



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA



Ministry of Social Development

Benefit Fact Sheets

December 2017 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

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Benefit Fact Sheets

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Key facts

There are **289,788** working age people (representing **9.8 percent** of the total working age population), in receipt of a main benefit as at 31 December 2017. This is less than a year ago.

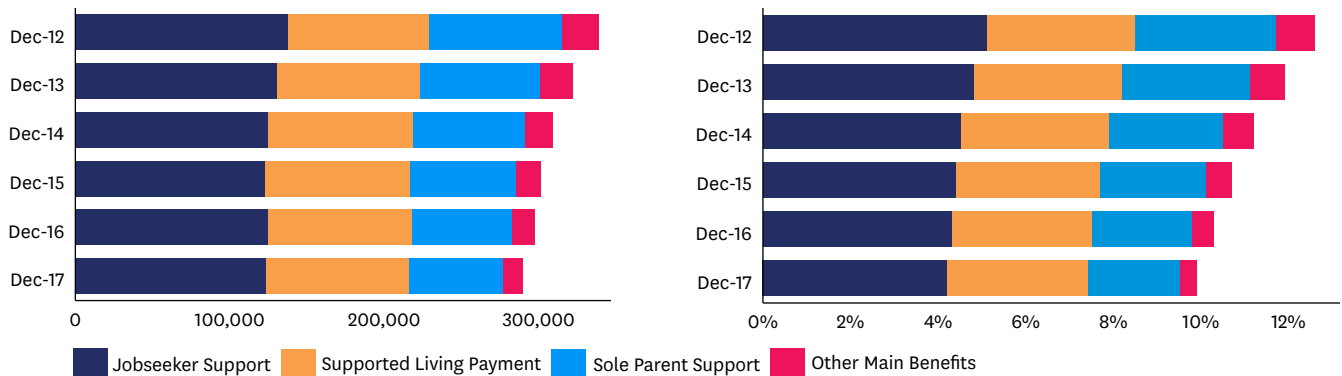
There are now **just over 60,000 people** receiving **Sole Parent Support**, with **60,678** working age people, or **2.1 percent** of the working age population as at 31 December 2017.

The number of people receiving **Temporary Additional Support or Special Benefit** has increased over the past 12 months. **72,355** people are receiving this assistance as at 31 December 2017, an increase from 68,244 a year ago.

290,070 hardship assistance grants were made over the December 2017 quarter. These were worth **nearly \$76 million**. This is an increase from the December 2016 quarter.

Benefit Fact Sheets

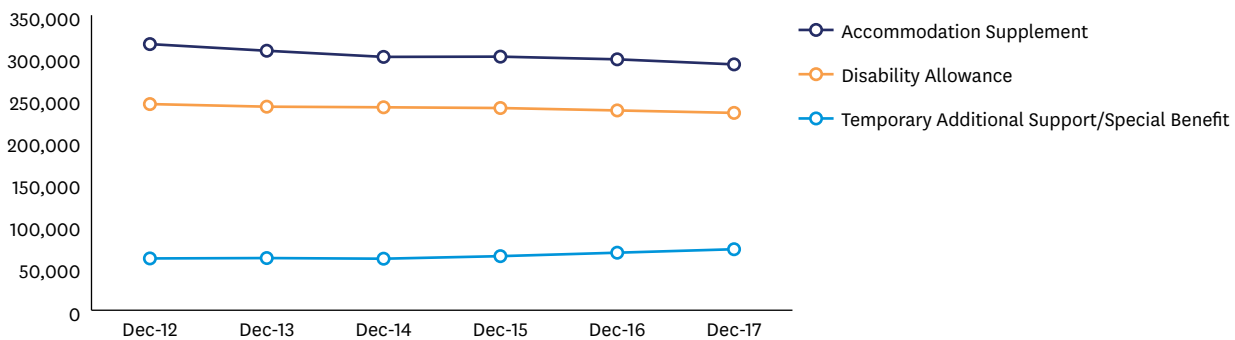
Main benefits



There are **289,788** working age people (representing **9.8 percent** of the total working age population), in receipt of a main benefit as at 31 December 2017. This is less than a year ago.

