

MINISTRY OF SOCIAL DEVELOPMENT TE MANATŪ WHAKAHIATO ORA



Benefit Fact Sheets Snapshot September 2023 Quarter

#### In the Benefit Fact Sheets Snapshot

The Benefit Fact Sheets provide a highlevel view of trends in benefit receipt. The Benefit Fact Sheets are published

quarterly and contain information on income support provided by the Ministry.

For technical information about the Benefit Fact Sheets, like how we protect our clients' confidentiality, please see: <u>www.msd.govt.nz/documents/about-msd-</u> <u>and-our-work/publications-resources/</u> <u>statistics/benefit/2023/bfs-t1-stats-</u> <u>information-sep-23.pdf</u>

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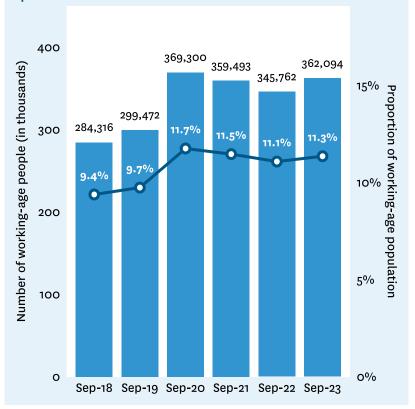
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## Main benefit assistance

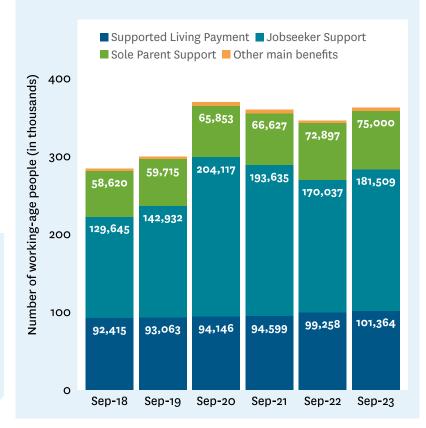
#### Main benefits

At the end of September 2023, **362,094 people** were receiving a main benefit. This was up 16,332 or 4.7 percent when compared to September 2022.

The proportion of the working-age population receiving a main benefit increased to **11.3 percent**, up 0.2 percentage points from September 2022. Figure 1a: Number and proportion of people receiving a main benefit at the end of the last six September quarters.



### Figure 1b: Number of people receiving a main benefit by benefit type at the end of the last six September quarters.



In Figure 1b, other main benefits include:

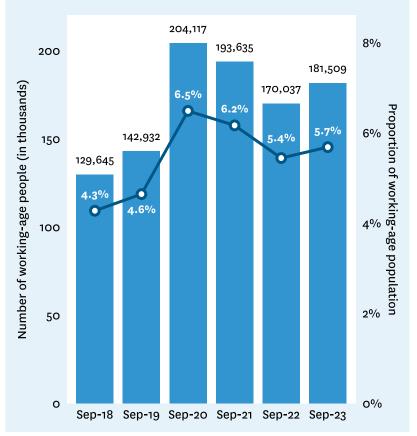
- Youth Payment and Young Parent Payment
- Emergency Benefit
- Emergency Maintenance Allowance
- Jobseeker Support Student Hardship

Main benefit assistance

#### Jobseeker Support

At the end of September 2023, **181,509 people** were receiving Jobseeker Support. This was up 11,472 or 6.7 percent when compared to September 2022.

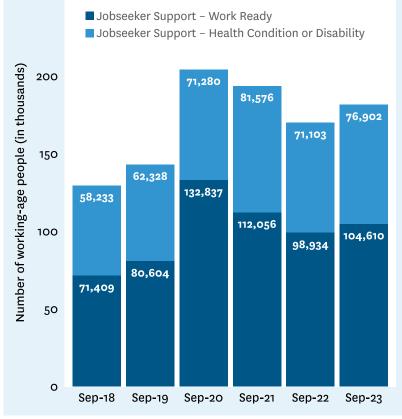
The proportion of the working-age population receiving this benefit increased to **5.7 percent**, up 0.3 percentage points from September 2022. Figure 2a: Number and proportion of people receiving Jobseeker Support at the end of the last six September quarters.



At the end of September 2023, **104,610 people** were receiving Jobseeker Support - Work Ready. This was up 5,676 or 5.7 percent when compared to September 2022.

At the end of September 2023, **76,902 people** were receiving Jobseeker Support – Health Condition or Disability. This was up 5,799 or 8.2 percent when compared to September 2022.

