



**MINISTRY OF SOCIAL  
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

# **Families Package and 2020 Income Support Packages – 2020 Monitoring Report**

**Supplementary information on selected payments**

**November 2020**

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## **Disclaimer**

The views and interpretations in this report are those of the Research and Evaluation team and are not the official position of the Ministry of Social Development. The views and interpretations in this report are based on the data provided to us (at a specific point of time) from both the MSD and Inland Revenue, and therefore may be subject to change due to revisions or new data becoming available.

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# Introduction

The Families Package was introduced in 2018 to provide targeted assistance to improve incomes for low- and middle-income families with children. The package was implemented as part of the Government's focus on reducing child poverty, and ensuring children get the best start in life.

Different components of the package had different roles. These included:

- **boosting the incomes of low- and middle-income families** by increasing the Family Tax Credit and raising the Working for Families abatement threshold
- **helping families with costs in a child's early years** by introducing a Best Start tax credit (replacing, and expanding on, the Parental Tax Credit) and increasing paid parental leave to 26 weeks
- **helping older New Zealanders and people who receive a main benefit heat their homes** by introducing a Winter Energy Payment
- **increasing financial assistance for carers** by increasing the rate of the Orphan's Benefit, Unsupported Child's Benefit, and Foster Care Allowance
- **increasing Accommodation Supplement and Accommodation Benefit** by implementing changes that had been announced in the 2017 Budget.<sup>1</sup>

As part of Budget 2019, a package of changes that aimed to support the Government's objectives for a significant and sustained reduction in child poverty and contribute to the achievement of the ten-year child poverty reduction targets,<sup>2</sup> was introduced. These changes came into effect from 1 April 2020:

- **section 192 deductions (formerly section 70A) were removed** – these had applied to the benefits of sole parents who did not identify the other parent of their child and apply for Child Support
- **main benefits began to be indexed by adjusting rates annually in line with any upwards percentage movement in the net average wage**, rather than the consumers price index
- **abatement thresholds for main benefits were increased.**<sup>3</sup>

Additionally, several other changes were introduced in 2020, to provide immediate assistance to low- and middle-income families in the early stages of the COVID-19 outbreak in New Zealand.<sup>4</sup> These included:

- **increasing main benefit rates** by \$25 on 1 April 2020
- **doubling the rate of the Winter Energy Payment** for 2020
- **removing the hours test** for the In-work Tax Credit from 1 July 2020.

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<sup>1</sup> Fact Sheet – Families Package. <https://www.beehive.govt.nz/sites/default/files/2017-12/Families%20Package%20Factsheet.pdf>

<sup>2</sup> Cabinet Paper - Social Assistance Legislation (Budget 2019 Welfare Package) Amendment Bill: Approval for Introduction. <https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/information-releases/social-assistance-legislation-budget-2019/cabinet-paper-social-assistance-legislation-budget-2019-welfare-package-amendment-bill-approval-for-introduction.pdf>

<sup>3</sup> These changes also applied to New Zealand Superannuation and Veteran's Pension recipients where they have a non-qualifying partner included, and to qualified Veteran's Pension recipients aged under 65.

<sup>4</sup> Income Support Factsheet. <https://www.beehive.govt.nz/sites/default/files/2020-03/Income%20support%20factsheet.pdf>

## The purpose of this supplementary report

This supplementary report provides additional series, and breakdowns of receipt for some of the Families Package and 2020 income support package components where this is possible. It is intended to provide additional insight into trends in receipt and expenditure.

## Abbreviations used in graphs in this report

**Table 1: Abbreviations used in this report**

<b>Abbreviation</b>	<b>Full meaning</b>
FP	Families Package
C19	Covid-19
C19R	Covid-19 response
ISP	Income support package(s)
WEP	Winter Energy Payment
MFTC	Minimum Family Tax Credit

# Boosting incomes of low- and middle-income families

## What is included here?

This section provides additional information on the Families Package changes and receipt and expenditure for the Minimum Family Tax Credit.

## Receipt and expenditure for the Minimum Family Tax Credit

Minimum Family Tax Credit is a top-up payment that aims to ensure families receive a set minimum threshold of income where the parents are working the required number of hours for salary and wages.

From 1 April 2018, the Minimum Family Tax Credit threshold amount increased from \$23,816 to \$26,156. This was to ensure families with children remained better off working full-time than they would be receiving a main benefit after the introduction of the Winter Energy Payment. As at 1 April 2020, the Minimum Family Tax Credit threshold amount was \$27,768.

There hasn't been much change in the number of people receiving a weekly or fortnightly up-front Minimum Family Tax Credit when compared to before the Families Package (Figure 1).

**Figure 1: Number of Minimum Family Tax Credit recipients paid weekly or fortnightly by Inland Revenue, end of the last four June months.**



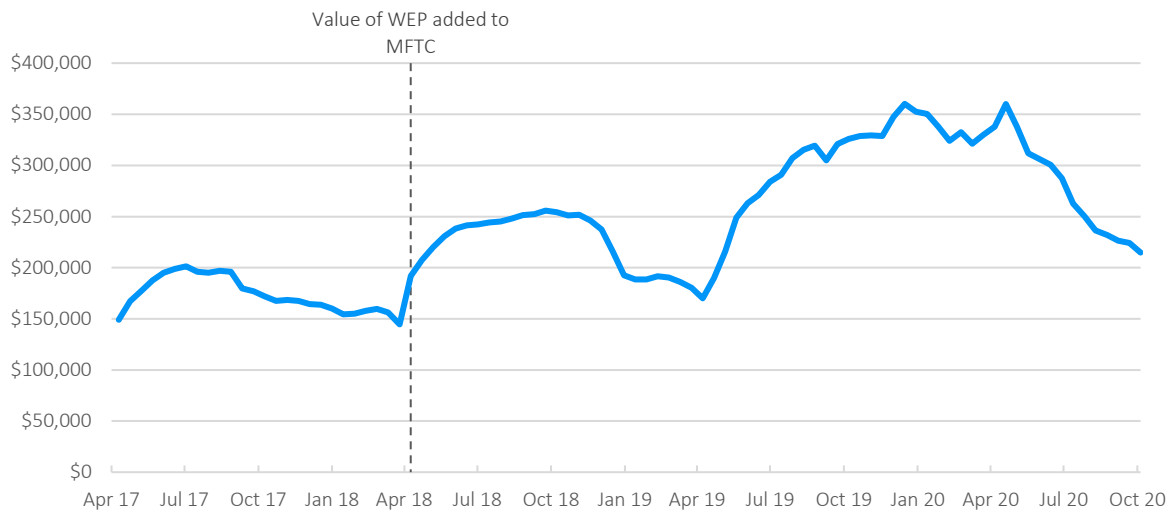
Over the tax year ended 31 March 2019, just under 3,100 families were entitled to (and received) the Minimum Family Tax Credit through Inland Revenue, either weekly, fortnightly or as a lump sum payment at the end of the year. Just over 91 percent of these families were sole parents.

An increase is seen in the average weekly expenditure when comparing the final fortnights of June for the last four years (Figure 2 and Figure 3 (overleaf)).

**Figure 2: Average weekly expenditure on Minimum Family Tax Credits in the last fortnight of June, last four years.**



**Figure 3: Weekly expenditure on Minimum Family Tax Credits, averaged across fortnights, from the start of April 2017 to the end of June 2020.**



This expenditure increase over time is down to different factors. The increase in the weekly average between the final fortnights of June 2017 and June 2018 is largely due to the increase in the Minimum Family Tax Credit in April 2018. The increase in the weekly average between the final fortnights of June 2018 to June 2019 is mainly down to the increase in numbers of recipients during this timeframe. And finally, the slight increase in the weekly average between the final fortnights of June 2019 to June 2020 is due to the higher rate of Minimum Family Tax Credit from 1 April 2020 offsetting the fall in recipient numbers.

The average amount of Minimum Family Tax Credit a family received per week increased from \$89 at the end of June 2017 to \$111 in June 2018. It has increased since then, to an average of \$123 per week during the last fortnight of June 2020. This may reflect more families needing larger top ups to reach the minimum, perhaps where hours of work or wages received were reduced as part of COVID-19 impacts, as well as inflation adjustments.

Across the tax year ended 31 March 2019, around \$13 million was spent on Minimum Family Tax Credits by Inland Revenue.

# Helping older New Zealanders and people receiving a main benefit heat their homes

## Winter Energy Payment

The Winter Energy Payment is a non-taxable, non-income tested benefit paid with the client's main benefit, New Zealand Superannuation or Veteran's Pension to help eligible clients meet their household heating costs during the winter months.

During the first two years of the Winter Energy Payment, single people without dependent children eligible for the Winter Energy Payment were paid \$20.46 a week. People who were married, in a civil union or a de facto relationship (with or without dependent children), and sole parents received \$31.82 a week.

As part of the initial response to COVID-19, Winter Energy Payment rates were doubled for 2020.

In 2018 payments were made from 1 July until 29 September. In 2019 and subsequent years, payments are made from 1 May until 1 October (inclusive).