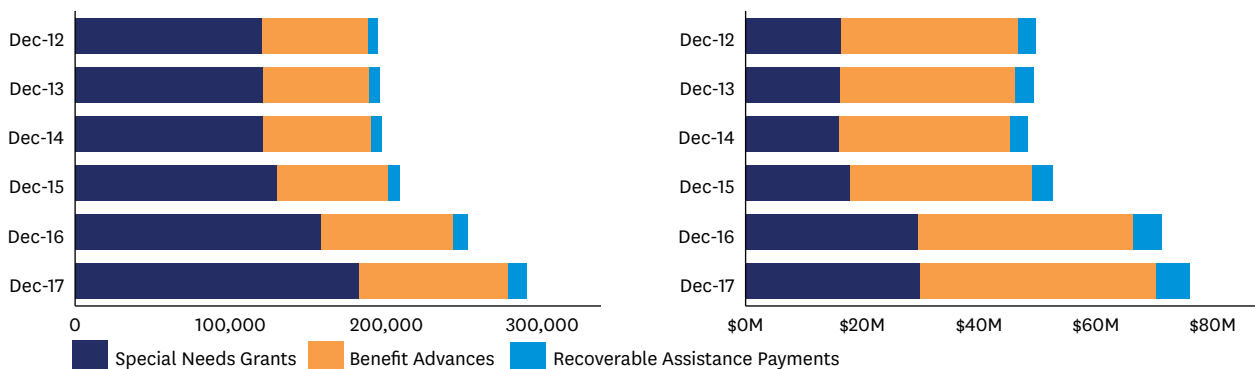
There are now **just over 60,000 people** receiving **Sole Parent Support**, with **60,678** working age people, or **2.1 percent** of the working age population as at 31 December 2017.

Supplementary benefits



The number of people receiving **Temporary Additional Support or Special Benefit** has increased over the past 12 months. **72,355** people are receiving this assistance as at 31 December 2017, an increase from 68,244 a year ago.

Hardship assistance



290,070 hardship assistance grants were made over the December 2017 quarter. These were worth **nearly \$76 million**. This is an increase from the December 2016 quarter.

Main benefit assistance

The number of working age people receiving main benefits as at 31 December 2017 were lower than as at 31 December 2012. This has been led by falling numbers of working age people receiving Sole Parent Support over the last five years.

Main working age benefits 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: Total number of people receiving main benefits, broken down by main benefit type

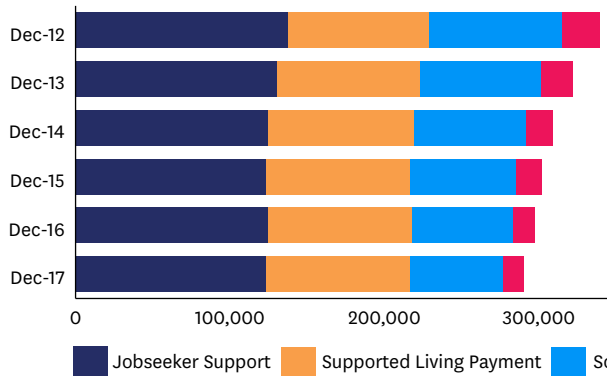
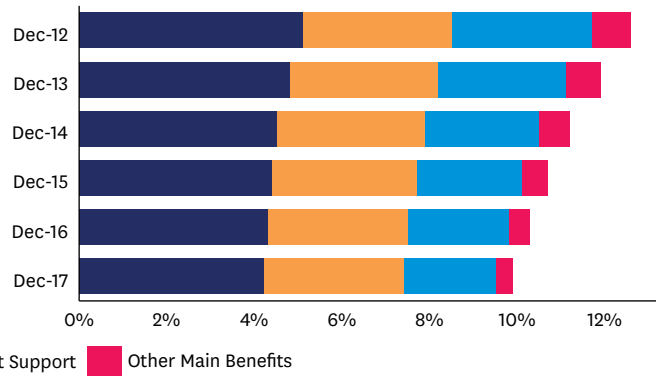


Figure 1b: Proportion of working age population receiving main benefits, broken down by main benefit type



289,788

Working age people receiving a main benefit as at 31 December 2017
(297,010 - 31 December 2016)

9.8 percent

Of the working age population receiving a main benefit as at 31 December 2017
(10.3 percent - 31 December 2016)

