

## New Zealand

Exchange rate: US\$1.00 =  
1.48 New Zealand dollars (NZ\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1898 (old-age pension), 1911 (widow's pension), 1924 (blind person's pension), 1936 (disability pension), and 1954 (war pensions).

**Current laws:** 1964 (social security), implemented in 1965; and 2014 (veterans' support).

**Type of program:** Universal and social assistance system.

Note: Net amounts are reported for benefits that can be considered a primary source of income and are taxable at the applied primary tax rate.

#### Coverage

Legal residents of New Zealand.

#### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost is financed from general revenues.

#### Qualifying Conditions

**Old-age pension (New Zealand Superannuation, universal):** Age 65 with at least 10 years of continuous residence and physical presence in New Zealand since age 20, including at least five years after age 50, and a resident on the date of application. There is no income or asset test (except for pensioners who choose to include an unqualified partner in their pension).

The pension is payable abroad for up to 26 weeks if the beneficiary is not abroad for more than 30 weeks; may be payable abroad for longer than 26 weeks, depending on the beneficiary's length of residence in New Zealand and the applicable reciprocal agreements and domestic legislation.

**Old-age assistance benefits (social assistance, means tested):** An accommodation supplement, a disability allowance, a special needs grant, and other benefits may be paid to old-age pensioners who meet certain conditions.

**Disability pension (Supported Living Payment, social assistance, income tested):** Paid to citizens or permanent residents aged 16 or older with at least two years of

residence who are assessed with a limited capacity for work (less than 15 hours a week for more than two years) due to a serious disability or mental health condition or are caring for a person who would otherwise need full-time professional care.

The disability pension is payable abroad temporarily under certain conditions.

**Caregiver allowance (Supported Living Payment, social assistance, income tested):** Paid to citizens or permanent residents aged 18 or older (aged 16 to 17 under exceptional circumstances) with at least two years of residence who provide full-time care for persons with a serious disability or mental health condition. The person receiving care must not be the caregiver's spouse or partner.

**Disability assistance benefits (social assistance, means tested):** An accommodation supplement, a family tax credit, an advance payment of benefit, a training incentive allowance, transition-to-work assistance, a disability allowance, a temporary additional benefit, a special needs grant, and other benefits may be paid to disability pensioners who meet certain conditions.

**Spouse's pension (Job Seeker Support, social assistance, income tested):** Paid to a widow with no children or a widow(er) whose youngest child is aged 14 or older (see Unemployment).

**Survivor pension (Sole Parent Support, social assistance, income tested):** Paid to a widow(er) whose youngest child is younger than age 14 (see Family Allowances).

**Orphan's benefit (social assistance, income tested):** Paid to the primary caregiver of an orphan younger than age 18 whose biological or adoptive parents are deceased, cannot be found, or are incapable of caring for the child due to a serious long-term disability. The caregiver must be aged 18 or older and expect to care for the child for at least 12 months. The child must be a resident and physically present in New Zealand; or the caregiver must be a resident and continuously physically present in New Zealand for at least 12 months.

**Funeral grant (social assistance, means tested):** Paid to the deceased's partner, spouse, child, parent, guardian, or, in the absence of the above, to the person who paid for the funeral. There are income and asset tests based on the deceased's circumstances before death and the survivor's age, number of children, and relationship with the deceased.

**Survivor assistance benefits (social assistance, means tested):** An accommodation supplement, an advance payment of benefit, a training incentive allowance, transition-to-work assistance, a disability allowance, a special needs grant, and other benefits may be paid to survivor pensioners who meet certain conditions.

## Old-Age Benefits

**Old-age pension (New Zealand Superannuation, universal):** NZ\$400.87 (if single and living alone), NZ\$370.03 (if single and sharing accommodation), or NZ\$308.36 (if in a married, civil-union, or de facto couple) (net) a week is paid.

If the beneficiary chooses to include a spouse or partner who would otherwise not qualify for an old-age pension, up to NZ\$586.18 (net) a week is paid, subject to an income test (the pension is reduced by NZ\$0.70 for every NZ\$1 of gross annual joint income above NZ\$5,200).

The pension may be reduced by NZ\$1 for every NZ\$1 in pension benefits the beneficiary receives from foreign governments.

