



13 December 2024

Tēnā koe

### **Official Information Act request**

Thank you for your email of 30 October 2024, requesting information on the Jobseeker Support target.

I have considered your request under the Official Information Act 1982 (the Act). Please find my decision on your request set out below.

Please note that the Ministry has published material relating to your request on our website here:

- [www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/official-information-responses/2024/august/28082024-aide-memoires-relating-to-jobseeker-reduction-target-aotearoa-disability-enterprises.pdf](http://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/official-information-responses/2024/august/28082024-aide-memoires-relating-to-jobseeker-reduction-target-aotearoa-disability-enterprises.pdf).
- [www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/official-information-responses/2024/may/30052024-correspondence-between-the-minister-for-social-development-and-the-ministry-in-regards-to-jobseeker-targets.pdf](http://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/official-information-responses/2024/may/30052024-correspondence-between-the-minister-for-social-development-and-the-ministry-in-regards-to-jobseeker-targets.pdf).

In particular, the following documents have been identified as in scope of your request, but are already publicly available at the above links:

- REP/24/5/458 - Aide-memoire to support Jobseeker Reduction Target A3
- REP/24/1/009 Report Responding to the Prime Minister's letter 'Setting our priorities for the next three years'
- REP/24/1/037 Ministerial priorities letter – first draft
- REP/24/1/057 Ministerial priorities letter – second draft

In addition, please find attached the following documents:

- Final Target 5 – Quarterly Report submitted to DPMC as at June 2024
- REP/24/7/621 – Jobseeker target quarterly reporting for feedback
- REP/24/10/944 – Quarterly Reporting on the Jobseeker Support Target
- Appendix 1 – Target 5 Quarterly Report Q3 2024

Some information is withheld under section 9(2)(f)(iv) of the Act to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials. The release of this

information is likely to prejudice the ability of government to consider advice and the wider public interest of effective government would not be served.

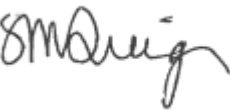
Please note that some information outside the scope of your request has been withheld as such.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

If you wish to discuss this response with us, please feel free to contact [OIA\\_Requests@msd.govt.nz](mailto:OIA_Requests@msd.govt.nz).

If you are not satisfied with my decision on your request, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or 0800 802 602.

Ngā mihi nui

pp. 

Magnus O'Neill  
**General Manager**  
**Ministerial and Executive Services**



Target 5 – Fewer people on the Jobseeker Support benefit

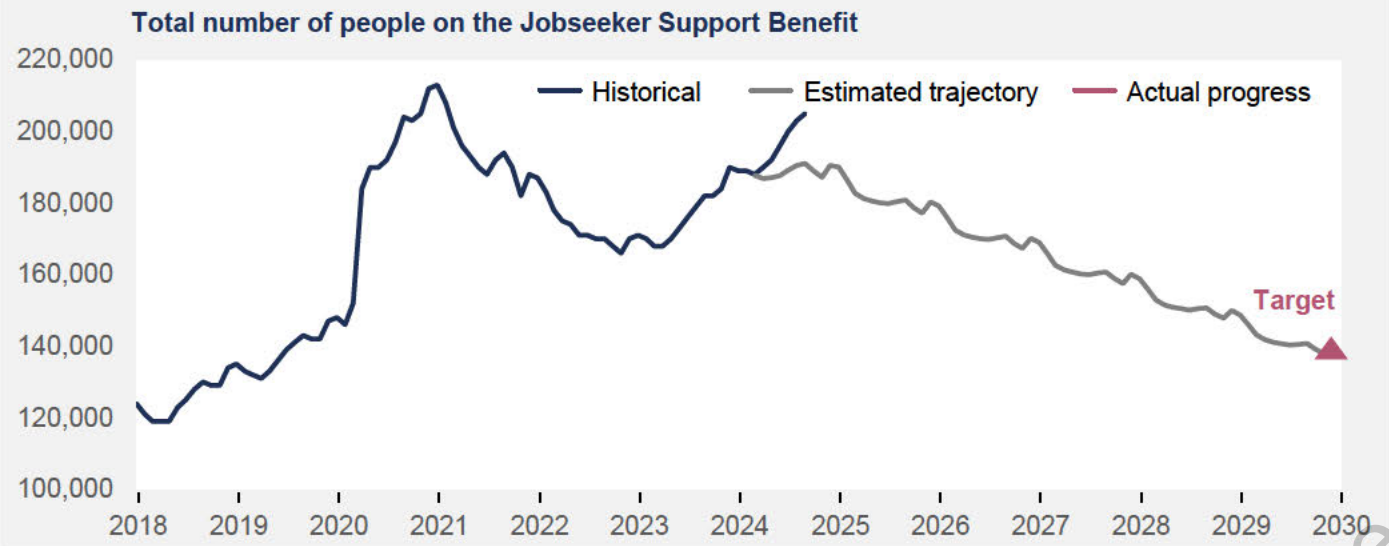
Fifty thousand fewer people on the Jobseeker Support benefit.

Quarter ending  
30 September 2024

Current Target Performance

Status	Target (Dec 2029)	Current performance at Sep-24	Change vs last quarter
<div></div>	50k reduction (140k people)	204,800	+8,400

Trajectory towards target



What are the key issues and risks?

**Economic outlook** – Economic conditions drive changes in the number of benefit recipients. Consistent with the Treasury’s economic outlook, Jobseeker Support (JS) is forecast to increase to peak in January 2025, before decreasing as economic conditions begin to improve.

**Health outcomes** – Health Condition and Disability clients make up around 43 percent of JS recipients and has contributed towards 5,350 of this quarters increase in JS over the last quarter. Successfully addressing barriers and assisting this cohort into employment often requires working alongside health services and developing specialised support. Further system level change and integration will be required to strengthen and reinforce MSD’s services for this cohort to achieve the target.

**Immigration** – The number of Accredited Employer Work Visas (AEWV) being granted for entry level and lower skilled roles impacted MSD’s ability to place clients into the local labour market. However, recent changes will help to reduce immigration at the lower-skilled end of the labour market.

**Staffing and income support pressures** – MSD’s frontline staff provide employment support and administer benefits. As a result, any changes to benefit inflows, or staffing constraints on the frontline will impact progress towards the target.

