Social Security (Accident Compensation and Calculation of Weekly Income) Amendment Act 2026

Public Act	2026 No 6
Date of assent	10 March 2026
Commencement	see section 2

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The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Social Security (Accident Compensation and Calculation of Weekly Income) Amendment Act 2026.

2 Commencement

This Act comes into force on 11 March 2026.

Section 2: editorial change made by the PCO, on 22 April 2026, under sections 86(1) and 87(m) of the Legislation Act 2019 (2019 No 58).

3 Principal Act

This Act amends the Social Security Act 2018.

Part 1
Amendments relating to accident compensation and calculation of weekly income

4 Section 198 amended (Loss of earnings compensation under Accident Compensation Act 2001)

(1) Before section 198(1), insert:

Purpose of this section

(1AAA) The purpose of this section is to require MSD, before a specified benefit payable to a person (**P**) is paid, to reduce the rate of that specified benefit that would, but for this section, be payable to P, in order to prevent the situation that is the occurrence of both of the following:

(a) P receives, in respect of a period, the rate of the specified benefit that would, but for this section, be payable to P; and

(b) P or P's spouse or partner receives, in respect of all or part of the same period, amounts of weekly loss of earnings compensation.

When this section applies

(2) Before section 198(2), insert:

Duty to reduce rate of specified benefit by amount of weekly loss of earnings compensation

(3) Before section 198(3), insert:

Meanings of specified benefit and weekly loss of earnings compensation

(4) In section 198(3), after "In this section", insert "and section 198A".

(5) After section 198(3), insert:

This section does not limit section 252 of Accident Compensation Act 2001, etc

(4) This section does not limit—

(a) section 252 of the Accident Compensation Act 2001 (under which a specified benefit, after it is received in respect of a period, is regarded as having been paid in respect of a later-established claim to an entitlement from the Accident Compensation Corporation in respect of all or part of the same period); or

(b) section 198A of this Act (how section 252 of Accident Compensation Act 2001 affects entitlement to, and rate of, specified supplementary assistance).

5 New section 198A inserted (How section 252 of Accident Compensation Act 2001 affects entitlement to, and rate of, specified supplementary assistance)

After section 198, insert:

198A How section 252 of Accident Compensation Act 2001 affects entitlement to, and rate of, specified supplementary assistance

When this section applies

(1) This section applies only if MSD is satisfied that—

(a) a beneficiary has received a payment of an instalment of a specified benefit in respect of a period under section 252(1)(a) of the Accident Compensation Act 2001; and

(b) the beneficiary has later established a claim to an entitlement from the Accident Compensation Corporation in respect of all or part of the same period under section 252(1)(b) of that Act; and

(c) all of the payment of the instalment is an excess benefit payment under section 252(2), (3), and (5) of that Act and is refunded, or is required to be refunded, under section 252(4) of that Act; and

(d) the beneficiary has received 1 or more payments of specified supplementary assistance in respect of the same period under this Act.

Review of entitlement to, and rate of, specified supplementary assistance

(2) MSD must assess the following matters:

(a) whether the beneficiary was entitled to receive the specified supplementary assistance that was paid to them:

(b) whether the beneficiary was entitled to receive the rate of specified supplementary assistance that was paid to them.

(3) MSD must assess those matters—

(a) in a review under section 304 or 310B if MSD is satisfied because of the review that this section applies; or

(b) in any other case, in a review under section 304 that this paragraph requires MSD to carry out if MSD is satisfied that this section applies.

(4) In assessing those matters, MSD (and the appeal authority, or a court, on an appeal against a decision made by MSD) must take the beneficiary—

(a) not to have been entitled to the instalment of the specified benefit; and

(b) not to have received the instalment of the specified benefit.

Meaning of specified supplementary assistance

(5) In this section, **specified supplementary assistance** means all or any of the following assistance:

(a) accommodation supplement:

(b) winter energy payment:

(c) disability allowance under subpart 14 of Part 2 (whether it is—

(i) disability allowance under section 85; or

(ii) special disability allowance under section 89):

(d) temporary additional support:

(e) a special benefit continued under section 23 of the Social Security (Working for Families) Amendment Act 2004 (as that section is saved by clause 19 of Schedule 1 of this Act):

(f) special assistance under the Temporary GST Assistance Programme—

(i) approved and established under section 124(1)(d) of the Social Security Act 1964 on 27 August 2010; and

(ii) saved by clause 21 of Schedule 1 of this Act as if it were approved and established under section 101 of this Act.