**Benefit adjustment:** Benefits are adjusted annually on April 1 based on changes in the consumer price index for the previous year, with a further adjustment based on the net average ordinary time weekly wage. The net average ordinary time weekly wage is determined by the quarterly employment survey published by Statistics New Zealand.

**Old-age assistance benefits (social assistance, means tested):** The amount of additional assistance varies depending on the beneficiary's earnings, family situation, living conditions, and other factors.

## Permanent Disability Benefits

**Disability pension and caregiver allowance (Supported Living Payment, social assistance, income tested):** Up to NZ\$217.80 (if single, aged 16 or 17, and without children), NZ\$269.15 (if single, aged 18 or older, and without children), NZ\$379.19 (if single with children), NZ\$237.09 (if in a married, civil-union, or de facto couple with children), or NZ\$224.28 (if in a married, civil-union, or de facto couple without children) (net) a week is paid.

**Income test:** The benefit is reduced by NZ\$0.30 for every NZ\$1 of gross annual earnings above NZ\$5,200 and by NZ\$0.70 for every NZ\$1 of gross annual earnings above NZ\$10,400. The personal earnings of totally blind persons are exempt.

**Benefit adjustment:** Benefits are adjusted annually on April 1 based on changes in the consumer price index for the previous calendar year.

**Disability assistance benefits (social assistance, means tested):** The amount of additional assistance varies depending on the beneficiary's earnings, family situation, living conditions, and other factors.

## Survivor Benefits

**Spouse's pension (Job Seeker Support, social assistance, income tested):** Up to NZ\$215.34 (with no dependent children), NZ\$334.05 (with dependent children), or NZ\$224.28 (if benefits began before July 15, 2013) (net) a week is paid.

**Income test:** The pension is reduced by NZ\$0.30 for every NZ\$1 of gross annual earnings above NZ\$5,200 and by NZ\$0.70 for every NZ\$1 of gross annual earnings above NZ\$10,400.

**Survivor pension (Sole Parent Support, social assistance, income tested):** NZ\$334.05 (net) a week is paid.

**Income test:** The pension is reduced by NZ\$0.30 for every NZ\$1 of gross annual earnings above NZ\$5,200 and by NZ\$0.70 for every NZ\$1 of gross annual earnings above NZ\$10,400.

**Orphan's benefit (social assistance, income tested):** Up to NZ\$229.83 (gross) a week is paid, depending on age, for each eligible orphan.

**Income test:** The benefit is reduced by NZ\$1 for every NZ\$1 of unearned income the child receives above 50% of the basic annual orphan's benefit rate. (The caregiver's income is not taken into account.)

The basic annual orphan's benefit rate is NZ\$209.52 (net) a week.

**Funeral grant (social assistance, means tested):** Up to NZ\$2,516.19 (gross) is paid to the surviving spouse, partner, or dependent child for funeral costs.

**Means test:** There is an income and asset test based on the deceased's circumstances before death and the survivor's age, number of children, and relationship with the deceased.

**Benefit adjustment:** Benefits are adjusted annually on April 1 based on changes in the consumer price index for the previous calendar year.

**Survivor assistance benefits (social assistance, means tested):** The amount of additional assistance depends on earnings, family situation, living conditions, and other factors.

## Administrative Organization

Service Line Work and Income (<https://www.workandincome.govt.nz/>), under the Ministry of Social Development (<https://www.msd.govt.nz/>), administers pensions and benefits through its local offices.

## Sickness and Maternity

### Regulatory Framework

**First law:** 1938.

**Current law:** 1964 (social security), implemented in 1965.

**Type of program:** Universal and social assistance system.

### Coverage

**Universal (paid parental leave):** Employed and self-employed persons legally residing in New Zealand.

**Universal (medical benefits):** Legal residents of New Zealand and certain other persons.

**Social assistance (cash benefits):** Citizens or permanent residents of New Zealand.

### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost is financed from general revenues.

### Qualifying Conditions

**Cash sickness and maternity benefits (Job Seeker Support, social assistance, income tested):** Must be aged 18 or older (aged 19 or older with a dependent child); have at least two years of continuous residence; and have stopped working, have reduced hours and income, or be unemployed or working part-time and be unable to perform full-time work due to sickness, injury, pregnancy, or disability.

