



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA



Ministry of Social Development

Benefit Fact Sheets

Snapshot - September 2019 Quarter

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

New Zealand Government

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Note regarding the estimated working-age population:

On 15 August 2019, Statistics New Zealand released the *usually resident population* figures as at June 2019. Of note is that these figures have been revised down since the previous June 2018 release. The working-age population is a subset of the *usually resident population*, and used in calculating the proportion of the working-age population receiving a benefit. The revision to these figures has changed the proportion of the working-age population receiving a main benefit from previous quarters. Previously published reports have not been revised.

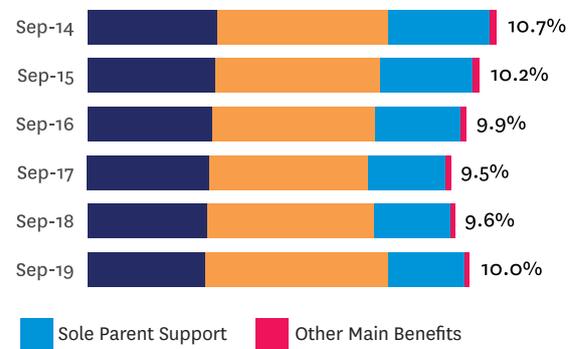
Main benefit assistance

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, at the end of the last six September quarters



Figure 1b. Proportion of working-age population receiving main benefits, at the end of the last six September quarters



299,472 working-age people receiving a main benefit as at the end of September 2019

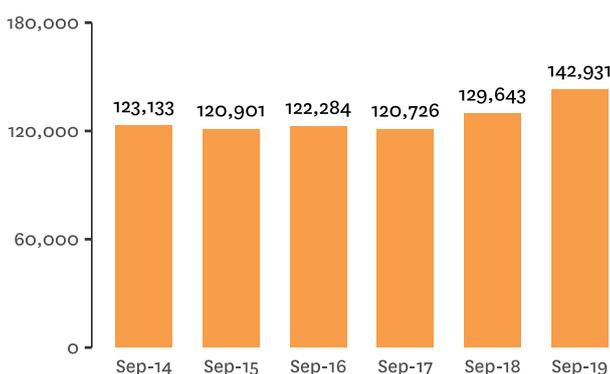
10.0 percent of the working-age population receiving a main benefit as at the end of September 2019

The number of working-age people receiving main benefits*, as at the end of September 2019, was 5.3 percent higher than at the end of September 2018. Benefit numbers as a proportion of the working-age population increased to 10.0 percent, compared with 9.6 percent as at the end of September 2018.

The working-age population are those aged between 18–64 of the estimated New Zealand resident population, year-ended as at June. The proportion of the working-age population uses the estimate for the year ending June, so estimates as at the end of June 2019 have been used for the September 2019 quarter.

Jobseeker Support (JS)

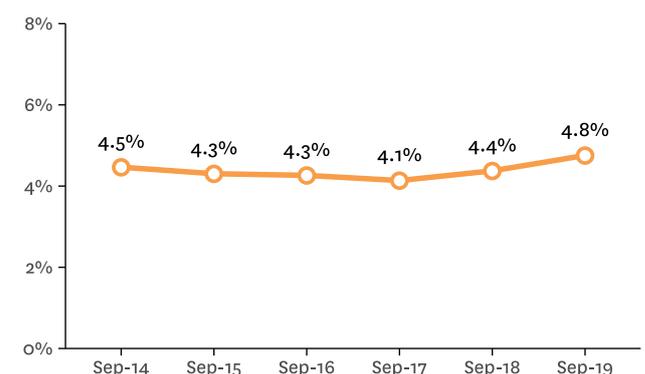
Figure 2a. Number of working-age people receiving Jobseeker Support, at the end of the last six September quarters



142,931 working-age people receiving JS as at the end of September 2019

4.8 percent of the working-age population receiving JS as at the end of September 2019

Figure 2b. Proportion of working-age population receiving Jobseeker Support, at the end of the last six September quarters



As at the end of September 2019, the number of working-age people on Jobseeker Support increased by 10.2 percent, to 142,931, compared with the September 2018 quarter. The proportion of working-age people receiving JS has been increasing since the September 2017 quarter.

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. they have a health condition, injury, or disability).

* The estimated working-age population figures used in this report have been calculated using the *usually resident population* figures as at June 2019. For more information, please refer to note on page 1.

