefit is payable at a work-test couple rate; and
 - (b) the benefit or the rate of the benefit is, under any 1 or more of sections 227, 232, 233A, 236, 236A, 236C, and 236D, subject to a reduction (by half or to zero), money management, a suspension, or cancellation (**sanction A**) because of—
 - (i) the failure of one spouse or partner (**P**) to comply with 1 or more specified obligations under this Act; or
 - (ii) the application to one spouse or partner (**P**) of section 227; and
 - (c) the benefit or the rate of the benefit is, under any 1 or more of sections 227, 232, 233A, 236, 236A, 236C, and 236D, subject to a reduction (by

half or to zero), money management, a suspension, or cancellation (**sanction B**) because of—

- (i) the failure of the other spouse or partner to comply with 1 or more specified obligations under this Act; or
- (ii) the application to the other spouse or partner of section 227; and
- (d) the couple have no dependent children.

Reduction (by half or to zero) of rate of benefit, or money management, suspension, or cancellation of benefit

- (2) For the period that sanction A and sanction B both apply,—
 - (a) sanction A applies only to any default amount of main benefit payable to P; and
 - (b) sanction B applies only to any default amount of main benefit payable to the other spouse or partner.
- (3) Any amount remaining after a sanction is applied under subsection (2)(a) or (b) is payable to the spouse or partner referred to in that paragraph.

247 Variation for reduction of rate of benefit (by half or to zero), or money management, suspension, or cancellation of benefit, or non-entitlement period, affecting couple with 1 or more dependent children

When this section applies

- (1) This section applies if—
 - (a) a main benefit is payable at a work-test couple rate; and
 - (b) either—
 - (i) the benefit or the rate of the benefit is, under any 1 or more of sections 227, 232, 233A, 236, 236A, 236C, and 236D, subject to a reduction (by half or to zero), money management, a suspension, or cancellation (**sanction A**) because of—
 - (A) the failure of one spouse or partner (**P**) to comply with 1 or more specified obligations under this Act; or
 - (B) the application to one spouse or partner (**P**) of section 227; or
 - (ii) under sections 225 and 227, one spouse or partner (**P**)—
 - (A) has not been granted a main benefit; and
 - (B) is not entitled for a period of 13 weeks (**non-entitlement period A**) to a work-tested benefit that would be payable at the work-test couple rate; and
 - (c) either—
 - (i) the benefit or the rate of the benefit is, under any 1 or more of sections 227, 232, 233A, 236, 236A, 236C, and 236D, subject to a

reduction (by half or to zero), money management, a suspension, or cancellation (**sanction B**) because of—

- (A) the failure of the other spouse or partner to comply with 1 or more specified obligations under this Act; or
- (B) the application to the other spouse or partner of section 227; or
- (ii) under sections 225 and 227, the other spouse or partner—
 - (A) has not been granted a main benefit; and
 - (B) is not entitled for a period of 13 weeks (**non-entitlement period B**) to a work-tested benefit that would be payable at the work-test couple rate; and
- (d) the couple have 1 or more dependent children.

Reduction (by half or to zero) of rate of benefit, or benefit subject to money management, suspension, cancellation, or non-entitlement period

- (2) For the period that sanction A or non-entitlement period A, and sanction B or non-entitlement period B, applies,—
 - (a) sanction A or non-entitlement period A applies,—
 - (i) if it is a reduction by half or money management, only to any default amount of main benefit payable to P; or
 - (ii) if it is a reduction to zero, a suspension, or cancellation, or a non-entitlement period, only to half of any default amount of main benefit payable to P; and
 - (b) sanction B or non-entitlement period B applies,—
 - (i) if it is a reduction by half or money management, only to any default amount of main benefit payable to the other spouse or partner; or
 - (ii) if it is a reduction to zero, a suspension, or cancellation, or a non-entitlement period, only to half of any default amount of main benefit payable to the other spouse or partner.
- (3) Any amount remaining after a sanction or a non-entitlement period is applied under subsection (2)(a) or (b) is payable to the spouse or partner referred to in that paragraph.

248 Variation for reduction to zero of rate of main benefit, or suspension or cancellation of main benefit, or non-entitlement period, affecting sole parent

When this section applies

- (1) This section applies if,—

- (a) under any 1 or more of sections 227, 232, 233A, 236, 236A, 236C, and 236D, for a main benefit of a person (**P**) who is a sole parent, the rate of the benefit is reduced to zero, or the benefit is suspended or cancelled; or
 - (b) under sections 225 and 227, a sole parent (**P**)—
 - (i) has not been granted a main benefit; and
 - (ii) is not entitled for a period of 13 weeks to a work-tested benefit.
- Reduction to zero of rate of benefit, or benefit subject to suspension, cancellation, or non-entitlement period*
- (2) For the period of the reduction to zero, suspension, cancellation, or non-entitlement,—
 - (a) the reduction to zero, suspension, cancellation, or non-entitlement applies only to half of any default amount of main benefit payable to P; and
 - (b) P is entitled to receive half of any default amount of main benefit payable to P.
 - (2) In sections 245(1)(b) and (2), 246(1)(b) and (c), 247(1)(b)(i) and (c)(i), and 248(1)(a), replace “and 236D” with “236D, 236F, 236G, 236I, and 236J”.

25 Section 252 amended (MSD must give notice of sanction)

- (1) In section 252(1), after “reduce”, insert “the rate of”.
- (2) Replace section 252(2)(c) with:
 - (c) either,—
 - (i) if P’s failure is a first or second failure and the specified obligation is not the work-test obligation to accept any offer of suitable employment (*see* section 144(b)), state that, on the basis of P’s failure, MSD will reduce the rate of P’s benefit or suspend P’s benefit unless P recomplies within 5 working days from the giving of the notice; or
 - (ii) if P’s failure is a third failure or the specified obligation is the work-test obligation to accept any offer of suitable employment, state that, on the basis of P’s failure, MSD is cancelling P’s benefit; and
- (3) In section 252(2)(g), after “reduce”, insert “the rate of”.
- (4) After section 252(2)(g), insert:
 - (ga) advise P that MSD may, instead of reducing the rate of the benefit, impose a non-financial sanction on P, but only if—
 - (i) P is eligible for a non-financial sanction (*see* sections 236A(1) and 236B(1)); and

- (ii) in the 5 working days from the giving of the notice, P discusses with MSD, in an appointment with MSD, P's failure to comply; and
- (5) In section 252(2)(ga)(i), replace "236A(1) and 236B(1)" with "236A(1), 236B(1), 236E(1), and 236H(1)".
- (6) After section 252(2), insert:
- (3) No section 252 notice is required for a replacement sanction imposed under section 236D.
- (7) In section 252(3), after "236D", insert ", 236G, or 236J".

26 New section 252A inserted (MSD must give notice of non-financial sanction)

- (1) After section 252, insert:

252A MSD must give notice of non-financial sanction

- (1) Before, on, or as soon as is reasonably practicable after, imposing a non-financial sanction on a person (P), MSD must give P a written notice for the purposes of this section (a **section 252A notice**) that complies with subsection (2).
- (2) The notice must state—
 - (a) the non-financial sanction that is to be, or has been, imposed on P; and
 - (b) that sanction's requirements (including, without limitation, what P must do while P is subject to that sanction); and
 - (c) the date (which must be after the 5 working days from the giving of the related section 252 notice) on which that sanction takes effect; and
 - (d) the duration of that sanction (*see* sections 236A(6) and 236B(5)); and
 - (e) how P recomplies with an obligation if the failure to comply with it resulted in that non-financial sanction being imposed and taking effect (*see* section 261, 261A, or 261B).
- (2) In section 252A(2)(d), replace "236A(6) and 236B(5)" with "236A(6), 236B(5), 236E(5), and 236H(5)".
- (3) In section 252A(2)(e), replace "or 261B" with "261B, 261C, or 261D".

27 Section 254 amended (How notice of sanction may be given)

- (1) In the heading to section 254, after "**sanction**", insert "**or of non-financial sanction**".
- (2) In section 254(1), after "a section 252 notice", insert "or a section 252A notice".

28 Section 256 amended (When reduction, suspension, or cancellation of benefit takes effect)

- (1) In the heading to section 256, replace “**reduction, suspension, or cancellation of benefit**” with “**sanction**”.
- (2) In section 256, replace “The reduction, suspension, or cancellation of a benefit” with “A sanction (including, without limitation, a non-financial sanction)”.
- (3) In section 256, insert as subsection (2):
 - (2) However, a replacement sanction imposed under section 236D starts to take effect as specified in section 236D(2).
- (4) Replace section 256(2) with:
 - (2) However,—
 - (a) a replacement sanction imposed under section 236D starts to take effect as specified in section 236D(2); and
 - (b) a replacement sanction imposed under section 236G starts to take effect as specified in section 236G(2); and
 - (c) a replacement sanction imposed under section 236J starts to take effect as specified in section 236J(2).