For persons with less than two years of residency, a benefit may be paid in cases of hardship. For nonpermanent residents, an income- and asset-tested emergency benefit may be paid in cases of hardship.

**Paid parental leave (universal):** Must have worked an average of at least 10 hours a week for at least 26 of the 52 weeks before the expected date of childbirth or the date the adopted child came into the parent's care. Partial or full entitlement is transferable to a qualifying spouse or partner.

**Medical benefits (universal):** Must have legally resided or have a stated intent to remain in New Zealand for at least two years. No residency requirement for subsidized treatment for accidents under the Accident Compensation Corporation.

### Sickness and Maternity Benefits

**Sickness benefit (Job Seeker Support, social assistance, income tested):** Up to NZ\$215.34 (net) a week is paid if aged 25 or older, single, and with no children; NZ\$179.44 (net) a week if aged 20 to 24, or if aged 18 or 19 and living away from home; NZ\$143.55 (net) a week if aged 18 or 19 and living with a parent.

Up to NZ\$334.05 (net) a week is paid for a single beneficiary with children; up to NZ\$192.25 (net) a week for each member of a married or civil-union couple with children or NZ\$179.44 (net) a week without children.

The benefit is paid after a waiting period of up to two weeks, depending on the beneficiary's previous income.

There is no limit on the period of eligibility, but the beneficiary must reapply every 52 weeks. A medical professional must periodically assess the illness.

**Income test:** The benefit is reduced by NZ\$0.70 for every NZ\$1 of gross weekly earnings above NZ\$80 for single persons without children and for couples; by NZ\$0.30 for every NZ\$1 of gross weekly earnings from NZ\$100 to NZ\$200 and by NZ\$0.70 for every NZ\$1 of gross weekly earnings above NZ\$200 for single persons with children.

**Benefit adjustment:** Benefits are adjusted annually on April 1 based on changes in the consumer price index for the previous calendar year.

**Maternity benefit (Job Seeker Support, social assistance, income tested):** May be paid to a single pregnant woman at the sickness benefit rate (see above) after the 26th week of pregnancy (or earlier if the woman is unable to work due to pregnancy complications, an illness, or disability). Payment may continue for up to 13 weeks after childbirth.

**Income test:** The benefit is reduced by NZ\$0.70 for every NZ\$1 of gross earnings above NZ\$80 a week.

**Benefit adjustment:** Benefits are adjusted annually on April 1 based on changes in the consumer price index for the previous calendar year.

**Paid parental leave (universal):** 100% of the employee's average gross weekly earnings in the best 26 of the 52 weeks of earnings before childbirth or adoption is paid for up to 18 weeks. The benefit is paid to one parent or shared between both parents if they are both eligible.

Self-employed persons who earn less than the equivalent of 10 hours a week at the highest adult minimum wage receive the minimum gross weekly benefit.

The minimum gross weekly paid parental leave benefit for self-employed persons is NZ\$165.

The maximum gross weekly paid parental leave benefit is NZ\$564.38.

**Benefit adjustment:** The maximum benefit is adjusted annually on July 1 based on the increase in net average ordinary time weekly earnings. Net average ordinary time weekly earnings are determined by the quarterly employment survey published by Statistics New Zealand. The minimum benefit for self-employed persons is adjusted annually on July 1 based on the increase in the highest minimum wage.

### Workers' Medical Benefits

Free services include inpatient care in public hospitals, maternity care, and most laboratory services. Partial subsidies are provided for general practice visits. Costs for care in a private hospital are not subsidized.

**Cost sharing:** Partial subsidy for approved prescribed medicines, depending on a patient's number of copayments, income, and frequency of use.

Subsequent items are fully subsidized after a patient or family makes 20 copayments of NZ\$5 for each item a year.

Low-income families have access to a Community Services Card (CSC) for reduced prescription charges, after hours doctor visits, specialist visits, children's eyeglasses (up to age 15), emergency dental care, travel and lodging support for certain hospitalizations, and home help.

Persons who do not qualify for a CSC can obtain a High Use Health Card (HUHC) if they have made 12 or more doctor's visits in the last 12 months. The HUHC is for individual use only and is not income tested. For HUHC cardholders, visits are subsidized at NZ\$15 a visit for adults aged 18 or older, and NZ\$20 a visit for children aged 6 to 17.

