



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA



Ministry of Social Development

Benefit Fact Sheets

December 2018 Quarter

The Benefit Fact Sheets provide a high-level view of trends in benefit receipt. The Benefit Fact Sheets are published quarterly and contains information on the benefit support provided by the Ministry.

New Zealand Government

In the Benefit Fact Sheets

Benefit Fact Sheets

Benefit Fact Sheets overview	2
Main benefit assistance	
Main benefit assistance overview	3
Jobseeker Support (JS)	3
Sole Parent Support (SPS)	4
Supported Living Payment (SLP)	4
Supplementary benefit assistance	
Accommodation Supplement (AS)	5
Disability Allowance (DA)	5
Temporary Additional Support/Special Benefit (TAS/SPB)	5
Hardship assistance	
Hardship assistance overview	6
Special Needs Grants (SNG)	7
Benefit Advances (ADV)	7
Grants and cancellations	
Grants	8
Cancellations	8
Benefit sanctions	
Benefit sanctions	9

This work is licensed under the Creative Commons Attribution 4.0 International licence. In essence, you are free to copy, distribute and adapt the work, as long as you attribute the work to the Crown and abide by the other licence terms.

To view a copy of this licence, visit <https://creativecommons.org/licenses/by/4.0/>. Please note that no departmental or governmental emblem, logo or Coat of Arms may be used in any way which infringes any provision of the Flags, Emblems, and Names Protection Act 1981. Attribution to the Crown should be in written form and not by reproduction of any such emblem, logo or Coat of Arms.

Published January 2019
Ministry of Social Development
PO Box 1556
Wellington 6140
New Zealand

Telephone: +64 4 916 3300 Email: info@msd.govt.nz
Facsimile: +64 4 918 0099 Web: www.msd.govt.nz

Key facts

There are **299,345 working age people in receipt of a main benefit** as at the end of December 2018. This is **more** than a year ago (289,788). **Benefit numbers as a proportion of the working age population increased slightly** compared to December 2017.

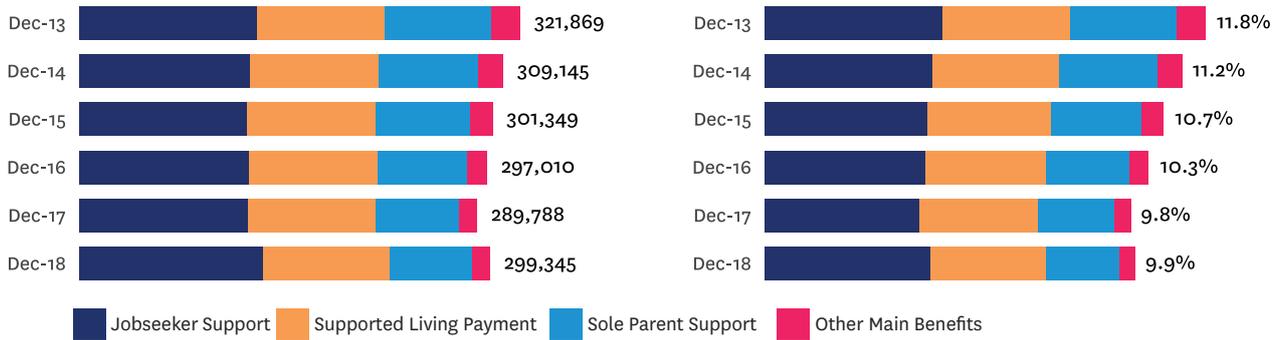
There are **under 60,000 people** receiving **Sole Parent Support**, with **59,870** working age people, or **2.0 percent** of the working age population as at the end of December 2018.

Due to the Families Package, the number of people receiving **Temporary Additional Support or Special Benefit** has decreased. **64,788 people** are receiving this assistance as at the end of December 2018, a **decrease** from **72,355** a year ago.

385,043 hardship assistance grants were made over the December 2018 quarter. These were worth **\$108.9 million**. This is an increase from the December 2017 quarter, where 290,070 grants were made, worth \$76.0 million.

Benefit Fact Sheets

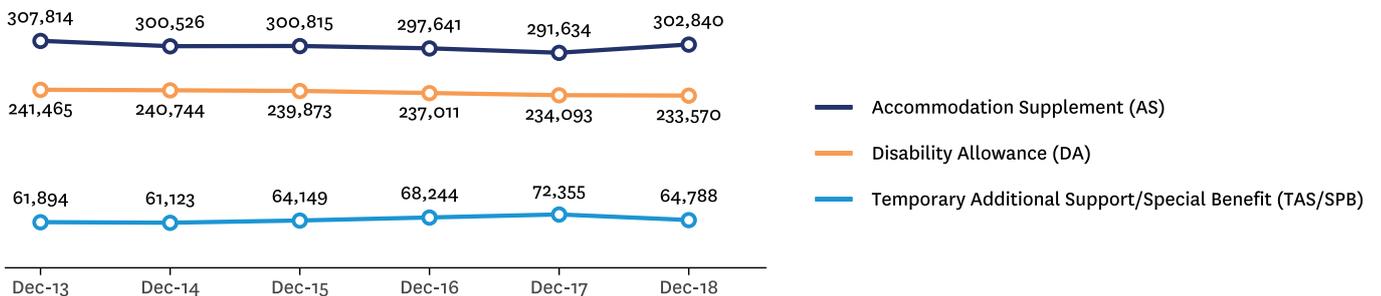
Main benefits



There are **299,345 working age people in receipt of a main benefit** as at the end of December 2018. This is **more** than a year ago (289,788). **Benefit numbers as a proportion of the working age population increased slightly compared to December 2017.**