29 Section 261 amended (How person recomplies after failure to comply with obligation)

- (1) Replace section 261(3) with:
- (3) This section does not apply to recompliance with—
 - (a) an obligation, if a failure to comply with it resulted in money management being imposed and taking effect (*see* section 261A):
 - (b) an obligation, if a failure to comply with it resulted in community work experience being imposed and taking effect (*see* section 261B), unless a replacement sanction is imposed (*see* section 236D):
 - (c) a drug-testing obligation (*see* section 263).
- (2) After section 261(3)(b), insert:
 - (ba) an obligation, if a failure to comply with it resulted in report job search being imposed and taking effect (*see* section 261C), unless a replacement sanction is imposed (*see* section 236G):
 - (bb) an obligation, if a failure to comply with it resulted in upskilling being imposed and taking effect (*see* section 261D), unless a replacement sanction is imposed (*see* section 236J):

30 New sections 261A and 261B inserted

After section 261, insert:

261A How person recomplies after failure that resulted in money management being imposed and taking effect

- (1) This section sets out how a person (**P**) recomplies after a failure—
 - (a) to comply with an obligation; and
 - (b) that resulted in money management being imposed on P and taking effect.
- (2) P recomplies when both of the following have occurred:
 - (a) P remedies the failure (if a section 252 notice does not specify more than 1 failure of the same obligation, or a failure of more than 1 obligation) or P remedies all the failures (if a section 252 notice specifies more than 1 failure of the same obligation, or a failure of more than 1 obligation):
 - (b) money management imposed on P ceases to have effect under section 236A(6).
- (3) However, if the obligation that P failed to comply with is a drug-testing obligation, subsection (2)(a) requires P to recompile under section 263 (how person recomplies after failure to comply with drug-testing obligation).
- (4) However, subsection (5) applies instead of subsection (2) if MSD has—
 - (a) reduced the rate of P's main benefit to zero under section 236A; but
 - (b) not yet cancelled P's main benefit under section 233A.
- (5) P recomplies if P remedies P's failure under section 261.
- (6) However, if the obligation that P failed to comply with is a drug-testing obligation, subsection (5) requires P to recompile under section 263 (how person recomplies after failure to comply with drug-testing obligation).

261B How person recomplies after failure that resulted in community work experience being imposed and taking effect

- (1) This section sets out how a person (**P**) recomplies after a failure—
 - (a) to comply with an obligation; and
 - (b) that resulted in community work experience being imposed on P and taking effect.
- (2) P recomplies if P meets the requirements of community work experience that apply to P under section 236B(4).
- (3) However, subsection (4) applies instead of subsection (2) if MSD has—
 - (a) reduced the rate of P's main benefit to zero under section 236C; but
 - (b) not yet cancelled P's main benefit under section 233A.
- (4) P recomplies if P remedies P's failure under section 261.

31 New sections 261C and 261D inserted

After section 261B, insert:

261C How person recomplies after failure that resulted in report job search being imposed and taking effect

- (1) This section sets out how a person (**P**) recomplies after a failure—
 - (a) to comply with an obligation; and
 - (b) that resulted in report job search being imposed on P and taking effect.
- (2) P recomplies if P meets the requirements of report job search that apply to P under section 236E(4).
- (3) However, subsection (4) applies instead of subsection (2) if MSD has—
 - (a) reduced the rate of P’s main benefit to zero under section 236F; but
 - (b) not yet cancelled P’s main benefit under section 233A.
- (4) P recomplies if P remedies P’s failure under section 261.

261D How person recomplies after failure that resulted in upskilling being imposed and taking effect

- (1) This section sets out how a person (**P**) recomplies after a failure—
 - (a) to comply with an obligation; and
 - (b) that resulted in upskilling being imposed on P and taking effect.
- (2) P recomplies if P meets the requirements of upskilling that apply to P under section 236H(4).
- (3) However, subsection (4) applies instead of subsection (2) if MSD has—
 - (a) reduced the rate of P’s main benefit to zero under section 236I; but
 - (b) not yet cancelled P’s main benefit under section 233A.
- (4) P recomplies if P remedies P’s failure under section 261.

32 Section 262 replaced (Impossibility of remedying failure of work-test obligation)

Replace section 262 with:

262 Impossibility of remedying failure of work-preparation or work-test obligation

If it is impossible to remedy a failure to comply with a work-preparation or work-test obligation, a person (**P**) recomplies if P undertakes, to MSD’s satisfaction, an activity that is the same as, or substantially similar to, the activity that P failed to undertake under the obligation in question.

33 Section 263 amended (How person recomplies after failure to comply with drug-testing obligation)

- (1) In section 263(2), replace “12-month” with “24-month”.
- (2) In section 263(3), replace “12-month” with “24-month”.

34 Section 265 amended (Failure of drug test for purposes of recompliance constitutes third failure)

In section 265, replace “12-month” with “24-month”.

35 New section 270A inserted (Cancellation of youth payment and incentive payments for continuing failure to comply)

After section 270, insert:

270A Cancellation of youth payment and incentive payments for continuing failure to comply

- (1) MSD must cancel a young person’s (P’s) youth payment and incentive payments if—
 - (a) MSD has, under section 270, imposed a sanction described in section 270(2) on P; and
 - (b) P fails to recommit, within 13 weeks after the sanction takes effect, with each obligation—
 - (i) for which the sanction was imposed for a failure to comply with; and
 - (ii) that P has not ceased to have; and
 - (c) section 320 does not apply to P.
- (2) On cancellation under this section of P’s youth payment,—
 - (a) MSD must also cancel the following benefits if P is receiving them:
 - (i) accommodation supplement:
 - (ii) temporary additional support:
 - (iii) disability allowance (but not child disability allowance); but
 - (b) that cancellation of those benefits does not, if P reappplies for all or any of them, affect or limit P’s entitlement to all or any of them.
- (3) On cancellation under this section of P’s youth payment, to be again entitled to youth payment under this Act, P must apply for youth payment and establish that P is eligible for youth payment.
- (4) If P is again entitled to youth payment under this Act, to be entitled again to incentive payments, P must satisfy the criteria for incentive payments (as those criteria are prescribed for the purposes of section 55 by regulations made under section 418(1)(c)).

36 Section 272 amended (Effect of cancellation of youth payment on accommodation supplement or temporary additional support)

In section 272(3)(a) and (b), before “any accommodation supplement or temporary additional support”, insert “the rate of”.

37 Section 276 amended (Sanctions for failure by young person required to receive youth services to comply with obligations: other cases)

- (1) In section 276(3)(a), before “or suspension”, insert “in the rate of”.
- (2) After section 276(3), insert:
- (4) Section 232(3) prevents MSD from imposing under section 232 a non-financial sanction on a young person to whom subsection (2)(a) or (b) of this section applies.

38 Section 278 amended (Sanctions for failure by young spouse or partner of specified beneficiary to comply with obligations: other cases)

- (1) In section 278(3)(a), before “or suspension”, insert “in the rate of”.
- (2) After section 278(3), insert:
- (4) Section 232(3) prevents MSD from imposing under section 232 a non-financial sanction on a young person to whom subsection (2)(a) or (b) of this section applies.

39 New section 280A inserted (Cancellation of young parent payment and incentive payments for continuing failure to comply)

After section 280, insert:

280A Cancellation of young parent payment and incentive payments for continuing failure to comply

- (1) MSD must cancel a young person’s (P’s) young parent payment and incentive payments if—
 - (a) MSD has, under section 280, imposed a sanction described in section 280(2) on P; and
 - (b) P fails to recommit, within 13 weeks after the sanction takes effect, with each obligation—
 - (i) for which the sanction was imposed for a failure to comply with; and
 - (ii) that P has not ceased to have; and
 - (c) section 320 does not apply to P.
- (2) On cancellation under this section of P’s young parent payment,—
 - (a) MSD must also cancel the following benefits if P is receiving them:
 - (i) accommodation supplement;
 - (ii) temporary additional support;
 - (iii) disability allowance (but not child disability allowance); but
 - (b) that cancellation of those benefits does not, if P reapplies for all or any of them, affect or limit P’s entitlement to all or any of them.

- (3) On cancellation under this section of P's young parent payment, to be again entitled to young parent payment under this Act, P must apply for young parent payment and establish that P is eligible for young parent payment.
- (4) If P is again entitled to young parent payment under this Act, to be entitled again to incentive payments, P must satisfy the criteria for incentive payments (as those criteria are prescribed for the purposes of section 62 by regulations made under section 418(1)(d)).

40 Section 282 amended (Effect of cancellation of young parent payment)

In section 282(2), replace “(restoration of entitlement after suspension, reduction, cancellation, or non-entitlement)” with “(restoration of entitlement after suspension, reduction, non-financial sanction, cancellation, or non-entitlement)”.

41 Section 283 amended (Effect of cancellation of young parent payment on accommodation supplement or temporary additional support)

In section 283(3)(a) and (b), before “any accommodation supplement or temporary additional support”, insert “the rate of”.

42 New section 285A and cross-heading inserted (Exclusion of sanction for first or second failure if timely recompliance occurs)

After section 285, insert:

Special cases: variations on ordinary sanctions rules

285A Exclusion of sanction for first or second failure if timely recompliance occurs

MSD must not impose a sanction under section 270 or 280 for a first or second failure by a young person if the young person recomplies within 5 working days of being given a section 252 notice in relation to the failure.