No reimbursement is provided for dental treatment, physical therapy, or work-related injuries.

The Accident Compensation Corporation (ACC) subsidizes treatment for accident-related injuries.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for workers. Free general practitioner care is provided for children up to age 13; free dental care for children up to age 18.

Special subsidies are provided for low-income families or those who need intensive medical care.

### **Administrative Organization**

Ministry of Social Development (Work and Income) (<https://www.msd.govt.nz/>) administers cash benefits through its service centers.

Ministry of Social Development (Community Services Card Service Center) (<https://www.msd.govt.nz/>) administers Community Services Cards.

Ministry of Health (Sector Services) (<https://www.health.govt.nz/>) administers medical benefits.

The Inland Revenue Department (<https://www.ird.govt.nz/>) administers statutory paid parental leave benefits.

## **Work Injury**

### **Regulatory Framework**

**First laws:** 1900 (worker's compensation) and 1974 (accident compensation).

**Current law:** 2001 (accident compensation), implemented in 2002.

**Type of program:** Universal and employer-liability (through a public carrier) system.

### **Coverage**

**Work injury:** Citizens and residents of New Zealand.

**Nonwork injury:** Citizens and residents of, and temporary visitors to, New Zealand.

## **Source of Funds**

### **Insured person**

**Work injury:** None.

**Nonwork injury:** Contribution rates are set each year based on the actual lifetime cost of injuries, according to a schedule in law.

### **Self-employed person**

**Work injury:** Contribution rates are set each year based on the actual lifetime cost of injuries, according to a schedule in law.

**Nonwork injury:** Contribution rates are set each year based on the actual lifetime cost of injuries, according to a schedule in law.

### **Employer**

**Work injury:** Contribution rates are set each year based on experience ratings and injury risk groups, which take into account both the industry and the employer's performances in injury prevention and returning employees to work.

**Nonwork injury:** None.

### **Government**

**Work injury:** Contributes as an employer.

**Nonwork injury:** The cost of the program for nonearners is financed from general revenues.

## **Qualifying Conditions**

**Work injury benefits:** Must be assessed with a work injury or occupational disease, and be substantially unable to perform usual work as a result of the work injury or occupational disease. A medical practitioner must provide a medical certificate. For noise-induced hearing loss, must be assessed with at least a 6% injury-related loss.

**Nonwork-related injury benefits:** There is a one-week waiting period.

## **Temporary Disability Benefits**

**Temporary disability benefit (Weekly Compensation, earnings tested):** 80% of the worker's average gross weekly earnings in the period before the incapacity began is paid until he or she is able to return to work.

The benefit is paid after a one-week waiting period for as long as a certified incapacity lasts, or up to the normal retirement age or 12 months after the incapacity began (whichever is later). (For work-related injuries, the employer pays benefits for the first week)

The minimum gross weekly temporary disability benefit for incapacitated full-time workers is NZ\$528.

The maximum gross weekly temporary disability benefit is NZ\$1,976.46.

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**Earnings test:** The benefit is reduced by NZ\$1 for every NZ\$1 of earnings above 20% of the worker's weekly earnings used to calculate benefits.

Employers may make an additional weekly payment to increase the employee's income during incapacity to the level of his or her normal wage. The additional payment is exempt from the benefit reduction.

**Benefit adjustment:** Benefits are increased annually based on changes in the labor cost index.

### Permanent Disability Benefits

#### Permanent disability pension

**Lump-sum payment:** A lump sum is paid based on the assessed degree of incapacity: from NZ\$3,345.06 (gross) for an assessed incapacity of 10% to NZ\$133,802.28 (gross) for an assessed incapacity of at least 80%. Assessment for entitlement begins two years after the injury occurred or occupational disease began, or once the condition stabilizes, whichever is earlier.

**Independence allowance:** The allowance varies depending on the assessed degree of incapacity: from NZ\$191.36 (gross) for an assessed incapacity of 10% to NZ\$1,148.81 (gross) for an assessed incapacity of at least 80%. The allowance is paid quarterly in addition to other cash assistance for any long-term incapacity resulting from an injury suffered before April 1, 2002. There is no limit to duration.

Medical practitioners assess the degree of incapacity.