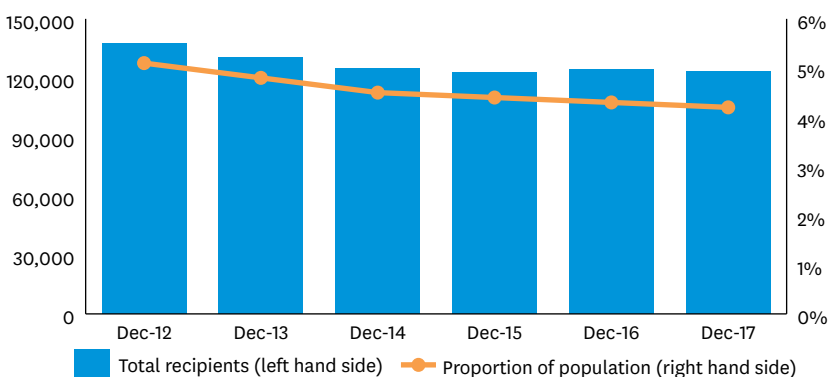
Jobseeker Support (JS)

The number of people on Jobseeker Support has decreased by 1,270 since 31 December 2016, to 123,041 as at 31 December 2017. This is slightly higher than at 31 December 2015, where there were 122,927 people on Jobseeker Support.

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 (eg because they have a health condition, injury or disability).

The number of working age people receiving Jobseeker Support at the end of December decreased between 2012 and 2015, increased between 2015 and 2016, then decreased again between 2016 and 2017.

Figure 2: Proportion of working age population and total number of people receiving Jobseeker Support



123,041

Working age people receiving JS as at 31 December 2017
(124,311 - 31 December 2016)

4.2 percent

Of the working age population receiving JS as at 31 December 2017
(4.3 percent - 31 December 2016)

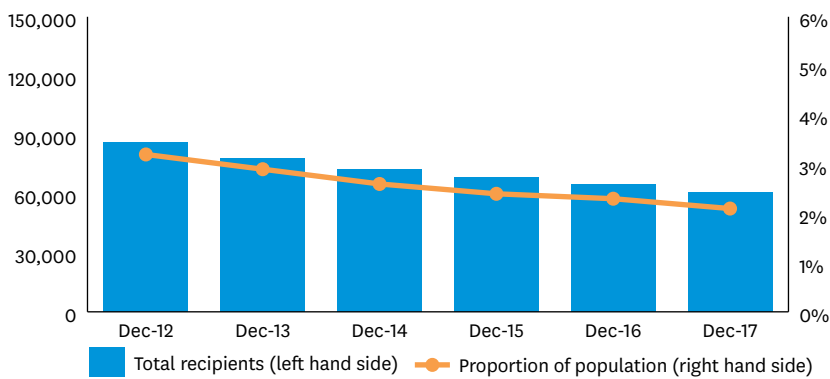
Sole Parent Support (SPS)

The number of people on Sole Parent Support has decreased by 4,292 since 31 December 2016, to 60,678 as at 31 December 2017.

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.

The number of working age people receiving Sole Parent Support at the end of December decreased over the last five years. The proportion of the working age population who were receiving Sole Parent Support at the end of December has also been consistently decreasing over the past five years.

Figure 3: Proportion of working age population and total number of people receiving Sole Parent Support



60,678

Working age people receiving SPS as at 31 December 2017
(64,970 - 31 December 2016)

2.1 percent

Of the working age population receiving SPS as at 31 December 2017
(2.3 percent - 31 December 2016)

Supported Living Payment (SLP)

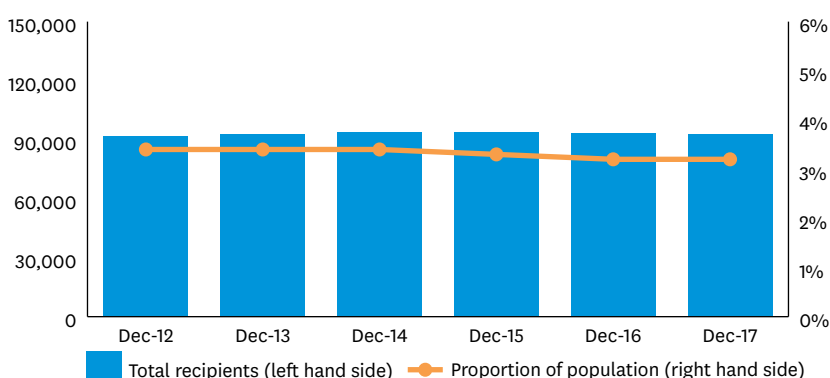
The number of people on Supported Living Payment has remained stable, decreasing by 396 since 31 December 2016, to 93,022 as at 31 December 2017.

