



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



Ministry of Social Development
Benefit Fact Sheets
Snapshot - December 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 benefit support provided by the Ministry.

New Zealand Government

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Note regarding the regional estimated working-age population figures:

On 15 August 2019, Statistics New Zealand released their New Zealand's estimated population figures as at June 2019. Following this, on 22 October 2019, Statistics New Zealand published their revised regional population estimates as at June 2018 and as at June 2019. The revision of these figures has resulted in a small increase in the Ministry's estimations of the population proportion in urban areas, as well as decreases in population proportion in rural areas, by Work and Income region. Previously published reports have not been revised in terms of regional figures.

For further information, please refer to the following link to Statistics New Zealand website: <https://www.stats.govt.nz/information-releases/subnational-population-estimates-at-30-june-2019-provisional>

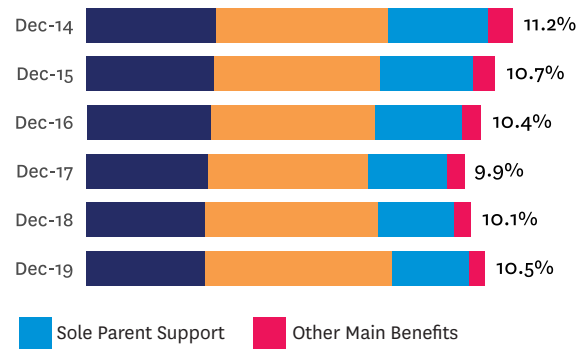
Main benefit assistance

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 December quarters



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



314,408 working-age people receiving a main benefit as at the end of December 2019

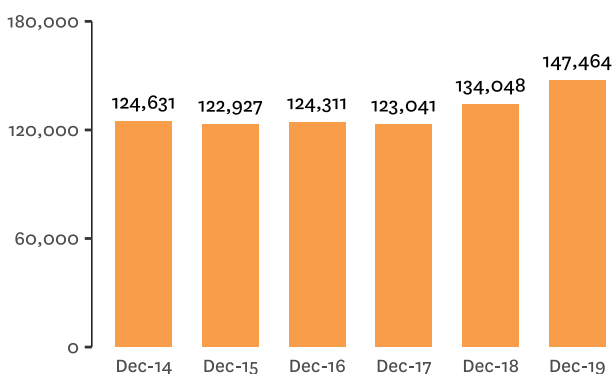
10.5 percent of the working-age population receiving a main benefit as at the end of December 2019

The number of working-age people receiving main benefits, as at the end of December 2019, was 5.0 percent higher than at the end of December 2018. Benefit numbers as a proportion of the working-age population increased to 10.5 percent, compared with 10.1 percent as at the end of December 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 December 2019 quarter.

Jobseeker Support (JS)

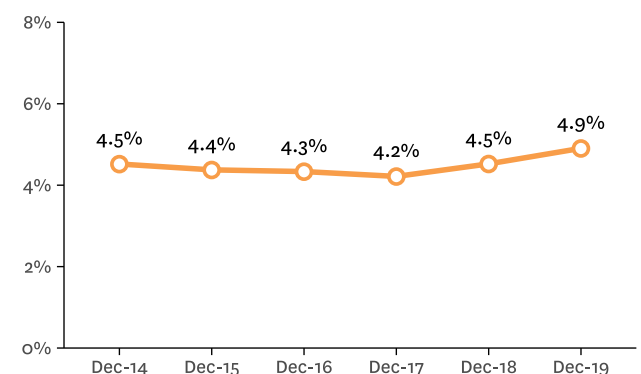
Figure 2a. Number of working-age people receiving Jobseeker Support, at the end of the last six December quarters



147,464 working-age people receiving JS as at the end of December 2019

4.9 percent of the working-age population receiving JS as at the end of December 2019

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



As at the end of December 2019, the number of working-age people on Jobseeker Support increased by 10.0 percent, compared with the December 2018 quarter. The proportion of working-age people receiving JS has been increasing since the December 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).