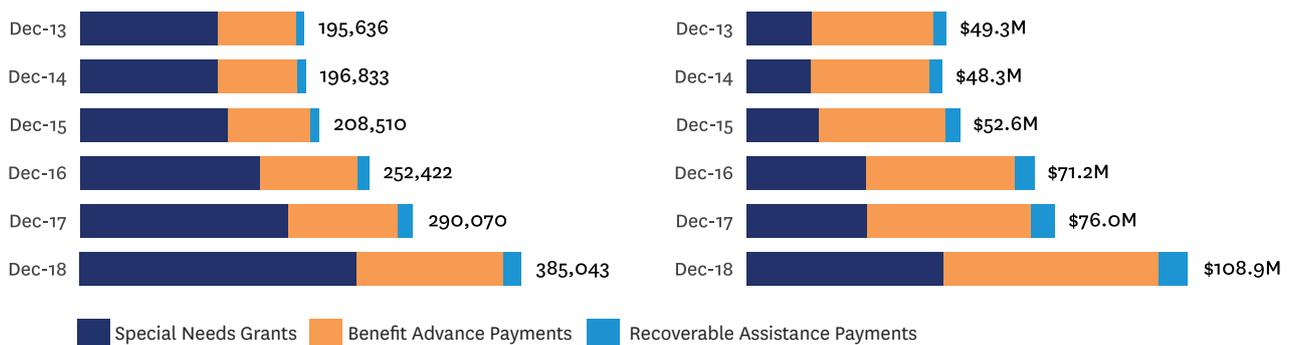
Additionally, there are **under 60,000 people** receiving **Sole Parent Support**, with **59,870 working age people**, or **2.0 percent** of the working age population as at the end of December 2018.

Supplementary benefits



Due to the Families Package, the number of people receiving **Temporary Additional Support or Special Benefit** has decreased. **64,788 people** are receiving this assistance as at the end of December 2018, a **decrease** from **72,355** a year ago.

Hardship assistance



385,043 hardship assistance grants were made over the December 2018 quarter. These were worth **\$108.9 million**. This is an increase from the December 2017 quarter, where 290,070 grants were made, worth \$76.0 million.

Main benefit assistance

The number of working age people receiving main benefits as at the end of December 2018 (299,345) was higher than as at the end of December 2017 (289,788). Benefit numbers as a proportion of the working age population increased slightly between these periods.

Main benefits for those of working age include: Jobseeker Support (JS), Sole Parent Support (SPS), Supported Living Payment (SLP), Youth Payment and Young Parent Payment (YP/YPP), Emergency Benefit (EB), Emergency Maintenance Allowance (EMA), Jobseeker Support Student Hardship (JSSH), Widow's Benefit Overseas (WBO), and Sole Parent Support Overseas (SPSO).

Figure 1a: Number of working age people receiving main benefits, broken down by main benefit type

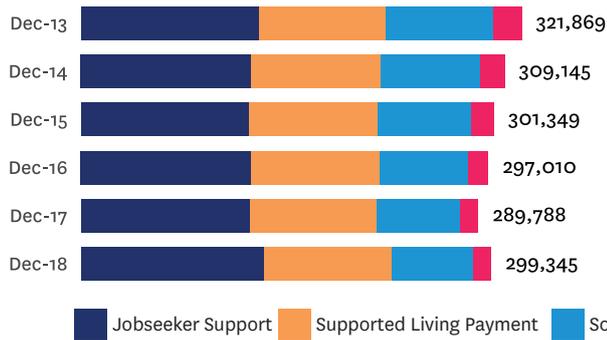
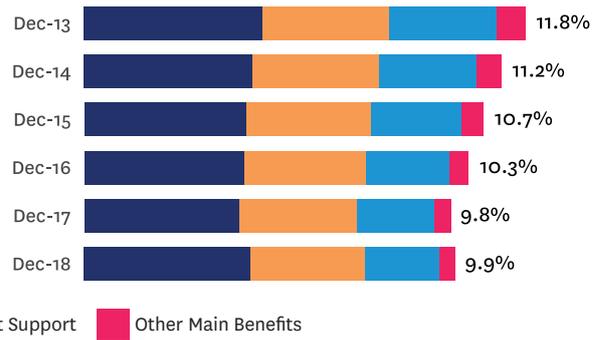


Figure 1b: Proportion of working age population receiving main benefits, broken down by main benefit type



299,345 – working age people receiving a main benefit as at the end of December 2018 (289,788 – end of December 2017)

9.9 percent of the working age population receiving a main benefit as at the end of December 2018 (9.8 percent – end of December 2017)

Jobseeker Support (JS)

The number of working age people on Jobseeker Support has increased when compared to the end of December 2017, increasing by 11,007, to 134,048 as at the end of December 2018.