Actions and Insights

What is driving changes in performance vs. last quarter?

The number of people on JS has been rising (excluding usual seasonal factors) over the last quarter. This is due to a rising number of people coming on to benefit. The increase reflects the weakening of economic conditions, as the Reserve Bank of New Zealand has kept interest rates high to reduce inflation from its peak. Despite the economic challenges the number of people who exit JS into employment has increased by 2,500 compared to the same quarter last year.

What is the progress of key initiatives that support target delivery?

**Resetting Case Management and the Employment Investment Strategy** – From 1 July 2024, MSD began resetting caseloads within case management to focus on Jobseeker Support cohorts, specifically those with work obligations. A new Employment Investment Strategy is also being implemented, reflecting these cohorts to ensure that support and investment is directed towards cohorts that will have the biggest impact on the target.

**Phone-based Case Management** – A new service started on 1 July 2024 offering phone-based case management (PBCM) for 4,000 Jobseeker Support youth clients. MSD is progressing plans to increase capacity in PBCM further to reach 10,000 by the end of the year

**Kōrero Mahi Seminars** – MSD has been expanding the number of one-to-many seminars as part of the Kōrero Mahi offering. **Let’s Talk Work** has been running since February 2024 and ensures all new entrants to Jobseeker Support are informed of their obligations and available supports. **Work Check-In** seminars began in June with clients who have been on Jobseeker Support for 26 weeks and ensures they are supported to take steps towards work. **Into Work** began in September and will support clients with work preparation obligations to get information about the supports available to them.

**Welfare that Works – Community coaches**. Year 1 of Welfare that Works will be starting with 2,100 places for youth Jobseeker Support clients offering needs assessments and individual plans. The first contracts were progressively in place by 1 July.

**Improving focus on Jobseekers** – As recently announced, MSD is ensuring that flagship programmes such as Flexi-Wage and Mana in Mahi have a stronger focus on beneficiaries. We are aiming for 70-75% of Flexi-wage recipients and 40-50% of Mana in Mahi recipients to be on Jobseeker (including Work Ready and Health Condition or Disability)

**Welfare System Changes** – MSD has implemented the first non-legislative changes for the new traffic light system intended to ensure jobseekers are aware and up-to-date with their obligations. Work is continuing to implement the 26-week reapplication change.

**Individual Employment Plans** – We are implementing individual employment plans for clients to ensure they have a clear list of actions and expectations for getting into work

What decisions and actions are required from Ministers?

Drafting of legislation to introduce the Traffic Light System and 26-week Re-applications is underway. The Bill is on track to be introduced in December 2024. Legislative change will be enacted by May 2025 (depending on Bill timings) to enable full policy changes.



## Target 5 – Supporting indicators

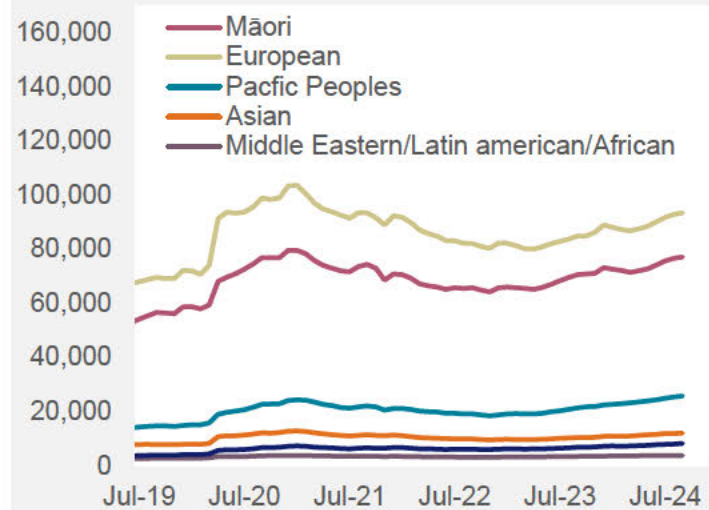
Economic activity as measured by GDP decreased in the June 2024 quarter and in the year to June 2024 as interest rates were raised to reduce economic activity and inflation. As a result, there has been an increase in the number of people being granted a Jobseeker Support benefit.

Quarter ending  
30 September 2024

### Target Breakdown

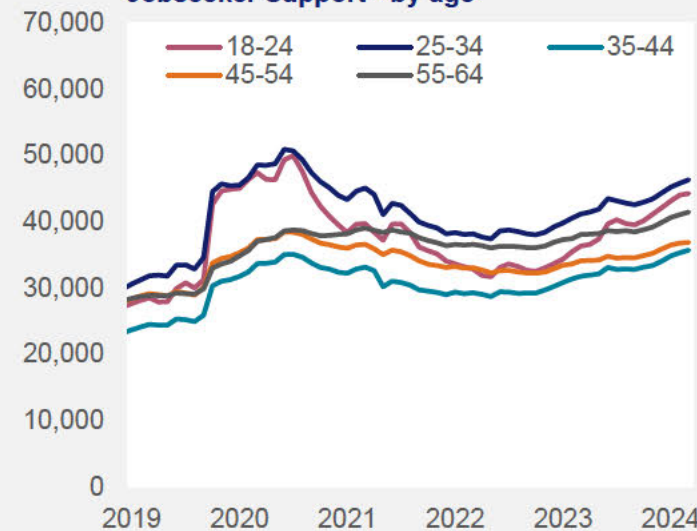
#### Demographic Breakdown

Jobseeker Support - ethnicity (total response)



As at the end of Sep 2024, European and Māori make up most of the recipients on JS (49% and 40% respectively). In the last quarter, both increased by 4%.