Sole Parent Support (SPS)

Figure 3a. Number of working-age people receiving Sole Parent Support, at the end of the last six September quarters

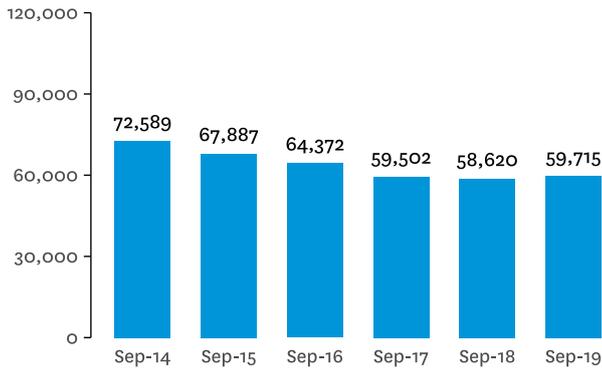
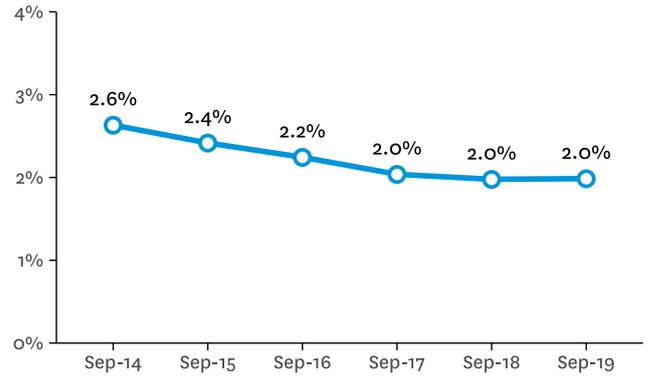


Figure 3b. Proportion of working-age population receiving Sole Parent Support, at the end of the last six September quarters



59,715 working-age people receiving SPS as at the end of September 2019

2.0 percent of the working-age population receiving SPS as at the end of September 2019

As at the end of September 2019, the number of working-age people on Sole Parent Support increased by 1.9 percent, to 59,715, since the September 2018 quarter. The proportion of working-age people receiving SPS decreased consistently over the previous September quarters, but has stabilised at 2.0 percent since September 2017.

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

Supported Living Payment (SLP)

Figure 4a. Number of working-age people receiving Supported Living Payment, at the end of the last six September quarters

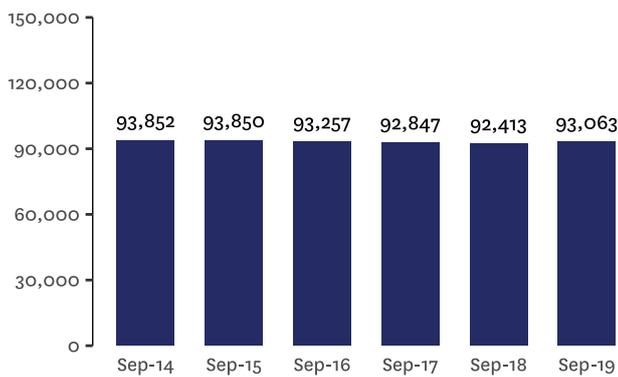
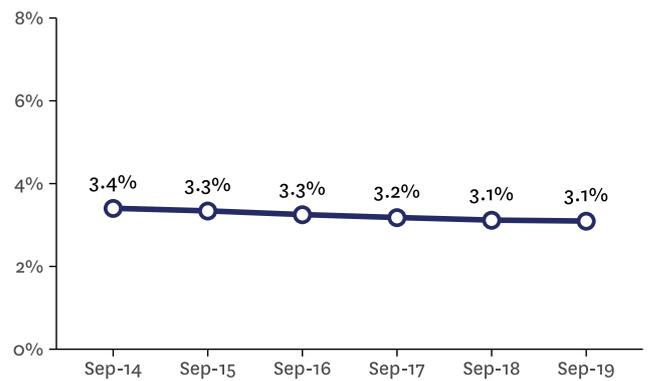


Figure 4b. Proportion of working-age population receiving Supported Living Payment, at the end of the last six September quarters



93,063 working-age people receiving SLP as at the end of September 2019

3.1 percent of the working-age population receiving SLP as at the end of September 2019

The number of working-age people on Supported Living Payment has remained reasonably stable when compared with the end of September 2018. There were 93,063 SLP recipients as at September 2019, which is 650 more than at the end of September 2018.