43 Section 287 replaced (Procedure for imposing sanctions for failure to comply with young person or young parent obligation)

Replace section 287 with:

287 Procedure for imposing sanctions for failure to comply with young person or young parent obligation

- (1) The following sections apply with all necessary modifications, and subject to the express modifications set out in subsection (2), to the imposition of sanctions under sections 270, 271, 280, and 281:
 - (a) sections 240 to 242 (how number of failures is counted):
 - (b) sections 252 to 256 (procedure for imposing sanctions).
- (2) The express modifications referred to in subsection (1) are as follows:

- (a) the words “24 months” in section 242(1) must be read as “12 months”;
- (b) the words “24-month period” in section 242(3) must be read as “12-month period”.

287A Procedure for imposing sanctions under section 276(2) or 278(2)

- (1) This section applies to a young person who is subject to a sanction—
 - (a) under any of sections 233 and 236 to 239; and
 - (b) for a failure that section 276(2)(a) or (b) or 278(2)(a) or (b) requires to be treated as having occurred.
- (2) Section 242 applies to the young person—
 - (a) with any necessary modifications; and
 - (b) subject to the express modifications set out in subsection (3).
- (3) The express modifications referred to in subsection (2)(b) are as follows:
 - (a) the words “24 months” in section 242(1) must be read as “12 months”;
 - (b) the words “24-month period” in section 242(3) must be read as “12-month period”.

44 Section 298 amended (MSD must inquire into claim for benefit)

Before section 298(2)(a), insert:

(aaa) sections 183A to 183D (requirement to complete jobseeker profile):

45 Cross-heading above section 320 amended

In the cross-heading above section 320, after “*suspension, reduction,*”, insert “*non-financial sanction,*”.

46 Section 320 amended (Effect of no longer being subject to work-test or young person obligations)

- (1) In section 320(1), replace “a person whose benefit has been suspended or reduced,” with “a person whose benefit has been suspended, or whose rate of benefit has been reduced (by half or to zero), or who is subject to a non-financial sanction,”.
- (2) In section 320(1), after “236”, insert “236A, 236B,”.
- (3) In section 320(1), after “236B,”, insert “236E, 236H,”.
- (4) In section 320(1)(a) and (b), after “other than because of the imposition of that suspension, reduction,”, insert “non-financial sanction,”.
- (5) In section 320(2)(a), replace “suspension or reduction of the benefit” with “suspension of the benefit or reduction (by half or to zero) of the rate of benefit”.
- (6) After section 320(2)(a), insert:
 - (aa) the non-financial sanction ceases to have effect in respect of the person;
or

47 Section 321 amended (Effect of no longer being subject to dependent children obligations)

- (1) In section 321(1)(a), after “236”, insert “236A, 236B,”.
- (2) In section 321(1)(a), after “236B,”, insert “236E, 236H,”.

48 Section 322 amended (Effect of no longer being subject to work-preparation obligations)

- (1) In section 322(1)(a), after “236”, insert “236A, 236B,”.
- (2) In section 322(1)(a), after “236B,”, insert “236E, 236H,”.

49 Section 325 amended (General rule if person’s entitlement to benefit ceases)

Replace section 325(2) with:

- (2) This section is subject to sections 326 to 330, and to regulations made under section 441(1), (2)(d), and (4A), which require conditional payments of—
 - (a) the specified benefit; and
 - (b) all other assistance under this Act—
 - (i) that is payable to the person immediately before the expiry date for the specified benefit; and
 - (ii) that would have continued to be payable to the person had their specified benefit not expired.

50 Section 332 amended (General rule)

Replace section 332(2) with:

- (2) This section is subject to sections 334 and 336, and to regulations made under section 441(1), (2)(d), and (4A), which require conditional payments of—
 - (a) the specified benefit; and
 - (b) all other assistance under this Act—
 - (i) that is payable to the person immediately before the expiry date for the specified benefit; and
 - (ii) that would have continued to be payable to the person had their specified benefit not expired.

51 Section 334 replaced (Exemptions)

Replace section 334 with:

334 Exceptions for specified benefit based on prescribed circumstances

- (1) This section applies to a specified benefit if 1 or more of the prescribed circumstances apply to the beneficiary at any time or times, or at all times, on or after the date on which—

- (a) MSD gives the beneficiary a notice stating the matters set out in section 335(1)(a) to (c), as required by section 335(1); or
- (b) MSD takes reasonable steps to advise the beneficiary of those matters, as required by section 335(2) and (3).
- (2) In particular, this section applies (without limiting the generality of subsection (1)) to a specified benefit if 1 or more of the prescribed circumstances apply to the beneficiary at any time or times, or at all times,—
 - (a) on or after the expiry date for that benefit; and
 - (b) within any period regulations made under section 441 provide for completing requirements for regrant of that benefit.
- (3) The specified benefit—
 - (a) does not expire under section 332; and
 - (b) must continue to be paid until the date that would be the expiry date for it if it had expired and were reapplied for and was regranted.
- (4) This section overrides sections 325 and 332, but does not limit any review under section 304.
- (5) In this section, **prescribed circumstances** means any circumstances that are—
 - (a) circumstances in which under this section a specified benefit does not expire under section 332; and
 - (b) prescribed for the purposes of this section by regulations made under section 441(1).

52 Section 339 amended (Payment generally to, or on account of, beneficiary personally)

After section 339(2)(a), insert:

- (aa) section 340A, on the manner of payment of certain payments to people subject to a sanction for a first failure; and

53 Section 340 amended (Required manner of payment: general)

Before section 340(2)(a), insert:

- (aaa) section 340A, on the manner of payment of certain payments to people subject to a sanction for a first failure; and

54 New sections 340A and 340B inserted

After section 340, insert:

340A Required manner of payment: money management for certain payments to people subject to sanction for first failure

- (1) Regulations made under section 418(1)(jb) for the purposes of this section may prescribe the required manner of payment for money management for certain payments to a person (P)—

- (a) who is subject to a sanction for a first failure; and
 - (b) to whom section 236A applies; and
 - (c) while money management imposed on P has effect.
- (2) Those regulations may, without limitation,—
- (a) require, while money management imposed on P has effect, that the prescribed proportion of an instalment of P's main benefit that is an instalment payable to P (*see* regulations made under section 418(1)(ia)) must be paid to P by crediting an amount to a payment card for a prescribed period to enable P to obtain goods or services—
 - (i) that MSD considers are essential; and
 - (ii) from participating suppliers:
 - (b) define participating suppliers:
 - (c) provide for how specified arrears that MSD must pay, and that are arrears that relate to a period while money management imposed on P has effect, are credited or paid (for example, by providing that—
 - (i) the prescribed proportion of the specified arrears is credited to P's payment card; and
 - (ii) the rest of the specified arrears is paid to P personally under section 339(1)):
 - (d) provide for how specified debt that MSD must recover, and that is debt that relates to a period while money management imposed on P has effect, is recovered (for example, by providing that the specified debt is recovered—
 - (i) from P personally; and
 - (ii) not from, or from amounts to be credited to, P's payment card):
 - (e) require, if P dies while money management imposed on P has effect, that the prescribed proportion of an instalment of P's main benefit that is an instalment payable to P, or specified arrears that MSD must pay, and that are arrears that relate to a period while money management imposed on P has effect, and that are arrears that relate to a suspension unrelated to a sanction for failure to comply with P's obligations under section 233, must be paid under—
 - (i) section 346 (required manner of payment: payment on death of beneficiary); or
 - (ii) any applicable regulations made under section 442 for the purposes of section 337 (how benefits are paid).

340B Credit on payment card at end of money management

- (1) This section applies to a person to whom section 236A applies (**P**) if—
- (a) money management—

- (i) is imposed on P, and has effect, when P dies; or
 - (ii) was, but is no longer, imposed on P (whether or not P has died); and
- (b) under the prescribed required manner of payment for money management for certain payments to P (*see* section 340A and regulations made under section 418(1)(jb)), P has a payment card to which 1 or more amounts payable to P have been credited for the purchase of goods or services; and
- (c) the amounts on the card have not been fully spent.
- (2) An application to MSD to have MSD pay the amount standing to the credit of P on the card to, or on account of, P under section 339 may be made by,—
 - (a) if P is alive, P or a person acting on P's behalf; or
 - (b) if P has died and has a surviving spouse or partner, P's surviving spouse or partner; or
 - (c) if P has died and has no surviving spouse or partner but has a surviving dependent child, the person who has the care of the child; or
 - (d) if P has died and has no surviving spouse, partner, or dependent child, P's personal representative.
- (3) An application made under this section may be made—
 - (a) orally or in writing; and
 - (b) in any form, and using any wording, that is reasonable for the purpose.
- (4) On an application made under this section, MSD may pay the amount standing to the credit of P on the card to, or on account of, P under section 339.