Sole Parent Support (SPS)

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

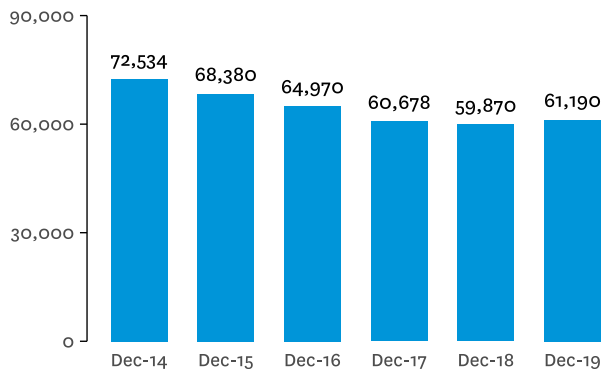
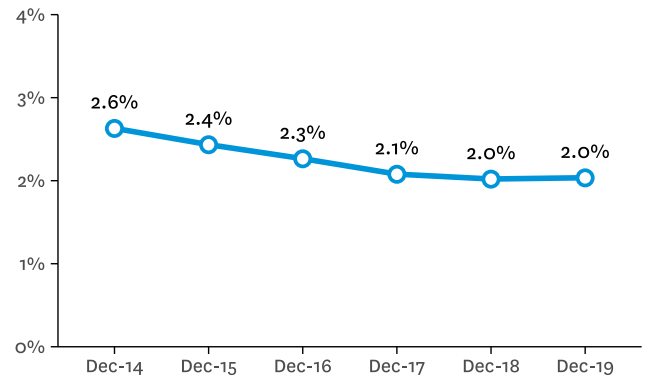


Figure 3b. Proportion of working-age population receiving Sole Parent Support, at the end of the last six December quarters



61,190 working-age people receiving SPS as at the end of December 2019

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

As at the end of December 2019, **the number of working-age people on Sole Parent Support increased by 2.2 percent**, compared with the December 2018 quarter. **The proportion of working-age people receiving SPS decreased consistently** over the previous December quarters, but for the last two quarters **has stabilised at 2.0 percent**.

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 December quarters

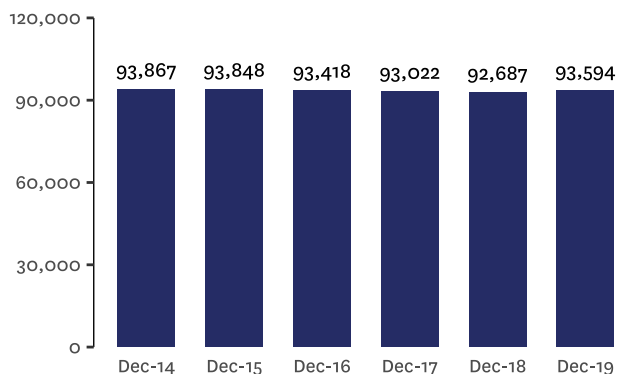
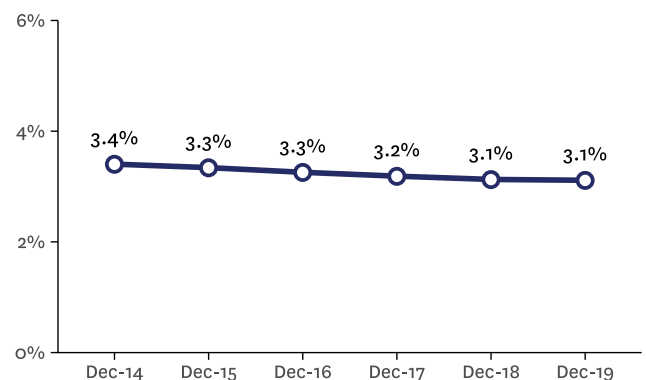


Figure 4b. Proportion of working-age population receiving Supported Living Payment, at the end of the last six December quarters



93,594 working-age people receiving SLP as at the end of December 2019

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

The number of working-age people on Supported Living Payment has remained stable when compared with the end of December 2018. There were 93,594 SLP recipients as at December 2019, which is 907 more than 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 to another benefit.