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.

The number of working age people receiving Supported Living Payment at the end of December increased slightly between 2012 and 2014. Since then, the number of working age people receiving Supported Living Payment has decreased slightly.

The proportion of the working age population receiving Supported Living Payment at the end of December each year remained stable between 2012 and 2014 before decreasing slightly between 2015 and 2017.

Figure 4: Proportion of working age population and total number of people receiving Supported Living Payment



93,022

Working age people receiving SLP as at 31 December 2017
(93,418 - 31 December 2016)

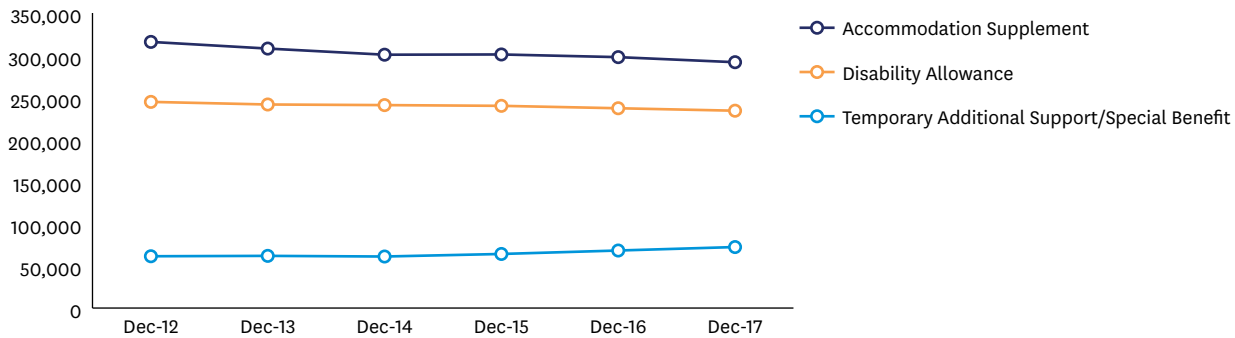
3.2 percent

Of the working age population receiving SLP as at 31 December 2017
(3.2 percent - 31 December 2016)

Supplementary benefit assistance

The number of supplementary benefits paid out at the end of December 2017 was slightly lower than at the end of December 2012. This was due to a reduction in the number of people receiving the Accommodation Supplement and the Disability Allowance. This was offset by an increase in the number of people receiving Temporary Additional Support or Special Benefit payments.

Figure 5: Trends over time of selected supplementary benefit receipt



Accommodation Supplement (AS)

The number of people receiving the Accommodation Supplement has decreased by 6,007 since 31 December 2016, to 291,634 as at 31 December 2017.

The Accommodation Supplement is a weekly payment to assist people who are not in public housing, with their rent, board, or the cost of owning a home. A person does not need to be receiving a main benefit in order to qualify for the Accommodation Supplement. The number of people receiving an Accommodation Supplement tends to follow broader benefit trends, and so has been slowly reducing over the last five years.

291,634

Working age people receiving AS as at 31 December 2017
(297,641 - 31 December 2016)

Disability Allowance (DA)

The number of people receiving the Disability Allowance has decreased by 2,918 since 31 December 2016, to 234,093 as at 31 December 2017.

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 the number of Health Condition or Disability benefit recipients.

234,093

Working age people receiving DA as at 31 December 2017
(237,011 - 31 December 2016)

Temporary Additional Support/Special Benefit (TAS/SPB)

The number of people receiving Temporary Additional Support/Special Benefit has increased by 4,111 since 31 December 2016, to 72,355 as at 31 December 2017.

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. It is paid for a maximum of 13 weeks before the recipient is required to reapply for it. A person does not have to be receiving a main benefit to qualify for Temporary Additional Support.