Jobseeker Support is for people who are actively looking for or preparing for work. It includes people with parttime work obligations and those who cannot look for work at the moment (e.g. those with a health condition, injury, or disability). Figure 2b: Number of people receiving Jobseeker Support by benefit type at the end of the last six September quarters.



Main benefit assistance

#### Sole Parent Support

At the end of September 2023, **75,000 people** were receiving Sole Parent Support. This was up 2,103 or 2.9 percent when compared to September 2022.

The proportion of the working-age population receiving this benefit increased to **2.4 percent**, up 0.1 percentage points from September 2022.

Sole Parent Support is for single parents with at least one dependent child under 14 years.

#### Supported Living Payment

At the end of September 2023, **101,364 people** were receiving Supported Living Payment. This was up 2,106 or 2.1 percent when compared to September 2022.

The proportion of the working-age population receiving this benefit is **3.2 percent**, the same as this time last year, September 2022.

Supported Living Payment is for people who have, or care for someone with, a health condition, injury or disability that limits their ability to work. Figure 3: Number and proportion of people receiving Sole Parent Support at the end of the last six September quarters.

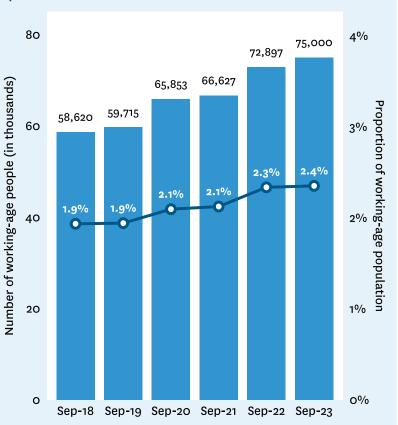
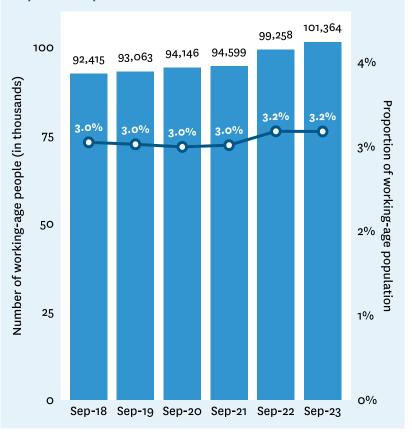


Figure 4: Number and proportion of people receiving Supported Living Payment at the end of the last six September quarters.



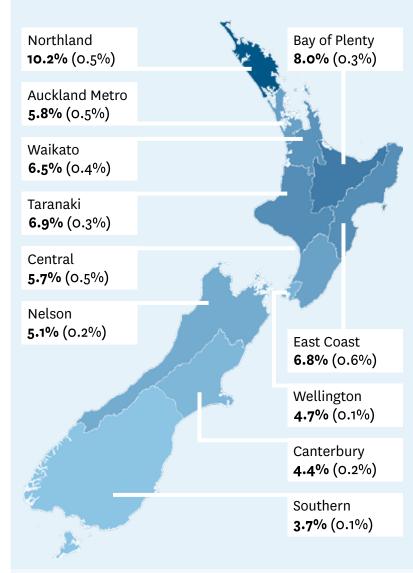
Main benefit assistance

#### Regional distribution of Jobseeker Support

Between September 2022 and September 2023, the proportion of the workingage population receiving Jobseeker Support increased in all regions.

The largest percentage point increase was seen in East Coast (0.6 percent).

At the end of September 2023, Northland had the highest proportion receiving Jobseeker Support, at 10.2 percent. Figure 5: Regional distribution of Jobseeker Support as a proportion of the population by Work and Income region, as at September 2023.



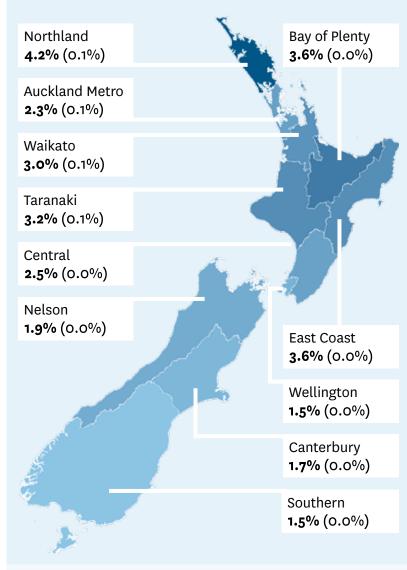
Figures in labels refer to 'working-age population proportion' and 'percentage point change' respectively. All percentages have been rounded to the nearest decimal point. As a result, a percentage point change may be displayed as zero.