Jobseeker Support is for people who can usually look for or prepare for work. It also includes people who can only work part-time or cannot look for work at the moment (e.g. because they have a health condition, injury or disability).

Figure 2a: Number of working age people receiving Jobseeker Support

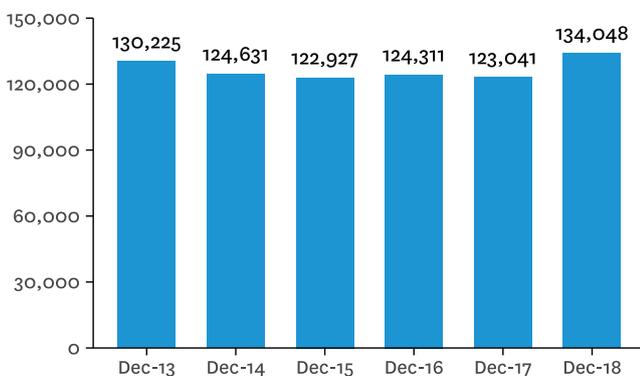
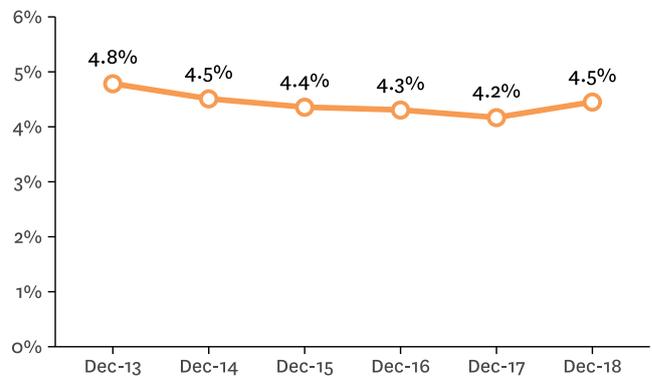


Figure 2b: Proportion of working age population receiving Jobseeker Support



134,048 – working age people receiving JS as at the end of December 2018 (123,041 – end of December 2017)

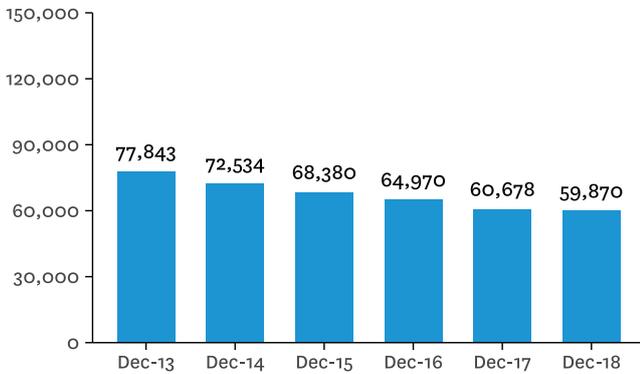
4.5 percent of the working age population receiving JS as at the end of December 2018 (4.2 percent – end of December 2017)

Sole Parent Support (SPS)

The number of working age people on Sole Parent Support has decreased by 808 since the end of December 2017, to 59,870 as at December 2018. The proportion of working age people receiving SPS has been decreasing consistently over the past five years.

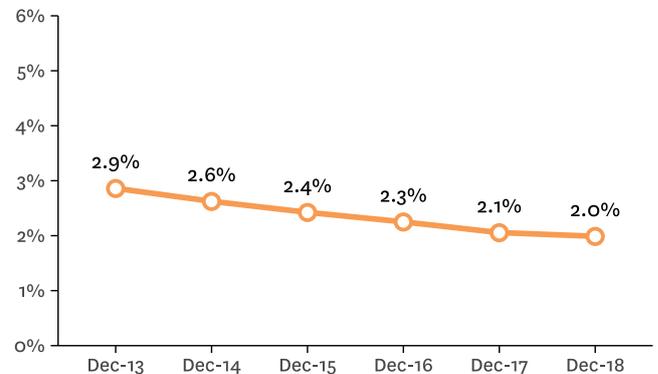
Sole Parent Support is for sole parents, with at least one dependent child under 14 years, who can look for or prepare for part-time work.