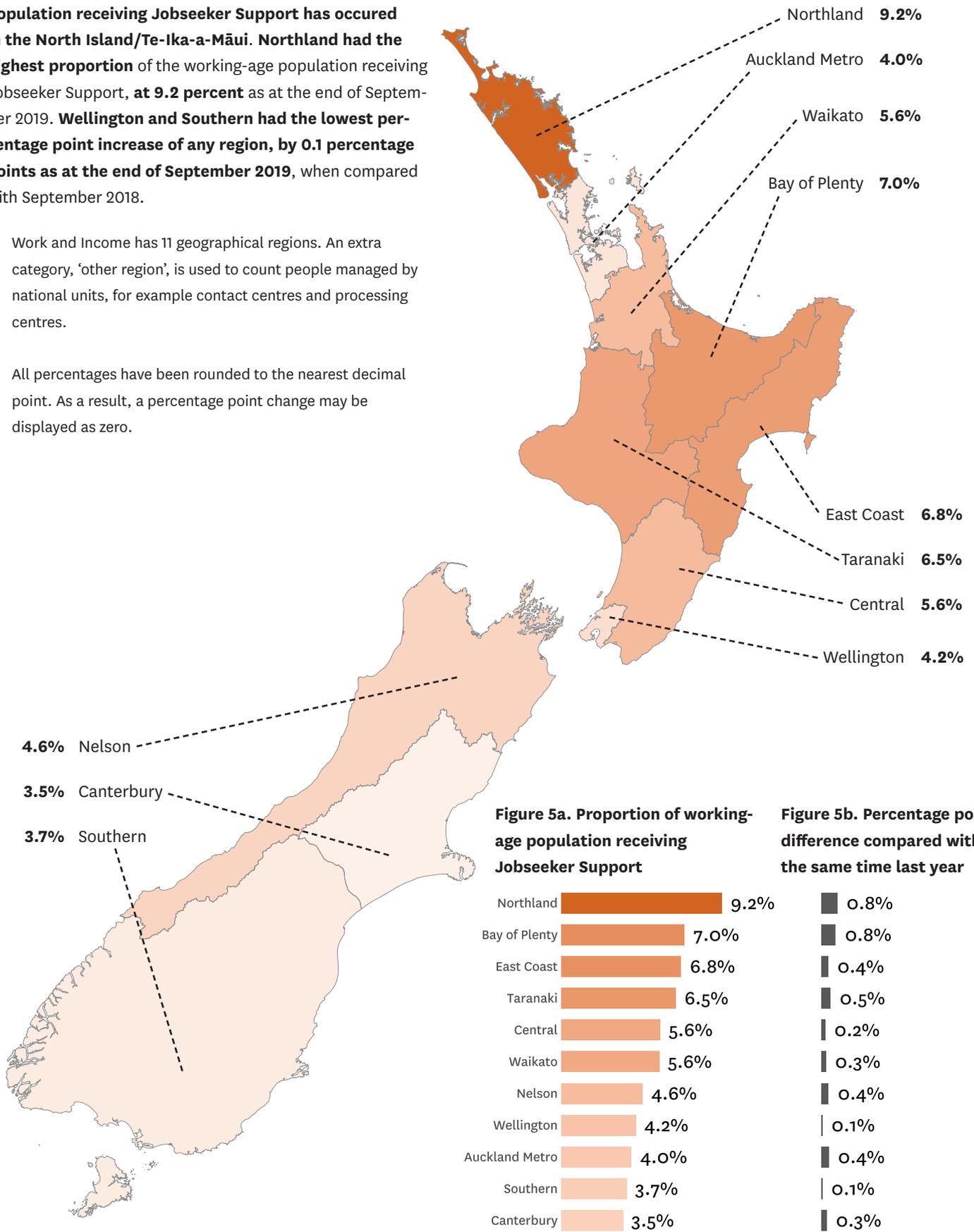
Supported Living Payment is for people who have, or care for someone with, a health condition, injury or disability that severely limits their ability to work on a long-term basis. The long-term nature of conditions for people on Supported Living Payment mean that very few people move from Supported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

Jobseeker Support regional distribution as a proportion of the working-age population, by Work and Income Region, as at September 2019

Most of the increase in proportion of the working-age population receiving Jobseeker Support has occurred in the North Island/Te-Ika-a-Māui. Northland had the highest proportion of the working-age population receiving Jobseeker Support, at 9.2 percent as at the end of September 2019. Wellington and Southern had the lowest percentage point increase of any region, by 0.1 percentage points as at the end of September 2019, when compared with September 2018.

Work and Income has 11 geographical regions. An extra category, 'other region', is used to count people managed by national units, for example contact centres and processing centres.

All percentages have been rounded to the nearest decimal point. As a result, a percentage point change may be displayed as zero.