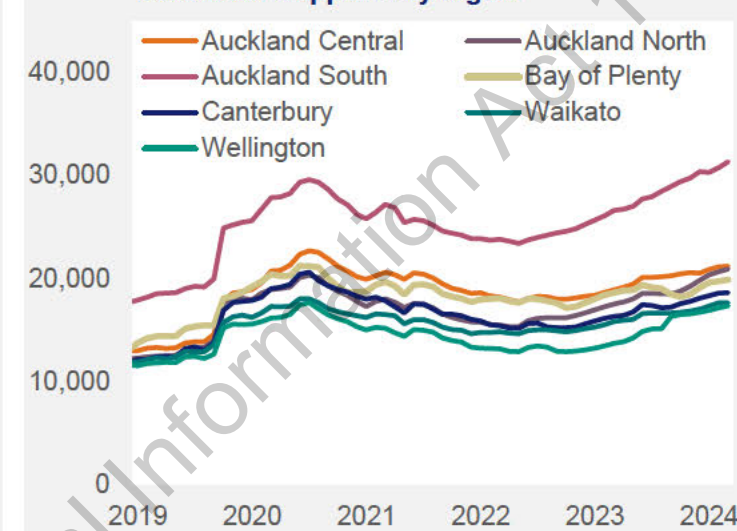
Jobseeker Support - by age



Youth (18-24) on JS have seen larger increases than other age bands in the past year. In the last quarter, youth increased by 5%.

#### Geographic Breakdown

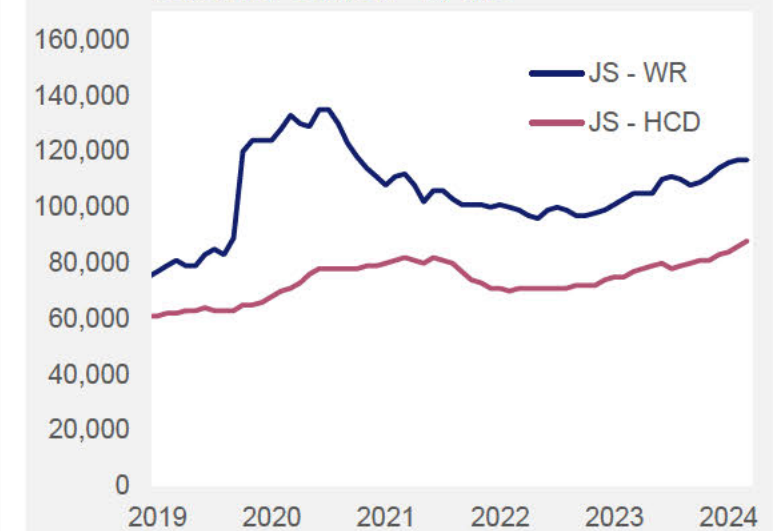
Jobseeker Support - by region



As at the end of Sep 2024, most recipients on JS were in Auckland South (15%). In the last quarter, East Coast increased the most by 9%.

#### Jobseeker Support – Breakdown

Jobseeker Support – by type

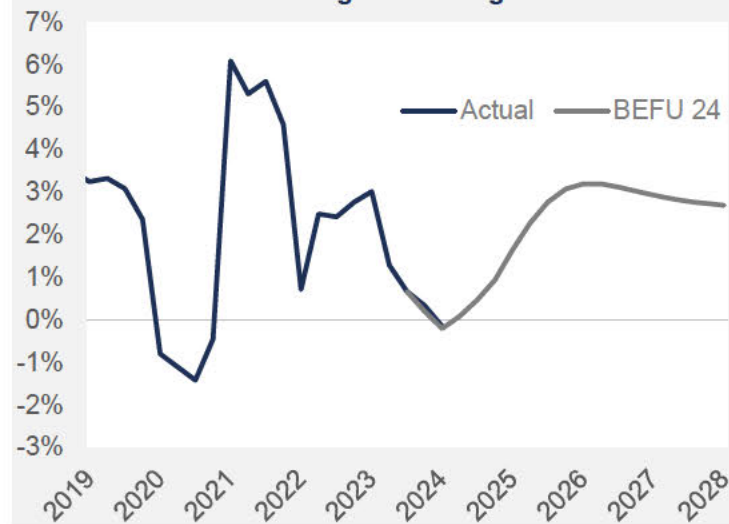


As at the end of Sep 2024, around 57% of people receiving JS were receiving JS – WR, and around 43% were receiving JS – HCD.

### Leading Indicator

#### Leading Indicator – GDP growth

GDP - Annual Average Percentage Growth



Treasury's GDP forecast is a direct input into the Jobseeker Support – Work Ready forecast. During periods of weaker economic growth, it becomes harder for people to find and retain work.

### System Indicators

#### System Indicator 1 - Grants

Number of grants in each Sept quarter for Jobseeker Support



In July – Sep 2024 there were around 43,300 JS grants. This is around 5,600 more than in the same period in 2023 and has been increasing since 2022.

#### System Indicator 2 - Exits

Number of exits in each Sept quarter for Jobseeker Support



In July – Sep 2024 around 34,000 people left JS. Of these, around 16,100 left JS to enter work\*. There were around 5,200 more total exits than in the same period in 2023.

\*based on when clients advise MSD they have exited to employment.

#### System Indicator 3 - Sanctions

Number of Sanctions applied in each Sept quarter for Jobseeker Support



In July – Sep 2024 there were around 14,200 sanctions applied to JS recipients. This is around 8,500 more sanctions than in the same period in 2023.

# Report



MINISTRY OF SOCIAL  
DEVELOPMENT  
TE MANATŪ WHAKAHIATO ORA

**Date:** 10 October 2024      **Security Level:** In Confidence  
**To:** Hon Louise Upston, Minister for Social Development and  
Employment  
**File Reference:** REP/24/10/944

## Quarterly Reporting on the Jobseeker Support Target

### Purpose of the report

- 1 To provide you with the second Jobseeker Support (JS) target quarterly report for the quarter ending September 2024 and to seek agreement to submit the report to the Department of the Prime Minister and Cabinet (DPMC) on 18 October 2024.

### Executive summary

- 2 To support the monitoring of Government targets DPMC has requested quarterly reporting on agencies' progress towards their targets from lead Ministers.
- 3 The second quarterly targets report is due to DPMC on 18 October 2024 before going to Cabinet on 25 November 2024 and will be proactively released shortly after.
- 4 Alongside the quarterly reporting, we have agreed to provide you with supplementary information to support this reporting which will include insights and intelligence from the last quarter and how we are using this information to adjust the delivery plan.

### Recommended actions

It is recommended that you:

- 1 **note** the key points from the second quarterly Jobseeker Support Targets report.
- 2 **note** that we have included the proportion of Jobseeker Support – Work Ready (JS – WR) and JS – Health Condition or Disability (JS – HCD) on the second page of the report.