**Benefit adjustment:** Benefits may increase if the initial assessed level of incapacity increases.

#### Workers' Medical Benefits

**Medical care:** A copayment may be required for medical care and physical rehabilitation, according to a schedule in law. The worker pays for the full cost of benefits that are not specified. The full cost of elective surgery performed by a contracted provider is fully funded; partially funded if performed by a non-contracted provider.

**Social rehabilitation:** Attendant care, household help, childcare, assistive devices and appliances, modification of motor vehicles and residence, and travel-related costs are provided if there is an assessed need.

**Vocational rehabilitation:** Provided for up to three years (may be extended) to those entitled to compensation for loss of earnings and potential earnings.

#### Survivor Benefits

##### Survivor pension

**Spouse's pension:** 60% of the temporary disability benefit the deceased would have received for a total incapacity is paid. The benefit is paid for up to five years, until the

date the deceased's youngest child reaches age 18, or until the date that the spouse no longer cares for the deceased's children younger than age 18 or any other eligible dependent, whichever is later. (The spouse can choose between survivor benefits under superannuation or work injury.)

**Orphan's pension:** 20% of the temporary disability benefit the deceased would have received for a total incapacity is paid for an orphan up to age 18 (age 21 if a full-time student; no limit if disabled, dependent on the deceased, and with earnings lower than a set amount); 40% for a full orphan.

**Other dependents' pension:** 20% of the temporary disability benefit the deceased would have received for a total incapacity is paid to other dependents with average weekly earnings over a 12 month-period less than the minimum full-time earner rate.

The maximum combined survivor benefit is 80% of the deceased's weekly earnings, up to a maximum.

**Survivor's grant:** A lump sum of NZ\$6,668.03 (gross) is paid to a spouse; NZ\$3,334.04 (gross) to each child younger than age 18 or other dependent.

**Child care:** NZ\$141.79 (gross) a week is paid for one child; NZ\$85.07 (gross) each a week for two children; NZ\$198.51 (gross) a week for three or more children.

**Funeral grant:** A lump sum of up to NZ\$6,219.44 (gross) is paid to a named survivor.

#### Administrative Organization

Ministry of Business, Innovation, and Employment (<https://www.mbie.govt.nz/>) oversees the program and legislation.

New Zealand Treasury (<https://treasury.govt.nz/>) monitors the performance of the Accident Compensation Corporation.

Accident Compensation Corporation (<https://www.acc.co.nz/>) administers the benefits.

Employers may self-manage claims.

## Unemployment

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### Regulatory Framework

**First law:** 1930.

**Current law:** 1964 (social security), implemented in 1965.

**Type of program:** Social assistance system.

### Coverage

Citizens or permanent residents of New Zealand.

Exclusions: Pensioners, full-time students, and striking workers.

## Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost is financed from general revenues.

## Qualifying Conditions

**Unemployment benefit (Job Seeker Support, income tested):** Must be aged 18 or older (aged 20 or older with a dependent child); have at least two years of continuous residence; be available for and actively seeking full-time work and must comply with the work test, which includes acceptance of any offer of suitable employment. The unemployed person is ineligible for benefits for the first 13 weeks in cases of voluntary unemployment or dismissal for serious misconduct (during which time a provisional benefit may be paid if specified tasks are performed for six weeks).

For citizens or permanent residents with less than two years of residency in New Zealand, a benefit may be paid in cases of hardship. For nonpermanent residents, an income- and asset-tested emergency benefit may be paid in cases of hardship.

## Unemployment Benefits

**Unemployment benefit (Job Seeker Support, income tested):** Up to NZ\$215.34 (net) a week is paid if aged 25 or older, single, and with no children; NZ\$179.44 (net) a week if aged 20 to 24 or if aged 18 or 19 and living away from home; NZ\$143.55 (net) a week if aged 18 or 19 and living with a parent.

Up to NZ\$334.05 (net) a week is paid if single with children; up to NZ\$192.25 (net) a week for each member of a married, civil-union or de-facto couple with children or NZ\$179.44 (net) a week without children.

The benefit is paid after a waiting period of up to two weeks, depending on the beneficiary's previous income and family circumstances.