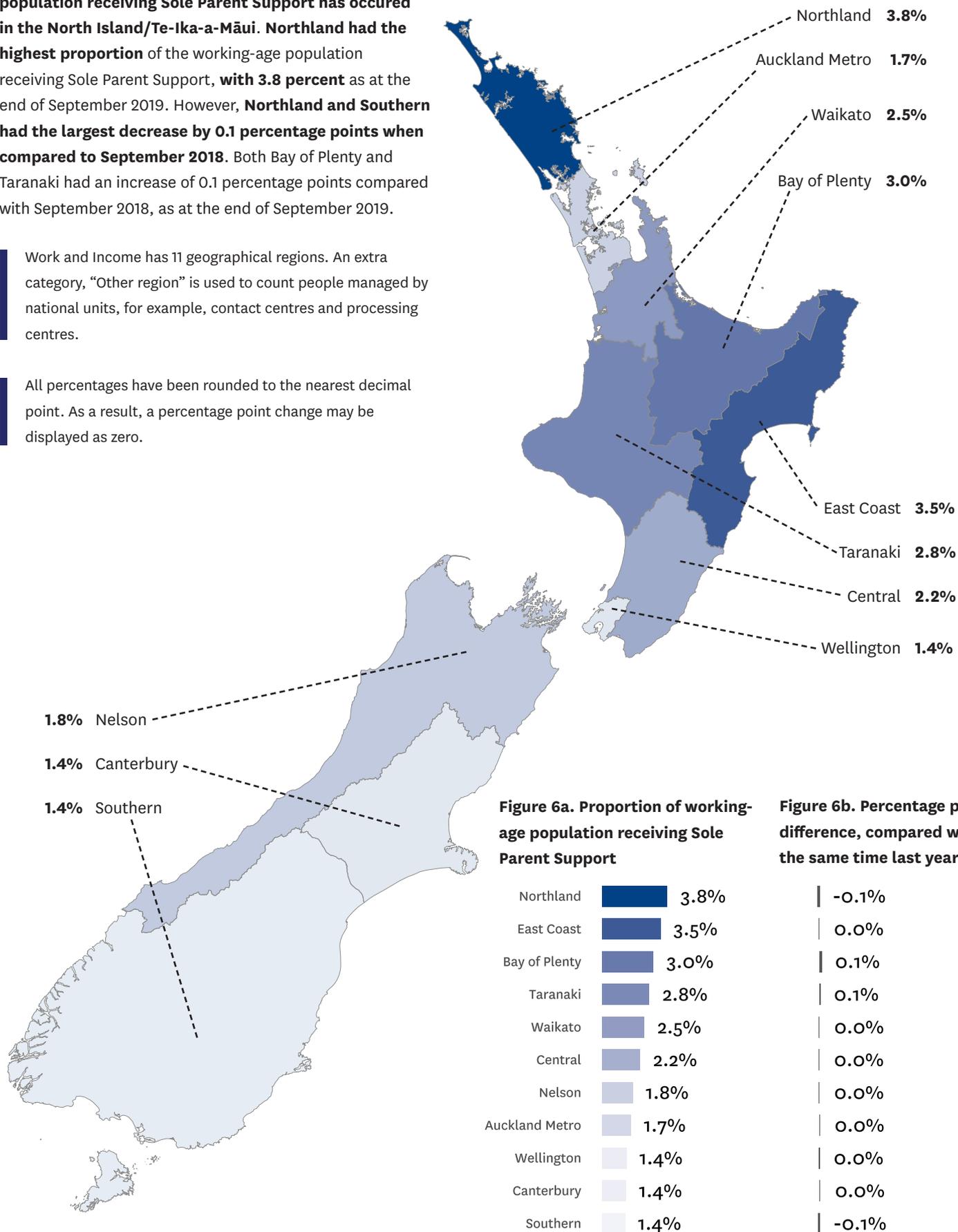


Sole Parent Support regional distribution as a proportion of the working-age population, by Work and Income Region, as at September 2019

Most of the increase in proportion of the working-age population receiving Sole Parent Support has occurred in the North Island/Te-Ika-a-Māui. Northland had the highest proportion of the working-age population receiving Sole Parent Support, with 3.8 percent as at the end of September 2019. However, Northland and Southern had the largest decrease by 0.1 percentage points when compared to September 2018. Both Bay of Plenty and Taranaki had an increase of 0.1 percentage points compared with September 2018, as at the end of September 2019.

Work and Income has 11 geographical regions. An extra category, "Other region" is used to count people managed by national units, for example, contact centres and processing centres.