72,355

Working age people receiving TAS or SPB as at 31 December 2017
(68,244 - 31 December 2016)

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

The number of grants and value of granted payments of hardship assistance in the December 2017 quarter was higher than in the December 2012 quarter. Most of this increase in the number of grants and value of granted payments has come in the last two years.

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.

Figure 6a: Trends over time of hardship grant numbers

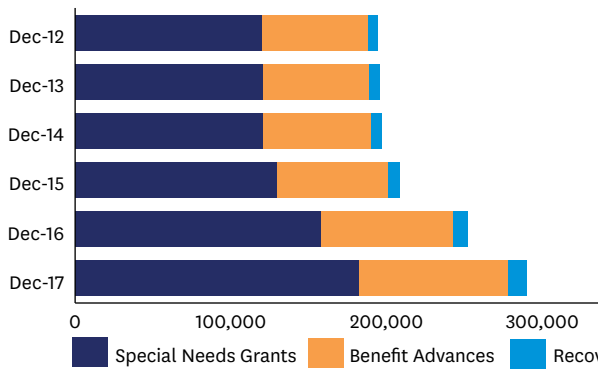
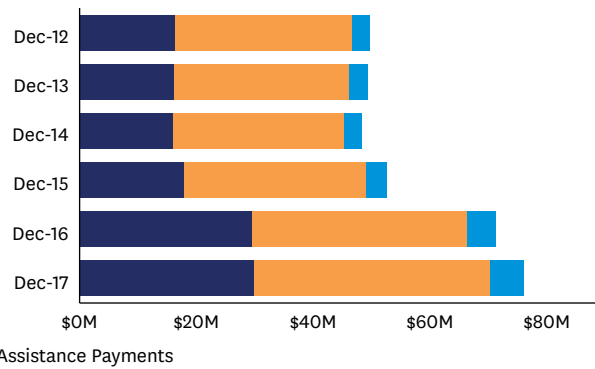


Figure 6b: Trends over time of the value of granted payments



290,070

Payments granted in the December 2017 quarter
(252,422 - December 2016 quarter)

\$75,984,662

Value of payments granted in the December 2017 quarter
(\$71,171,822 - December 2016 quarter)

Food has consistently remained the main reason for needing hardship assistance. The demand for food assistance has also been growing over the last few quarters, and has been one of the leading contributors to the growth in hardship assistance. Most of the value of payments granted is either for accommodation related costs (excluding Emergency Housing) or food assistance.

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

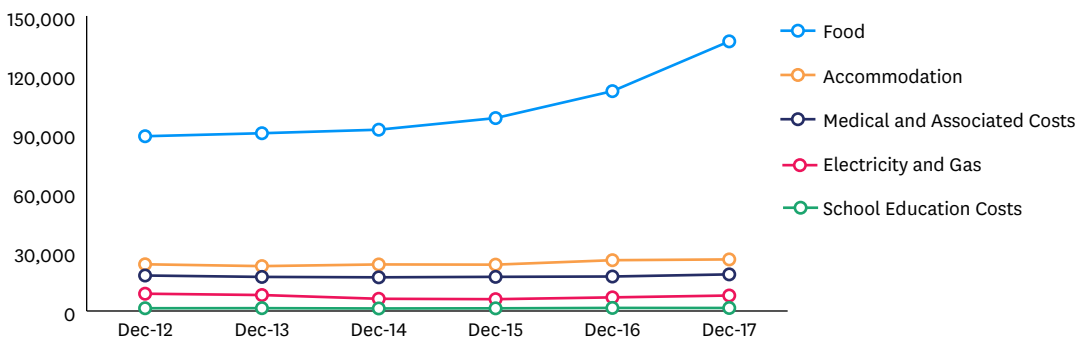
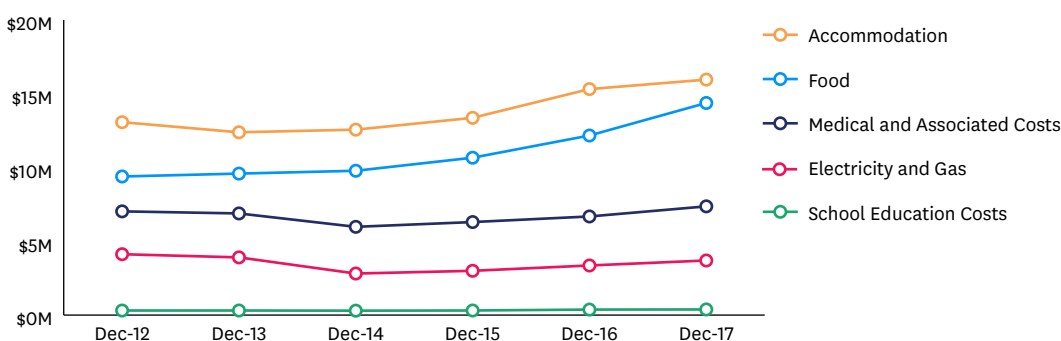