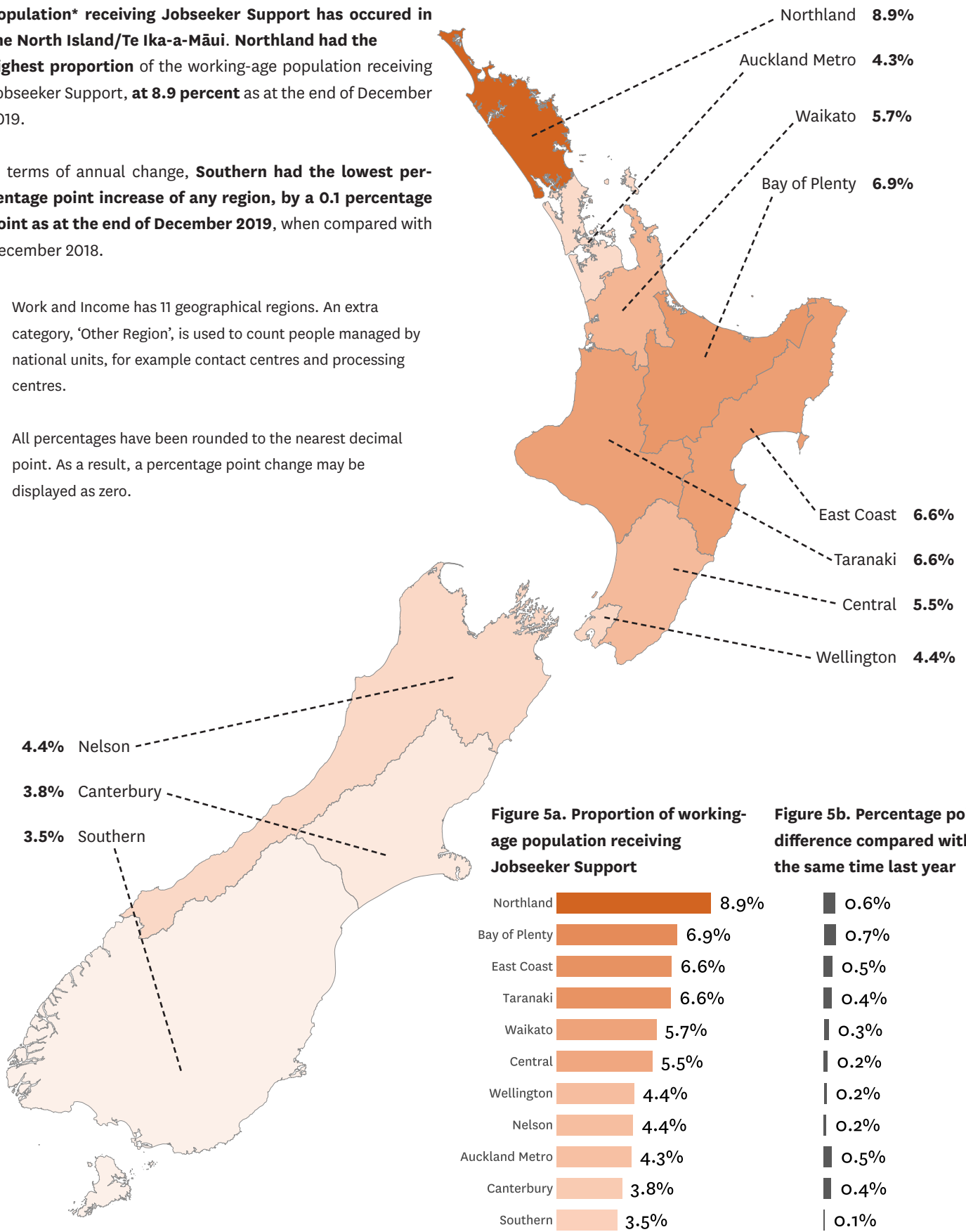
Jobseeker Support regional distribution as a proportion of the working-age population, by Work and Income region, as at December 2019

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 8.9 percent as at the end of December 2019.

In terms of annual change, Southern had the lowest percentage point increase of any region, by a 0.1 percentage point as at the end of December 2019, when compared with December 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.



* The regional estimated working-age population figures used on pages four and five of this report have been calculated using Statistics New Zealand's revised regional population estimates as at June 2019. For more information, please refer to the note on page 1.