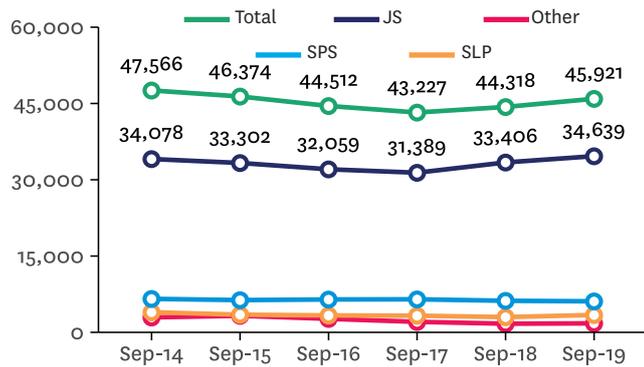
All percentages have been rounded to the nearest decimal point. As a result, a percentage point change may be displayed as zero.



Benefit grants and cancellations

Grants

Figure 7. Number of benefit grants during the September quarter, for the last six quarters



The number of benefits granted increased by 1,603, compared with the September 2018 quarter, to 45,921 for the September 2019 quarter. Compared with September 2018, there was an increase in benefit grants for Jobseeker Support during the September 2019 quarter.

A grant is the formal acceptance of entitlement to a benefit. The numbers reported here are for benefits granted during the September quarter, for the last six September quarters (i.e. 1 July to 30 September).

Cancellations

Figure 8a. Number of cancellations by benefit during the September quarter, for the last six quarters

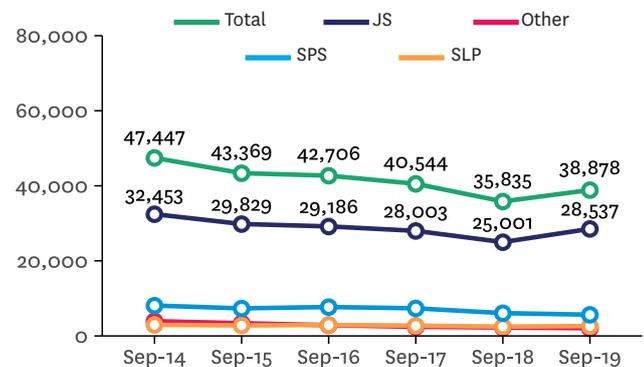
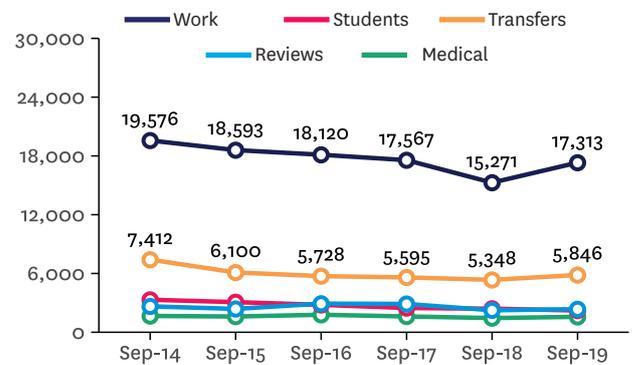


Figure 8b. Number of cancellations by selected reason during the September quarter, for the last six quarters



38,878 benefit cancels made during the September 2019 quarter

17,313 benefit cancels made during the September 2019 quarter due to entering paid work

The number of benefits cancelled increased by 3,043, compared with the September 2018 quarter, to 38,878 during the September 2019 quarter. Obtaining work, a main reason for benefit cancellations, increased by 2,042 compared with the September 2018 quarter, to 17,313 during the September 2019 quarter.

A cancellation (cancel) is the formal process that stops the entitlement to a benefit. The numbers reported above are for benefits cancelled within the September quarter, for the last six September quarters (i.e. 1 July to 30 September).

Benefit sanctions

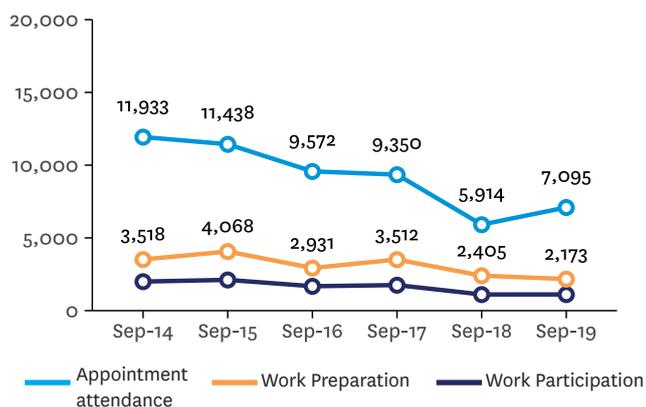
Figure 9. Number of sanctions for unfulfilled work obligations during the September quarter, over the last six quarters



The number of sanctions issued during the September 2019 quarter was 10,470. This was an increase of 966 compared with the September 2018 quarter.