- 3 **agree** that the status for achieving the Jobseeker Support target remains at "Feasible".

**Agree** / Disagree

- 4 **note** that the final quarterly report is due to DPMC on 18 October before going to Cabinet on 25 November 2024 and will be proactively released by DPMC.

- 5 Out of scope



Sacha O'Dea  
Deputy Chief Executive  
Strategy and Insights

10/10/24

Date



Hon Louise Upston  
Minister for Social Development and  
Employment

22/10/24

Date

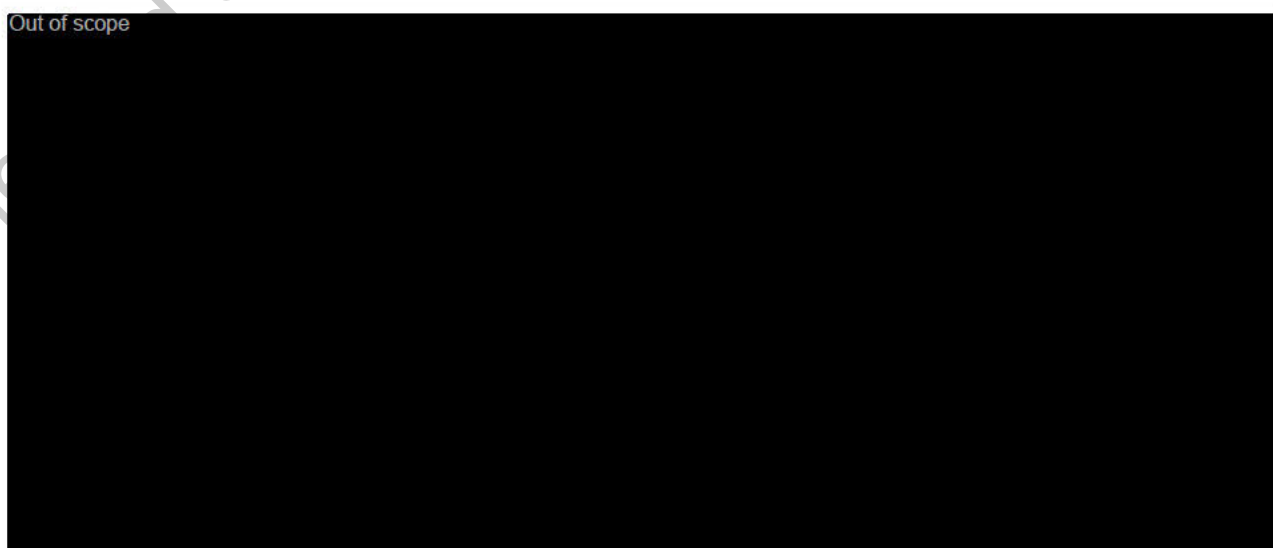
## Background

- 5 To support the monitoring of Government targets DPMC has requested quarterly reporting on agencies' progress towards their targets from lead Ministers.
- 6 This is the second quarterly JS target reporting. The first dashboard was sent to you on 4 July (REP/24/7/621) and outlined the initial guidance provided by DPMC for the content of the quarterly report.

## Key points from the second Quarterly Jobseeker Support Targets report

- 7 Between the June 2024 and September 2024 quarters, the number of people receiving JS has increased by 8,400 to 204,800.
- 8 The increase in JS over this quarter is due to a rising number of people coming on to benefit. This increase reflects the weakening of economic conditions, as the Reserve Bank of New Zealand has kept interest rates high to reduce inflation from its peak.
- 9 Despite economic challenges, the number of people who exited JS into employment has increased by 2,500 compared to the same quarter last year (16,100 vs. 13,600).
- 10 MSD has retained the status for achieving the JS target as "Feasible". While there are risks with the expected increase in the number of Jobseekers to January 2025, we consider the target to be achievable at this stage.
- 11 The number of people on Jobseeker Support – Health Condition or Disability (JS – HCD) increased by around 5,400 over the last quarter. JS – HCD clients make-up around 43 percent of the JS population, however they contributed towards 64 percent of the total increase in JS. Further information on this will be provided to you later this month.

Out of scope



## Next Steps

- 15 We will incorporate any feedback you may have and submit this report to DPMC on 18 October before going to Cabinet on 25 November. The Quarterly Targets reports to Cabinet will be proactively released.
- 16 Additional information to support this reporting is underway. This will include insights and intelligence from the quarter ending September 2024 and how we are using this information to adjust the Delivery Plan to achieve the JS target.
- 17 This report will be provided to you by 31 October 2024. In future quarters, the additional analysis will be provided at the same time as the draft report for public release.

## Appendix

- 18 Appendix 1: Target 5 JS Quarterly Report

File ref: A16506602

Author: Amy Smith, Analyst, Forecasting & Costing, Performance & Reporting

Responsible manager: Paul Merwood, General Manager, Performance & Reporting



# Report



**MINISTRY OF SOCIAL  
DEVELOPMENT**  
TE MANATŪ WHAKAHIATO ORA

**Date:** 4 July 2024 **Security Level:** In Confidence  
**To:** Hon Louise Upston, Minister for Social Development and  
Employment  
**File Reference:** REP/24/7/621

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## Jobseeker target quarterly reporting for feedback

### Purpose of the report

- 1 To outline the guidance provided from the Department of the Prime Minister and Cabinet (DPMC) for the quarterly reporting on the Jobseeker target and to seek your feedback on the reporting and the Ministry of Social Developments (MSD) recommended content.

### Executive summary

- 2 To support the monitoring of Government targets DPMC have requested quarterly reporting on agencies' progress towards their targets.
- 3 This quarterly report is directly linked to the Delivery Plan and should mirror a large proportion of the content.
- 4 From next quarter onwards we will provide you with additional information to support this reporting. This will include insights and intelligence from the last quarter and how we are using this information to adjust the Delivery Plan to achieve the Jobseeker target. In addition, we will provide monthly reporting to give you a more frequent view of how we are tracking towards the target.
- 5 DPMC have provided a template which is prescriptive in the content that agencies must input. MSD have completed this template to reflect what we think best shows our progress towards the target.