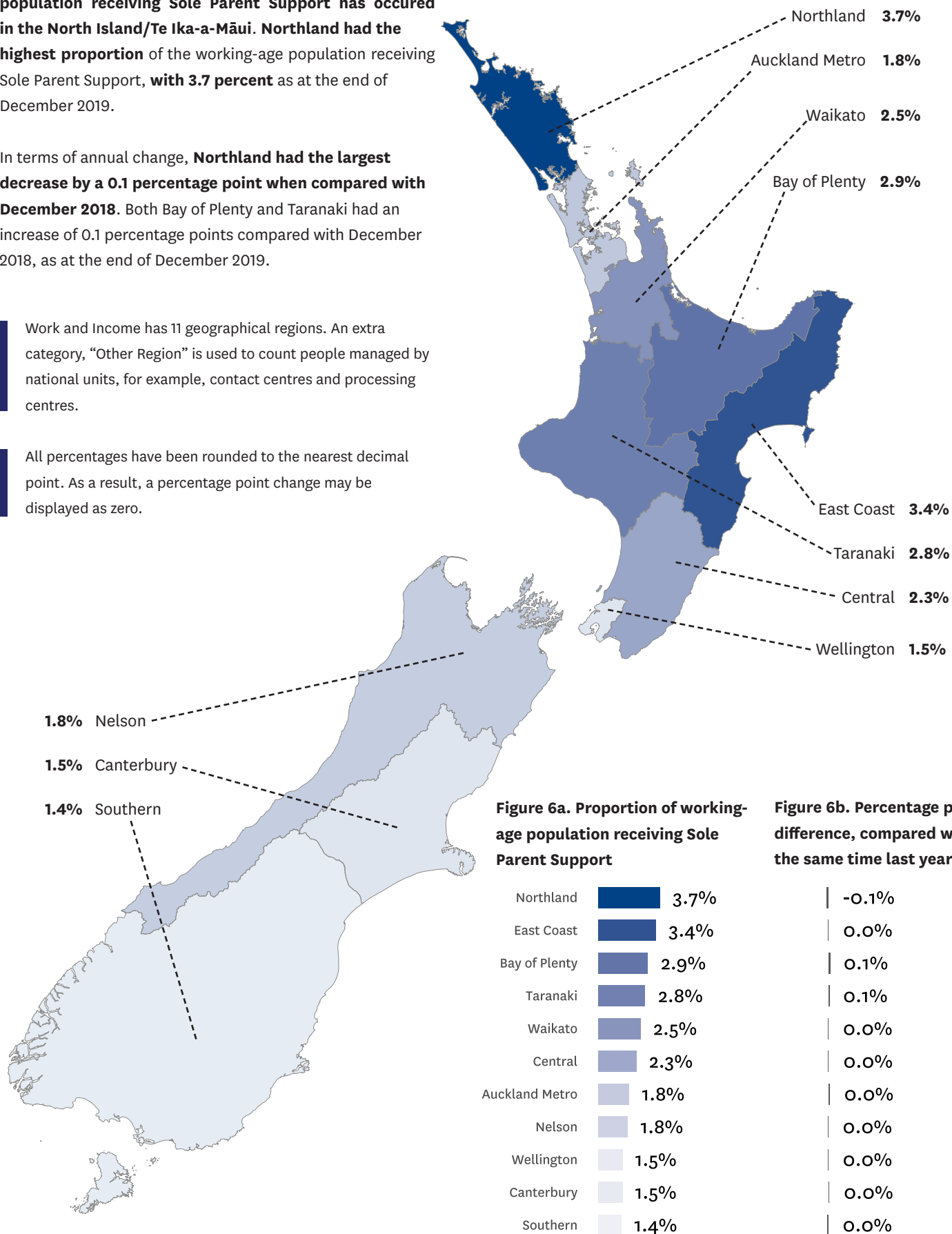
Sole Parent Support regional distribution as a proportion of the working-age population, by Work and Income region, as at December 2019

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 3.7 percent as at the end of December 2019.

In terms of annual change, Northland had the largest decrease by a 0.1 percentage point when compared with December 2018. Both Bay of Plenty and Taranaki had an increase of 0.1 percentage points compared with December 2018, as at the end of December 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.