Due to the way MSD administers payments and sets its reporting periods, the first payment in 2018 is registered as taking place in the final reporting week of June 2018, which includes 1 July.

### What is included here?

Supplementary breakdowns of receipt for the Winter Energy Payment are provided by the following:

- benefit type
- receipt of a health condition, disability or caring related payment
- family type
- age group
- ethnicity
- gender.

For ease of interpretation, overall trends in receipt are also included.



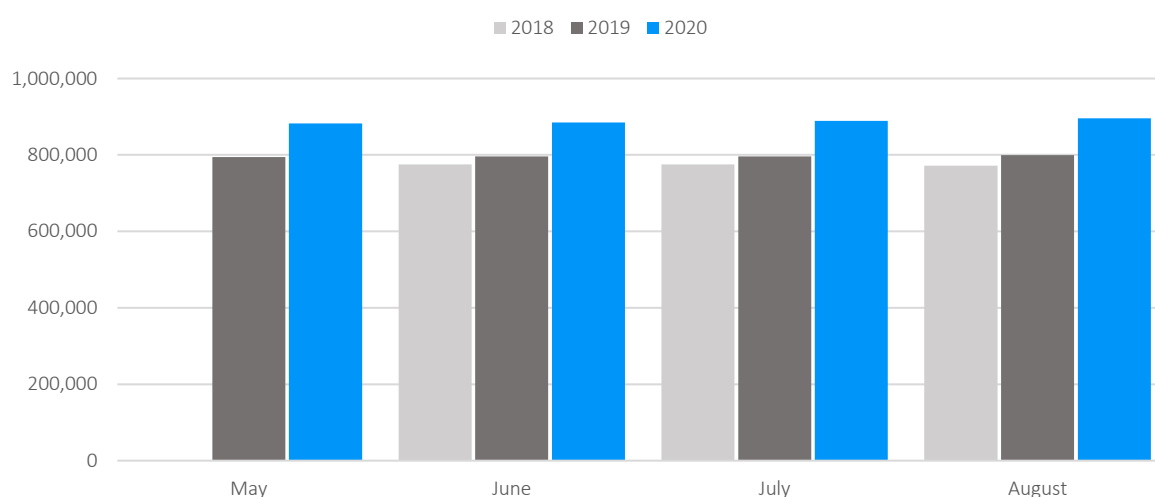
## Receipt of the Winter Energy Payment

### Overall

Nearly everyone on a main benefit or receiving a superannuation payment that meet the criteria for the Winter Energy Payment receives it, with approximately 774,000 recipients on average during the 2018 year and approximately 797,000 recipients on average during the 2019 year. This figure counts primary benefit recipients and does not count partners included in a benefit (consistent with MSD's standard reporting).

Figure 4 below shows that in 2020, the number of recipients of the Winter Energy Payment is higher than in both 2018 and 2019. Using the data available for this report, across the months ending May to August, there were approximately 888,000 recipients on average in 2020, or around 91,500 more recipients on average when compared to 2019).

**Figure 4: Winter Energy Payment receipt, 2018 to 2020.**



Once we include the eligible partners of recipients, there were just under 1.2 million adults being helped by the Winter Energy Payment during any point in 2020.<sup>5</sup>

Additionally, very few recipients have chosen to opt out of receiving the payment and have not reinstated it at a future date during the 2020 Winter Energy Payment period (Table 2).

**Table 2: Number of people who opted out of the Winter Energy Payment and did not opt back in or be regranted it during that year, since 2018.<sup>6</sup>**

Year	Number
2018	1,815
2019	719
2020	915

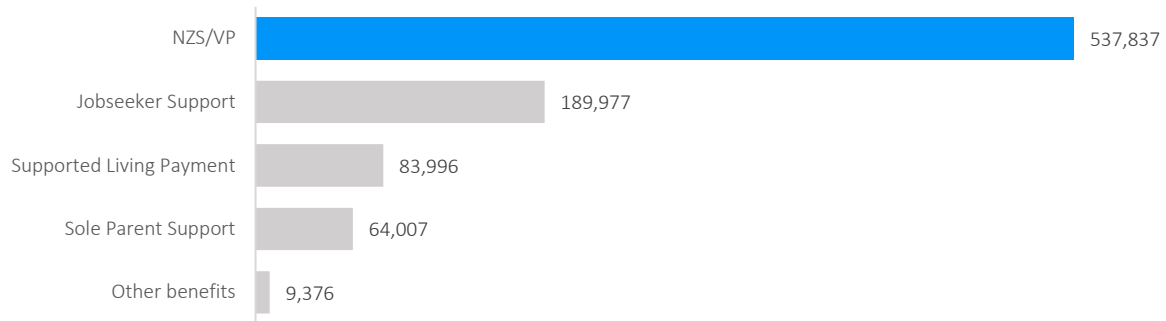
<sup>5</sup> This calculation is based on the partnership status of recipients.

<sup>6</sup> A recipient can 'opt out' of the payment at any time during the payment period for various reasons. This table shows the number of people who have 'opted out' and not been regranted the payment. 2018 comprises all the opt outs from 25 June 2018 to the end of December 2018. 2019 comprises all the opt outs from 01 January 2019 to the end of December 2019. 2020 comprises all the opt outs from 01 January 2020 to the end of September 2020.

## Receipt by benefit

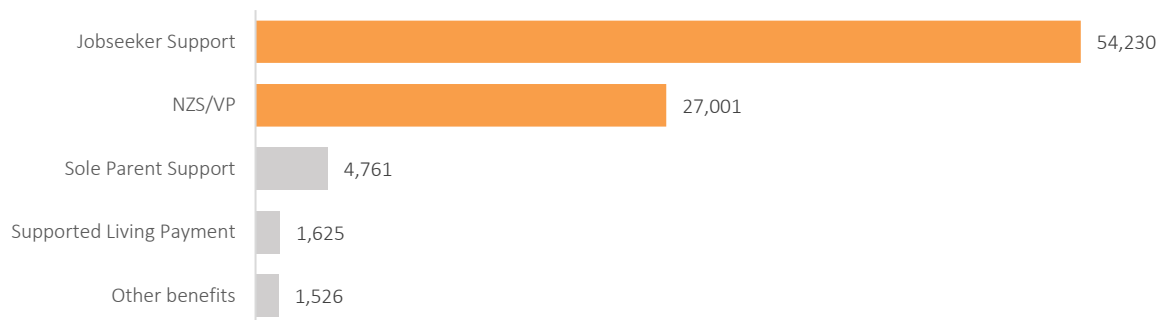
As at the end of June 2020, most Winter Energy Payment recipients receive New Zealand Superannuation or the Veteran's Pension (Figure 5). This is to be expected, as most recipients who receive a payment from MSD receive one of these payments.

**Figure 5: Winter Energy Payment receipt as of the end of June 2020, by benefit.**



The increase between the end of June 2019 and June 2020 is predominantly down to the increased numbers of recipients on Jobseeker Support, or New Zealand Superannuation (Figure 6).

**Figure 6: Change in Winter Energy Payment receipt between June 2019 and 2020, by benefit.**

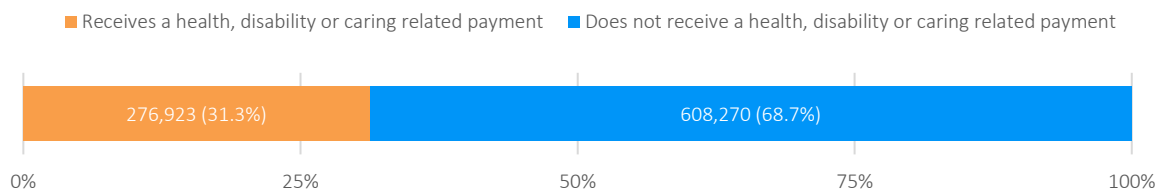


## Receipt by whether receiving payments for health conditions, disabilities or caring responsibilities<sup>7</sup>

As at the end of June 2020, most Winter Energy Payment recipients do not receive a payment related to having a health condition, disability, or caring for someone (Figure 7) (i.e. they do not receive Supported Living Payment, Jobseeker Support (Health Condition or Disability), a Disability Allowance, or a Child Disability Allowance).

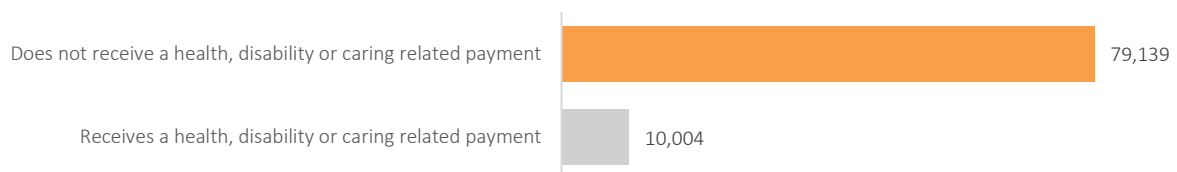
It is important to note that some clients who are counted in the category 'does not receive a health condition, disability or caring related payment' may still have a health condition, disability, or care for someone but not receive assistance from MSD in relation to this. Therefore, figures presented in this section are an undercount of the true population of MSD clients who have a health condition, disability, or care for someone.