Figure 3a: Number of working age people receiving Sole Parent Support



59,870 – working age people receiving SPS as at the end of December 2018
(60,678 – end of December 2017)

Figure 3b: Proportion of working age population receiving Sole Parent Support



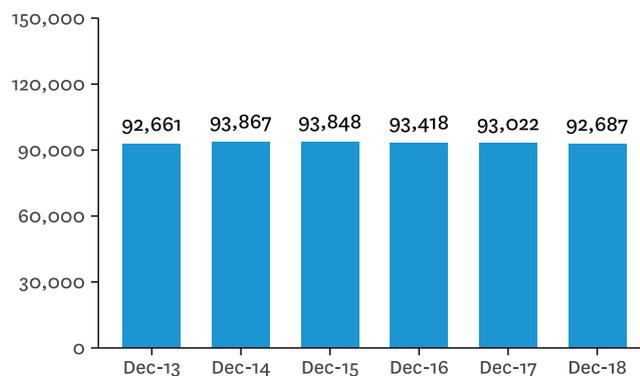
2.0 percent of the working age population receiving SPS as at the end of December 2018
(2.1 percent – end of December 2017)

Supported Living Payment (SLP)

The number of working age people on Supported Living Payment has remained relatively stable when compared to the end of December 2017, decreasing by 335, to 92,687 as at the end of December 2018.

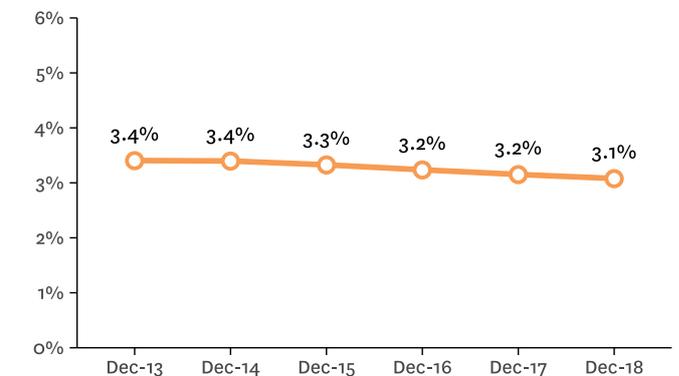
Supported Living Payment is for people who have, or care for someone with, a health condition, injury or disability that severely limits their ability to work on a long-term basis. The long-term nature of conditions for people on Supported Living Payment mean that very few people move from Supported Living Payment into paid work or on to another benefit.

Figure 4a: Number of working age people receiving Supported Living Payment



92,687 – working age people receiving SLP as at the end of December 2018
(93,022 – end of December 2017)

Figure 4b: Proportion of working age population receiving Supported Living Payment

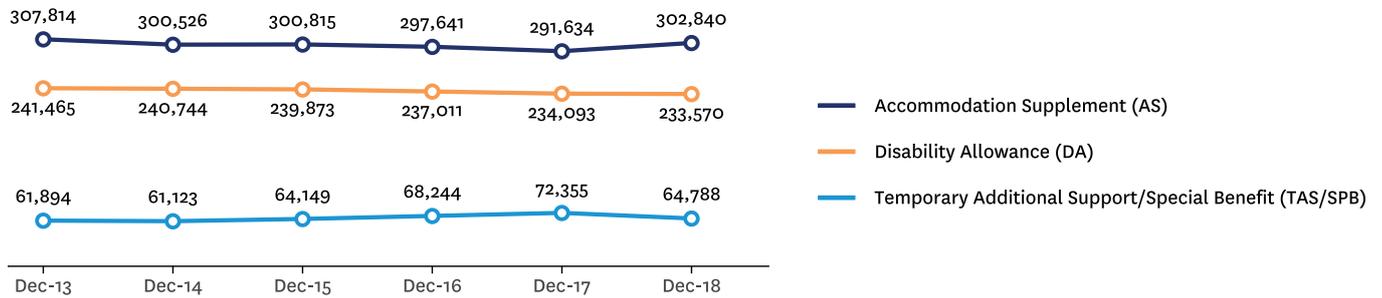


3.1 percent of the working age population receiving SLP as at the end of December 2018
(3.2 percent – end of December 2017)

Supplementary benefit assistance

The number of supplementary benefits paid out as at the end of December 2018 was higher than as at the end of December 2017. This was mostly due to an increase in the number of people receiving the Accommodation Supplement (AS).

Figure 5: Trends over time of selected supplementary benefit receipt, all ages



302,840 – people receiving AS as at the end of December 2018
(291,634 – end of December 2017)

233,570 – people receiving DA as at the end of December 2018
(234,093 – end of December 2017)

64,788 – people receiving TAS/SPB as at the end of December 2018
(72,355 – end of December 2017)

1 April Families Package impacts

Due to the introduction of the Families Package, some people received an increase to their Accommodation Supplement payments. For some people, the increase to their Accommodation Supplement payments may have meant that they had a partial or full reduction on their Temporary Additional Support/Special Benefit payments.

Accommodation Supplement (AS)

The number of people receiving the Accommodation Supplement increased when compared to the end of December 2017, increasing by 11,206, to 302,840 as at the end of December 2018.

The Accommodation Supplement is a weekly payment to assist people with low incomes who are not in public housing with their rent, board, or the cost of owning a home. The number of people receiving an Accommodation Supplement tends to follow trends around broader benefit numbers.