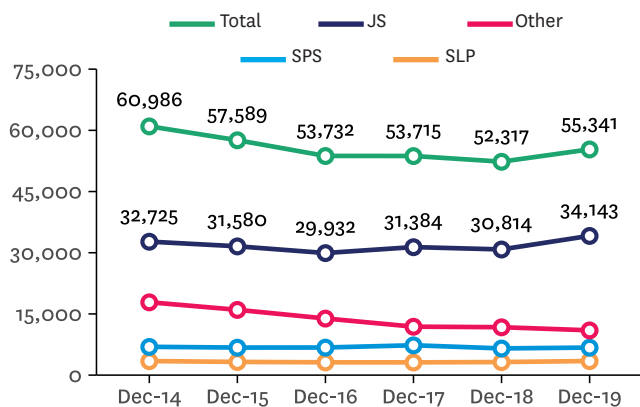
All percentages have been rounded to the nearest decimal point. As a result, a percentage point change may be displayed as zero.



Benefit grants and cancellations

Grants

Figure 7. Number of benefit grants during the last six December quarters



The number of benefits granted increased by 3,024, compared with the December 2018 quarter, to 55,341 for the December 2019 quarter. Compared with December 2018, there was an increase of 10.8 percent in benefit grants for Jobseeker Support during the December 2019 quarter.

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

Cancellations

Figure 8a. Number of cancellations by benefit during the last six December quarters

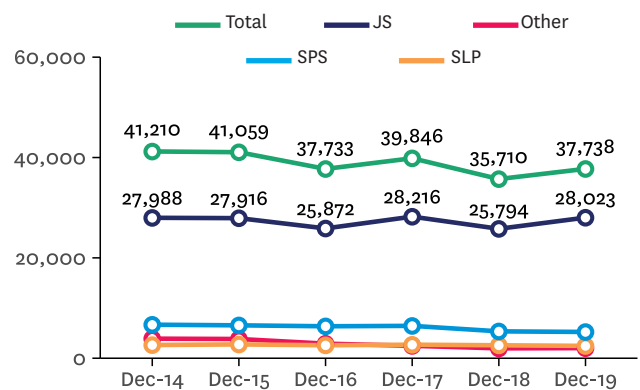
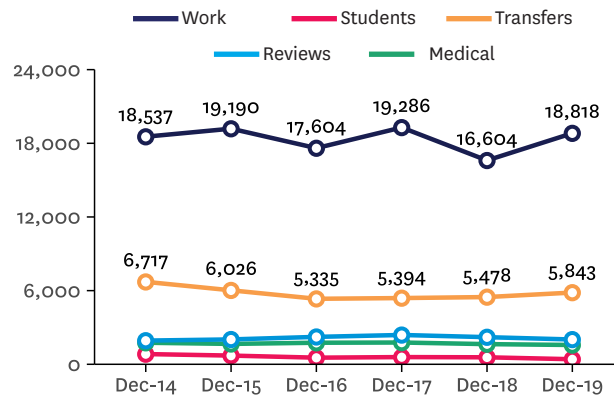


Figure 8b. Number of cancellations by selected reason during the last six December quarters



37,738 benefit cancels made during the December 2019 quarter

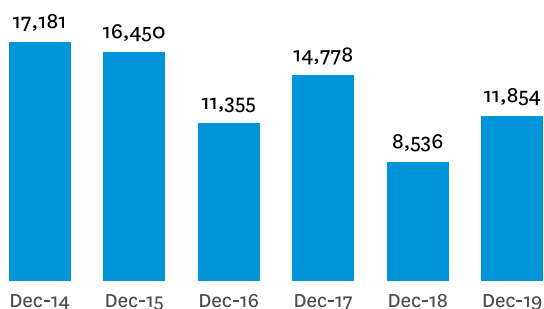
The number of benefits cancelled increased by 2,028, compared with the December 2018 quarter, to 37,738 during the December 2019 quarter. Obtaining work, a main reason for benefit cancellations, increased by 2,214 compared with the December 2018 quarter, to 18,818 during the December 2019 quarter.