**Figure 7: Winter Energy Payment receipt as at the end of June 2020, by receipt of payments that indicate health conditions, disabilities or caring responsibilities.**



Most of the increase in Winter Energy Payment receipt from June 2019 has come from benefit or superannuation recipients who do not receive a payment related to having a health condition, disability, or caring for someone (Figure 8).

**Figure 8: Change in Winter Energy Payment receipt between June 2019 and 2020, by receipt of payments that indicate health conditions, disabilities or caring responsibilities.**

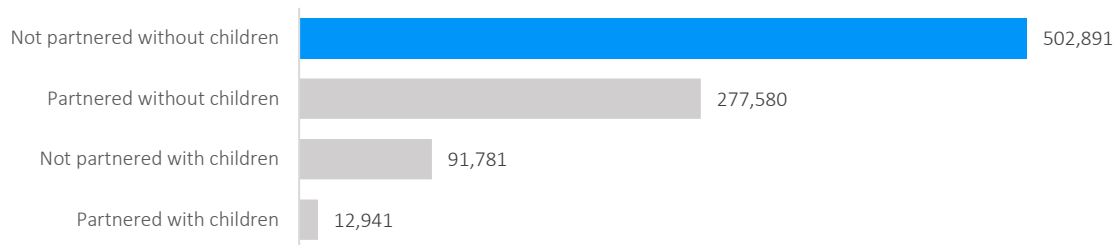


<sup>7</sup> In this section payments are grouped based on if the recipient receives another payment from MSD relating to health conditions, disabilities or caring responsibilities for someone with a health condition or disability (i.e. by whether or not they receive Supported Living Payment, Jobseeker Support (Health Condition or Disability), a Disability Allowance or a Child Disability Allowance).

## Receipt by family type

Most Winter Energy Payment recipients are not partnered and do not have dependent children (Figure 9).

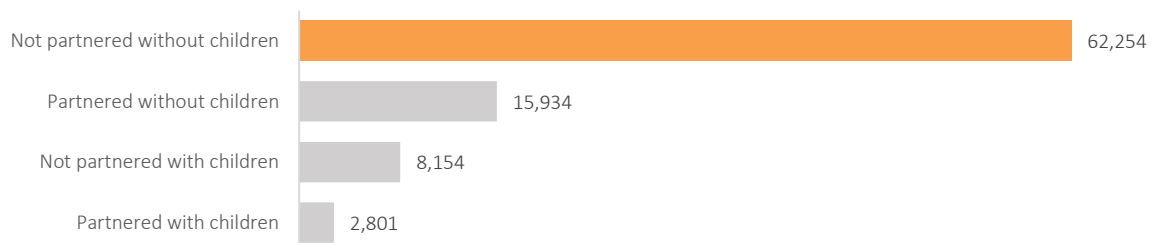
**Figure 9: Winter Energy Payment receipt at the end of June 2020, by family type.**



It should be noted that due to operational factors, some recipients might be paid at a different rate compared to the rate their family circumstances would suggest (for example, if a partner lives in a rest home, the primary recipient will get paid at the \$20.46 rate). However, these circumstances are relatively rare.

Figure 10 shows that most of the change in receipt between June 2019 and June 2020 was largely due to an increase in the number of recipients who were not partnered and did not have dependent children.

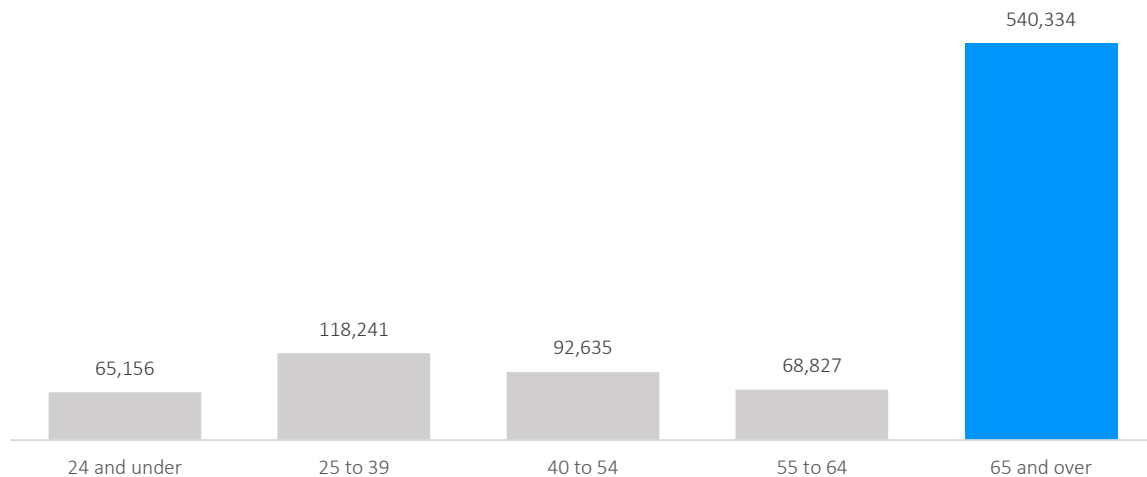
**Figure 10: Change in Winter Energy Payment receipt between June 2019 and June 2020, by family type.**



## Receipt by age group

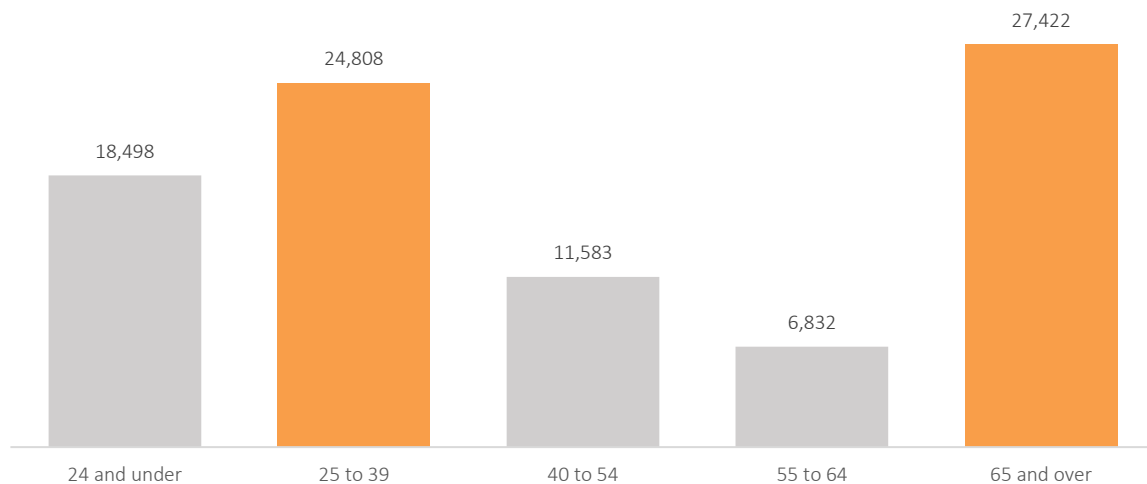
As expected, given the breakdown of main payment types, most Winter Energy Payment recipients are aged 65 years and over. Recipients aged under 65 are most likely to be aged between 25 to 39 years old, followed by 40 to 54 years old (Figure 11).

**Figure 11: Winter Energy Payment receipt at the end of June 2020, by age group.**



Over half of the increase in the number of Winter Energy Payment recipients between 2019 and 2020 has come from the 25 to 39 and 65+ age groups (Figure 12). This is consistent with the growth in receipt by payment (see Figure 6, page 10).

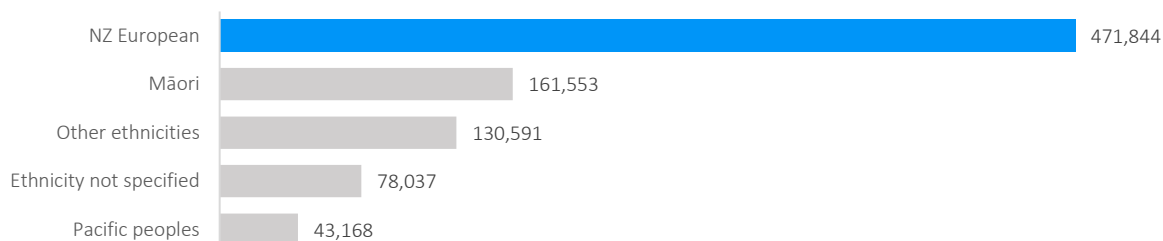
**Figure 12: Change in Winter Energy Payment receipt between June 2019 and 2020, by age group.**



## Receipt by ethnicity<sup>8</sup>

As at the end of June 2020, most Winter Energy Payment recipients identify as New Zealand European (471,844, or 53.3 percent), followed by Māori (161,553, or 18.3 percent), other ethnicities (130,591 or 14.8 percent) and Pacific peoples (43,168, or 4.9 percent) (Figure 13).