55 Section 346 amended (Required manner of payment: payment on death of beneficiary)

- (1) In section 346, replace “that instalment” with “the instalment” in each place.
- (2) After section 346(b), insert:
 - (ba) if the instalment and the beneficiary were subject to money management, in the manner in which the instalment would have been paid if—
 - (i) the beneficiary had not died; and
 - (ii) the instalment and the beneficiary had not been subject to money management; or

56 Subpart 5A heading in Part 6 amended

In Part 6, in the subpart 5A heading, delete “in respect of information share child support payments”.

57 Section 363A amended (Use of automated electronic systems to make decisions, exercise powers, comply with obligations, and take related actions)

- (1) Replace the heading above section 363A(3) with:
What specified provision must be about
- (2) Replace section 363A(3) with:
- (3) The specified provision must be about—
 - (a) how an information share child support payment is or affects any person's assets, income, or other means of any kind (however described), for the purposes of, or for any purpose related to,—
 - (i) a benefit; or
 - (ii) any other assistance under this Act; or
 - (b) sanctions for breach of obligations other than young person or young parent obligations; or
 - (c) sanctions for breach of young person or young parent obligations.

58 Section 363A amended (Use of automated electronic systems to make decisions, exercise powers, comply with obligations, and take related actions)

After section 363A(3)(c), insert:

- (d) expiry and regrant of specified benefits.

59 Section 418 amended (Regulations: general)

- (1) Before section 418(1)(j), insert:
 - (ia) section 236A(4)(a) (money management: prescribed proportion of an instalment of P's main benefit that is an instalment payable to P that is paid by the required manner of payment for money management (prescribed by regulations made under paragraph (jb) of this subsection));
 - (ib) section 236A(5) and (6)(b) (money management: prescribed period starting when the sanction takes effect under section 236A(6)(a) within which P must recommit and until the end of which money management has effect);
 - (ic) sections 236B(4) and 236C (community work experience: prescribed search period starting when the sanction takes effect under section 236B(5)(a) for finding 1 or more positions that comply with section 236B(4)(a));
 - (id) sections 236B(4) and 236C (community work experience: prescribed minimum number of hours per week for prescribed minimum number of weeks (that start as specified in section 236B(4)(b)(ii)));
- (2) After section 418(1)(id), insert:

- (ie) sections 236E(4) and 236F(2) and (4) (report job search: prescribed period starting when the sanction takes effect under section 236E(5)(a) and prescribed minimum number of job-search activities per week):
 - (if) sections 236H(4) and 236I(2) and (4) (upskilling: prescribed period starting when the sanction takes effect under section 236H(5)(a) and prescribed minimum number of hours per week of attendance at and participation in 1 or more employment-related training programmes or courses):
- (3) After section 418(1)(ja), insert:
- (jb) section 340A (required manner of payment: money management for certain payments to people subject to sanction for first failure):

60 Section 441 amended (Regulations: expiry and regrant of specified benefits)

- (1) Replace section 441(2)(c) and (d) with:
- (c) specify circumstances for the exception under section 334(1) from expiry under section 332:
 - (d) specify, for section 336(2), requirements—
 - (i) for the regrant of a specified benefit; and
 - (ii) that may override sections 325 to 332 in the way specified in subsection (4A); but
 - (iii) that must otherwise be not inconsistent with this Act.
- (2) After section 441(4), insert:
- (4A) Subsection (2)(d) authorises (without limitation) the regulations to require granting and payment to a person of conditional payments of—
- (a) the specified benefit; and
 - (b) all other assistance under this Act—
 - (i) that is payable to the person immediately before the expiry date for the specified benefit; and
 - (ii) that would have continued to be payable to the person had their specified benefit not expired.
- (4B) Conditional payments mentioned in subsection (4A) are—
- (a) for the relevant period, on and after that expiry date, in which the requirements for regrant of the specified benefit must be completed; and
 - (b) subject to the condition that the person is liable to repay the whole of any amount paid for that relevant period if the person's specified benefit is not regranted.

61 Amendments to update references to money management

Amend the principal Act as set out in Schedule 1 of this Act.

62 Schedule 1 amended

In Schedule 1,—

- (a) insert the Part set out in Schedule 2 of this Act as the last Part; and
- (b) make all necessary consequential amendments.

63 Schedule 2 amended

- (1) In Schedule 2, insert in their appropriate alphabetical order:

community work experience means the non-financial sanction with that name imposed under sections 232(2)(a) and 236B

default amount of main benefit payable, for a spouse or partner or sole parent, is defined in section 244A for the purposes of sections 245 to 248

jobseeker profile is defined in section 183A(4) for the purposes of sections 183A to 183D

money management means the non-financial sanction with that name imposed under sections 232(2)(a) and 236A

non-financial sanction means a sanction that is either of the following:

- (a) money management;
- (b) community work experience

section 252A notice has the same meaning as in section 252A (MSD must give notice of non-financial sanction)

youth money management manner of payment, in relation to payment of a benefit, means a manner of payment, prescribed in regulations made under section 418(1)(k), that is designed to assist certain young people to manage their money effectively

- (2) In Schedule 2, definition of **drug-testing obligation**,—

- (a) before “250,”, insert “236B,”; and
- (b) after “261,”, insert “261A,”.

- (3) In Schedule 2, definition of **drug-testing obligation**, after “236B,”, insert “236E, 236H,”.

- (4) In Schedule 2, replace the definition of **job-search activity** with:

job-search activity, for a person (**P**), means an activity undertaken by P—

- (a) as a work-tested beneficiary, or under section 261, 261C, or 324; and
- (b) to seek or obtain employment (including, without limitation, to help to comply with P’s work-test obligation under section 144(a) to be available for, and take reasonable steps to obtain, suitable employment)

- (5) In Schedule 2, replace the definition of **non-financial sanction** with:

non-financial sanction means a sanction that is any of the following:

- (a) money management;
- (b) community work experience;

- (c) report job search:
- (d) upskilling
- (6) In Schedule 2, insert in their appropriate alphabetical order:
report job search means the non-financial sanction with that name imposed under sections 232(2)(a) and 236E
upskilling means the non-financial sanction with that name imposed under sections 232(2)(a) and 236H
- (7) In Schedule 2, repeal the definition of **money management manner of payment**.
- (8) In Schedule 2, replace the definition of **prescribed circumstances** with:
prescribed circumstances is defined in section 334(5) for the purposes of section 334

Part 2

Amendments to Social Security Regulations 2018

64 Principal regulations

This Part amends the Social Security Regulations 2018.

65 Regulation 163 amended (Guide to Part 5)

- (1) After regulation 163(a), insert:
 - (aa) prescribes a proportion and a period for the non-financial sanction called money management; and
 - (ab) prescribes a search period, and a minimum number of hours per week for a minimum number of weeks, for the non-financial sanction called community work experience; and
- (2) After regulation 163(ab), insert:
 - (ac) prescribes a period, and a minimum number of job-search activities per week, for the non-financial sanction called report job search; and
 - (ad) prescribes a period, and a minimum number of hours per week of attendance at and participation in 1 or more employment-related training programmes or courses that MSD considers are suitable, for the non-financial sanction called upskilling; and

66 New regulations 163A and 163B inserted

After regulation 163, insert:

163A Money management: prescribed proportion and prescribed period

- (1) For the purposes of section 236A(4)(a) of the Act, the prescribed proportion of an instalment of P's main benefit is half.

- (2) For the purposes of section 236A(5) and (6)(b) of the Act, the prescribed period (starting when the sanction takes effect under section 236A(6)(a) of the Act) within which P must recommit and until the end of which money management has effect is 4 weeks.

163B Community work experience: prescribed search period and prescribed minimum number of hours per week for prescribed minimum number of weeks

- (1) For the purposes of sections 236B(4) and 236C of the Act, the prescribed search period (starting when the sanction takes effect under section 236B(5)(a) of the Act) for finding 1 or more positions that comply with section 236B(4)(a) of the Act is 2 weeks.
- (2) For the purposes of sections 236B(4) and 236C of the Act,—
- (a) the prescribed minimum number of hours per week is 5; and
 - (b) the prescribed minimum number of weeks (that start as specified in section 236B(4)(b)(ii) of the Act) is 4.

67 New regulations 163C and 163D inserted

After regulation 163B, insert:

163C Report job search: prescribed period and prescribed minimum number of job-search activities per week

- (1) For the purposes of sections 236E(4) and 236F(2) and (4) of the Act, the prescribed period (starting when the sanction takes effect under section 236E(5)(a) of the Act) is 4 weeks.
- (2) For the purposes of section 236E(4) of the Act, the prescribed minimum number of job-search activities per week is 3.

163D Upskilling: prescribed period and prescribed minimum number of hours per week of attendance at, and participation in, 1 or more employment-related training programmes or courses

- (1) For the purposes of sections 236H(4) and 236I(2) and (4) of the Act, the prescribed period (starting when the sanction takes effect under section 236H(5)(a) of the Act) is 4 weeks.
- (2) For the purposes of section 236H(4) of the Act, the prescribed minimum number of hours per week of attendance at, and participation in, 1 or more employment-related training programmes or courses that MSD considers are suitable is 5.

68 Regulation 165 amended (Guide to Part 6)

In regulation 165(c), replace “190” with “190P”.

