Bonus Payment Programme

At Wellington this 14th day of September 2026

Minister for Social Development and Employment

This welfare programme for special assistance is established and approved under section 101 of the Social Security Act 2018 by the Minister for Social Development and Employment.

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Explanatory Note

Clause 1. Title

This programme is the Bonus Payment Programme.

Clause 2. Commencement

This programme comes into effect on 20 October 2026.

Clause 3. Purpose

The purpose of this programme is to provide for a payment to reward young, long-term jobseekers who have worked with a community job coach and left jobseeker support to go into employment.

Clause 4. Interpretation

(1) In this programme, unless the context otherwise requires,-

Act means the Social Security Act 2018

community job coach means a person engaged under a contracted provider through the community job coaching programme administered by MSD to support young people into employment

employment, in relation to an applicant, means-

(a) work under a contract of service or an apprenticeship; or

(b) self-employment of the person in any business, profession, trade, manufacture, or undertaking

full-time employment, in relation to an applicant, means employment-

(a) in which a person works no less than an average of 30 hours each week; or

(b) that is regarded as full-time employment under the applicant's employment agreement for the purposes of any award, agreement, or contract relating to that employment, even if the applicant works less than an average of 30 hours each week

minimum employment income means the amount of gross income (before income tax) that would reduce the rate of jobseeker support to zero, if the relevant income test is applied to the rate of jobseeker support set out in clause 1(b) of Part 1 of Schedule 4 of the Act

part-time employment, in relation to an applicant, means employment that is not full-time employment, but is employment in which a person works no less than an average of 15 hours each week

sustainable employment means a period of employment that is permanent, a fixed term contract that ends no less than 3 months after the date of application, or employment that is otherwise expected to last no less than 3 months after the date of application.

(2) Other terms defined in Schedule 2 of the Act have the same meanings in this programme.

Clause 5. Application of the Social Security Act 2018

(1) Sections 6, 18, 19, 24, 110, 111, 217, 290, 292, 293, 298, 299, 301, 304-306, 337, 339, 340, 353, 362, 417 and clause 1 of Schedule 6 (see also the Social Security Regulations 2018) of the Act apply to the following as if payments made under this programme were a benefit under the Act:

(a) this programme:

(b) any applicant for assistance under this programme:

(c) any person granted assistance under this programme.

(2) Nothing in subclause (1) limits the application of any other provision of the Act.

Clause 6. Payment of assistance

MSD must make a payment to an applicant under this programme if-

(a) the applicant is eligible under clause 7; and

(b) the applicant is not ineligible under clause 8; and

(c) the applicant meets the application requirements under clause 10.

Clause 7. Eligibility

(1) An applicant is eligible under this programme if MSD is satisfied that the applicant-

(a) was aged 18 to 24 years inclusive on the date they were referred to a community job coach; and

(b) was granted jobseeker support; and

(c) had remained entitled to jobseeker support for a continuous period of 12 or more months on the date they were referred to a community job coach; and

(d) obtained employment while they were enrolled with a community job coach; and

(e) had their jobseeker support cancelled while they were enrolled with a community job coach; and

(f) is not receiving, and has not received, a main benefit or a student allowance at any time from the date on which the applicant's jobseeker support was cancelled to the date the applicant applied for a payment under this programme; and

(g) is employed at the date of application.

(2) In relation to the employment referred to in paragraph (1)(d), MSD must be satisfied that the applicant had informed the community job coach, or the community job coach was otherwise aware of that employment, while the applicant was enrolled with the community job coach.

Clause 8. Ineligibility

An applicant is ineligible under this programme if-

(a) the applicant has previously received a payment under this programme; or

(b) the applicant has received any of the following payments in relation to the employment referred to in clause 7(1)(d):

(i) an In-Work Payment, an incentive payment described in clause 6A(a)(i) of the Schedule to the Employment and Work Readiness Assistance Programme, made to a person who had a High Entry-Exit Client programme tag and was participating in the in-work support service:

(ii) a Mana in Mahi incentive payment, as described in clause 6A(b) of the Schedule to the Employment and Work Readiness Assistance Programme.

Clause 9. Employment requirement

(1) An applicant meets the employment requirement in clause 7(1)(d) if the applicant-

(a) obtained full-time employment; or

(b) obtained part-time employment, if the applicant had been subject to part-time work-test obligations, or work preparation obligations, immediately before the date on which the

applicant's jobseeker support was cancelled; or

(c) was receiving, was contracted to receive, or during their regular hours of work would have received, income from that employment on average no less than the minimum employment income each week.

(2) An applicant meets the employment requirement in clause 7(1)(g) if, at the date of the application,-

(a) the applicant:

(i) is in full-time employment; or

(ii) is in part-time employment, if the applicant had been subject to part-time work-test obligations, or work preparation obligations, immediately before the date on which the applicant's jobseeker support was cancelled; or

(iii) receives, is contracted to receive, or during their regular hours of work would receive, income from that employment on average no less than the minimum employment income each week; and

(b) the applicant is in sustainable employment.

Clause 10. Application for payment

(1) MSD must not make a payment under this programme unless MSD has received-

(a) an application in such form as MSD from time to time prescribes; and

(b) any supporting evidence reasonably required by MSD.

(2) The application referred to in subclause (1) does not have to refer to assistance of any particular kind.

(3) MSD must not make a payment under this programme unless an application for the purposes of subclause (1) is received by MSD during the period commencing 12 months after the date on which the applicant's jobseeker support was cancelled and ending at the close of the day that is 15 months after the date on which the applicant's jobseeker support was cancelled.

(4) MSD must not make a payment under this programme unless the person making an application for the purposes of subclause (1) is ordinarily resident and present in New Zealand at the time they apply for a payment.

Clause 11. Rate of assistance

Payments under this programme must be paid to the applicant as one lump sum of $1,000.

Clause 12. When this programme expires

This programme expires on the close of 30 June 2029.

Explanatory Note

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

This welfare programme, which comes into effect on 20 October 2026, provides for a one-off, lump sum payment of $1,000 to be made as a reward to young jobseekers who have worked with a community job coach, have left benefit and remain off benefit, and are employed when they apply for the payment.

To be eligible for a bonus payment, an applicant must:

- have been under 25 years old and been receiving jobseeker support for 12 months when they were referred to a community job coach
- have started employment and left benefit while enrolled with a community job coach
- not have received a main benefit or student allowance since leaving benefit to enter employment
- be employed at benefit exit and the time of application
- be in indefinite employment at the time of application, or employment that is expected to last at least three months
- apply for a payment after 12 months but no later than 15 months after exiting benefit into employment.

The applicant's employment is generally expected to reflect the work obligations the applicant was subject to when they were on jobseeker support.