Figure 8: Trends over time of value of hardship grants broken down by reason

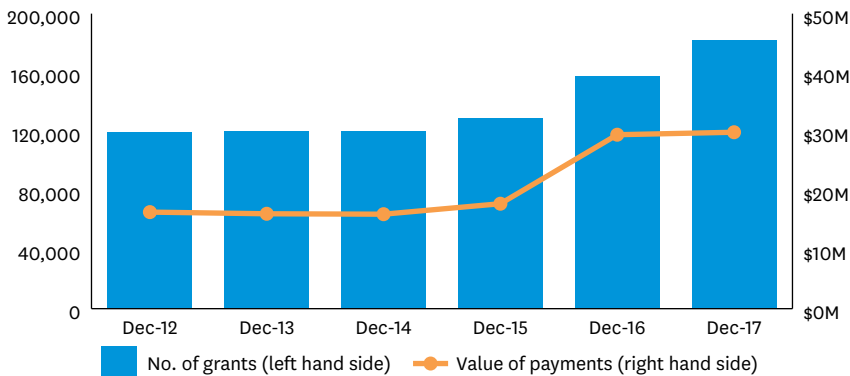


Special Needs Grants (SNG)

The number of Special Needs Grants granted has increased by 24,766 since the December 2016 quarter, to 182,187 for the December 2017 quarter. Despite this large increase, the value of granted payments only increased by \$419,584 to \$29,897,640 over the same period.

Special Needs Grants 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 9: Trends over time of Special Needs Grant grant numbers and value of granted payments



182,187

SNG payments granted in the December 2017 quarter
(157,421 - December 2016 quarter)

\$29,897,640

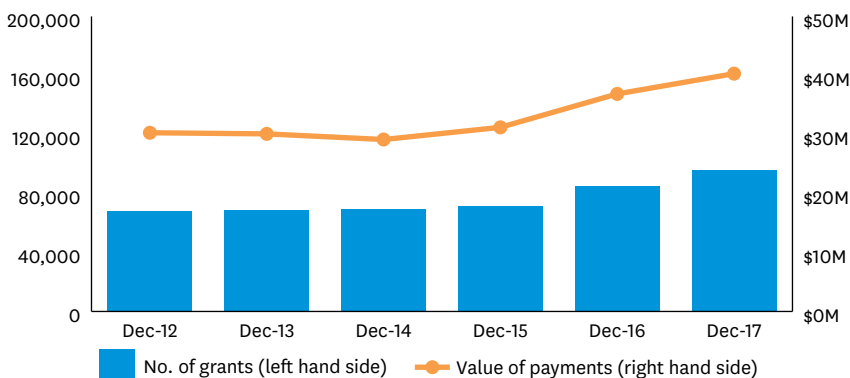
Value of SNG payments granted in the December 2017 quarter
((\$29,478,056 - December 2016 quarter)

Benefit Advances (ADV)

The number of Benefit Advances granted has increased by 10,710 since the December 2016 quarter, to 95,571 for the December 2017 quarter. This has resulted in the value of granted payments increasing by \$3,433,596 to \$40,300,111.

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 10: Trends over time of Benefit Advance grant numbers and value of granted payments



95,571

ADV payments granted in the December 2017 quarter
(84,861 - December 2016 quarter)

\$40,300,111

Value of ADV payments granted in the December 2017 quarter
((\$36,866,514 - December 2016 quarter)

Recoverable Assistance Payments (RAP)

The number of Recoverable Assistance Payments granted has increased by 2,172 since the December 2016 quarter, to 12,312 for the December 2017 quarter. This has resulted in the value of granted payments increasing by \$959,660 to \$5,786,911 over the same period.