### Recommended actions

It is recommended that you:

- 1 **note** DPMC have provided a template and accompanying guidance for all quarterly reports for agencies to complete

2 **note** we have populated the template and have chosen grants, cancels and Gross Domestic Product (GDP) as the most relevant leading and system indicators

3 **agree** that the leading and system indicators to be included in the reporting are

3.1 Jobseeker Support benefit grants, as one of the main interventions for reducing the number of people on benefit is to reduce the inflow of people onto benefit

Agree / Disagree

3.2 Jobseeker Support benefit cancels to show the number of outflows from benefit

Agree / Disagree

3.3 GDP to help to illustrate the economic challenges that New Zealanders are currently facing

Agree / Disagree

4 **note** that the final quarterly report is due to DPMC on 17 July before going to Cabinet Strategy Committee (STR) on 30 July and Cabinet on 5 August and will be proactively released by DPMC

5 **note** we will provide you with an updated version for your approval that incorporates any feedback you may have

6 **note** we are working on what the monthly reporting of progress towards the target will look like and we will report back to you with options before the end of July.



Sacha O'Dea  
Deputy Chief Executive  
Strategy and Insights

4/7/24

Date



Hon Louise Upston  
Minister for Social Development and  
Employment

22/07/24

Date



## Background

- 6 To support the monitoring of Government targets DPMC have requested quarterly reporting on agencies' progress towards their targets.
- 7 The quarterly report has tentative links back to the Delivery Plan which you signed out on 1 July with progress updates on key initiatives outlined in the Delivery Plan. The Delivery Plan provides the comprehensive detail behind the quarterly reporting on the key initiatives, intervention logic, and risks for MSD as we progress towards the target.

## Links to other reporting

- 8 This quarterly dashboard is directly linked to the Delivery Plan. The Delivery Plan provides the comprehensive detail behind this report on the key initiatives MSD are implementing to achieve the target, our intervention logic and key risks and challenges. Both the Delivery Plan and quarterly report are intended to be iterative and will change and evolve over time.
- 9 We will also be providing you with monthly reporting at the end of July to give you a more frequent view of how we are tracking towards the target. We are still in the process of working through what this could look like and will work closely with you and your office to ensure it meets your requirements.
- 10 This monthly reporting can provide you with additional metrics as we do not need to follow a template. The reporting can also provide you with supporting measures and operational data that is not included in MSD's standard public reporting suite.
- 11 From next quarter onwards we will also provide you with supplementary information to support this reporting which will include insights and intelligence from the last the quarter and how we using this information to adjust the Delivery Plan to achieve the Jobseeker target.

## Content of the Quarterly report

- 12 DPMC have provided a template which is prescriptive in the content that agencies must provide. Agencies must provide their trajectory towards the target, the status of progress towards the target, progress updates, demographic breakdowns, system and leading indicators.
- 13 The below sections outline our rational for the content we have provided.

### Target performance, actions, and insights

#### *Current Target Performance*

- 14 **Status** - we believe that the best representation of our status is "Feasible" as while there are some risks with the expected increase in the number of Jobseekers to January 2025, we consider the target to be achievable at this

stage. However this will depend on policy settings across government. This is in line with the DPMC guidance, this detail is provided on page 10 of Appendix 2.

- 15 **Trajectory** – Each agency has been asked to provide a trajectory of their forecasted progress towards the target. We have therefore chosen to provide a trajectory that charts the required reduction against the HYEPU 2023 forecast. We believe this gives a more realistic view of the downwards trajectory towards the target and highlights in the short term that there will be an increase in Jobseeker numbers due to economic conditions.
- 16 MSD is working through potential options to estimate the impacts of each initiative and groups of initiatives towards the target to factor this into a forecast. For future versions of the quarterly report, we will inform you and your office if we are able to factor this into the trajectory towards the target.
- 17 **Key Issues and Risks** – We have identified four key areas that we see as the biggest risks to MSD being able to meet the Jobseeker target. These include the economic outlook, immigration, health outcomes, and staffing and income support pressures.

#### *Actions and Insights*

- 18 **Initiatives** – We have chosen key initiatives that have been implemented to support the target along with those that are planned for Q3 and Q4 of 2024. These are consistent with the key initiatives that have been described in detail through the Delivery Plan as important to achieving the target.

#### **Proposed supporting indicators**

- 19 Demographic breakdown requirements have been directed by DPMC with a requirement to have a view on Māori and our regions. For the regional breakdown we have chosen to display MSD's 5 key regions: Auckland, Waikato, Bay of Plenty, Wellington, and Canterbury. There was room in the template to include one more demographic breakdown and we have chosen age. This is to reflect your priority area of youth Jobseekers.
- 20 Agencies have scope to select the leading and system indicators that they believe give the most context and information on what is driving performance in relation to the target.
- 21 We consider the most appropriate leading and system indicators to support the narrative around the Jobseeker target are grants, exits and GDP due to the reasoning outlined below.

#### *Grants*

- 22 One of the main interventions for reducing the number of people on benefit is to reduce the inflow of people onto benefit. To demonstrate this, we have provided a graph that shows the number of grants within the quarter.



- 23 Inflows, in addition to exits, shows a more complete picture of the number of people on Jobseeker Support.

#### *Exits*

- 24 To illustrate the number of people leaving Jobseeker Support we have provided a graph that shows the number of exits in each quarter, highlighting the numbers that are work exits. We chose this as it best illustrates the outflows from benefit.
- 25 We considered only showing obtained work cancellations but given there are a number of other reasons for cancellations this would only show part of the picture. We have instead chosen to highlight the work exits out of the cancellations to demonstrate the relative size of the group of people we are getting into employment.
- 26 It is important to note that work exits measure where a client has informed MSD that they have begun employment and we have subsequently cancelled their benefit for the reasons of employment.

#### *External Factors*

- 27 Treasury's GDP forecast is a direct input into the Jobseeker Support – Work Ready forecast which makes it a good external measure to support the narrative around Jobseeker numbers. This can help to illustrate the economic challenges that New Zealanders are currently facing.
- 28 Despite strong population growth from high net migration, economic activity has been weak over the past year with real GDP declining in four of the past five quarters. During periods of weaker economic growth, it can become harder to find and retain work, which can result in an increase in benefit numbers.