Disability Allowance (DA)

The number of people receiving the Disability Allowance has decreased by 523 since the end of December 2017, to 233,570 as at the end of December 2018.

The Disability Allowance is a weekly payment to assist people who have on-going, additional costs because of a disability. A person does not need to be receiving a main benefit in order to qualify for the Disability Allowance. The number of people receiving a Disability Allowance tends to follow trends around broader benefit and New Zealand Superannuation numbers.

Temporary Additional Support/Special Benefit (TAS/SPB)

The number of people receiving Temporary Additional Support/Special Benefit has decreased by 7,567 since the end of December 2017, to 64,788 as at the end of December 2018.

Temporary Additional Support is a weekly payment that helps people to cover essential living costs that cannot be met from their income and through other resources. A person does not have to be receiving a main benefit to qualify for Temporary Additional Support. Temporary Additional Support replaced the Special Benefit in 2006. Some people are still entitled to receive the Special Benefit, so therefore these are counted together.

Hardship assistance

A total of **385,043 hardship assistance payments, worth \$108.9 million** were granted in the December 2018 quarter. This is **higher** than in the December 2017 quarter, where 290,070 hardship assistance payments were granted, worth \$76.0 million.

Hardship assistance includes (but is not limited to) Special Needs Grants (SNGs), Benefit Advance Payments (ADVs) and Recoverable Assistance Payments (RAPs). These forms of assistance are designed to help people who have immediate needs that cannot be met from their available income and assets. The numbers reported over the next two pages are for hardship assistance granted in the December quarter for the last six December quarters (ie 1 Oct to 31 December).

Figure 6a: Trends over time of hardship grant numbers

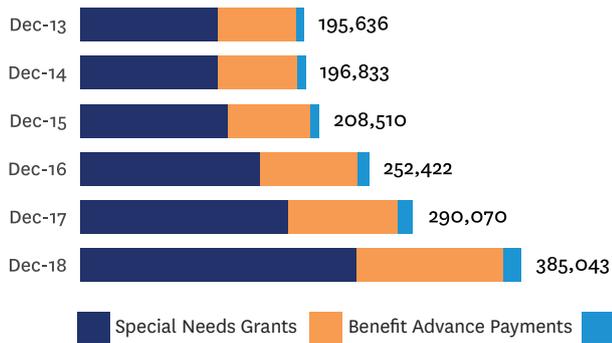
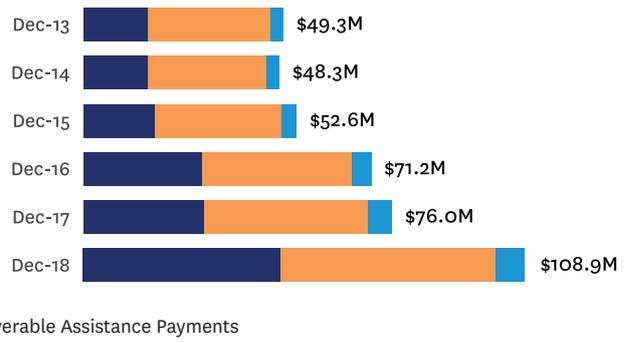


Figure 6b: Trends over time of the value of granted payments



385,043 – payments granted in the December 2018 quarter
(290,070 – December 2017 quarter)

\$108,909,215 – value of grants provided in the December 2018 quarter
(\$75,984,662 – December 2017 quarter)

The demand for food assistance has been growing over the last few quarters, and has been one of the leading contributors to the growth in hardship assistance. In the December 2018 quarter the largest contributing reasons to the total value of hardship grants came from grants for food, increasing by \$5,455,144 to \$19,832,578, and accommodation, increasing by \$2,590,273 to \$18,551,016, as at the end of December 2018.

Figure 7a: Trends over time of hardship grant numbers broken down by reason

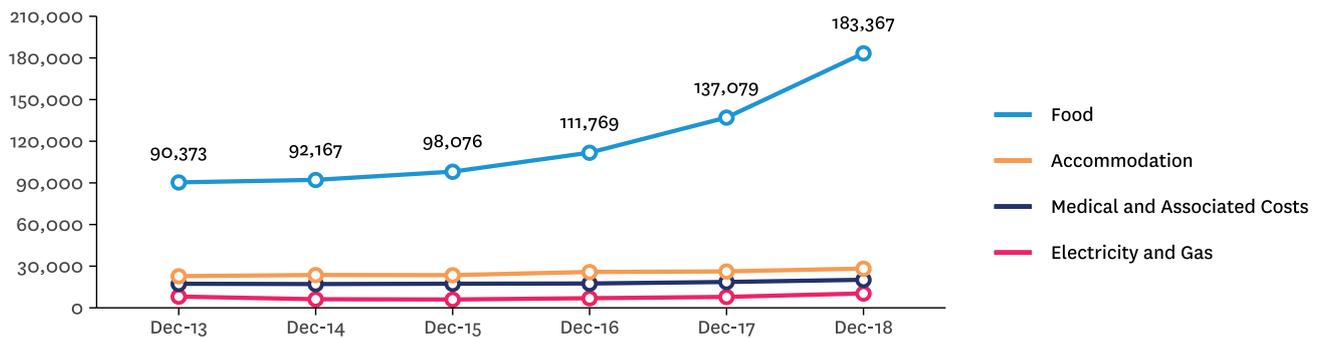


Figure 7b: Trends over time of value of hardship grants broken down by reason



Special Needs Grants (SNG)