A sanction is a reduction on a person's benefit that occurs if they do not 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 graduated sanction over the last 12 months. There are three types of sanctions: graduated (i.e. percentage reduction in benefit amount), suspended, or cancelled.

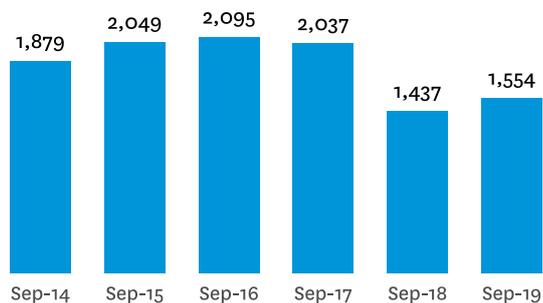
Figure 10. Number of sanctions for unfulfilled work obligations during the September quarter, by reason, over the last six quarters



The main reason for sanctions was due to clients not attending arranged appointments, 7,095 recipients had unfulfilled work obligations during the September 2019 quarter.

The maximum main benefit reduction for sole parents and couples with dependent children is 50 percent, when sanctioned within a 12-month period. For people without a de facto partner or couples with no dependent children, the first sanction is a maximum 50 percent reduction of their main benefit; for a second non-fulfilment of an obligation, they face a 100 percent suspension of their main benefit; and a third sanction will then result in a cancellation.

Figure 11. Number of sanctions active as the end of September, for the last six quarters

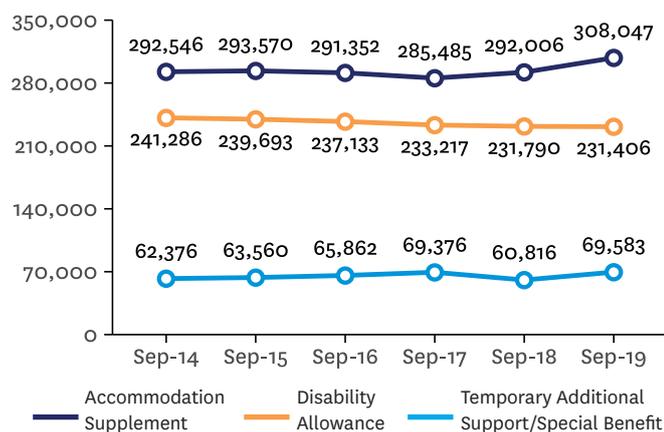


As at the end of September 2019, there were 1,554 sanctions that were actively in place.

Not everyone who does not fulfil their obligations gets sanctioned; if benefit recipients re-comply or provide additional information, the sanction can be withdrawn.

Supplementary benefit assistance

Figure 12. Number of recipients of supplementary assistance at the end of September, for the last six quarters



The number of people receiving the Accommodation Supplement in the September 2019 quarter was 308,047. This was an increase of 16,041 compared with the September 2018 quarter.

The number of people receiving Temporary Additional Support/Special Benefit increased by 8,767, compared with the end of September 2018, to 69,583 as at the end of September 2019.

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

The Disability Allowance is a weekly payment to assist people who have on-going 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 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 Special Benefit in 2006, however some people are still entitled to receive Special Benefit, therefore these are counted together.

Hardship assistance

A total of **573,588 hardship assistance payments, worth \$167,282,123**, were granted during the September 2019 quarter. These figures are **higher than during the September 2018 quarter**, when 344,731 hardship assistance payments, worth \$100,515,994, were granted.

Hardship assistance includes, but is not limited to: Special Needs Grants (SNGs), Benefit Advances (ADVs) and Recoverable Assistance Payments (RAPs). These forms of assistance are designed to help people who have immediate needs. The numbers reported for hardship assistance granted are sums of grants granted within the September quarter (i.e. 1 July to 30 September). Hardship assistance contains all ages data, rather than working-age only (i.e. 18 to 64).