The Recoverable Assistance Programme provides non-taxable, interest free, recoverable financial assistance to non-beneficiaries to meet essential immediate needs for specific items or services.

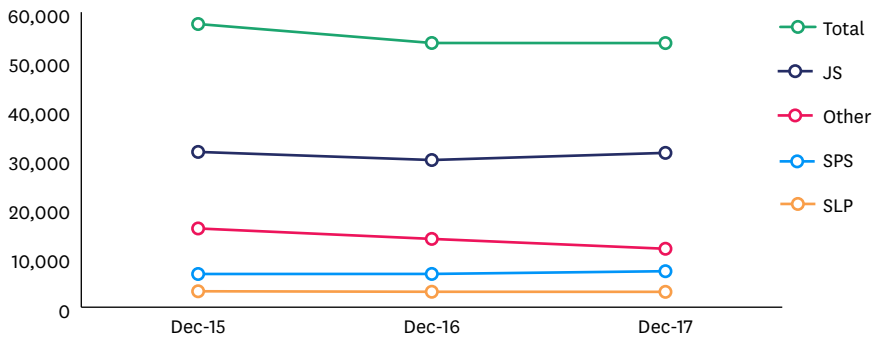
Benefit grants and cancellations

Grants

The number of benefits granted was unchanged from the December 2016 quarter at around 53,700 grants. There was a rise in benefit grants for Jobseeker Support and Sole Parent Support. These increases were balanced by a fall in grants for the Other Main Benefits category.

A grant is the formal acceptance of entitlement to a benefit. The numbers reported below are for benefits granted in the December 2017 quarter (ie 1 October to 31 December 2017).

Figure 12: Trends over time of selected benefit grants



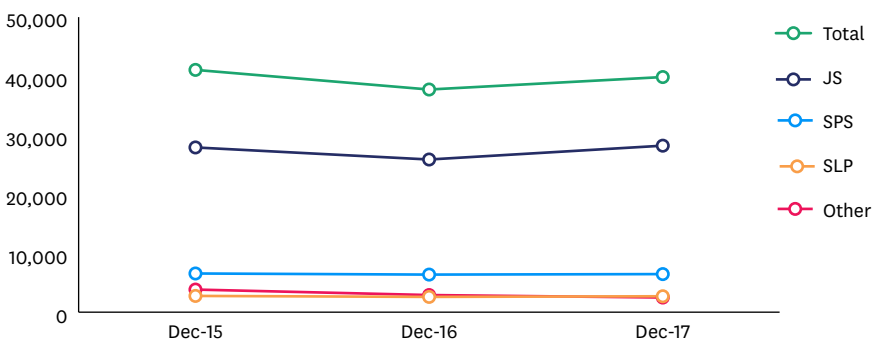
53,715
Benefit grants made in the December 2017 quarter (53,732 - December 2016 quarter)

Cancellations

The number of benefits cancelled has increased by 2,113 from the December 2016 quarter, to 39,846 in the December 2017 quarter. Most of this increase came from an increased number of Jobseeker Support cancellations. Obtaining work continues to be the main reason for benefit cancellations.

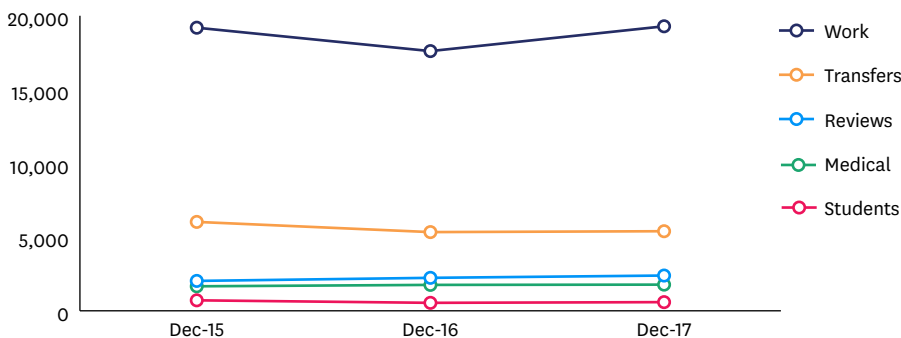
A cancellation (cancel) is the formal process that stops the entitlement to a benefit. The numbers reported below are for benefits cancelled in the December 2017 quarter (ie 1 October to 31 December 2017).