The number of Special Needs Grants granted has increased by 58,965 since the December 2017 quarter, to 241,152 for the December 2018 quarter. This has resulted in the value of grants provided also increasing by \$18,812,944, to \$48,710,584 over the same period.

A Special Needs Grant provides non-taxable, one-off recoverable or non-recoverable financial assistance to people to meet immediate needs. A person does not need to be receiving a main benefit in order to qualify for a Special Needs Grant.

Figure 8a: Trends over time of the number of Special Needs Grants granted

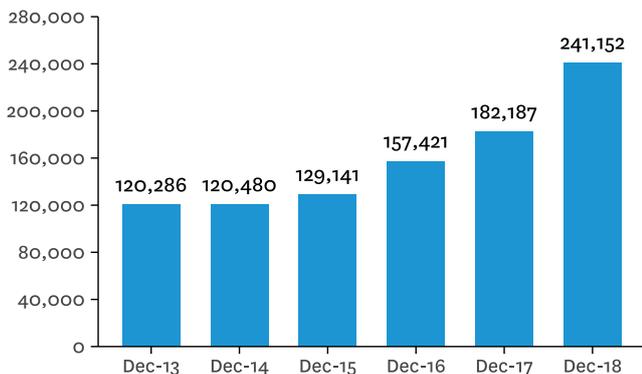
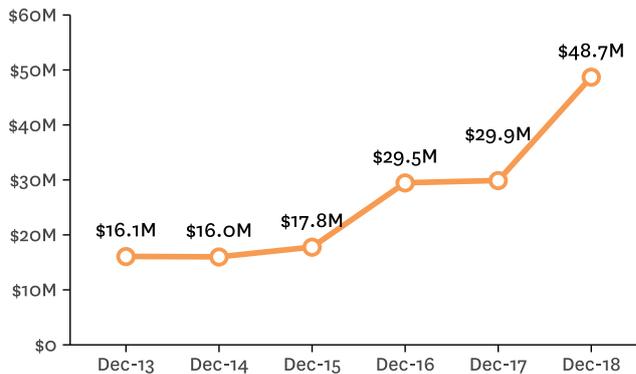


Figure 8b: Trends over time of the total value of payments of Special Needs Grants granted



241,152 – Special Needs Grants granted in the December 2018 quarter
(182,187 – December 2017 quarter)

\$48,710,584 – value of Special Needs Grants granted in the December 2018 quarter
(\$29,897,640 – December 2017 quarter)

Benefit Advances (ADV)

The number of Benefit Advances granted has increased by 32,710 since the December 2017 quarter, to 128,281 for the December 2018 quarter. This has resulted in the value of Benefit Advances granted increasing by \$12,730,566 to \$53,030,677.

All people receiving a main benefit and who require assistance to meet a particular immediate need for an essential item have access to an advance of up to six weeks of their net benefit entitlement.

Figure 9a: Trends over time of the number of Benefit Advances granted

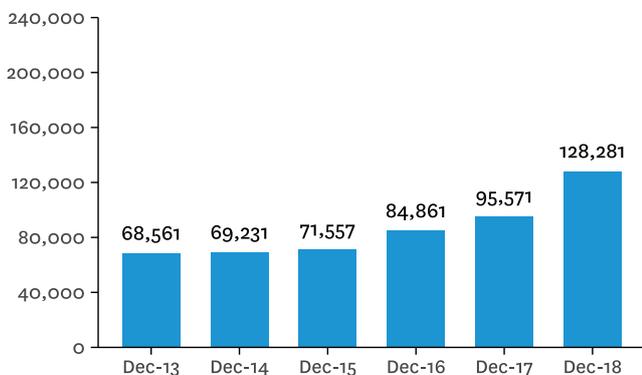
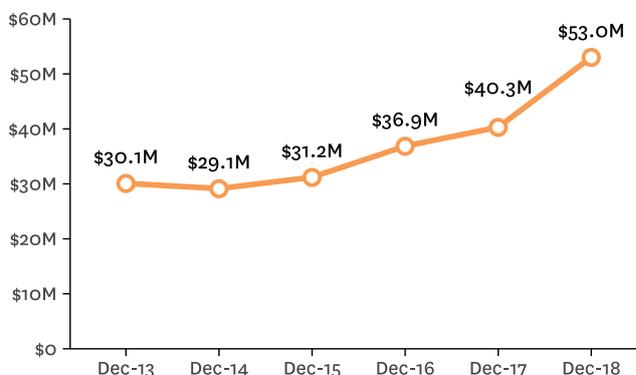