18,818 benefit cancels made during the December 2019 quarter due to entering paid work

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

Benefit sanctions

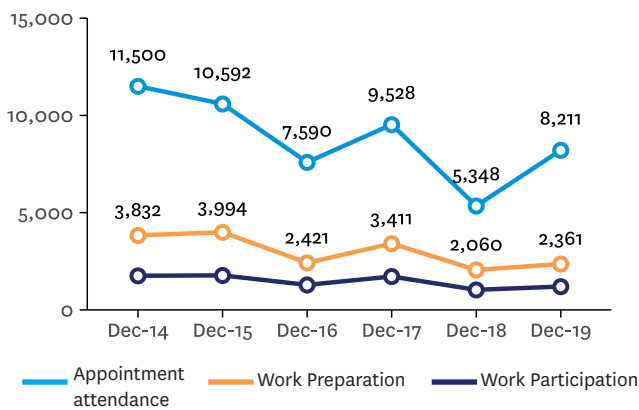
Figure 9. Number of sanctions for unfulfilled work obligations during the last six December quarters



The number of sanctions issued during the December 2019 quarter was 11,854. This was an increase of 3,318 compared with the December 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.

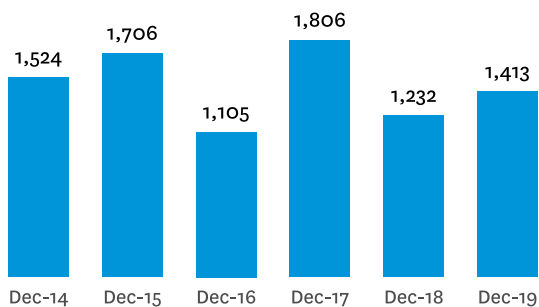
Figure 10. Number of sanctions for unfulfilled work obligations during the last six December quarters



The main reason for sanctions was due to clients not attending arranged appointments, with 8,211 recipients having unfulfilled work obligations due to this reason during the December 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 graduated sanctions active at the end of the last six December quarters

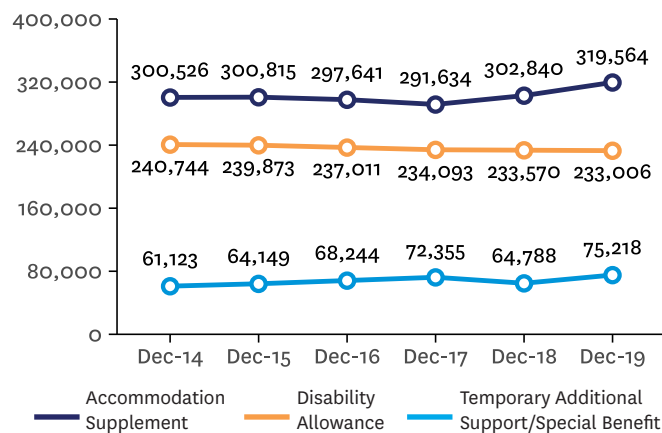


As at the end of December 2019, there were 1,413 sanctions that were actively in place.

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 the last six December quarters



The number of people receiving the Accommodation Supplement in the December 2019 quarter was 319,564. This was an increase of 16,724 compared with the December 2018 quarter.

The number of people receiving Temporary Additional Support/Special Benefit increased by 10,430, compared with the end of December 2018, to 75,218 as at the end of December 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 **573,851 hardship assistance payments, worth \$165,380,115**, were granted during the December 2019 quarter. These figures are **higher than during the December 2018 quarter**, when 385,043 hardship assistance payments, worth \$108,909,215, 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 December quarter (i.e. 1 July to 30 December). Hardship assistance contains all ages data, rather than working-age only (i.e. 18 to 64).