### **Next steps**

- 29 We will incorporate any feedback you may have and provide you with an updated version for your approval on 12 July 2024.
- 30 The final quarterly report is due to DPMC on 17 July before going to STR on 30 July and Cabinet on 5 August. The Quarterly Targets reports to Cabinet will be proactively released.
- 31 There is a broader review of all the reporting MSD provides you currently underway. This is to ensure we are providing you with information in the most efficient way given the priority of the targets reporting. We will come back to you with options on what this could look like going forwards.

### **Appendix**

- 32 Appendix 1: Draft target 5 quarterly report

### 33 Appendix 2: Target Quarterly Reporting Guidance

File ref: A16273427

Authors: Jodene Hogwood, Principal Advisor, System Performance and Jeremy Plimmer, Principal Analyst, Employment

Responsible managers: Gareth Williams, General Manager, System Performance and Hugh Miller, Group General Manager, Employment

Released under the Official Information Act 1982




## Target Quarterly report

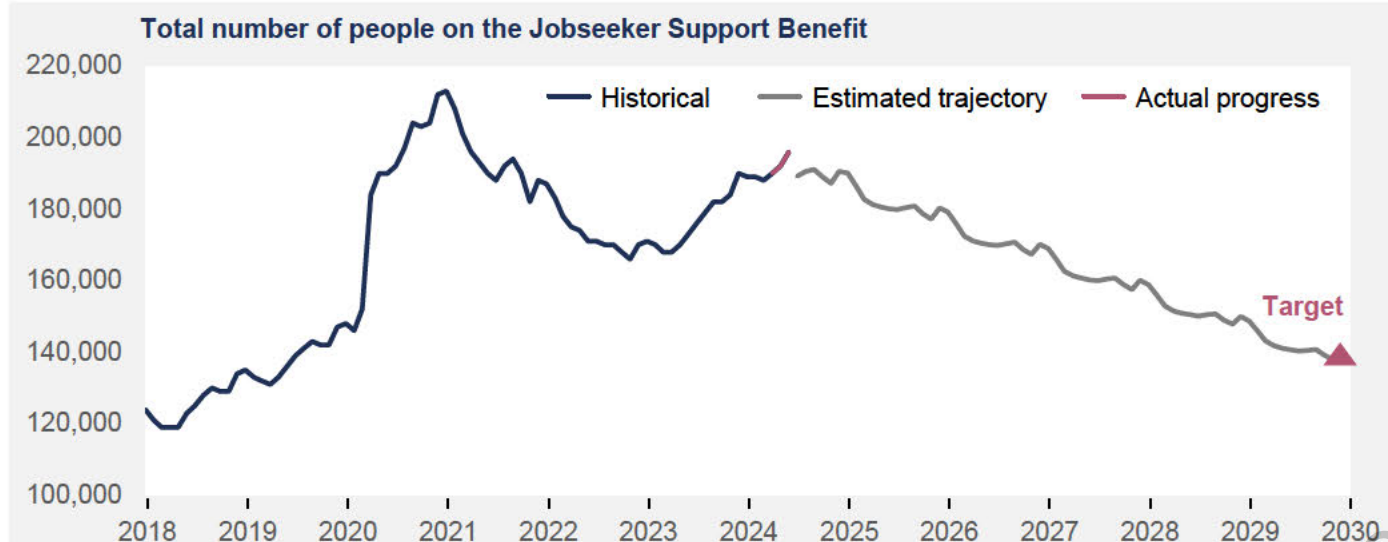
## Target 5 – Fewer people on the Jobseeker Support benefit

Fifty thousand fewer people on the Jobseeker Support benefit.

## Current Target Performance

Status	Target (Dec 2029)	Current performance at Jun-24	Change vs last quarter
	50k reduction (140k people)	196,400	+8,400

## Trajectory towards target



## What are the key issues and risks?

**Economic outlook** – Changes in the economy can have significant impacts on benefit numbers. Consistent with Treasury's economic outlook, Jobseeker Support is forecast to increase to a peak of 202,000 in January 2025 before decreasing as economic conditions improve. However, there is a risk that if economic conditions deteriorate by more than expected, that will put more pressure on Jobseeker Support numbers and the target.

**Immigration** – Accredited Employer Work Visas (AEWV) being granted for entry level and lower skilled roles may be impacting MSD's ability to place clients into the local labour market. Recent changes to reintroduce MSD into the labour market test process of the AEWV for lower-skilled roles may help but the process is labour intensive and provides few outcomes for MSD clients.

9(2)(f)(iv)

**Health outcomes** – Health Condition and Disability clients make up around 42% of people on Jobseeker Support. Successfully supporting this cohort into work and addressing their barriers to employment often requires working alongside health services and developing specialised supports. System level change will be required to have an impact and MSD has limited services that support this cohort, which are often more expensive to deliver.

**Staffing and income support pressures** – MSD's frontline provide employment support and administrate benefits; as a result, any changes to benefit inflows or staffing constraints on the front line will impact progress towards the target.

## Actions and Insights

## What is driving changes in performance vs. last quarter ?

The number of people on Jobseeker Support has been rising (excluding usual seasonal factors) over the last quarter and is mainly due to a rising number of people coming onto to benefit, with fewer exits also partially contributing. This mostly relates to the weakening of economic conditions as the Reserve Bank of New Zealand have kept interest rates high to reduce inflation from its peak. The general trend in the number of exits off Jobseeker Support has stopped falling, but the exit rate remains at around historic lows.

## What is the progress of key initiatives that support target delivery?

**Resetting case management and the Employment Investment Strategy.** From 1 July 2024, MSD began resetting caseloads within case management to focus on Jobseeker Support cohorts, specifically those with work obligations. A new Employment Investment Strategy is also being implemented, reflecting these cohorts to ensure that support and investment is directed towards cohorts that will have the biggest impact on the target.

**Phone-based Case Management.** A new service started on 1 July 2024 offering phone-based case management for 4,000 Jobseeker Support youth clients increasing the overall capacity of dedicated employment case management to 64,000.

**Korero Mahi – Let's Talk Work.** These one-to-many seminars for clients in the first few weeks on Jobseeker Support began in February 2024. The sessions ensure that clients new to the Jobseeker Support benefit get consistent information about the support that's available to help them find a job and understand their obligations while receiving a benefit.