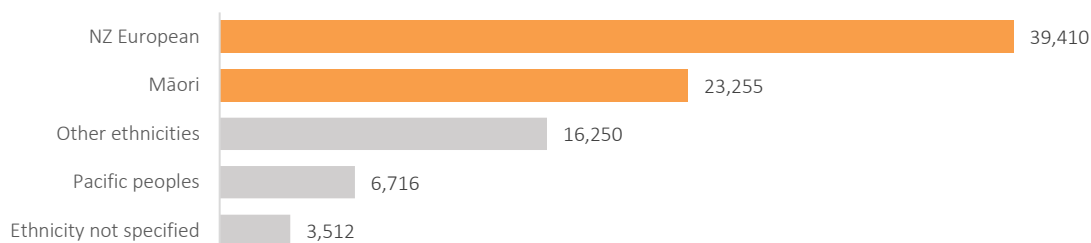
**Figure 13: Winter Energy Payment receipt at the end of June 2020, by ethnicity.**



A large group of recipients (78,037, or 8.8 percent) have no recorded ethnicity data. This group largely consists of older superannuants who have little interaction with MSD, and therefore present few opportunities for MSD to update this information.

Looking at the change over the past year, most of the growth in Winter Energy Payment receipt is from people who identify as New Zealand European, or Māori (Figure 14).

**Figure 14: Change in Winter Energy Payment receipt between June 2019 and June 2020, by ethnicity.**

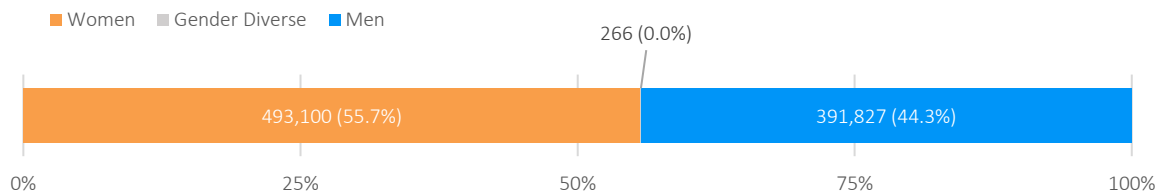


<sup>8</sup> Ethnicity data is self-identified and multiple ethnicities may be chosen by an individual as fits their preference or self-concept. Multiple selected ethnicities are then prioritised into a hierarchy. The Māori ethnicity has the highest priority in this hierarchy, followed by Pacific peoples. NZ European has the lowest priority. This is to ensure that smaller ethnic groups do not get overwhelmed by the larger ethnic groups. A single ethnicity is assigned to an individual based on this hierarchy. Ethnic groups do not currently align with Statistics New Zealand ethnicity groupings.

## Receipt by gender

As at the end of June 2020, most Winter Energy Payment recipients are women (Figure 15).

**Figure 15: Winter Energy Payment recipients as at the end of June 2020, by gender.**



Note: Totals may not add to 100 percent due to rounding.

Looking at the change over the past year, most of the growth in Winter Energy Payment receipt is from primary recipients of benefit who are men (Figure 16). As noted, these counts do not include partners of primary benefit recipients (consistent with MSD's standard reporting).

**Figure 16: Change in Winter Energy Payment receipt between June 2019 and June 2020, by gender.**



# Increasing financial assistance for carers

## Orphan's Benefit and Unsupported Child's Benefit

An Orphan's Benefit is a weekly payment that helps carers supporting a child or young person whose parents have died, can't be found or can't look after them because they have a long-term health condition or incapacity.

An Unsupported Child's Benefit is a weekly payment that helps carers supporting a child or young person whose parents can't care for them because of a family breakdown.

Both payments are non-taxable and not income tested.

A Clothing Allowance was introduced in July 2018, which provides weekly financial assistance to all carers receiving an Orphan's Benefit or Unsupported Child's Benefit so that these carers can provide a reasonable range of clothing, a travel bag, and replacement school clothing for children in their care.

### What is included here?

This section provides supplementary breakdowns of receipt for the Orphan's Benefit and the Unsupported Child's Benefit by the following:

- main benefit received by the carer
- receipt of a health condition, disability or caring related payment by the carer
- family type of the carer
- age group of the carer
- ethnicity of the carer
- gender of the carer.

For ease of interpretation, overall trends in receipt are also included.



## Receipt of Orphan’s Benefit and Unsupported Child’s Benefit

### Overall

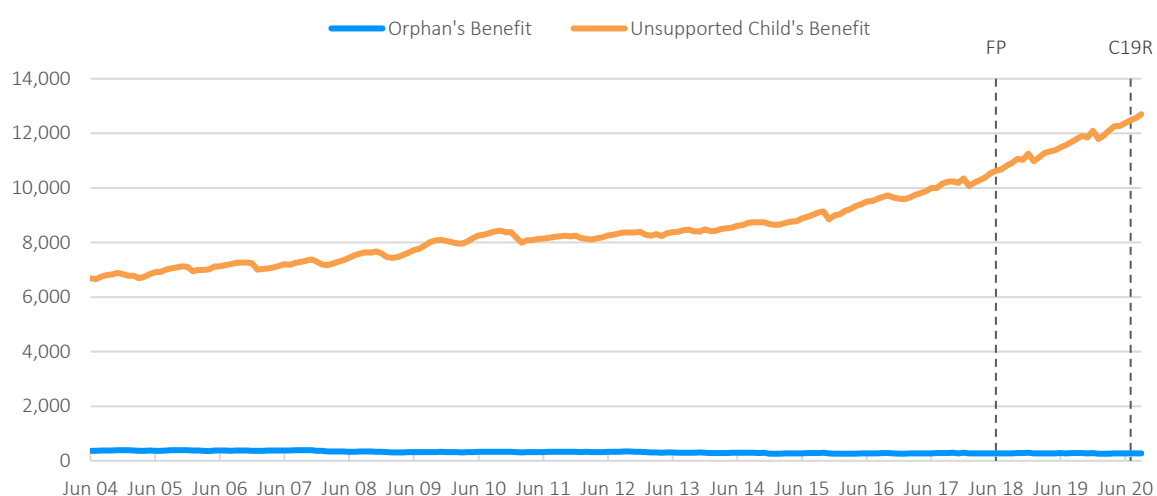
Table 3 below shows the number of carers receiving an Orphan’s Benefit or an Unsupported Child’s Benefit at the end of the past four June months.

**Table 3: Number of carers receiving an Orphan's Benefit or an Unsupported Child's Benefit, as at the end of June, last four years.**

	End of June 2017	End of June 2018	End of June 2019	End of June 2020
Orphan’s Benefit	276	271	280	268
Unsupported Child’s Benefit	10,001	10,631	11,490	12,374

Figure 17 below shows that the number of carers receiving an Orphan’s Benefit has been quite flat over time, if not gradually declining over time. The number of carers receiving an Unsupported Child’s Benefit has been increasing, particularly so since 2016. There do not appear to be any obvious impacts of COVID-19 or changes made as part of the COVID-19 response on the number of carers receiving either an Orphan’s Benefit or Unsupported Child’s Benefit so far.

**Figure 17: Number of carers receiving an Orphan's Benefit or an Unsupported Child's Benefit, monthly since June 2004.**



## Number of children included in payments

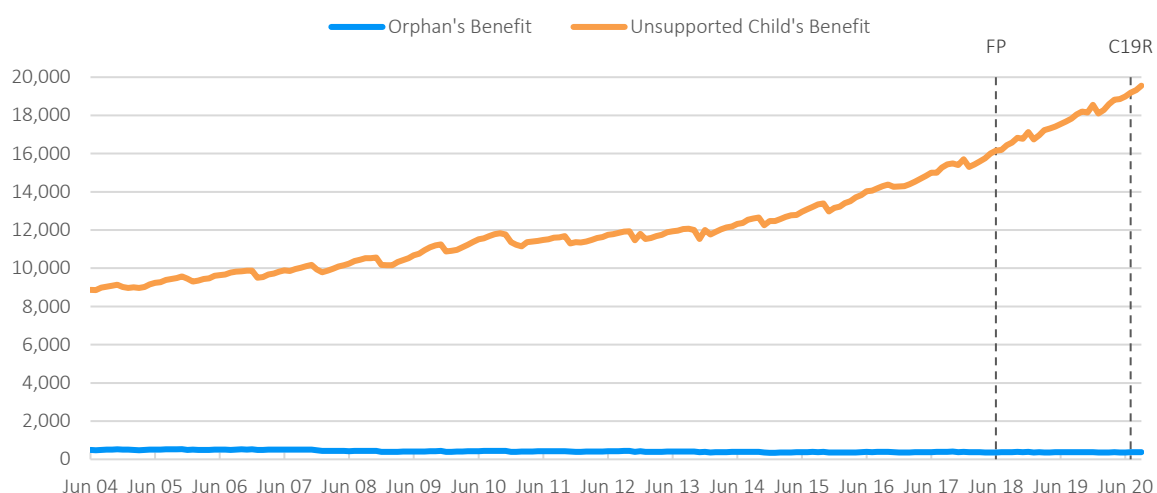
Table 4 below shows the number of children who are directly included within the Orphan's Benefit and Unsupported Child's Benefit.