69 Regulation 165 amended (Guide to Part 6)

After regulation 165(d), insert:

- (da) subpart 4A (regulation 192A) deals with money management:

70 Regulation 187 amended (Expiry date for jobseeker support)

- (1) In the heading to regulation 187(1), replace “*12-month anniversary of*” with “*26 weeks after*”.
- (2) In regulation 187(1), replace “to (6)) the 12-month anniversary of” with “and (3)) the date that is 26 weeks after”.
- (3) Replace regulation 187(2) with:
 - (2) For a beneficiary whose sole parent support is replaced with jobseeker support under section 33 of the Act when the beneficiary’s youngest dependent child turns 14 years old, that expiry date is the earlier of—
 - (a) the 12-month anniversary of the date on which the beneficiary’s original benefit commenced or, as the case may be, last commenced; and
 - (b) the date that is 26 weeks after the beneficiary’s jobseeker support commenced.
- (4) Revoke regulation 187(4) to (6).

71 Regulation 189 replaced (Exemptions from expiry)

Replace regulation 189 with:

189 Circumstances in which under section 334 of Act specified benefit does not expire under section 332 of Act

Each of the following paragraphs prescribes circumstances in which under section 334 of the Act a specified benefit does not expire under section 332 of the Act:

- (a) the beneficiary is a patient in hospital care within the meaning of section 4(1) of the Health and Disability Services (Safety) Act 2001;
- (b) the beneficiary is in residential disability care or rest home care within the meaning of section 4(1) of the Health and Disability Services (Safety) Act 2001;
- (c) the beneficiary resides in, or is present in and cannot reasonably leave, an area in respect of which a state of local emergency or state of national emergency is in force under Part 4 of the Civil Defence Emergency Management Act 2002;
- (d) the beneficiary resides in, or is present in and cannot reasonably leave, an area that is or may be affected by an outbreak of a quarantinable disease in respect of which an epidemic notice has been given, and is in force, under section 5(1) of the Epidemic Preparedness Act 2006:

- (e) the beneficiary resides in, or is present in and cannot reasonably leave, an area that is or may be affected by any exceptional circumstances other than those prescribed by paragraphs (c) and (d).

72 Regulation 190 replaced (Requirements for regrant of specified benefits)

Replace regulation 190 with:

Requirements for regrant: specified benefits other than jobseeker support

190 Specified benefits to which regulations 190A to 190G apply

- (1) Regulations 190A to 190G apply only to specified benefits other than jobseeker support.
- (2) A reference in regulations 190A to 190G to a specified benefit therefore excludes jobseeker support (*see* regulations 190H to 190P).

190A Requirements for reapplication form, supporting evidence, etc

- (1) A specified benefit must not be regranted to a person to whom section 336 of the Act applies unless—
 - (a) MSD has received—
 - (i) a reapplication form (provided by MSD for the purpose) completed to MSD's satisfaction by or on behalf of the beneficiary and the beneficiary's spouse or partner who is included in the beneficiary's specified benefit (if any) (in this regulation, and in regulations 190B to 190G, called any **included spouse or partner**); and
 - (ii) any supporting evidence reasonably required by MSD; and
 - (b) the beneficiary and the beneficiary's work-tested spouse or partner (if they are an included spouse or partner) have participated, to the satisfaction of MSD, in a comprehensive work assessment of a kind specified by MSD.
- (2) Subclause (1) is subject to subclause (3) and to regulations 190B to 190G.
- (3) For the purposes of this regulation, a failure of a beneficiary's work-tested spouse or partner to participate in a comprehensive work assessment in accordance with subclause (1)(b)—
 - (a) must not be treated as a failure to complete the requirements of subclause (1)(a) and (b); but
 - (b) must be treated as a failure by that spouse or partner to comply with that spouse's or partner's work-test obligations.

190B Requirements completed before expiry date

- (1) This regulation applies only if, in relation to a person, the requirements of regulation 190A(1)(a) and (b) are completed (by the person and by any inclu-

ded spouse or partner) before the expiry date (as defined in section 331(1) of the Act) for the person's specified benefit.

- (2) MSD must regrant the person's specified benefit if MSD is satisfied that the person meets or continues to meet the eligibility criteria for that benefit.
- (3) If regranting, that benefit commences on that expiry date.

190C Requirements completed in 20 working days starting on expiry date

- (1) This regulation applies if, in relation to a person and any included spouse or partner,—
 - (a) the requirements of regulation 190A(1)(a) and (b) are completed (by the person and by any included spouse or partner) within 20 working days starting on the expiry date for the person's specified benefit; and
 - (b) MSD is satisfied that, at any time or times when or after MSD did the following, exceptional circumstances existed that prevented those requirements from being completed before that expiry date:
 - (i) gave the beneficiary a notice stating the matters set out in section 335(1)(a) to (c) of the Act, as required by section 335(1) of the Act; or
 - (ii) took reasonable steps to advise the beneficiary of those matters, as required by section 335(2) and (3) of the Act.
- (2) MSD must regrant the person's specified benefit if MSD is satisfied that—
 - (a) the person meets the eligibility criteria (including, without limitation, the requirements in section 29 of the Act) for that benefit set out in Part 2 of the Act; and
 - (b) on and after that expiry date, and unless exceptional circumstances prevented the person from doing so, the person continued to meet the eligibility criteria for that benefit.
- (3) If regranting, that benefit commences on that expiry date.
- (4) If regranting, that benefit is not payable to the person for the relevant period as well as the conditional payment to the person for the relevant period of the following that are payable under regulation 190E:
 - (a) the specified benefit; and
 - (b) the other assistance specified in regulation 190E(3)(b).

190D Person intending to reapply contacts MSD before expiry date

- (1) This regulation applies if a person intending to reapply for a specified benefit, or any included spouse or partner, contacts MSD before the expiry date for the person's specified benefit.

- (2) MSD may set a time (being a time within 10 working days starting on that expiry date) before which the requirements of regulation 190A(1)(a) and (b) are to be completed (by the person and by any included spouse or partner).
- (3) If those requirements are completed (by the person and by any included spouse or partner) before that time, MSD may regrant that benefit if MSD is satisfied that—
 - (a) the person meets the eligibility criteria (including, without limitation, the requirements in section 29 of the Act) for that benefit set out in Part 2 of the Act; and
 - (b) on and after that expiry date, and unless exceptional circumstances prevented the person from doing so, the person continued to meet the eligibility criteria for that benefit.
- (4) If regranted, that benefit commences on that expiry date.
- (5) If regranted, that benefit is not payable to the person for the relevant period as well as the conditional payment to the person for the relevant period of the following that are payable under regulation 190E:
 - (a) the specified benefit; and
 - (b) the other assistance specified in regulation 190E(3)(b).

190E Conditional payment of specified benefit and other assistance

- (1) This regulation applies only if, in relation to a person,—
 - (a) the requirements of regulation 190A(1)(a) and (b) are not completed (by the person and by any included spouse or partner) before the expiry date (as defined in section 331(1) of the Act); and
 - (b) the person's specified benefit is not regranted, and does not commence on that expiry date, under regulation 190B(2) and (3); and
 - (c) those requirements may be completed in the relevant period.
- (2) The **relevant period**, for the purposes of this regulation, is—
 - (a) the 20-working-day period mentioned in regulation 190C; or
 - (b) if regulation 190D applies, the period that—
 - (i) starts when the person, or any included spouse or partner, contacts MSD; and
 - (ii) ends at the time MSD sets under regulation 190D before which the requirements of regulation 190A(1)(a) and (b) are to be completed.
- (3) MSD must, for the relevant period, grant and pay the person—
 - (a) the specified benefit; and
 - (b) all other assistance under this Act—

- (i) payable to the person immediately before the expiry date for the specified benefit; and
 - (ii) that would have continued to be payable to the person had their specified benefit not expired.
- (4) Subclause (3) does not limit any review under section 304 of the Act.
- (5) Payment of a benefit and assistance granted under this regulation is subject to the condition that the person is liable to repay the whole of any amount paid for the relevant period if the person's specified benefit is not regranted under regulation 190C or 190D.
- (6) Any amount the person is liable to repay under this regulation is a debt due to the Crown and subject to recovery under section 362(1) of the Act (MSD's duty to recover debts) by MSD from the person.

190F When reapplication form meets application form requirements

Regulations 190A to 190D apply for the purposes of section 297 of the Act.

190G When reapplication form treated as new application form

- (1) This regulation applies to a person if the requirements of regulation 190A(1)(a) and (b)—
 - (a) are not completed (by the person and by any included spouse or partner) within 20 working days starting on the expiry date for the person's specified benefit; or
 - (b) were completed (by the person and by any included spouse or partner) within that 20-working-day period, and MSD is satisfied that there were no exceptional circumstances that prevented those requirements from being completed (by the person and by any included spouse or partner) before that expiry date.
- (2) The specified benefit must not be regranted to the person.
- (3) Any reapplication form received from or on behalf of that person must be treated as an application form for the purposes of section 297(1) of the Act and regulation 166.