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

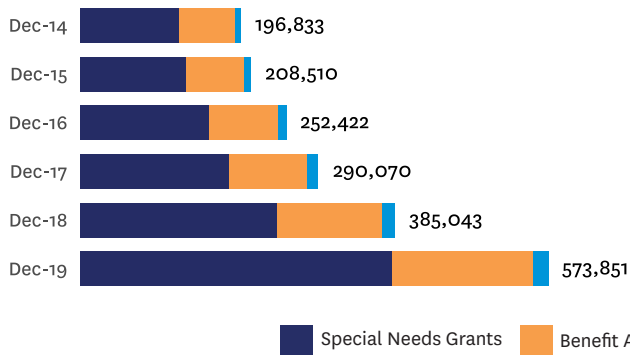
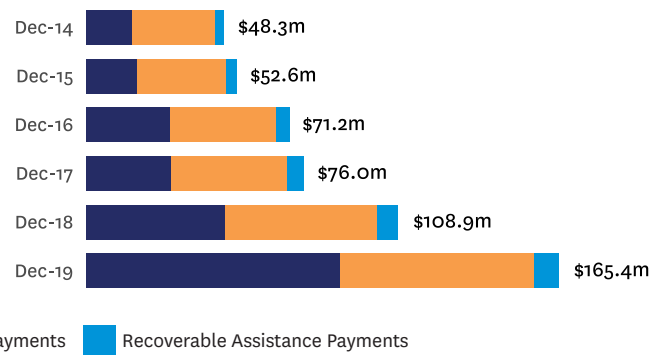


Figure 13b. Value of hardship grants during the last six December quarters, by type of assistance



573,851 payments granted during the December 2019 quarter

\$165,380,115 value of grants provided during the December 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 last six December quarters, by selected reason

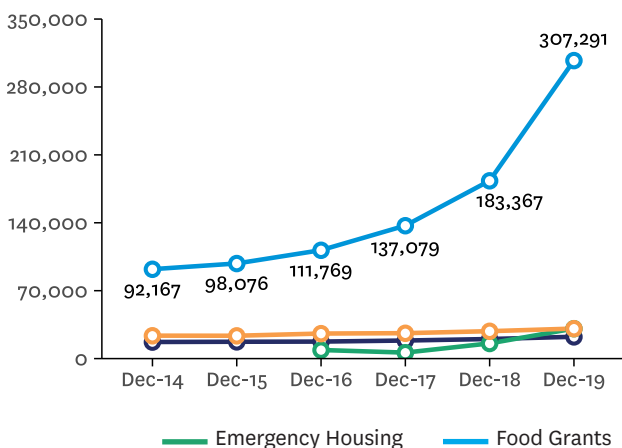
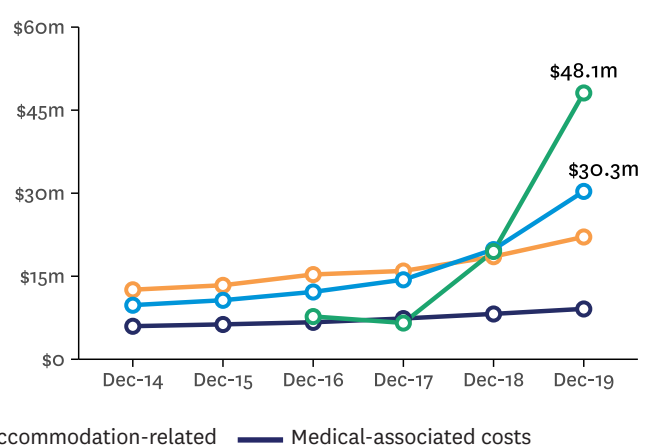


Figure 14b. Value of hardship grants during the last six December quarters, by selected reason

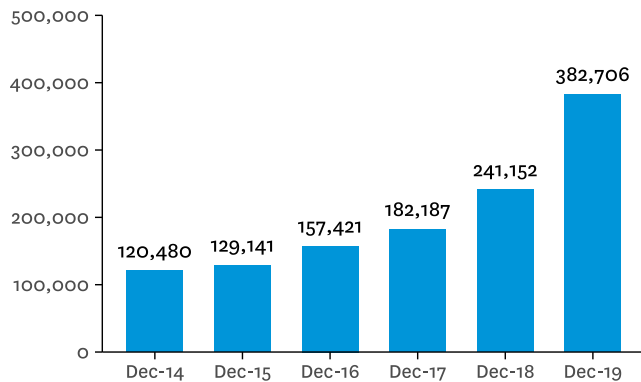


The number of Emergency Housing Special Needs Grants (EH SNGs) granted increased compared with the December 2018 quarter. 15,265 more grants were granted, totalling 30,941 during the December 2019 quarter. **The average value for each EH SNGs granted increased from \$1,244 in the December 2018 quarter, to \$1,555 in the December 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 December 2019 quarter. A total value of \$48,125,062 was granted for EH SNGs**, an increase from \$19,494,969 during the December 2018 quarter.