6 Schedule 2 amended

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

Accident Compensation Corporation means the Accident Compensation Corporation continued by section 259 of the Accident Compensation Act 2001

specified supplementary assistance is defined in section 198A(5) for the purposes of section 198A and Part 11 of Schedule 1

week day is defined in clause 13(3E) of Schedule 3 for the purposes of clause 13(3D)(c) of Schedule 3

(2) In Schedule 2, definition of **debtor's payer**, replace paragraph (b) with:

(b) the Accident Compensation Corporation or an accredited employer (as defined in section 6(1) of the Accident Compensation Act 2001) in respect of weekly compensation payable to the debtor under that Act:

(3) In Schedule 2, definition of **specified benefit**, paragraph (a), replace "section 198" with "sections 198 and 198A and Part 11 of Schedule 1".

7 Schedule 3 amended

(1) In Schedule 3, before clause 13(1), insert:

How weekly income is calculated

(2) In Schedule 3, replace clause 13(2) and (3) with:

Periods to which income (other than annual holiday pay income) relates

(1A) MSD must, in calculating a person's weekly income under subclause (1), determine the period or periods to which any income (other than annual holiday pay income) relates based only on—

(a) the extent to which it was earned in that period or those periods; or

(b) the extent to which any other entitlement to it arose in, or in respect of, that period or those periods.

Example

Period based only on when entitlement to income arose

A person (**P**) receives income that is a lump sum of weekly loss of earnings compensation (as defined in section 198(3)).

P's entitlement to the compensation arose in, or in respect of, a period some or all of which is earlier than the following times:

- the time at which P established the claim for the compensation:
- the time at which P received the compensation.

MSD must determine the period or periods to which the income relates based only on the extent to which P's entitlement to it arose in, or in respect of, that period or those periods.

(2) If MSD cannot determine the period or periods to which any income relates under subclause (1A), MSD may, in calculating a person's weekly income under subclause (1), determine the period or periods to which any income relates having regard to the period or periods for which it was otherwise received, acquired, paid, provided, or supplied.

(3) MSD's determination under subclause (1A) or (2) is not limited to, or by, the exact time or times of the relevant earning, entitlement, receipt, acquisition, payment, provision, or supply referred to in that subclause.

Periods to which annual holiday pay income relates

(3A) MSD must, in calculating a person's weekly income under subclause (1), determine the period or periods to which annual holiday pay income relates based only on the extent to which, in that period or those periods, the person does, or is treated as having done, any of the 3 things set out in subclause (3B), (3C), or (3D).

(3B) The first thing is that the person takes the annual holidays concerned during their employment (regardless of whether and, if so, when the person is paid, and receives, the annual holiday pay income).

(3C) The second thing is that the person receives the annual holiday pay income, if—

(a) the person does not take the annual holidays concerned during their employment; and

(b) the annual holiday pay income is paid to and received by the person before the time that their employment ends; and

(c) the annual holiday pay income is not paid to and received by the person in relation to termination of their employment.

(3D) The third thing is that the person is under paragraph (c) of this subclause treated as having taken the annual holidays concerned, if—

(a) the person does not take the annual holidays concerned during their employment; and

(b) the annual holiday pay income is paid to and received by the person—

(i) after the time that their employment ends; or

(ii) before or at the time that their employment ends and in relation to termination of their employment; and therefore

(c) this paragraph requires the person to be treated for the purposes only of subclause (3A) as if they had taken the annual holidays concerned starting on the first week day after their employment ends.

(3E) In subclause (3D)(c), a **week day** means a day—

(a) that is a day of the week other than a Saturday or a Sunday; and

(b) whether or not a public holiday falls on that day.

This clause does not apply to information share child support payments

Part 2
Amendment relating to transitional, savings, and related provisions

8 Schedule 1 amended

In Schedule 1,—

(a) insert the Part set out in the Schedule of this Act as the last Part; and

(b) make all necessary consequential amendments.

Schedule
New Part 11 inserted into Schedule 1

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Part 11
Provisions relating to Social Security (Accident Compensation and Calculation of Weekly Income) Amendment Act 2026

104 Definitions for this Part

In this Part, unless the context otherwise requires,—

amendment Act means the Social Security (Accident Compensation and Calculation of Weekly Income) Amendment Act 2026

amendments means the amendments made by the amendment Act

changeover means 2 pm on 17 February 2026

commencement means the amendment Act's commencement

proceedings, before a benefits review committee, the appeal authority, or a court, means proceedings before a benefits review committee, the appeal authority, or the court on—

(a) a review by a benefits review committee under, and begun in accordance with,—

(i) this Act and regulations made under this Act (*see* sections 391 to 394 and regulations made under section 451); or

(ii) corresponding former legislation; or

(b) an appeal to the authority under, and begun in accordance with,—

(i) this Act and regulations made under this Act (*see* sections 397 to 400 and 403 and regulations made under section 451); or

(ii) corresponding former legislation; or

(c) an appeal to the court under, and begun in accordance with,—

(i) this Act and regulations made under this Act (*see* sections 405 to 407, 409, and 410 and regulations made under section 451) and applicable rules of court; or

(ii) corresponding former legislation

specified benefit has the meaning given to it by section 198(3)

specified supplementary assistance has the meaning given to it by section 198A(5).