#### Regional distribution of Sole Parent Support

Between September 2022 and September 2023, the proportion of the workingage population receiving Sole Parent Support remained the same or increased slightly in most regions.

The percentage point increases were seen in Northland, Taranaki, Waikato, and Auckland Metro (0.1 percent).

At the end of September 2023, Northland had the highest proportion receiving Sole Parent Support, at 4.2 percent. Figure 6: Regional distribution of Sole Parent Support as a proportion of the population by Work and Income region, as at September 2023.



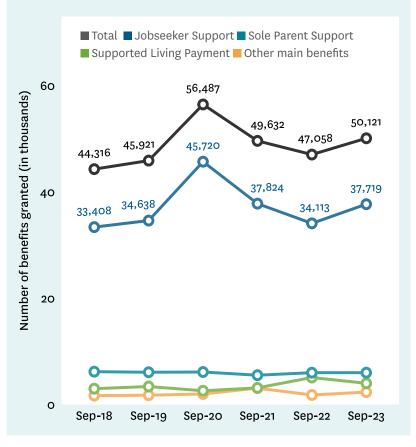
Figures in labels refer to 'working-age population proportion' and 'percentage point change' respectively. All percentages have been rounded to the nearest decimal point. As a result, a percentage point change may be displayed as zero.

### Main benefit grants and cancellations

#### Main benefit grants

There were **50,121** main benefits granted in the September 2023 quarter, an increase of 3,063 or 6.5 percent from the September 2022 quarter.

There were **37,719** Jobseeker Support grants in the September 2023 quarter, an increase of 3,606 or 10.6 percent from the September 2022 quarter. Figure 7: Number of main benefits granted during the last six September quarters.



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A main benefit grant is the formal acceptance of entitlement to a main benefit.

# Main benefit cancellations

There were **38,661** main benefit cancellations in the September 2023 quarter, a decrease of 6,252 or 13.9 percent from the September 2022 quarter.

There were **16,434** exits into work in the September 2023 quarter, a decrease of 4,806 or 22.6 percent from the September 2022 quarter. Figure 8a: Number of main benefit cancellations by benefit type during the last six September quarters.

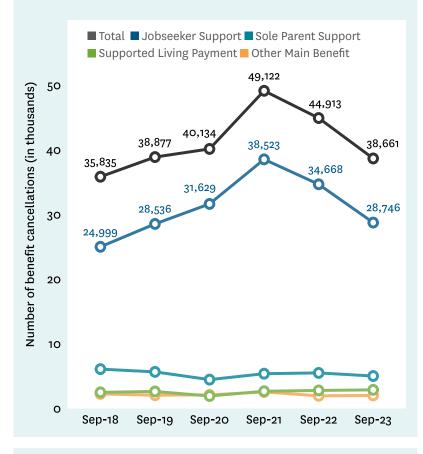
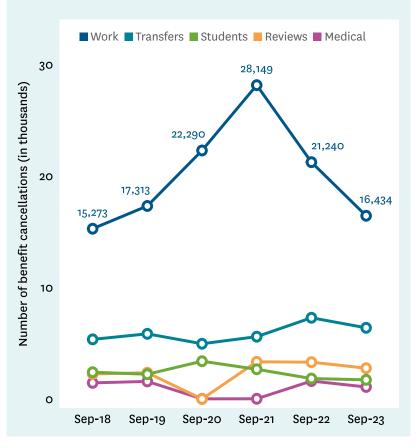


Figure 8b: Number of main benefit cancellations by selected reasons during the last six September quarters.



A main benefit cancellation is the formal process that ends the entitlement to a main benefit.

Main benefit grants and cancellations

### **Benefit sanctions**

The number of sanctions issued during the September 2023 quarter was **6,177**, an increase of 522 or 9.2 percent from the September 2022 quarter.

> 10,470 10 9,504 Number of sanctions (in thousands) 8 6,177 5,655 6 5,250 4 1,842 2 0 Sep-18 Sep-19 Sep-23 Sep-20 Sep-21 Sep-22

A sanction is a reduction in a person's benefit that may occur if they do not fulfil their work obligations. Not everyone who does not fulfil their obligations gets sanctioned; if benefit recipients re-comply or provide additional information, the sanction can be overturned.