**Welfare that Works – Community coaches.** Year 1 of Welfare that Works will be starting with 2,000 places for youth Jobseeker Support clients offering needs assessments and individual plans. The first contracts were progressively in place by 1 July.

**Korero Mahi - Work Check-ins.** From 24 June 2024 one to many seminars with clients who have been on benefit for 26 weeks began. These seminars will give assistance to Jobseeker Support clients and check that they are taking sufficient steps to be ready for work and apply for jobs and is expected to reach 20,000 clients per year.

**Client activation interventions.** For October 2024, several initiatives are being planned and designed to increase client engagement. Preparing for work seminars will be for clients with work preparation obligations and will be primarily for Health and Disability Condition clients. Individual employment plans will be developed for those in phone-based case management and design work is underway for Jobseeker Profile completion as a potential pre-benefit activity.

**Regional campaign.** A regional campaign has been launched across MSD's 13 regions and 123 service centres to ensure staff are aware of their contribution towards the target. Alongside this regions have been meeting with key stakeholders in their regions such as industry groups, Mayors and chairs.

## What decisions and actions are required from Ministers?

Legislative change is required for phase two of the Traffic Light System and 26-week Re-applications. Cabinet decisions will be required in August 2024 and legislation introduced in October 2024. Legislative change will be enacted by May 2025 (depending on Bill timings) to enable full policy changes.

9(2)(f)(iv)



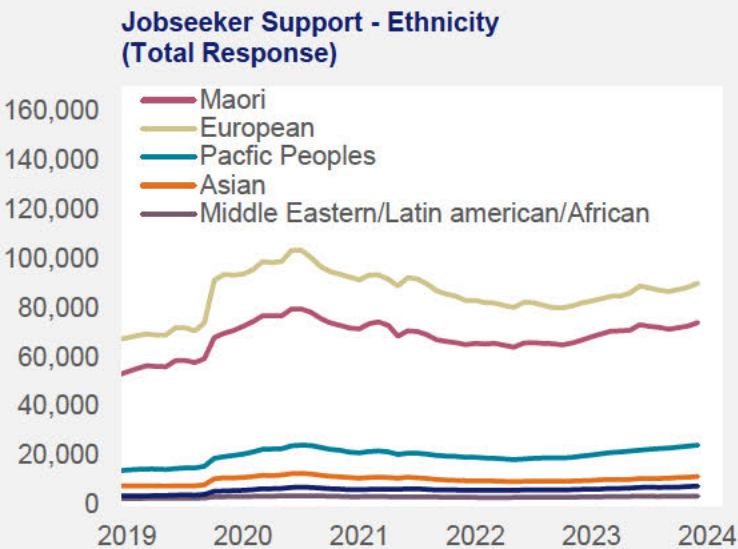
## Target 5 – Supporting indicators

The Treasury have forecast a slowdown in economic growth over 2024 as high inflation – and the restrictive interest rates necessary to address it – reduces spending in the economy before economic conditions begin to recover in 2025. While the number of cancellations of Jobseeker benefits is similar to 2023, there has been an increase in the number of people being granted a Jobseeker benefit. This has contributed to a rise in the number of people on Jobseeker Support.