Requirements for regrant: specified benefits that are jobseeker support

190H Specified benefits to which regulations 190J to 190P apply

Regulations 190J to 190P apply only to jobseeker support.

190I Meaning of period allowed to complete requirements

Definition

- (1) In regulations 190J to 190P, the **period allowed to complete the requirements**, for a person and any included spouse or partner referred to in regulation 190J(1)(a)(i), means—

- (a) for the purposes of the person and any included spouse or partner completing requirements in regulation 190J(1)(a) and (b), the period specified in subclause (2); and
- (b) for the purposes of the person and any included spouse or partner completing requirements in regulation 190J(1)(c), the period specified in subclause (3).

Period for requirements in regulation 190J(1)(a) and (b)

- (2) The period for requirements in regulation 190J(1)(a) and (b)—
 - (a) starts when MSD gives the person notice of the matters set out in section 335(1)(a) to (c) of the Act, as required by section 335(1) of the Act, or when MSD takes reasonable steps to advise the person of those matters, as required by section 335(2) and (3) of the Act; and
 - (b) ends at the close of the day before the expiry date (as defined in section 331(1) of the Act) for the person's jobseeker support.

Period for requirements in regulation 190J(1)(c)

- (3) The period for requirements in regulation 190J(1)(c) is the 13-week period that—
 - (a) starts on the day that is 13 weeks before the expiry date (as defined in section 331(1) of the Act) for the person's jobseeker support; and
 - (b) ends at the close of the day before the expiry date (as defined in section 331(1) of the Act) for the person's jobseeker support.

190J Requirements for reapplication form, supporting evidence, etc

Requirements

- (1) Jobseeker support must not be regranted to a person unless—
 - (a) MSD receives within the period allowed to complete the requirements—
 - (i) a reapplication form (provided by MSD for the purpose) completed to MSD's satisfaction by the person, and by the person's spouse or partner who is included in the person's jobseeker support (if any) (in regulation 190I, in this regulation, and in regulations 190K to 190P, called any **included spouse or partner**); and
 - (ii) any supporting evidence reasonably required by MSD; and
 - (b) the person and any included spouse or partner have confirmed to MSD within the period allowed to complete the requirements that they will continue to meet their obligations under Part 3 of the Act; and
 - (c) MSD is satisfied within the period allowed to complete the requirements that—
 - (i) information provided by or on behalf of the person and any included spouse or partner shows that the person meets the requirements in section 20(a) and (c) to (e) of the Act; and

- (ii) the person is available for work (within the meaning of sections 20(b) and 22 of the Act) and has participated, to the satisfaction of MSD, in an engagement that MSD considers suitable for improving their work readiness or prospects for employment; and
- (iii) any work-tested spouse or partner (if they are an included spouse or partner) has participated, to MSD's satisfaction, in an engagement that MSD considers suitable for improving their work readiness or prospects for employment.

Requirements subject to subclauses (3) to (5) and to regulations 190K to 190P

- (2) Subclause (1) is subject to—

- (a) subclauses (3) to (5); and
- (b) regulations 190K to 190P.

Exception to requirements in subclause (1)(a) to (c)

- (3) Any included spouse or partner is not required to complete the requirements in subclause (1)(a) to (c) if the spouse or partner is in any of the specific circumstances described in regulation 189.

Exception to requirements in subclause (1)(c)(ii)

- (4) The requirements in subclause (1)(c)(ii) do not apply to—
- (a) a person who holds an exemption granted under section 158(1) of the Act from all of the person's—
 - (i) work-preparation obligations; and
 - (ii) work-test obligations; or
 - (b) a person who is receiving jobseeker support on the ground of a health condition, injury, or disability, and who has—
 - (i) a job to return to; and
 - (ii) a confirmed return-to-work date.

How MSD may be satisfied requirements in subclause (1)(a) to (c) completed

- (5) Requirements in subclause (1)(a) to (c) may be completed at different times within the period allowed to complete the requirements, and MSD may be satisfied that those requirements are completed based on information—
- (a) available to MSD during that period; and
 - (b) related to the circumstances of the person and any included spouse or partner, and to their entitlement to assistance under this Act.

190K Requirements completed before expiry date

- (1) This regulation applies only if, in relation to a person, the requirements of regulation 190J(1)(a) to (c) are completed (by the person and by any included spouse or partner) within the period allowed to complete the requirements.
- (2) MSD must regrant the person's jobseeker support.

- (3) If regranted, that benefit commences on that expiry date.

190L Requirements completed in 20 working days starting on expiry date

- (1) This regulation applies if, in relation to the person and any included spouse or partner,—
- (a) the requirements of regulation 190J(1)(a) to (c) are completed (by the person and by any included spouse or partner) within 20 working days starting on the expiry date for the person's jobseeker support; and
 - (b) MSD is satisfied that, at any time or times within the period allowed to complete the requirements, exceptional circumstances existed that prevented those requirements from being completed within that period.
- (2) MSD must regrant the person's jobseeker support if MSD is satisfied that—
- (a) the person meets the eligibility criteria for that benefit in section 20 of the Act; and
 - (b) on and after that expiry date, and unless exceptional circumstances prevented the person from doing so, the person continued to meet the eligibility criteria for that benefit in section 20 of the Act.
- (3) If regranted, that benefit commences on that expiry date.
- (4) If regranted, that benefit is not payable to the person for the relevant period as well as the conditional payment to the person for the relevant period of the following that are payable under regulation 190N:
- (a) jobseeker support; and
 - (b) the other assistance specified in regulation 190N(3)(b).

190M Person intending to reapply contacts MSD before expiry date

- (1) This regulation applies if a person intending to reapply for jobseeker support, or any included spouse or partner, contacts MSD before the expiry date for the person's jobseeker support.
- (2) MSD may set a time (being a time within 10 working days starting on that expiry date) before which the requirements of regulation 190J(1)(a) to (c) are to be completed (by the person and by any included spouse or partner).
- (3) If those requirements are completed (by the person and by any included spouse or partner) before that time, MSD may regrant the person's jobseeker support if MSD is satisfied that—
- (a) the person meets the eligibility criteria for that benefit in section 20 of the Act; and
 - (b) on and after that expiry date, and unless exceptional circumstances prevented the person from doing so, the person continued to meet the eligibility criteria for that benefit in section 20 of the Act.
- (4) If regranted, that benefit commences on that expiry date.

- (5) If regranted, that benefit is not payable to the person for the relevant period as well as the conditional payment to the person for the relevant period of the following that are payable under regulation 190N:
- (a) jobseeker support; and
 - (b) the other assistance specified in regulation 190N(3)(b).

190N Conditional payment of jobseeker support and other assistance

- (1) This regulation applies only if, in relation to a person,—
- (a) the requirements of regulation 190J(1)(a) to (c) are not completed (by the person and by any included spouse or partner) within the period allowed to complete the requirements; and
 - (b) the person's jobseeker support is not regranted, and does not commence on that expiry date, under regulation 190K(2) and (3); and
 - (c) those requirements may be completed in the relevant period.
- (2) The **relevant period**, for the purposes of this regulation, is—
- (a) the 20-working-day period mentioned in regulation 190L; or
 - (b) if regulation 190M applies, the period that—
 - (i) starts when the person, or any included spouse or partner, contacts MSD; and
 - (ii) ends at the time MSD sets under regulation 190M before which the requirements of regulation 190J(1)(a) to (c) are to be completed.
- (3) MSD must, for the relevant period, grant and pay the person—
- (a) jobseeker support; and
 - (b) all other assistance under this Act—
 - (i) payable to the person immediately before the expiry date for the person's jobseeker support; and
 - (ii) that would have continued to be payable to the person had their jobseeker support not expired.
- (4) Subclause (3) does not limit any review under section 304 of the Act.
- (5) Payment of jobseeker support and assistance granted under this regulation is subject to the condition that the person is liable to repay the whole of any amount paid for the relevant period if the person's jobseeker support is not regranted under regulation 190L or 190M.
- (6) Any amount the person is liable to repay under this regulation is a debt due to the Crown and subject to recovery under section 362(1) of the Act (MSD's duty to recover debts) by MSD from the person.

190O When reapplication form meets application form requirements

Regulations 190J to 190M apply for the purposes of section 297 of the Act.

190P When reapplication form treated as new application form

- (1) This regulation applies to a person if the requirements of regulation 190J(1)(a) to (c)—
 - (a) are not completed (by the person and by any included spouse or partner) within 20 working days starting on the expiry date for the person's job-seeker support; or
 - (b) were completed (by the person and by any included spouse or partner) within that 20-working-day period, and MSD is satisfied that there were no exceptional circumstances that prevented those requirements from being completed (by the person and by any included spouse or partner) within the period allowed to complete the requirements.
- (2) Jobseeker support must not be regranted to the person.
- (3) Any reapplication form received from or on behalf of the person is treated as an application form for the purposes of section 297(1) of the Act and regulation 166.