Figure 13: Trends over time of selected benefit cancellations



39,846
Benefit cancels made in the December 2017 quarter (37,733 - December 2016 quarter)

Figure 14: Trends over time of selected benefit cancellations by reason



19,286
Benefit cancels made in the December 2017 quarter due to work (17,604 - December 2016 quarter)

Benefit sanctions

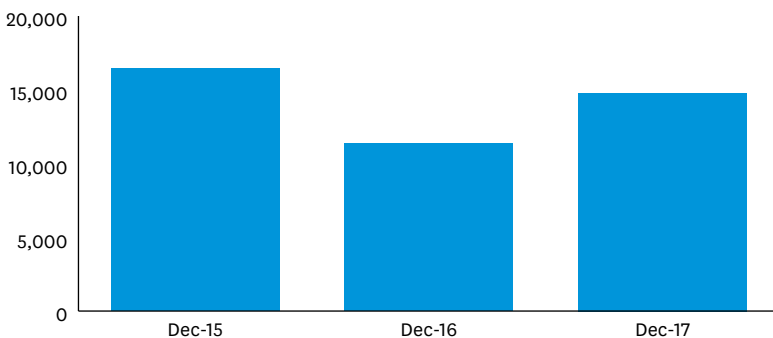
The number of sanctions issued in the December 2017 quarter was 14,778. This was an increase of 3,423 since the December 2016 quarter. The main reason for sanctions was due to the failure of people to attend arranged appointments. As at 31 December 2017, there were 1,806 sanctions that were actively in place.

A sanction is a penalty imposed on a person's benefit for failure to fulfill their work obligations. Sanctions can affect people 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 people who are single 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 people recommit or provide additional information, their failure to fulfill their obligations can be withdrawn.

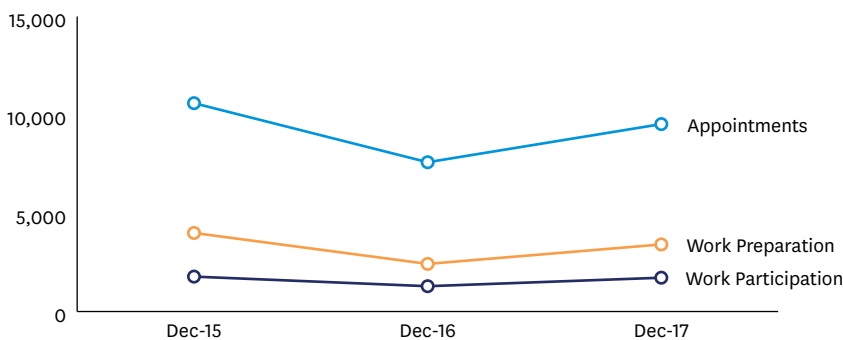
Figure 15: Trends over time of benefit sanctions (flow data)



14,778

Benefit sanctions made in the December 2017 quarter
(11,355 - December 2016 quarter)

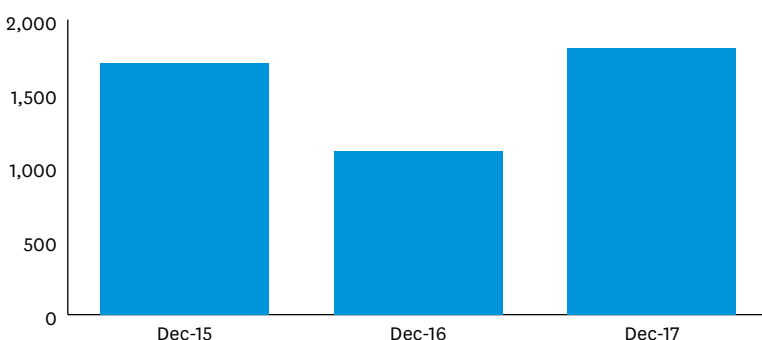
Figure 16: Trends over time of benefit sanctions by reason



9,528

Benefit sanctions made in the December 2017 quarter for failing to attend appointments
(7,590 - December 2016 quarter)

Figure 17: Trends over time of benefit sanctions (point-in-time data)



1,806

Active benefit sanctions as at 31 December 2017
(1,105 - 31 December 2016)