**Table 4: Number of children whose carers receive an Orphan's Benefit or an Unsupported Child's Benefit payment, as at the end of June, last four years.**

	End of June 2017	End of June 2018	End of June 2019	End of June 2020
Orphan's Benefit	373	365	372	364
Unsupported Child's Benefit	14,993	16,157	17,553	18,985

The number of children covered directly by these payments has followed a similar trend to the number of carers (Figure 18). The seasonal dips happen every January and February during the summer school holidays. This mainly reflects end of year cancellations for children aged 16 to 18 who may cease to be dependent.

**Figure 18: Number of children whose carers receive an Orphan's Benefit or an Unsupported Child's Benefit payment, monthly since June 2004.**



## Receipt by main benefit received

In this section, benefits are grouped based on their primary function or cohort. This is to allow for comparisons between benefit groups in language that is consistent over time.

Table 5 shows the groupings and the benefits they relate to both before, and after Welfare Reform, which occurred in July 2013.

**Table 5: Benefit groupings pre- and post-Welfare Reform.<sup>9</sup>**

Benefit grouping	Pre-Welfare Reform	Post-Welfare Reform
<b>Non-health condition related main benefits</b>	Unemployment Benefit, Emergency Benefit, Domestic Purposes Benefit: Emergency Maintenance Allowance/Sole Parent/Woman Alone, Widow's Benefit, Youth Payment/Young Parent Payment, Unemployment Hardship Students, Independent Youth Benefit	Jobseeker Support (Work Ready), Emergency Benefit, Emergency Maintenance Allowance, Sole Parent Support, Youth Payment/Young Parent Payment, Jobseeker Support Student Hardship
<b>Health condition related main benefits</b>	Invalid's Benefit, Domestic Purposes Benefit – Caring for Sick and Infirm, Sickness Benefit	Supported Living Payment, Jobseeker Support (Health Condition or Disability)
<b>Superannuants</b>	New Zealand Superannuation, Veteran's Pension	New Zealand Superannuation, Veteran's Pension
<b>Not on a main benefit</b>	Non-beneficiary	Non-beneficiary

Table 6 below shows that as at the end of June 2020, around half of carers receiving an Orphan's Benefit or an Unsupported Child's Benefit are not receiving a main benefit.

**Table 6: Number of carers receiving an Orphan's Benefit or an Unsupported Child's Benefit as at the end of June 2020, by benefit grouping.**

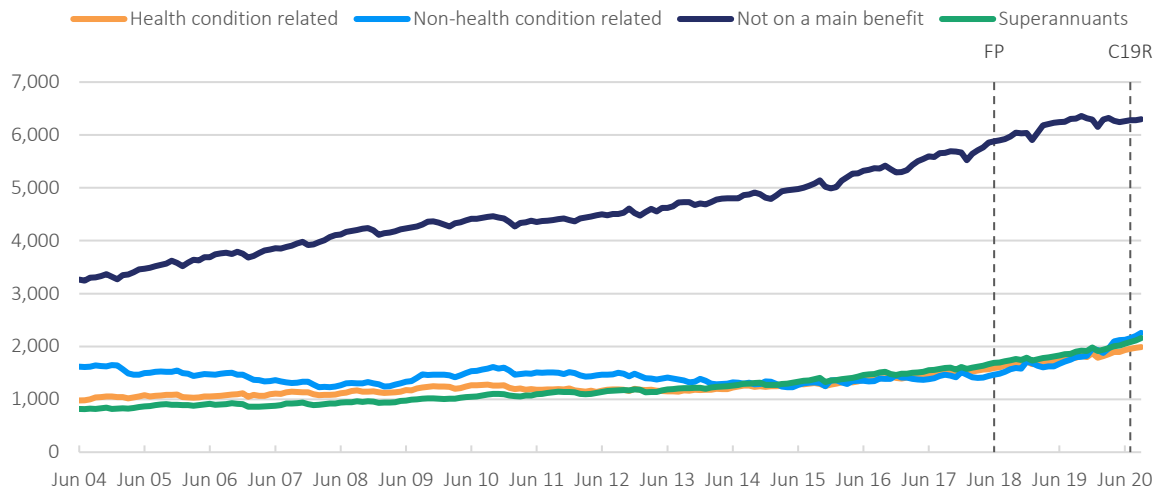
Benefit grouping	Orphan's Benefit	Unsupported Child's Benefit
Not on a main benefit	124 (46.3%)	6,262 (50.6%)
Non-health condition or youth related main benefits	51 (19.0%)	2,128 (17.2%)
Superannuants	56 (20.9%)	2,054 (16.6%)
Health condition related main benefits	37 (13.8%)	1,930 (15.6%)
<b>Total</b>	<b>268 (100.0%)</b>	<b>12,374 (100.0%)</b>

Note: Totals may not add to 100 percent due to rounding.

Looking at the long-term trends, carers receiving an Unsupported Child's Benefit who were not receiving a main benefit have accounted for most of the growth in receipt (Figure 28). Growth in the number of Unsupported Child's Benefit carers over the past 12 months appears to be driven more by carers receiving a main benefit or superannuation.

<sup>9</sup> These groupings differ compared to other sections in this report. This is because the number of youth and students receiving either an Orphan's Benefit or Unsupported Child's Benefit is very low, and so these recipients have been merged into the non-health condition related main benefits group.

**Figure 19: Number of carers receiving an Unsupported Child's Benefit, monthly since June 2004, by benefit grouping.**



## Receipt by payments for health conditions, disabilities or caring responsibilities<sup>10</sup>

As at the end of June 2020, most Orphan's Benefit and Unsupported Child's Benefit recipients do not receive a payment from MSD relating to having, or caring for someone with, health conditions or disabilities (Table 7).

As noted, some clients who are counted in the category 'does not receive a health condition, disability or caring related payment' may have a health condition, disability, or care for someone but not receive assistance from MSD in relation to this. Therefore, figures presented in this section are an undercount of the true population of MSD clients who have a health condition, disability, or care for someone.

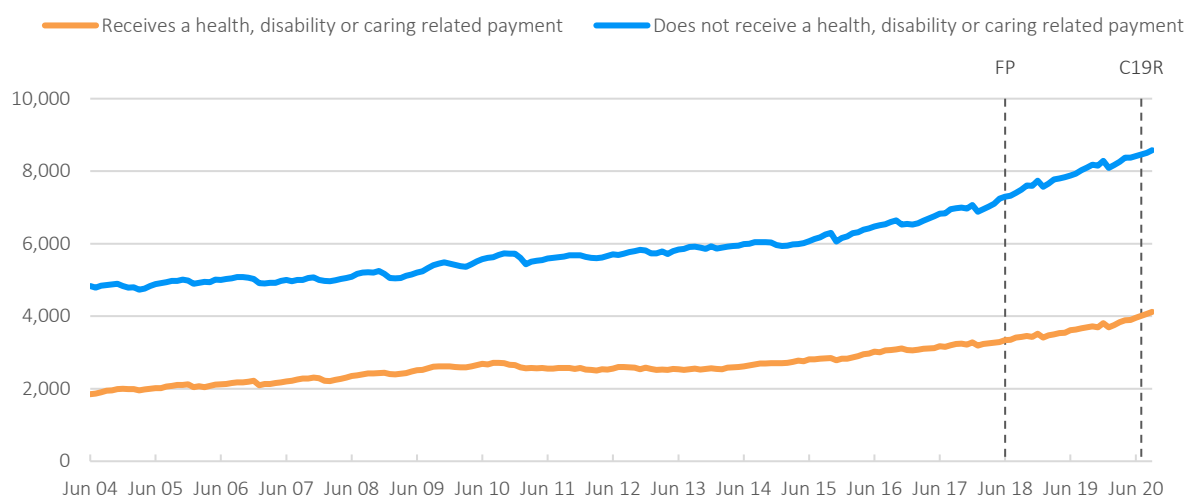
**Table 7: Number of carers receiving an Orphan's Benefit or an Unsupported Child's Benefit as at the end of June 2020, by health conditions, disabilities or caring responsibilities.**

Benefit grouping	Orphan's Benefit	Unsupported Child's Benefit
Receives a health, disability or caring related payment	74 (27.6%)	3,958 (32.0%)
Does not receive a health, disability or caring related payment	194 (72.4%)	8,416 (68.0%)
<b>Total</b>	<b>268 (100.0%)</b>	<b>12,374 (100.0%)</b>

Note: Totals may not add to 100 percent due to rounding.

Most of the recent growth in the number of Unsupported Child's Benefit recipients has come from carers that do not receive a health, disability or caring related payment from MSD (Figure 20). The number of carers receiving a health, disability or caring related payment has also been increasing since June 2013.