73 New subpart 4A of Part 6 inserted

After regulation 192, insert:

Subpart 4A—Money management

192A Required manner of payment: money management for certain payments to people subject to sanction for first failure

Application

- (1) This regulation applies—
 - (a) to a main benefit of a person to whom section 236A applies (P); and
 - (b) while money management imposed on P has effect.
- (2) In particular, this regulation applies to P's main benefit (without limiting the generality of subclause (1)) while both of the following apply:
 - (a) P's main benefit is suspended for reasons unrelated to a sanction for failure to comply with 1 or more obligations under the Act that are specified in section 233 of the Act:
 - (b) money management imposed on P has effect.

General rule

- (3) The prescribed proportion of an instalment of P's main benefit, and that is an instalment payable to P (*see* regulation 163A(1)), must be paid by crediting

that amount to a payment card for 4 weeks to enable P to obtain goods or services—

- (a) that MSD considers are essential; and
- (b) from participating suppliers.

(4) A **participating supplier**, for the purposes of this section, means a supplier who has agreed with MSD to supply goods or services—

- (a) that MSD considers are essential; and
- (b) to a person on whom money management has been imposed; and
- (c) on the person's presentation of the payment card.

Exceptions: arrears that MSD must pay, or debt that MSD must recover

(5) Arrears that MSD must pay to P, and that are arrears that relate to a period while money management imposed on P has effect (even if the arrears are unrelated to P's main benefit, but excluding arrears relating to a suspension to which subclause (2) applies), are—

- (a) paid to, or on account of, P personally under section 339(1) of the Act; and
- (b) not credited to P's payment card.

(6) Arrears that MSD must pay to P, and that are arrears that relate to a period while money management imposed on P has effect (even if the arrears are unrelated to P's main benefit), and that are arrears relating to a suspension to which subclause (2) applies, are paid as follows:

- (a) the prescribed proportion of them is credited to P's payment card;
- (b) the rest of them is paid to, or on account of, P personally under section 339(1) of the Act.

(7) However, if P dies while money management imposed on P has effect, arrears to which subclause (6) applies must (despite that subclause) be paid under—

- (a) section 346 of the Act (required manner of payment: payment on death of beneficiary); or
- (b) regulation 192 (payment on death of beneficiary).

(8) Debt that MSD must recover from P, and that is debt that relates to a period while money management imposed on P has effect (even if the debt is unrelated to P's main benefit, and even if it is debt relating to a suspension to which subclause (2) applies), is recovered—

- (a) from, or on account of, P personally; and
- (b) not from, or from amounts to be credited to, P's payment card.

Exception: if P dies while money management has effect

- (9) However, if P dies while money management imposed on P has effect, the prescribed proportion of an instalment of P's main benefit that is an instalment payable to P must (despite the rest of this regulation) be paid under—
- (a) section 346 of the Act (required manner of payment: payment on death of beneficiary); or
 - (b) regulation 192 (payment on death of beneficiary).

74 Regulation 206 amended (Debts due to the Crown)

In regulation 206(b), examples, after the item about an amount recoverable under regulation 185 (seasonal workers made redundant after benefit commences), insert:

An amount recoverable under regulation 190E(6) (conditional payment of specified benefit and other assistance).

An amount recoverable under regulation 190N(6) (conditional payment of jobseeker support and other assistance).

75 Amendments to update references to money management

Amend the principal regulations as set out in Schedule 3 of this Act.

76 Schedule 1 amended

In Schedule 1,—

- (a) insert the Part set out in Schedule 4 of this Act as the last Part; and
- (b) make all necessary consequential amendments.

77 Schedule 6 amended

In Schedule 6, delete “Jobseeker support paid at the rate in clause 1(c), (e), or (f) of Part 1 of Schedule 4 of the Act”.

Schedule 1

Amendments to Social Security Act 2018 to update references to money management

s 61

In section 162(1)(i)(ii), before “money management under section 341”, insert “youth”.

In section 165(7)(e), delete “regulations 4 and 5 and Part 2 of the Social Security (Criteria for Incentive Payments and Money Management) Regulations 2012 (as saved by clauses 12 and 41(3) of Schedule 1), or”.

In section 168(6)(e), delete “regulations 4 and 5 and Part 2 of the Social Security (Criteria for Incentive Payments and Money Management) Regulations 2012 (as saved by clauses 12 and 41(3) of Schedule 1), or replacement”.

In the heading to section 275, before “**money management**”, insert “**youth**”.

In section 275(1)(b), before “money management under section 344”, insert “youth”.

In section 276(1)(b), before “money management under section 344”, insert “youth”.

In the heading to section 277, before “**money management**”, insert “**youth**”.

In section 277(1)(b), before “money management”, insert “youth”.

In section 278(1)(b), before “money management”, insert “youth”.

In section 338(6), before “money management”, insert “youth”.

In section 339(2)(b), before “money management”, insert “youth”.

In the heading to section 341, before “**money management for certain payments to young people**”, insert “**youth**”.

In section 341(1), before “**money management manner of payment**”, insert “**youth**”.

In section 341(2) and (3), before “money management manner of payment”, insert “youth”.

In the heading to section 342, replace “**Money**”, with “**Youth money**”.

In the heading to section 344, before “**money management**”, insert “**youth**”.

In section 344(1), before “money management manner of payment”, insert “youth”.

In the heading to section 345, before “**money management**” insert “**youth**”.

In section 345(1)(a), before “money management manner of payment”, insert “youth”.

In section 418(1)(l), before “money management”, insert “youth”.

Schedule 2**New Part 10 inserted into Schedule 1 of Social Security Act 2018**

s 62

Part 10**Provisions relating to Social Security Amendment Act 2025****99 Definitions for this Part**

In this Part, unless the context otherwise requires,—

amendment Act means the Social Security Amendment Act 2025

commencement means—

- (a) the start of 26 May 2025, for an amendment that commences under section 2(1) of the amendment Act; or
- (b) the start of 20 October 2025, for an amendment that commences under section 2(4) of the amendment Act.

100 Application of requirement to have completed jobseeker profile

Sections 183A to 183D (as inserted by the amendment Act) apply to a person (**P**) specified in section 183A(1), and to P's spouse or partner specified in section 183A(3) (if any), only if—

- (a) MSD is contacted by P (or by some other person acting on P's behalf) after commencement requesting financial assistance under this Act for P; and
- (b) the request for financial assistance for P is not one—
 - (i) described in section 183A(1)(b); and
 - (ii) for the regrant under section 336 of a specified benefit.

101 Application of amendments relating to obligations failures

Amendments relating to obligations failures that cannot be counted

- (1) The following sections of this Act as amended or inserted by the amendment Act apply only to an obligation failure that occurred, in whole, after commencement:
 - (a) section 235, definition of failure, paragraph (b), references to sections 242(1) and (3), 287, and 287A:
 - (b) section 242(1) and (3):
 - (c) section 287:
 - (d) section 287A.

Other amendments relating to obligations failures

- (2) Any other amendments made to this Act by the amendment Act and relating to an obligation failure apply only to an obligation failure that is—
- (a) an obligation failure that occurred, in whole, after commencement; or
 - (b) an obligation failure by a person (**P**) that—
 - (i) occurred, in whole or in part, before commencement; and
 - (ii) is active at commencement (*see* subclause (3)).
- (3) An obligation failure by P is active at commencement under subclause (2)(b)(ii) only if, at commencement, one or both of the following applied to it:
- (a) a section 252 notice had been given to P;
 - (b) P had not yet recompiled.
- (4) Subclause (3) applies whether or not, at commencement, any of the following had effect:
- (a) a reduction (by half or to zero) of the rate of P's main benefit;
 - (b) a suspension or cancellation of P's main benefit;
 - (c) a suspension of P's in-hand allowance and any incentive payments (if P is receiving a youth payment or young parent payment);
 - (d) a suspension or cancellation of P's youth payment and any incentive payments;
 - (e) a suspension or cancellation of P's young parent payment and any incentive payments.

102 Application of amendments about work gap eligibility for, and expiry and regrant of, jobseeker support or other specified benefits*Amendments to which clause applies*

- (1) The amendments made to this Act by the amendment Act on 1 July 2025 apply only to a benefit that commences or, as the case may be, last commences, on or after that date.
- (2) However, subclause (1) is subject to—
- (a) Part 14 of Schedule 1 of the Social Security Regulations 2018 (as inserted by the amendment Act); and
 - (b) the savings in subclauses (3) and (4); and
 - (c) clause 103 (regulations for transitional and savings purposes).

Saving of section 21(3)

- (3) Section 21(3) continues to apply, despite its repeal on 1 July 2025, to jobseeker support that, under clause 25 of Schedule 1 of the Social Security Regulations 2018, remains subject to Schedule 6 of those regulations as in force immediately before 1 July 2025.

Saving of exemptions granted under section 334 and in force on 1 July 2025

- (4) An exemption granted under section 334 and regulation 189 (as that section and regulation were in force before their repeal and revocation on 1 July 2025), and that is in force on 1 July 2025, remains in force—
- (a) according to the terms on which the exemption was granted; and
 - (b) as if that section and regulation were not so repealed and revoked.

103 Regulations for transitional and savings purposes*Power to make regulations on recommendation of Minister*

- (1) The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations prescribing transitional provisions, savings provisions, or both, related to amendments made by the Social Security Amendment Act 2025 to this Act.