**Income test:** The benefit is reduced by NZ\$0.70 for every NZ\$1 of gross weekly earnings above NZ\$80 for beneficiaries who are not single parents. For single parents, the benefit is reduced by NZ\$0.70 for every NZ\$1 of gross weekly earnings above NZ\$100; by NZ\$0.30 for every NZ\$1 of weekly income from NZ\$100 to NZ\$200; and by NZ\$0.70 for every NZ\$1 of weekly income above NZ\$200.

There is no limit on the period of eligibility for the unemployment benefit but the beneficiary must reapply every 52 weeks.

**Benefit adjustment:** Benefits are adjusted annually on April 1 based on changes in the consumer price index for the previous calendar year.

## Administrative Organization

Ministry of Social Development (Work and Income) (<https://www.msd.govt.nz/>) administers benefits through its service centers and provides a one entry point for financial assistance and employment services via its Work and Income' service line (<https://www.workandincome.govt.nz/>).

## Family Allowances

### Regulatory Framework

**First and current laws:** 1964 (social security), implemented in 1965; 2004 (taxation), implemented in 2005; and 2007 (income tax and tax credits), implemented in 2008.

**Type of program:** Universal and social assistance system.

Note: It is possible to be eligible for more than one tax credit and allowance.

### Coverage

Citizens and legal permanent residents of New Zealand.

## Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost is financed from general revenues.

## Qualifying Conditions

**Sole parent support (social assistance, income tested):**

Paid to a single parent aged 20 or older with a dependent child younger than age 14. Must be available for part-time work or participate in employment training or job placement seminars, depending on the age of the parent's youngest dependent child. Must have at least two years of continuous residence.

**Young parent payment (social assistance, income tested):**

Paid to parents aged 16 to 18 with dependent children. Single parents aged 16 to 17 must be in exceptional circumstances (neither living with nor supported by parents or guardians), divorced or separated, or living at home or financially supported by parents or guardians with earnings below a certain threshold. Parents aged 16 to 18 who are married or in a civil union do not have to be in exceptional circumstances but neither partner must receive certain other benefits in his or her own right. Must be undertaking or available to undertake full-time secondary or tertiary studies, approved training, or approved work-based learning; or must be exempt from this condition due to personal circumstances. Must have at least two years of continuous residence.

For persons with less than two years of residence, a benefit may be paid in cases of hardship. For nonpermanent residents, an income- and asset-tested emergency benefit may be paid in cases of hardship.

**Job seeker support for sole parents (social assistance, income tested):** See Unemployment.

**Emergency maintenance allowance (social assistance, income tested):** Paid to single parents who are ineligible for the sole parent support, job seeker support, supported living payment, youth payment, or young parent payment, and who would experience hardship without the benefit.

**Child disability allowance (universal):** Paid to the principal caregiver of a dependent child with a serious disability.

**Unsupported child's benefit (universal):** Paid for a child younger than age 18 who is financially dependent on the caregiver, and the child's parents (biological, adoptive, or step) are unable to care for him or her. The primary caregiver must be aged 18 or older and expect to care for the child for at least 12 months.

**Youth payment (social assistance, income tested):** Must be aged 16 to 17 with no dependent children. Must be single and in exceptional circumstances (neither living with nor supported by parents or another guardian) or divorced or separated, or must be married or in a recognized union with a person who is not receiving certain benefits in his or her own right. Must be undertaking or available to undertake full-time secondary or tertiary studies, approved training, or approved work-based learning; or must be exempt from this condition due to personal circumstances. Must have at least two years of continuous residence.

For persons with less than two years of residence, a benefit may be paid in cases of hardship. For nonpermanent residents, an income- and asset-tested emergency benefit may be paid in cases of hardship.

**Family tax credit (social assistance, income tested):** Paid to families with dependent children up to age 17 (age 18 if a student). The principal caregiver or the child must meet a family income test and a residence test.

**In-work tax credit (social assistance, income tested):** Paid to families with dependent children up to age 17 (age 18 if a student). A two-parent family must work jointly more than 30 hours a week; 20 hours a week for single parents. Parents receiving paid parental leave or accident compensation for an injury suffered after January 1, 2006, can meet the work hours test. No eligible parent may receive an income-tested benefit, a student allowance, or a parental allowance under the War Pensions Act 1954. The principal caregiver or the child must meet a family income test and a residence test.