**Figure 20: Number of carers receiving an Unsupported Child's Benefit, monthly since June 2004, by health conditions, disabilities or caring responsibilities.**



<sup>10</sup> In this section payments are grouped based on if the recipient receives another payment from MSD relating to health conditions, disabilities or caring responsibilities for someone with a health condition or disability (i.e. by whether or not they receive Supported Living Payment, Jobseeker Support (Health Condition or Disability), a Disability Allowance or a Child Disability Allowance).

## Receipt by family type<sup>11</sup>

As at the end of June 2020, a sizable number of carers who receive an Orphan's Benefit or an Unsupported Child's Benefit are not partnered, with one dependent child (Table 8).

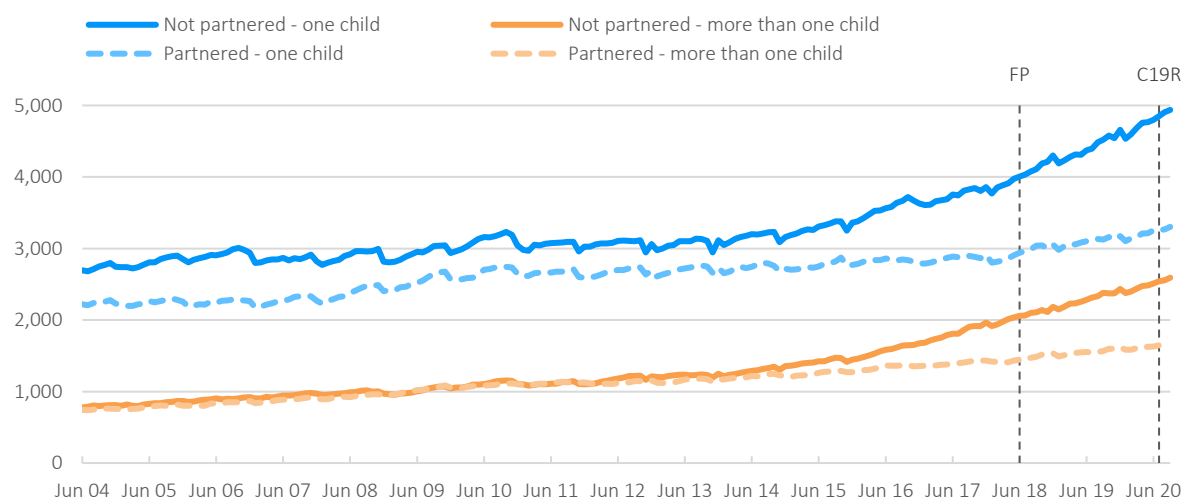
**Table 8: Number of carers receiving an Orphan's Benefit or an Unsupported Child's Benefit as at the end of June 2020, by family type.**

Family type	Orphan's Benefit	Unsupported Child's Benefit
Not partnered – one child	130 (48.5%)	4,797 (38.8%)
Not partnered – more than one child	37 (13.8%)	2,512 (20.3%)
Partnered – one child	68 (25.4%)	3,252 (26.3%)
Partnered – more than one child	27 (10.1%)	1,628 (13.2%)
Unknown family type	6 (2.2%)	185 (1.5%)
<b>Total</b>	<b>268 (100.0%)</b>	<b>12,374 (100.0%)</b>

Note: Totals may not add to 100 percent due to rounding.

For carers receiving an Unsupported Child's Benefit, families that are classified as not partnered with one dependent child have historically been the largest group. However, in the past few years there has been noticeable growth in the number of families that are classified as not partnered with more than one dependent child (Figure 21). This growth predates the Families Package.

**Figure 21: Number of carers receiving an Unsupported Child's Benefit, monthly since 2004, by family type.**



<sup>11</sup> The family types and calculations used in this section slightly differ from in other sections. For recipients of the Orphan's Benefit or Unsupported Child's Benefit the benefit rate is not impacted by their relationship status. This is therefore not information they are required to provide if they do not receive other assistance from MSD. This can lead to situations where the family type of the recipient is not recorded, or where information is out of date. Therefore, the figures in this section should be treated as approximations.

## Receipt by age of recipient

Most carers who receive an Orphan's Benefit or an Unsupported Child's Benefit are aged 40 and over (Table 9).

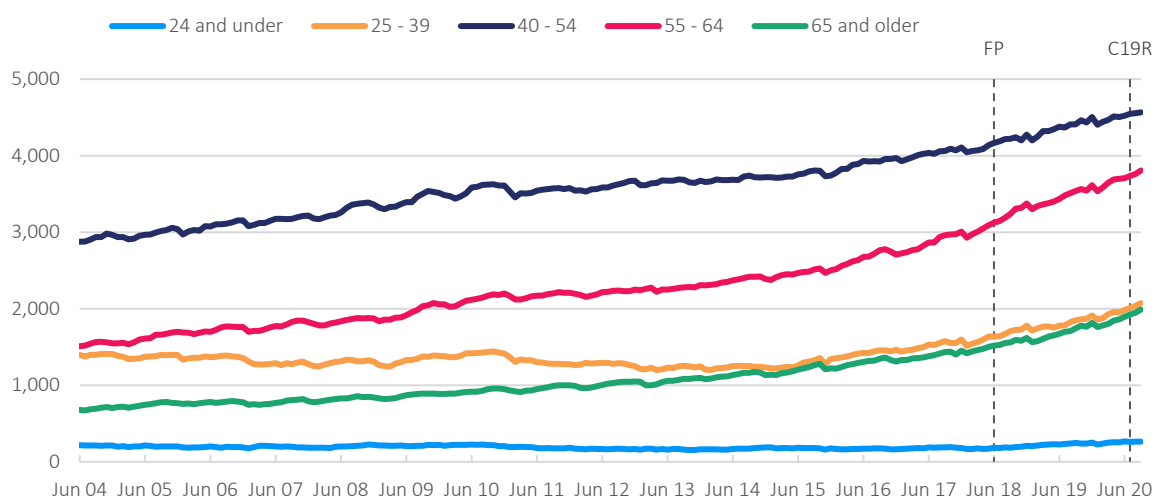
**Table 9: Number of carers receiving an Orphan's Benefit or an Unsupported Child's Benefit as at the end of June 2020, by age group.**

Age group	Orphan's Benefit	Unsupported Child's Benefit
24 years old and under	13 (4.9%)	267 (2.2%)
25 to 39 years old	60 (22.4%)	1,983 (16.0%)
40 to 54 years old	78 (29.1%)	4,521 (36.5%)
55 to 64 years old	65 (24.3%)	3,708 (30.0%)
65 years and older	52 (19.4%)	1,895 (15.3%)
<b>Total</b>	<b>268 (100.0%)</b>	<b>12,374 (100.0%)</b>

Note: Totals may not add to 100 percent due to rounding.

For carers receiving an Unsupported Child's Benefit, while the number of recipients across almost all age groups has increased over time, the current increase in numbers is being led by growth in recipients aged 55 to 64 (Figure 22). These trends predate the introduction of the Families Package.

**Figure 22: Number of carers receiving an Unsupported Child's Benefit, monthly since June 2004, by age group.**



## Receipt by ethnicity<sup>12</sup>

As at the end of June 2020, many carers who receive either an Orphan's Benefit or an Unsupported Child's Benefit identify as Māori (Table 10).

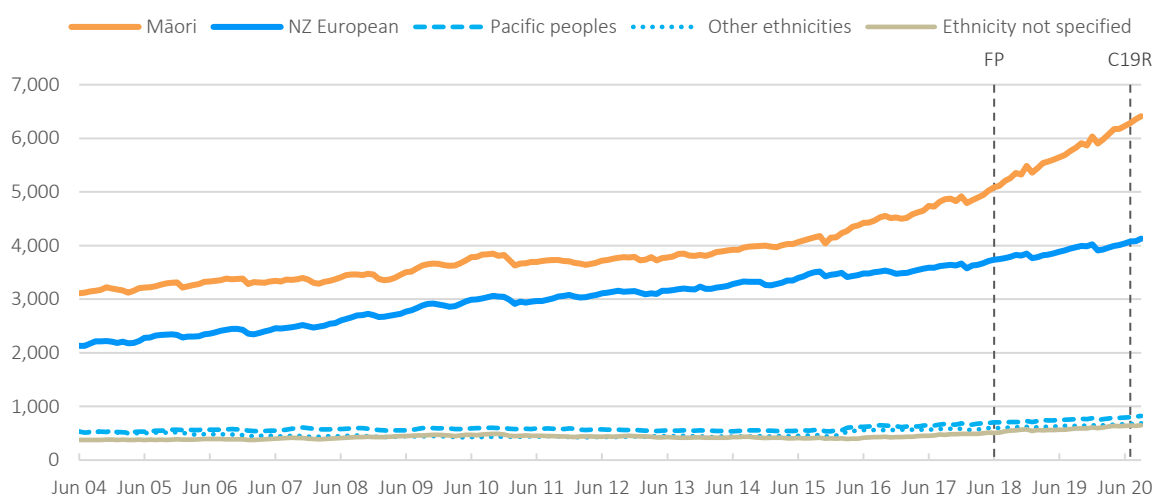
**Table 10: Number of carers who receive an Orphan's Benefit or an Unsupported Child's Benefit as at the end of June 2020, by ethnicity.**

Ethnicity group	Orphan's Benefit	Unsupported Child's Benefit
Māori	115 (42.9%)	6,234 (50.4%)
New Zealand European	72 (26.9%)	4,040 (32.6%)
Pacific peoples	36 (13.4%)	791 (6.4%)
Other ethnicities	32 (11.9%)	673 (5.4%)
Unknown ethnicity	13 (4.9%)	636 (5.1%)
<b>Total</b>	<b>268 (100.0%)</b>	<b>12,374 (100.0%)</b>

Note: Totals may not add to 100 percent due to rounding.