105 Benefits, supplementary assistance, and income affected

Specified benefits and specified supplementary assistance affected

(1) The amendments apply, after commencement, to a specified benefit and to specified supplementary assistance, whether that benefit or assistance is—

(a) granted before, on, or after commencement:

(b) payable before, on, or after commencement.

(2) A reference in section 198 or 198A to any specified benefit or specified supplementary assistance includes a reference to former assistance—

(a) that corresponds to the specified benefit or to the specified supplementary assistance; and

(b) under former corresponding legislation.

Accident compensation entitlement before, on, or after commencement

(3) This clause applies to the specified benefit or specified supplementary assistance regardless of whether the following happened, in whole or in part, before, on, or after commencement (under any accident compensation legislation in force at the relevant time):

(a) the period or periods in which, or in respect of which, an entitlement from the Accident Compensation Corporation arose (for example, an entitlement to weekly loss of earnings compensation):

(b) the establishment of the claim to an entitlement of that kind:

(c) receipt, acquisition, payment, provision, or supply of an entitlement of that kind.

Income affected

(4) Clause 13(1A) to (3E) of Schedule 3 (as inserted by the amendments) applies, after it commences, to income regardless of whether the following happened, in whole or in part, before, on, or after commencement:

(a) the income was earned:

(b) entitlement to the income otherwise arose:

(c) the income was otherwise received, acquired, paid, provided, or supplied.

(5) Clause 13(1A) to (3E) of Schedule 3 (as inserted by the amendments) applies, after it commences, to income regardless of whether the income is—

(a) income for the purposes of this Act; or

(b) income for the purposes of former corresponding legislation.

Relationship with related clauses

(6) This clause is subject to clauses 106 to 108.

106 Validation of certain pre-commencement decisions

Validation

(1) A decision by MSD that is made before commencement is valid from when the decision is made if subclause (2) or (3) applies to the decision.

Would be lawful if amendments were in force when it was made

(2) This subclause applies to the decision if it—

(a) was, or may have been, unlawful when it was made; but

(b) would be lawful if the amendments were in force when it was made.

Would be lawful if inconsistency with specified decisions were required to be disregarded when it was made

(3) This subclause applies to the decision if it—

(a) was, or may have been, unlawful when it was made; but

(b) would be lawful if inconsistency with the following were required to be disregarded when it was made:

(i) the decisions specified in clause 107(2)(a) to (c):

(ii) any other decisions—

(A) of the appeal authority or a court; and

(B) to the same effect, or to materially similar effect, in substance.

Relationship with related clauses

(4) This clause is subject to clauses 107 and 108.

107 Contrary decisions overridden

Clauses apply despite contrary decisions

(1) Clauses 105 and 106 apply despite any contrary decision of the appeal authority or a court in proceedings begun, whether or not they are finally determined (including any rehearing, retrial, or appeal), before the changeover.

Examples of contrary decisions

(2) Examples of any contrary decision (*see* subclause (1)) include—

(a) *Chief Executive of Ministry of Social Development v B* [2025] NZHC 3042:

(b) *Appeal to Social Security Appeal Authority* [2024] NZSSAA 12:

(c) *Appeal to Social Security Appeal Authority* [2024] NZSSAA 10.

Clause does not affect saving for proceedings begun before changeover

(3) This clause does not affect—

(a) clause 108(2) (clauses 105 to 107 do not apply to proceedings begun, whether or not they are finally determined (including any rehearing, retrial, or appeal), before the changeover); or

(b) the position of any particular party under any contrary decision in proceedings begun, whether or not they are finally determined (including any rehearing, retrial, or appeal), before the changeover.

108 Effect on proceedings

New law applies only to proceedings begun on or after changeover

(1) Clauses 105 to 107 apply to proceedings before a benefits review committee, the appeal authority, or a court only if those proceedings are begun on or after the changeover.

Old law saved for proceedings begun before changeover

(2) Proceedings before a benefits review committee, the appeal authority, or a court that are begun, whether or not they are finally determined (including any rehearing, retrial, or appeal), before the changeover—

(a) are not subject to clauses 105 to 107; and

(b) continue as if the amendments (apart from this clause) had not been enacted.

Legislative history

17 February 2026	Introduction (Bill 248–1), first reading and referral to Social Services and Community Committee
26 February 2026	Reported from Social Services and Community Committee
3 March 2026	Second reading
4 March 2026	Committee of the whole House (Bill 248–2)
5 March 2026	Third reading
10 March 2026	Royal assent

This Act is administered by the Ministry of Social Development.

Wellington, New Zealand:
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