Figure 9b: Trends over time of the value of payments of Benefit Advances granted



128,281 – Benefit Advances granted in the December 2018 quarter
(95,571 – December 2017 quarter)

\$53,030,677 – value of Benefit Advances granted in the December 2018 quarter
(\$40,300,111 – December 2017 quarter)

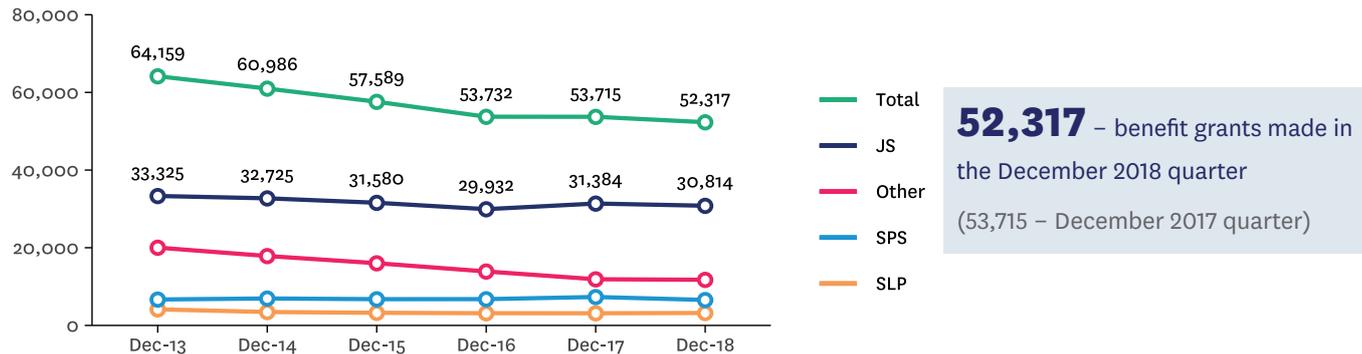
Benefit grants and cancellations

Grants

The number of benefits granted has decreased by 1,398 since the December 2017 quarter to 52,317 for the December 2018 quarter. There was a decrease in benefit grants for Jobseeker Support, Sole Parent Support, and the Other Main Benefits category. Supported Living Payments increased marginally when compared to December 2017.

A grant is the formal acceptance of entitlement to a benefit. The numbers reported below are for benefits granted in the December quarter for the last six December quarters (ie 1 October to 31 December).

Figure 10: Trends over time of benefit grants



Cancellations

The number of benefits cancelled has decreased by 4,136 from the December 2017 quarter, to 35,710 in the December 2018 quarter. Most of this decrease came from a decreased number of Jobseeker Support cancellations. Obtaining work is the main reason for benefit cancellations, however this reason fell by 2,682 when compared to the December 2017 quarter.

A cancellation (cancel) is the formal process that stops the entitlement to a benefit. The numbers reported below are for benefits cancelled in the December quarter for the last six December quarters (ie 1 October to 31 December).

Figure 11: Trends over time of benefit cancellations

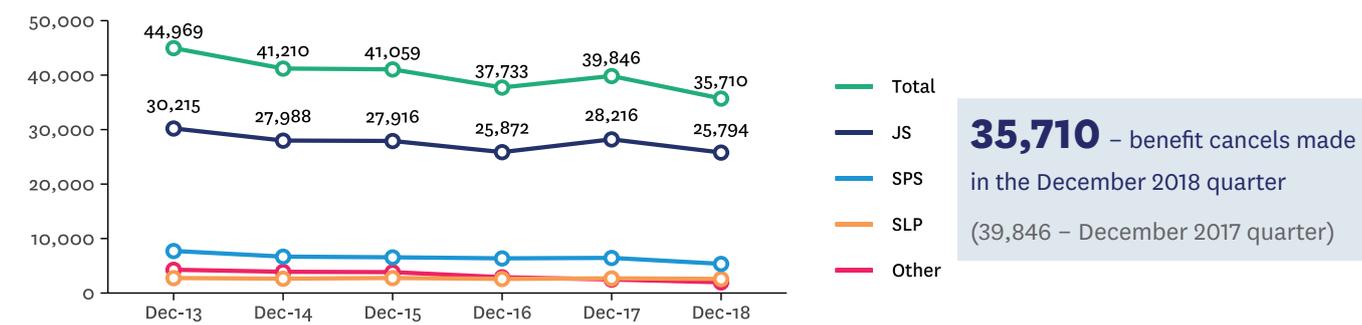
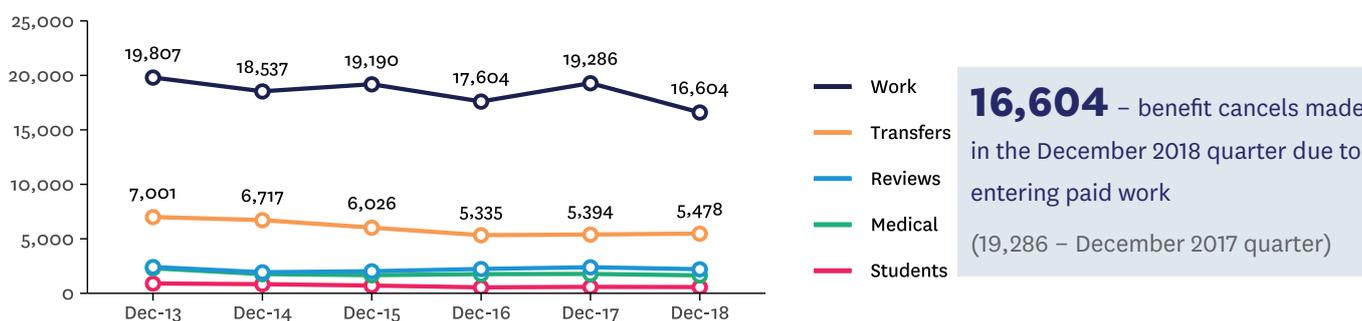