Figure 23 below shows trends in Unsupported Child's Benefit receipt by ethnic group. Growth since the Families Package has been most rapid for Māori; however, this appears to be a continuation of an existing trend as opposed to being related to the Families Package.

**Figure 23: Number of carers receiving an Unsupported Child's Benefit, monthly since June 2004, by ethnicity.**



<sup>12</sup> Ethnicity data is self-identified and multiple ethnicities may be chosen by an individual as fits their preference or self-concept. Multiple selected ethnicities are then prioritised into a hierarchy. The Māori ethnicity has the highest priority in this hierarchy, followed by Pacific peoples. NZ European has the lowest priority. This is to ensure that smaller ethnic groups do not get overwhelmed by the larger ethnic groups. A single ethnicity is assigned to an individual based on this hierarchy. Ethnic groups do not currently align with Statistics New Zealand ethnicity groupings.



## Receipt by gender

As at the end of June 2020, most carers who receive either an Orphan's Benefit or an Unsupported Child's Benefit are women (Table 11).

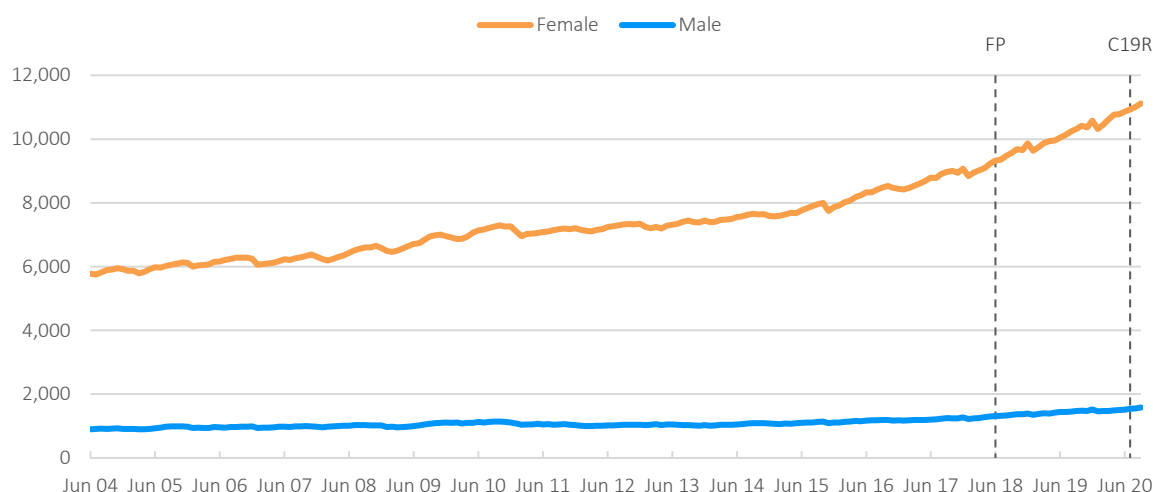
**Table 11: Number of carers who receive an Orphan's Benefit or an Unsupported Child's Benefit as at the end of June 2020, by gender.**

Gender	Orphan's Benefit	Unsupported Child's Benefit
Female	213 (79.5%)	10,858 (87.7%)
Male	55 (20.5%)	1,516 (12.3%)
Gender diverse	0 (0.0%)	0 (0.0%)
<b>Total</b>	<b>268 (100.0%)</b>	<b>12,374 (100.0%)</b>

Note: Totals may not add to 100 percent due to rounding.

Figure 24 below shows trends in Unsupported Child's Benefit receipt by gender. Growth since the Families Package has been most rapid for women; however, this trend predates the Families Package.

**Figure 24: Number of carers receiving an Unsupported Child's Benefit, monthly since 2004, by gender.**



# Increasing Accommodation Supplement and Accommodation Benefit

## Accommodation Supplement

The Accommodation Supplement is a weekly payment to assist people with low incomes with their rent, board, or the cost of owning a home. It is not available to people in emergency housing, public housing and/or receiving an income-related rental subsidy. The number of people receiving an Accommodation Supplement tends to follow trends in broader benefit numbers.

### What is included here?

This section provides supplementary breakdowns of receipt for Accommodation Supplement by the following:

- main benefit received
- receipt of a health condition, disability or caring related payment
- family type
- age group
- ethnicity
- gender
- whether the recipient is receiving other income.

For ease of interpretation, overall trends in receipt are also included.

## Receipt of Accommodation Supplement

### Overall

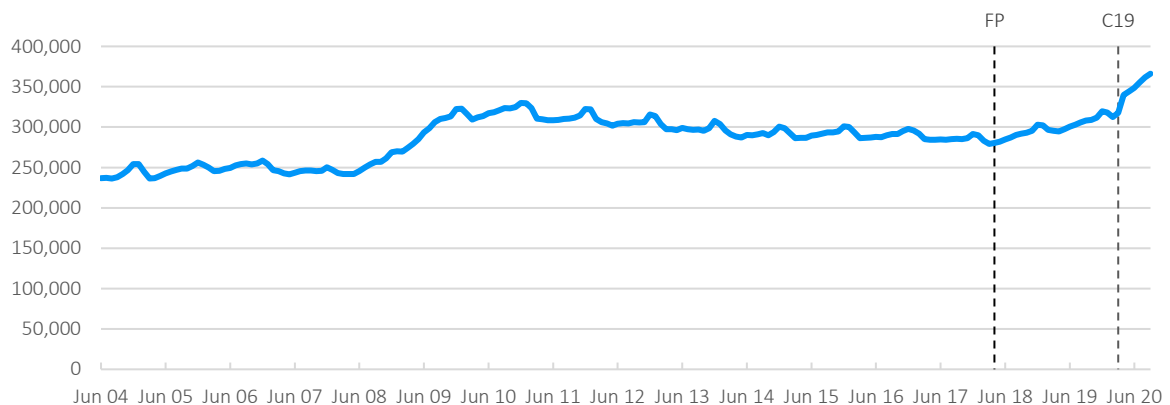
Figure 25 below shows the number of Accommodation Supplement recipients at the end of the past four June months.

**Figure 25: Number of Accommodation Supplement recipients as at the end of June over the last four years.**



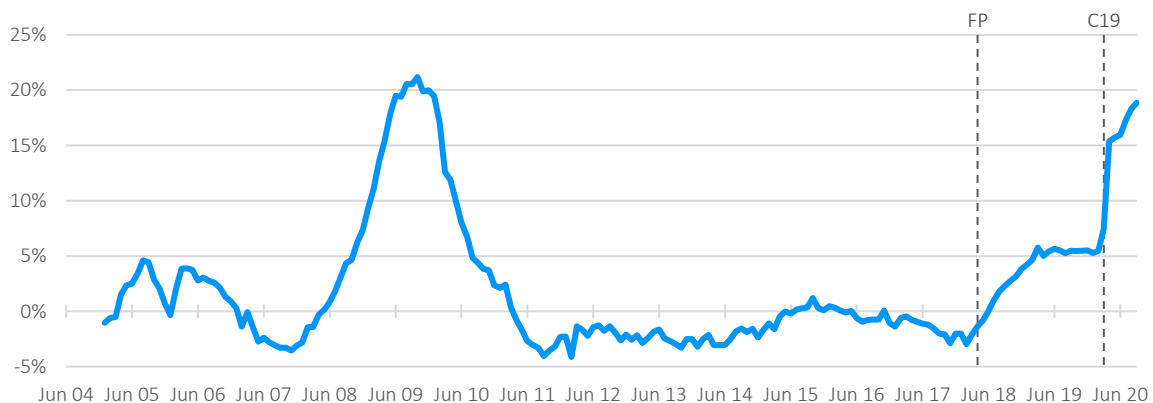
Figure 26 below shows that the number of Accommodation Supplement recipients was increasing slightly overall between 2004 and mid-2008, before increasing sharply during late 2008 and through 2009 during the Global Financial Crisis, peaking in late 2010. From there, the number of recipients gradually declined until June 2018. The number of recipients has since begun to increase, particularly so since March 2020.

**Figure 26: Number of Accommodation Supplement recipients, monthly since June 2004.**



Based on year-on-year percentage change, the current growth in the number of Accommodation Supplement recipients is comparable to levels seen during the global financial crisis in 2008 to 2010 (Figure 27).