**Minimum family tax credit (social assistance, income tested):** Paid to working families with dependent children up to age 17 (age 18 if a student) with annual income less than NZ\$26,156 (net). A two-parent family must be

working jointly more than 30 hours a week; 20 hours a week for single parents. Parents receiving paid parental leave or accident compensation for an injury suffered after January 1, 2006, can meet the work hours test. No eligible parent may receive an income-tested benefit or a student allowance. The principal caregiver or the child must meet a residence test.

**Best Start tax credit (social assistance, income tested):** Paid to families after the end of paid parental leave until the child reaches age 3 (from birth for families who are not entitled to paid parental leave).

**Income test:** An income test is applied once the child reaches age 1. For children younger than age 1, there is no income test.

### Family Allowance Benefits

**Sole parent support (social assistance, income tested):** NZ\$334.05 (net) a week is paid for single parents after a waiting period of up to two weeks, depending on previous income and family circumstances. Other rates depend on age, relationship status, number of dependents, and income.

**Income test:** The benefits are reduced by NZ\$0.30 for every NZ\$1 of gross annual earnings above NZ\$5,200 and by NZ\$0.70 for every NZ\$1 of gross annual earnings above NZ\$10,400.

**Young parent payment (social assistance, income tested):** Up to NZ\$334.05 (net) a week is paid to a single person aged 18 or aged 16 to 17 and receiving no support from his or her parents. Accommodation, utilities, and other related expenses may be paid directly from the benefit payment; a food allowance is credited to a payment card; and a cash allowance is paid.

**Income test:** The benefit is reduced by NZ\$1 for every NZ\$1 of additional income above NZ\$211.96 a week.

**Job seeker support for sole parents (social assistance, income tested):** See Unemployment.

**Emergency maintenance allowance (social assistance, income tested):** NZ\$334.05 (net) a week is paid after a waiting period of up to two weeks, depending on previous income and family circumstances.

**Income test:** The benefit is reduced by NZ\$0.30 for every NZ\$1 of gross annual earnings above NZ\$5,200 and by NZ\$0.70 for every NZ\$1 of gross annual earnings above NZ\$10,400.

**Child disability allowance (universal):** NZ\$47.64 (gross) a week is paid.

**Unsupported child's benefit (universal):** Up to NZ\$209.52 (gross) a week is paid for each eligible unsupported child, depending on age.

**Youth payment (social assistance, income tested):** NZ\$179.44 (net) a week is paid.

Income test: The benefit is reduced by NZ\$1 for every NZ\$1 of additional income above NZ\$211.96 a week.

Benefit adjustment: The sole parent support, the job seeker support for sole parents, the emergency maintenance allowance, the child disability allowance, the young parent payment, and the youth payment are adjusted on April 1 based on changes in the consumer price index for the previous year.

**Family tax credit (social assistance, income tested):**

NZ\$113.04 (gross) a week is paid for the first child and NZ\$91.25 (gross) a week for each additional child.

Income test: The total benefit is reduced by NZ\$0.25 for every NZ\$1 of gross annual earnings above NZ\$42,700.

**In-work tax credit (social assistance, income tested):**

Up to NZ\$72.50 (gross) a week is paid for up to three eligible children; NZ\$15 (gross) a week for each additional child.

Income test: The total benefit is reduced by NZ\$0.2225 for every NZ\$1 of gross annual earnings above NZ\$36,350.

**Minimum family tax credit (social assistance, income tested):** A guaranteed gross income for working families of NZ\$26,156 a year is paid.

**Best Start tax credit (social assistance, income tested):**

Up to NZ\$60 a week is paid for each eligible child.

Income test: For a child aged 1 or older, the benefit is reduced by NZ\$0.21 for every NZ\$1 of gross annual earnings above NZ\$79,000; for a child younger than age 1, there is no income test.

Benefit adjustment: The family tax credit and the best start tax credit are automatically adjusted when the cumulative increase in the consumer price index reaches 5%. The in-work tax credit is subject to periodic review; the minimum family tax credit is reviewed annually; and both are adjusted at the discretion of the government.

**Administrative Organization**

Ministry of Social Development (Work and Income) (<https://www.msd.govt.nz/>) administers allowances through its service centers.

Inland Revenue Department (<http://www.ird.govt.nz/>) administers the in-work tax credit, minimum family tax credit, best start tax credit, and family tax credit for working families who do not receive a benefit.