Figure 13a. Number of hardship grants during the September quarter by type of assistance, over the last six quarters

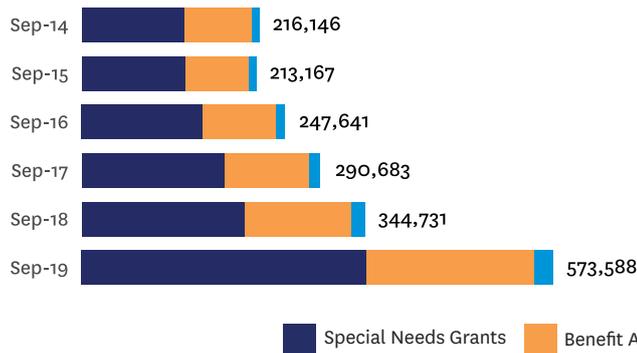
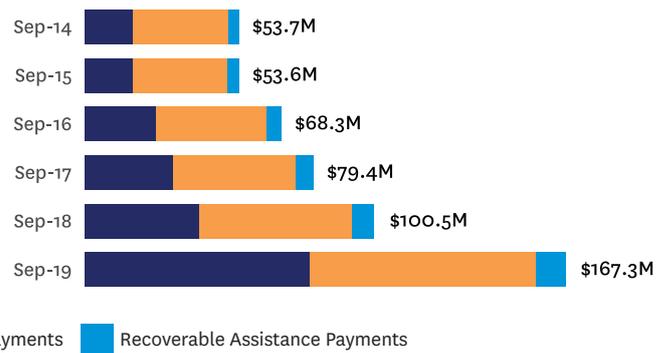


Figure 13b. Value of hardship grants during the September quarter by type of assistance, over the last six quarters



573,588 payments granted during the September 2019 quarter

\$167,282,123 value of grants provided during the September 2019 quarter

Reasons for hardship assistance, detailed below, include both Benefit Advance and Special Needs Grant reason categories. The Accommodation-related reasons are for Benefit Advance Grants. Food Grants, Medical-associated costs, and Emergency Housing reasons are for Special Needs Grants.

Figure 14a. Number of hardship grants during the September quarter by selected reason, over the last six quarters

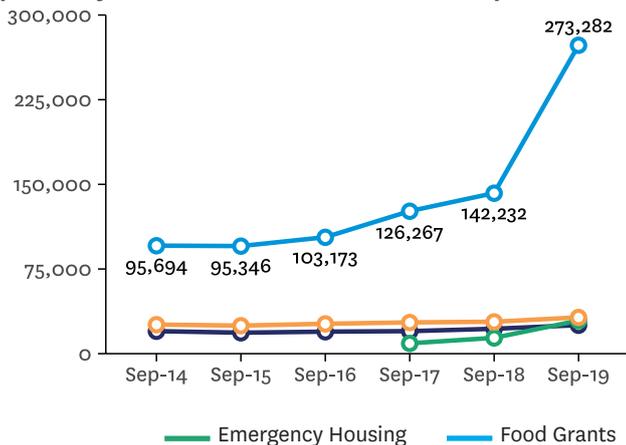
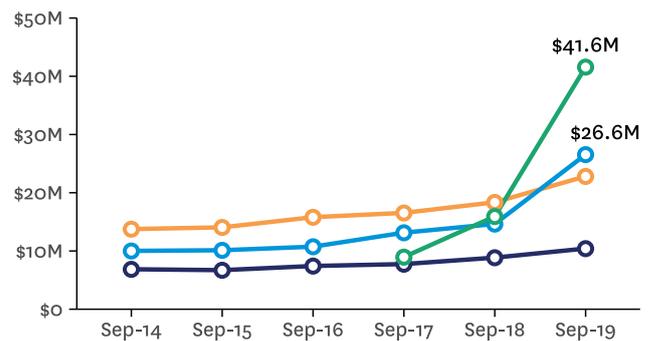


Figure 14b. Value of hardship grants during the September quarter by selected reason, over the last six quarters

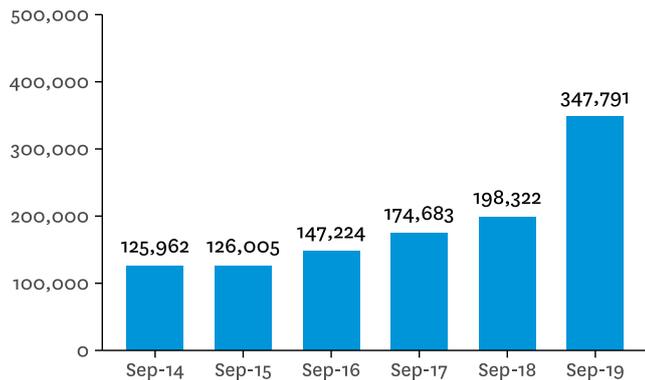


The number of Emergency Housing Special Needs Grants (EH SNGs) granted increased compared with the September 2018 quarter. 15,249 more grants were granted, totalling 29,266 during the September 2019 quarter. **The average value for each EH SNGs granted increased from \$1,137 in the September 2018 quarter, to \$1,421 in the September 2019 quarter.** The total number of EH SNGs granted and the increasing average value has contributed to **a higher total value of EH SNGs during the September 2019 quarter. A total value of \$41,589,049 was granted for EH SNGs, an increase from \$15,931,192 during the September 2018 quarter.**

The demand for Special Needs Grants (SNG) for food assistance continues to increase. Compared with the September 2018 quarter, there were 131,050 more SNGs for food granted, totalling 273,282 during the September 2019 quarter. As a result, the value of SNGs for food assistance increased to \$26,561,087 during the September 2019 quarter.