Figure 12: Trends over time of benefit cancellations, by selected reason



Benefit sanctions

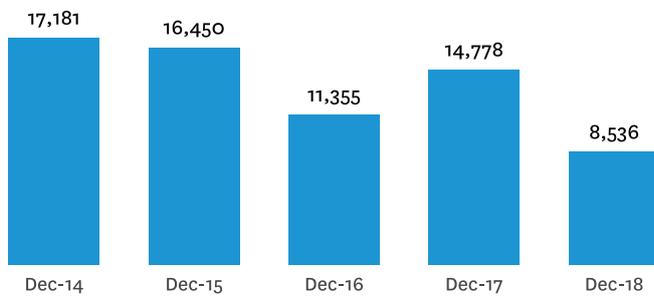
The number of sanctions issued in the December 2018 quarter was **8,536**. This was a decrease of 6,242 since the December 2017 quarter. The main reason for sanctions was due to the failure of clients to attend arranged appointments. As at the end of December 2018, there were **1,232** sanctions that were actively in place.

A sanction is a penalty imposed on a person's benefit for failure to fulfil their work obligations. Sanctions can affect benefit recipients in a number of ways depending on their circumstances and the number of times they have had a sanction imposed over the last 12 months. There are three types of sanctions: graduated (ie percentage reduction in benefit amount), suspended and cancelled.

Sole parents and couples with dependent children face a maximum 50 percent reduction of their main benefit when sanctioned within a 12-month period. For single people with no dependent children, the first sanction is a maximum 50 percent reduction of their main benefit; for a second failure, they face a 100 percent suspension of their main benefit; and a third sanction will result in the main benefit being cancelled.

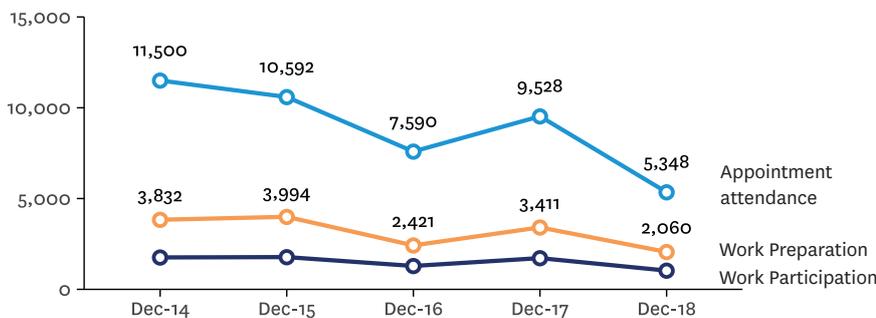
Not everyone who fails their obligations gets sanctioned; if benefit recipients re-comply or provide additional information, their failure to fulfil their obligations can be withdrawn.

Figure 13: Trends over time of benefit sanctions (flow data)



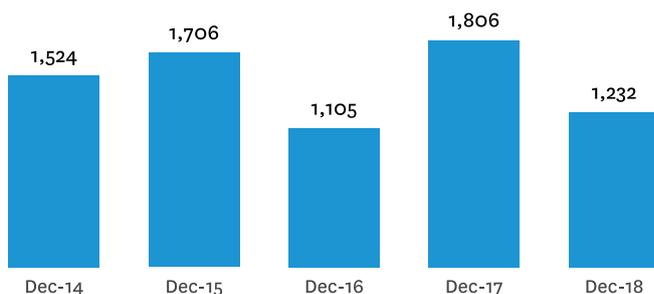
8,536 – benefit sanctions made in the December 2018 quarter
(14,778 – December 2017 quarter)

Figure 14: Trends over time of benefit sanctions by reason



5,348 – benefit sanctions made in the December 2018 quarter for failing to attend appointments
(9,528 – December 2017 quarter)

Figure 15: Trends over time of benefit sanctions (point-in-time data)



1,232 – active benefit sanctions at the end of December 2018
(1,806 – end of December 2017)