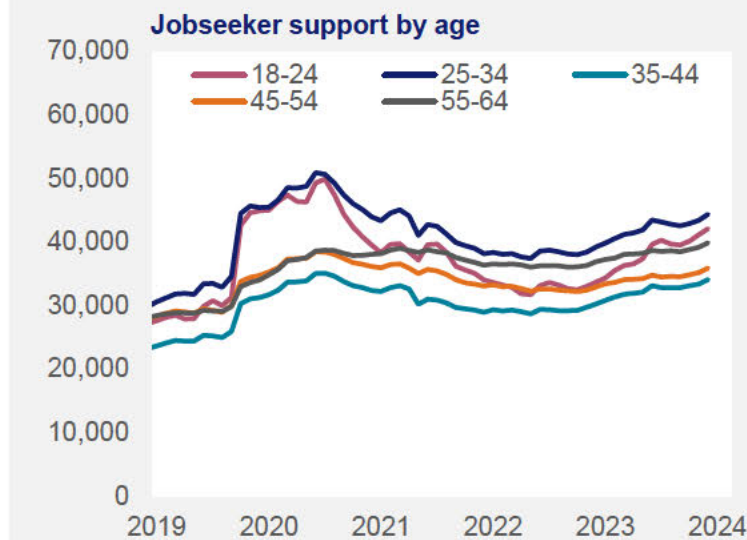
Quarter ending  
30 June 2024

### Target Breakdown

#### Demographic Breakdown

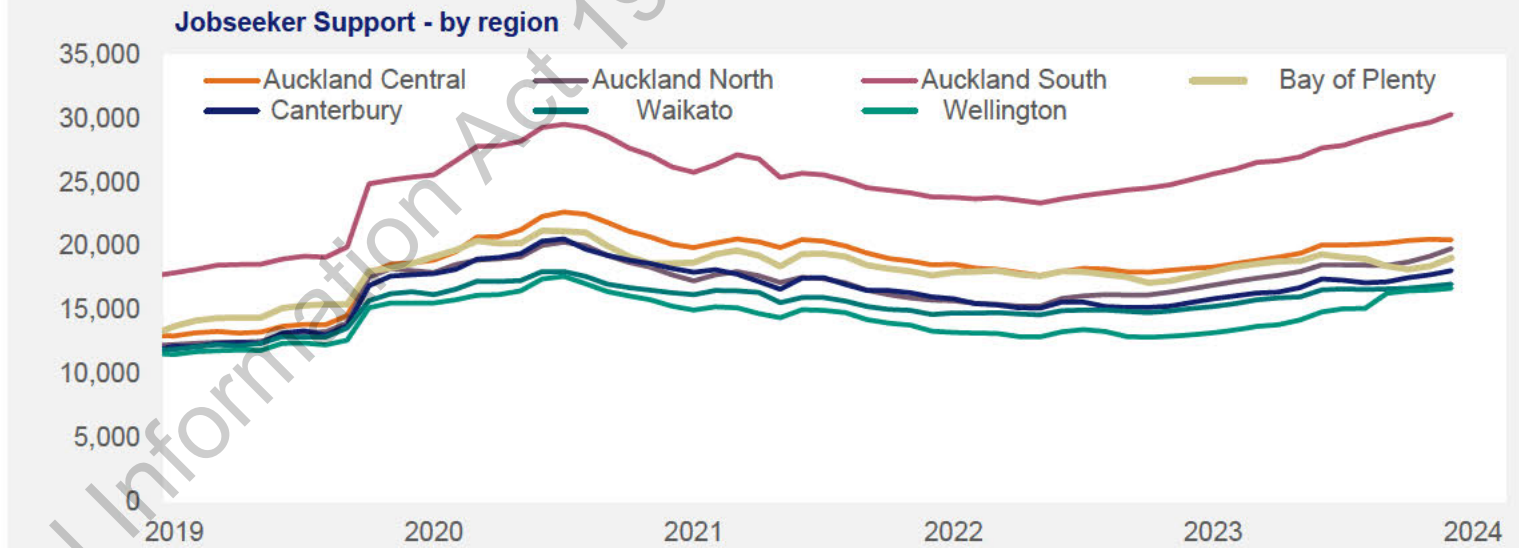


As at the end of June 2024, around 74,000 Māori were on Jobseeker Support. The two ethnicities which are driving the growth in JS are European and Māori.



Youth (18-24) on Jobseeker Support has seen larger increases than other age bands in the past year.

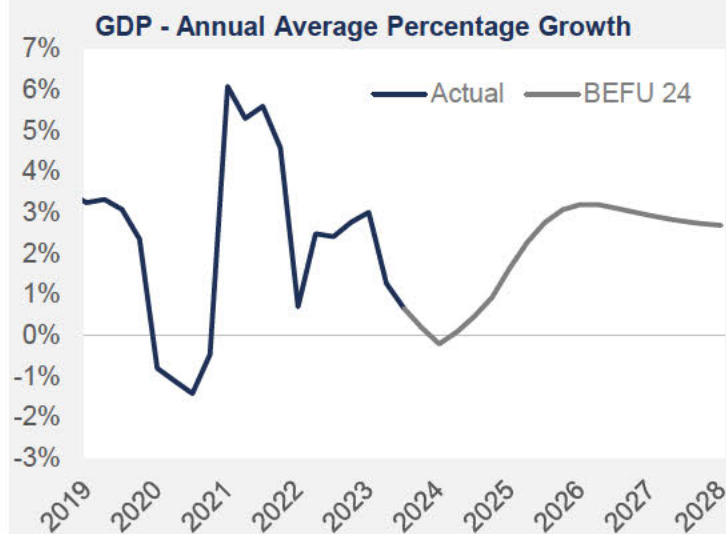
#### Geographic Breakdown



As at the end of June 2024, around 15% of people on Jobseeker Support were in Auckland South. This is the largest proportion out of all regions and has seen larger increases than other regions over the past year.

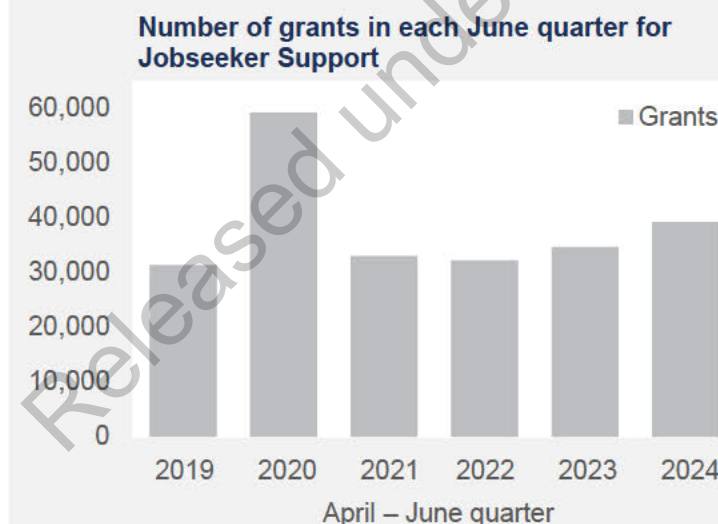
#### Leading Indicator

##### Leading Indicator – GDP growth



Treasurys GDP forecast is a direct input into the Jobseeker Support – Work Ready forecast. During periods of weaker economic growth, it can become harder to find and retain work.

##### System Indicator 1 - Grants



In April - June 2024 there were around 39,300 Jobseeker Support grants. This is around 4,600 more than in the same period in 2023 and has been increasing since 2022.

#### System Indicators

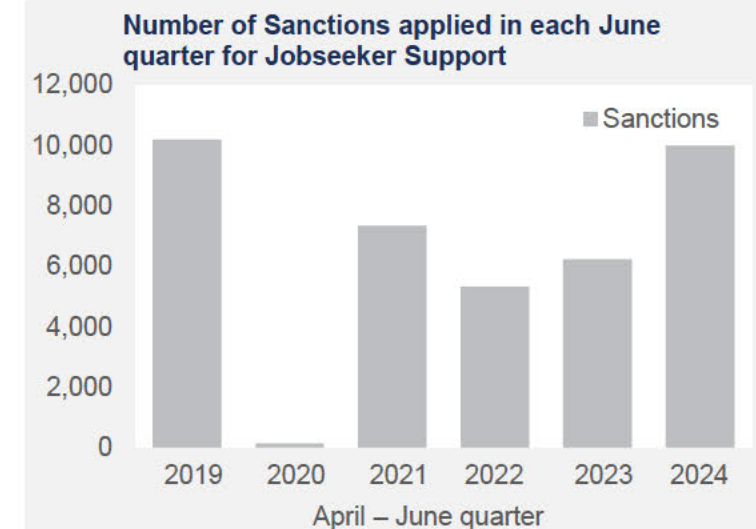
##### System Indicator 2 - Exits



In April - June 2024 there were around 32,800 people who left Jobseeker Support, of which around 15,500 left Jobseeker into work\*. This is around 1,100 more total exits than in the same period in 2023.

\*based on when clients advise MSD they have exited to employment

##### System Indicator 3 - Sanctions



In April - June 2024 there were around 10,000 sanctions applied to Jobseeker Support recipients. This is around 3,800 more sanctions than in the same period in 2023.