Special Needs Grants (SNGs)

Figure 15a. Number of Special Needs Grants granted during the September quarter, over the last six quarters



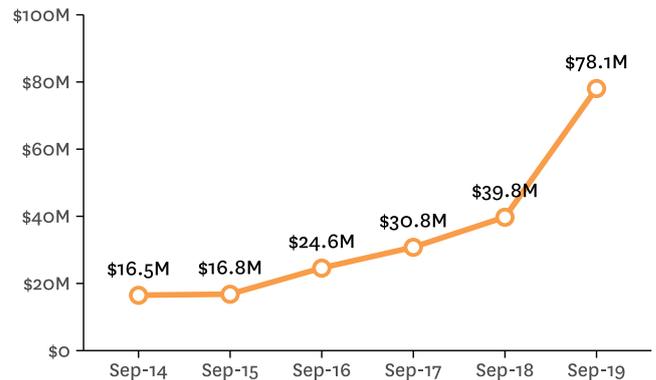
347,791 Special Needs Grants granted during the September 2019 quarter

\$78,086,978 value of Special Needs Grants granted in the September 2019 quarter

The number of Special Needs Grants granted was **149,469** higher during the **September 2019** quarter than during the September 2018 quarter. This has resulted in **the value of grants granted almost doubling**, increasing by \$38,327,565 to \$78,086,978, when compared with September 2018.

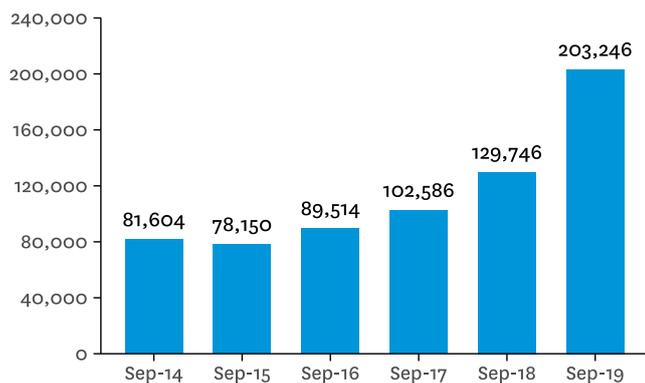
A Special Needs Grant provides non-taxable, one-off recoverable or non-recoverable financial assistance for people to meet immediate needs. A person does not need to be receiving a main benefit to be eligible for a Special Needs Grant. Special Needs Grants include Emergency Housing Special Needs Grants.

Figure 15b. Value of Special Needs Grants granted during the September quarter, over the last six quarters



Benefit Advances (ADVs)

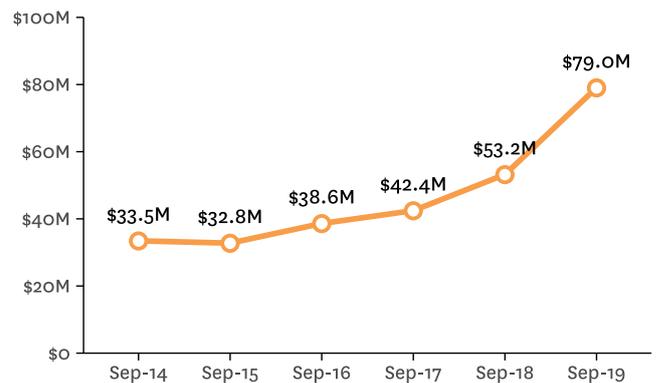
Figure 16a. Number of Benefit Advances granted during the September quarter, over the last six quarters



203,246 Benefit Advances granted during the September 2019 quarter

\$79,043,526 value of Benefit Advances granted during the September 2019 quarter

Figure 16b. Value of Benefit Advances granted during the September quarter, over the last six quarters



The number of Benefit Advances granted was **73,500** higher during the **September 2019** quarter, compared with the September 2018 quarter. This has resulted in **the value of Benefit Advances granted increasing** by \$25,838,551, to a total of \$79,043,526.

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