During the September 2023 quarter, the main reasons for unfulfilled work obligation sanctions were **clients not attending appointments** including seminar appointments (3,723 sanctions) and **failing to prepare for work** (1,911 sanctions).

Figure 9b: Number of sanctions for unfulfilled work obligations by reason during the last six September quarters.

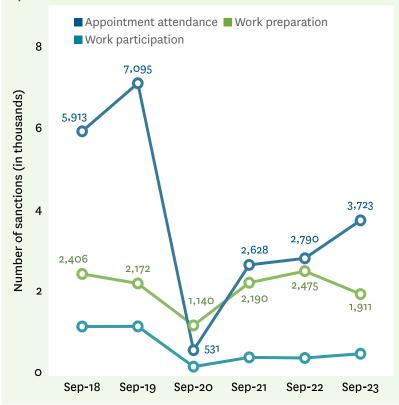
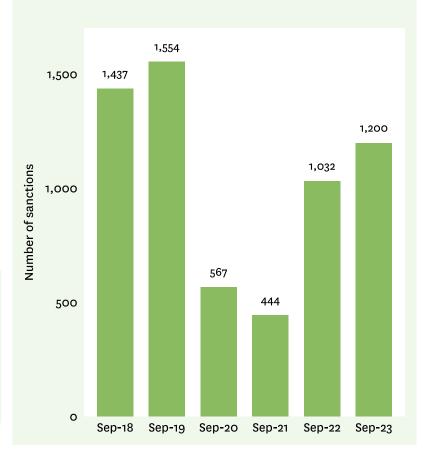


Figure 9a: Number of sanctions for unfulfilled work obligations during the last six September quarters.

At the end of September 2023, there were **1,200** graduated sanctions in place, an increase of 168 or 16.3 percent from the September 2022 quarter.

Figure 9c: Number of graduated sanctions in place at the end of the last six September quarters.



Sanctions can affect benefit recipients in a number of ways, depending on their circumstances and the number of times they have had a sanction over the last 12 months. There are three types of sanctions: graduated (i.e. percentage reduction in benefit amount), suspended, or cancelled.

## **Supplementary assistance**

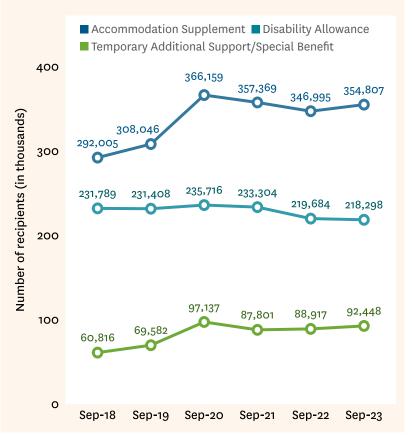
Between the end of September 2022 and the end of September 2023:

- the number of people receiving Accommodation Supplement increased by 7,812 or 2.3 percent
- the number of people receiving Disability Allowance decreased by
  1,386 or 0.6 percent
- the number of people receiving Temporary Additional Support/Special Benefit increased by 3,531 or 4.0 percent.

The Accommodation Supplement assists people on low incomes with their rent, board, or the cost of owning a home.

The Disability Allowance assists people who have on-going costs because of a disability.

Temporary Additional Support helps people to cover essential living costs that cannot be met from their income or other resources. Figure 10: Number of recipients of supplementary assistance at the end of the last six September quarters.



### Hardship assistance

# Total hardship assistance

During the September 2023 quarter, there were **639,648** hardship assistance payments, worth **\$258.1 million**.

Compared with the September 2022 quarter, the number of hardship assistance payments was 8.7 percent higher, and the value of hardship payments was 9.2 percent higher. Figure 11a: Number of hardship payments provided during the quarter for the last six September quarters, by type of assistance.

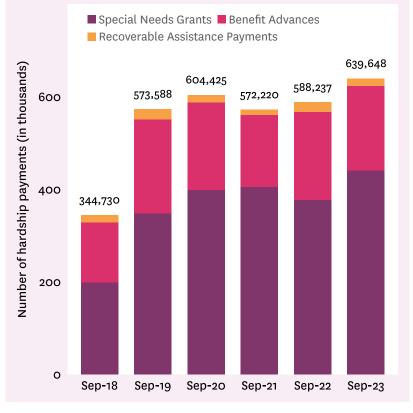
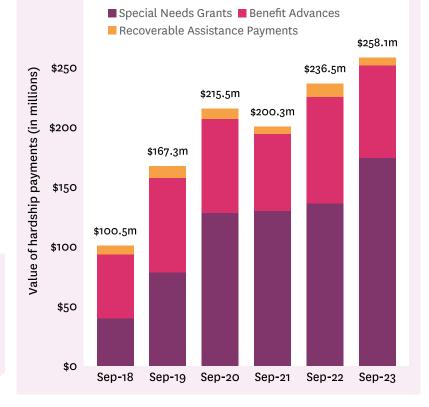


Figure 11b: Value of hardship payments provided during the quarter for the last six September quarters, by type of assistance.