Regulations must be for specified transitional or savings purposes

- (2) The regulations must be for either or both of the following purposes:
- (a) facilitating, or ensuring the orderliness of, the transition to those amendments being brought into operation;
 - (b) ensuring that existing rights or obligations continue as part of, or despite, that transition.

Requirements for recommendation of Minister

- (3) The Minister must not recommend the making of regulations made under subclause (1) unless satisfied that those regulations—
- (a) are reasonably necessary for either or both of the purposes in subclause (2)(a) and (b); and
 - (b) are consistent with the purposes of the amendments made by the Social Security Amendment Act 2025 to this Act.

Provisions prescribed may be in addition to or instead of specified clauses

- (4) The transitional provisions or savings provisions prescribed by regulations made under subclause (1) may be provisions in addition to or instead of all or any of clauses 99 to 102 of this Part as inserted by the Social Security Amendment Act 2025.

What prescribed transitional provisions or savings provisions may do

- (5) The transitional provisions or savings provisions prescribed by regulations made under subclause (1) may do all or any of the following:
- (a) provide that, for a transitional period, in any circumstances, or subject to any conditions, specified in the regulations, 1 or more provisions (including definitions) of this Act do not apply, or apply with modifications or additions:

- (b) provide that, for a transitional period, in any circumstances, or subject to any conditions, specified in the regulations, 1 or more provisions repealed, amended, or revoked by those amendments are to continue to apply, or apply with modifications or additions, as if they had not been repealed, amended, or revoked:
- (c) provide for any other matter necessary for either or both of the purposes in subclause (2)(a) and (b).

Secondary legislation

- (6) Regulations made under this clause are secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

Power ends at, and any regulations made are revoked at, start of 1 July 2028

- (7) Regulations made under this clause cannot be made after, and are revoked by this clause at, the start of 1 July 2028.

Legislation Act 2019 requirements for secondary legislation made under this clause

Publication	PCO must publish it on the legislation website and notify it in the <i>Gazette</i>	LA19 s 69(1)(c)
Presentation	The Minister must present it to the House of Representatives	LA19 s 114
Disallowance	It may be disallowed by the House of Representatives	LA19 ss 115, 116

This note is not part of the Act.

Schedule 3

Amendments to Social Security Regulations 2018 to update references to money management

s 75

In regulation 165(e), before “money management”, insert “youth”.

In Part 6, in the subpart 5 heading, replace “Money” with “Youth money”.

In the heading to regulation 193, before “**money management**”, insert “**youth**”.

In the heading to regulation 196, before “**money management**”, insert “**youth**”.

In regulation 196(1), (2), (3), and (4), before “money management”, insert “youth” in each place.

In the heading to regulation 198, before “**money management**”, insert “**youth**”.

In regulation 198(1), before “money management”, insert “youth”.

In the heading to regulation 199, before “**money management**” insert “**youth**”.

In regulation 199, before “money management”, insert “youth” in each place.

In the heading to regulation 200, before “**money management**”, insert “**youth**”.

In regulation 200, before “money management”, insert “youth”.

In regulation 266(c), before “money management”, insert “youth”.

Schedule 4
New Part 14 inserted into Schedule 1 of Social Security
Regulations 2018

s 76

Part 14
Provisions relating to Social Security Amendment Act 2025

22 Definitions for this Part

In this Part, unless the context otherwise requires,—

amendment Act means the Social Security Amendment Act 2025.

23 Amendments related to expiry date for jobseeker support

Benefits to which amendments apply

- (1) The amendments made to regulation 187 by the amendment Act (the **amendments**) apply, on and after 1 July 2025, only to the following jobseeker support, and apply subject to subclauses (2) to (6):
 - (a) jobseeker support that commences or, as the case may be, last commences, on or after 1 July 2025; and
 - (b) jobseeker support that commences or, as the case may be, last commences,—
 - (i) on or after 4 February 2025; but
 - (ii) before 1 July 2025; and
 - (c) jobseeker support that commences or, as the case may be, last commences, before 4 February 2025; and
 - (d) jobseeker support specified in clause 25(1)(b).
- (2) Jobseeker support specified in subclause (1)(a), (b), or (c) excludes jobseeker support if, immediately before 1 July 2025, the weekly income (other than any information share child support payment) of the person receiving that jobseeker support is calculated over 52 weeks under—
 - (a) clauses 11 and 13 of Part 3 of Schedule 3 of the Act; and
 - (b) regulation 205(1) of these regulations; and
 - (c) the appropriate number of weeks specified for that benefit in item 1 of Schedule 6 of these regulations.

Example of jobseeker support specified in subclause (1)(a), (b), (c), or (d)
- (3) Jobseeker support specified in subclause (1)(a), (b), (c), or (d) includes, without limitation, jobseeker support that under section 33—

- (a) commences on the date that the youngest dependent child in a person's (P's) care turns 14 years old; and
 - (b) replaces P's sole parent support that expires on that date; and
 - (c) is taken to be granted to P as if P had applied for it.

How amendments apply to jobseeker support specified in subclause (1)(a)
 - (4) The amendments apply to jobseeker support specified in subclause (1)(a) only from the time that benefit commences or, as the case may be, last commences.
 - How amendments apply to jobseeker support specified in subclause (1)(b)*
 - (5) The amendments apply to jobseeker support specified in subclause (1)(b) as if its first expiry date under regulation 187 on and after 1 July 2025 is the date that is 26 weeks after that jobseeker support commences or, as the case may be, last commences.
 - How amendments apply to jobseeker support specified in subclause (1)(c)*
 - (6) The amendments apply to jobseeker support specified in subclause (1)(c) as follows:
 - (a) it remains subject to regulation 187 as in force immediately before 4 February 2025; but
 - (b) on its expiry date under that regulation 187, it ceases to be subject to that regulation 187, and instead becomes subject to regulation 187 as in force on and after 1 July 2025.

How amendments apply to jobseeker support specified in subclause (1)(d)
 - (7) The amendments apply to jobseeker support specified in subclause (1)(d) as follows:
 - (a) it remains subject to regulation 187 as in force immediately before 1 July 2025 until the end of the 52 weeks specified in clause 25(1)(b); but
 - (b) at the end of those 52 weeks, it ceases to be subject to that regulation 187, and instead becomes subject to regulation 187 as in force on and after 1 July 2025.
- 24 Saving of old regulation 190 for reapplications in progress**
- (1) This clause applies to a beneficiary—
 - (a) granted jobseeker support before 1 July 2025; and
 - (b) notified or advised under section 335 of the Act that their entitlement to that benefit will cease unless the beneficiary reapplies for that benefit and it is regranted; and
 - (c) whose reapplication for regrant of jobseeker support was, on 1 July 2025, neither withdrawn nor finally determined.

- (2) The reapplication remains subject to regulation 190 as in force immediately before 1 July 2025.
- (3) Any jobseeker support regranted—
 - (a) commences or, as the case may be, last commences, on or after 1 July 2025; and therefore
 - (b) is under clause 23(1)(a) subject to the amendments made to regulation 187.

25 Amendment relating to how person's weekly income (other than any information share child support payment) is calculated

Jobseeker support to which amendment applies

- (1) The amendment made to Schedule 6 by the amendment Act (the **amendment**) applies only to the following jobseeker support, and applies subject to subclauses (2) to (4):
 - (a) jobseeker support that commences or, as the case may be, last commences, on or after 1 July 2025;
 - (b) jobseeker support that commences or, as the case may be, last commences, before 1 July 2025, if, and only if, immediately before 1 July 2025, the weekly income (other than any information share child support payment) of the person receiving that jobseeker support is calculated over 52 weeks under—
 - (i) clauses 11 and 13 of Part 3 of Schedule 3 of the Act; and
 - (ii) regulation 205(1) of these regulations; and
 - (iii) the appropriate number of weeks specified for that benefit in item 1 of Schedule 6 of these regulations.

Example of jobseeker support specified in subclause (1)(a) or (b)

- (2) Jobseeker support specified in subclause (1)(a) or (b) includes, without limitation, jobseeker support that under section 33—
 - (a) commences on the date that the youngest dependent child in a person's (**P's**) care turns 14 years old; and
 - (b) replaces P's sole parent support that expires on that date; and
 - (c) is taken to be granted to P as if P had applied for it.

When amendment applies to jobseeker support specified in subclause (1)(a)

- (3) The amendment applies to jobseeker support specified in subclause (1)(a) only from the time that benefit commences or last commences.

When amendment applies to jobseeker support specified in subclause (1)(b)

(4) The amendment applies to jobseeker support specified in subclause (1)(b) only from the end of the 52 weeks specified in subclause (1)(b).

Legislative history

9 December 2024	Introduction (Bill 103–1)
10 December 2024	First reading and referral to Social Services and Community Committee
14 April 2025	Reported from Social Services and Community Committee (Bill 103–2)
6 May 2025	Second reading
14 May 2025	Committee of the whole House (Bill 103–3)
15 May 2025	Third reading
21 May 2025	Royal assent

This Act is administered by the Ministry of Social Development.