The demand for Special Needs Grants (SNG) for food assistance continues to increase. Compared with the December 2018 quarter, there were 123,924 more SNGs for food granted, totalling 307,291 during the December 2019 quarter. As a result, the value of SNGs for food assistance increased to \$30,344,354 during the December 2019 quarter.

Special Needs Grants (SNGs)

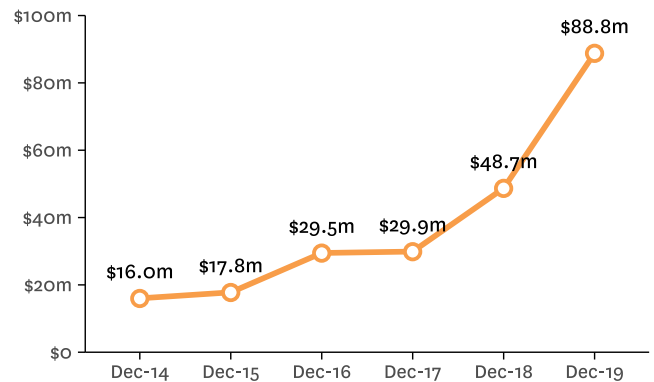
Figure 15a. Number of Special Needs Grants granted during the last six December quarters



382,706 Special Needs Grants granted during the December 2019 quarter

\$88,815,126 value of Special Needs Grants granted in the December 2019 quarter

Figure 15b. Value of Special Needs Grants granted during the last six December quarters

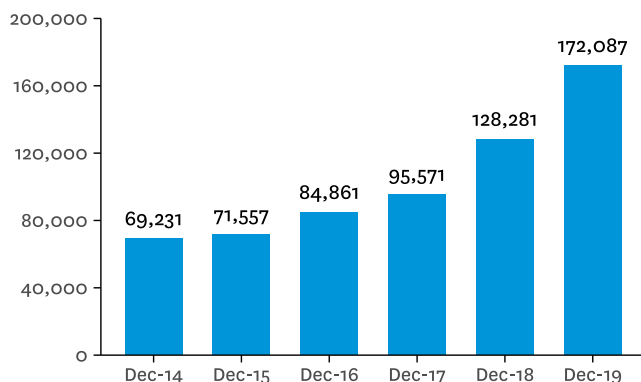


The number of Special Needs Grants granted was 141,554 higher during the December 2019 quarter than during the December 2018 quarter. This has resulted in the value of grants granted almost doubling, increasing by \$40,104,542 to \$88,815,126, when compared with December 2018.

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.

Benefit Advances (ADVs)

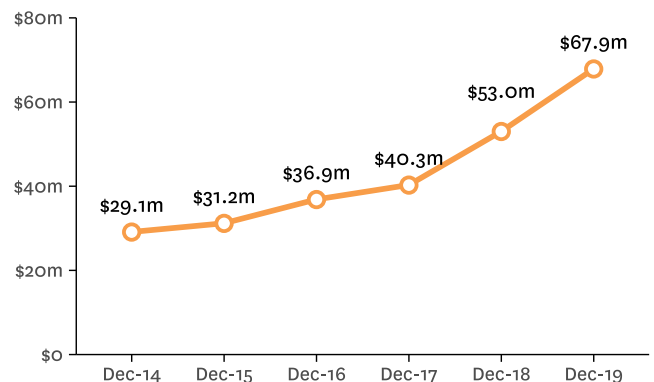
Figure 16a. Number of Benefit Advances granted during the last six December quarters



172,087 Benefit Advances granted during the December 2019 quarter

\$67,889,214 value of Benefit Advances granted during the December 2019 quarter

Figure 16b. Value of Benefit Advances granted during the last six December quarters



The number of Benefit Advances granted was 43,806 higher during the December 2019 quarter, compared with the December 2018 quarter. This has resulted in the value of Benefit Advances granted increasing by \$14,858,537, to a total of \$67,889,214.

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.