Hardship assistance includes, but is not limited to: Special Needs Grants, Benefit Advances, and Recoverable Assistance Payments. These forms of assistance are designed to help people who have immediate needs.

#### Reasons for hardship assistance

Two key types of hardship assistance are Special Needs Grants for food and Emergency Housing Special Needs Grants.

There were **339,222** Special Needs Grants for food during the September 2023 quarter, up 31,020 or 10.1 percent from the September 2022 quarter. The value of these grants was **\$36.6 million**, up 16.5 percent from the September 2022 quarter.

There were **25,866** Emergency Housing Special Needs Grants during the September 2023 quarter, down 5,298 or 17.0 percent from the September 2022 quarter. The value of these grants was **\$88.2 million**, down 3.9 percent from the September 2022 quarter. Figure 12a: Number of hardship payments provided during the last six September quarters by selected reason.

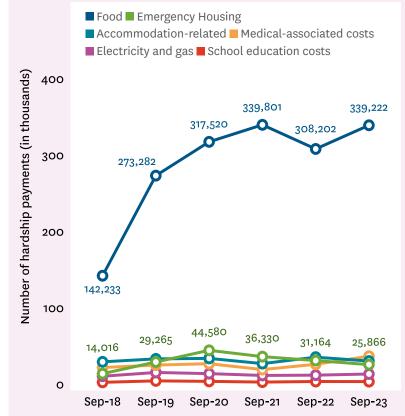
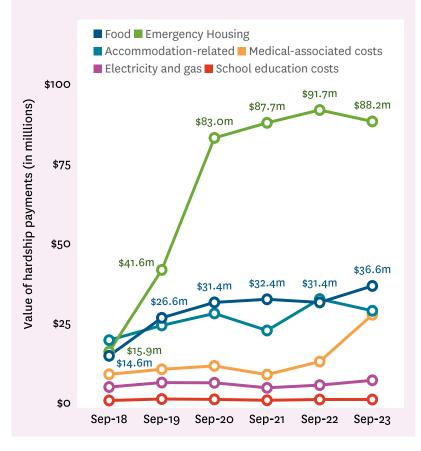


Figure 12b: Value of hardship payments provided during the last six September quarters by selected reason.



#### Special Needs Grants

There were **439,953** Special Needs Grants in the September 2023 quarter, up 16.8 percent from the September 2022 quarter. The value of these grants was **\$174.1 million**, up 27.9 percent from the September 2022 quarter.

A Special Needs Grant provides a non-taxable, one-off recoverable or non-recoverable payment to help people meet immediate needs. A person does not need to be receiving a main benefit to be eligible for a Special Needs Grant.

#### **Benefit Advances**

There were **182,703** Benefit Advances provided during the September 2023 quarter, down 4.1 percent from the September 2022 quarter. The value of these grants was **\$77.1 million**, down 13.2 percent from the September 2022 quarter.

A Benefit Advance can be up to six weeks of a benefit recipient's net entitlement, and is recovered from subsequent payments of benefit. People not receiving a main benefit may instead receive Recoverable Assistance Payments. Figure 13: Number and value of Special Needs Grants provided during the last six September quarters.

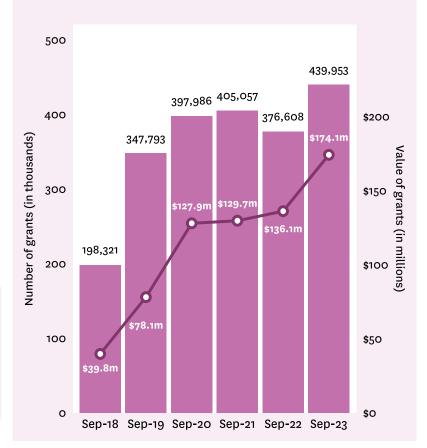


Figure 14: Number and value of Benefit Advances provided during the last six September quarters.