**Figure 27: Year-on-year percentage change in Accommodation Supplement numbers.**



## Receipt by main benefit received

In this section, benefits are grouped based on their primary function or cohort. This is to allow for comparisons between benefit groups in language that is consistent over time.

Table 12 shows the groupings and the benefits they relate to both before, and after Welfare Reform, which occurred in July 2013.

**Table 12: Benefit groupings pre and post Welfare Reform.**

Benefit grouping	Pre-Welfare Reform	Post Welfare Reform
<b>Non-health condition or youth related main benefits</b>	Unemployment Benefit, Emergency Benefit, Domestic Purposes Benefit: Emergency Maintenance Allowance/Sole Parent/Woman Alone, Widow's Benefit	Jobseeker Support (Work Ready), Emergency Benefit, Emergency Maintenance Allowance, Sole Parent Support
<b>Health condition related main benefits</b>	Invalid's Benefit, Domestic Purposes Benefit – Caring for Sick and Infirm, Sickness Benefit	Supported Living Payment, Jobseeker Support (Health Condition or Disability)
<b>Superannuants</b>	New Zealand Superannuation, Veteran's Pension	New Zealand Superannuation, Veteran's Pension
<b>Youth and students</b>	Youth Payment/Young Parent Payment, Unemployment Hardship Students, Independent Youth Benefit	Youth Payment/Young Parent Payment, Jobseeker Support Student Hardship
<b>Not on a main benefit</b>	Non-beneficiary	Non-beneficiary

Table 13 below shows that as at the end of June 2020, many Accommodation Supplement recipients are receiving a main benefit.

**Table 13: Number of people receiving an Accommodation Supplement as at the end of June 2020, by benefit grouping.**

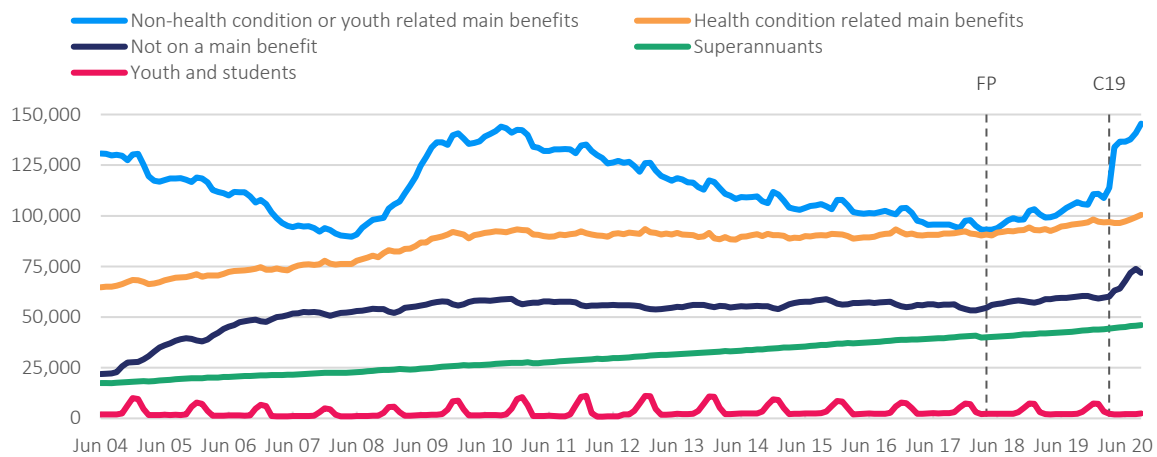
Benefit grouping	Number as at the end of June 2020
Non-health condition or youth related main benefits	136,527 (39.1%)
Health condition related main benefits	97,181 (27.9%)
Not on a main benefit	67,878 (19.5%)
Superannuants	45,046 (12.9%)
Youth and students	2,122 (0.6%)
<b>Total</b>	<b>348,754 (100%)</b>

Note: Totals may not add to 100 percent due to rounding.

Looking at the long-term trends, people who were not receiving a benefit based on a health condition, or being a youth, have made up most of receipt (Figure 28). However, over time, the proportion of Accommodation Supplement recipients who receive a benefit for a health condition or disability has increased. Additionally, the number of superannuants who are receiving Accommodation Supplement has been steadily growing.

Additionally, from March 2020, most of the growth in the number of Accommodation Supplement recipients was accounted for by people not receiving a benefit based on a health condition, or being a youth, or not receiving a main benefit at all.

**Figure 28: Number of Accommodation Supplement recipients, monthly since June 2004, by benefit grouping.**

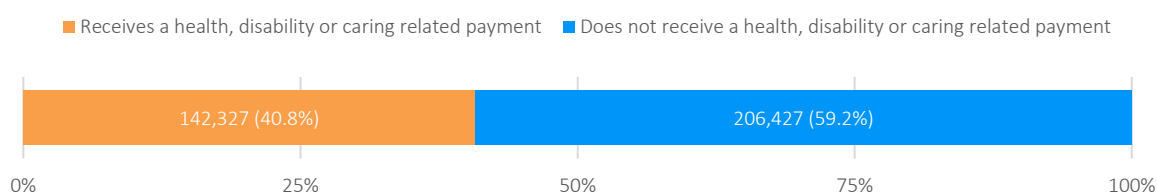


## Receipt by payments for health conditions, disabilities or caring responsibilities<sup>13</sup>

As at the end of June 2020, 40.8 percent of Accommodation Supplement recipients receive a payment from MSD relating to having, or caring for someone with, health conditions or disabilities (Figure 29).

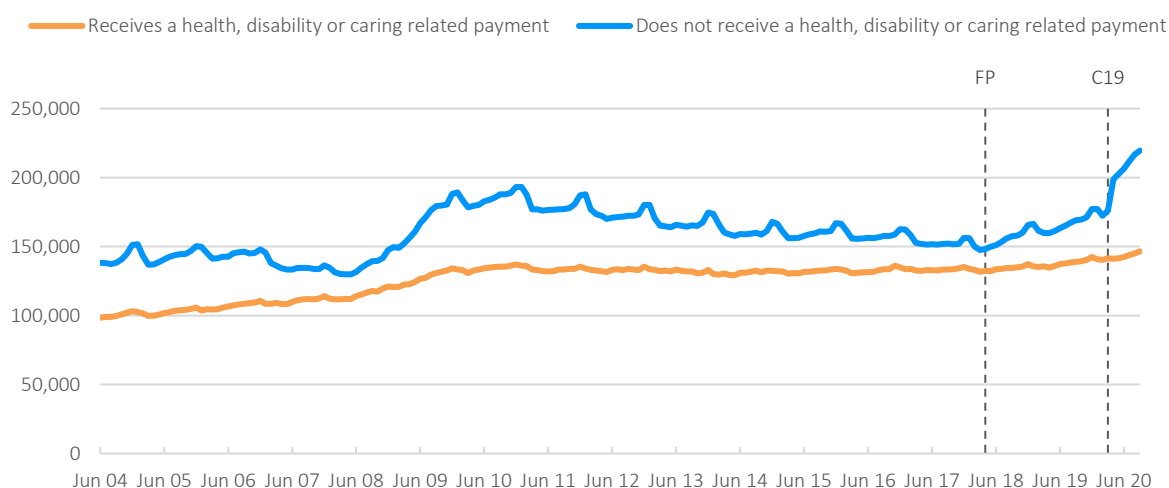
As noted, some clients who are counted in the category 'does not receive a health condition, disability or caring related payment' may have a health condition, disability, or care for someone but not receive assistance from MSD in relation to this. Therefore, figures presented in this section are an undercount of the true population of MSD clients who have a health condition, disability, or care for someone.

**Figure 29: Number of Accommodation Supplement recipients as of the end of June 2020, by health conditions, disabilities or caring responsibilities.**



Growth since the Families Package has been most pronounced for recipients who do not also receive a health, disability or caring related payment (Figure 30). This is particularly noticeable from March 2020 onwards.

**Figure 30: Number of Accommodation Supplement recipients, monthly since 2004, by health conditions, disabilities or caring responsibilities.**

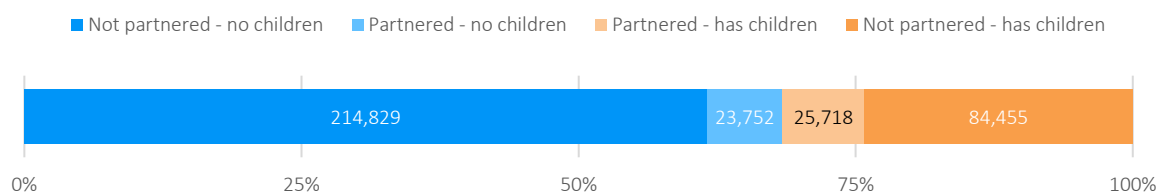


<sup>13</sup> In this section payments are grouped based on if the recipient receives another payment from MSD relating to health conditions, disabilities or caring responsibilities for someone with a health condition or disability (i.e. by whether or not they receive Supported Living Payment, Jobseeker Support (Health Condition or Disability), a Disability Allowance or a Child Disability Allowance).

## Receipt by family type

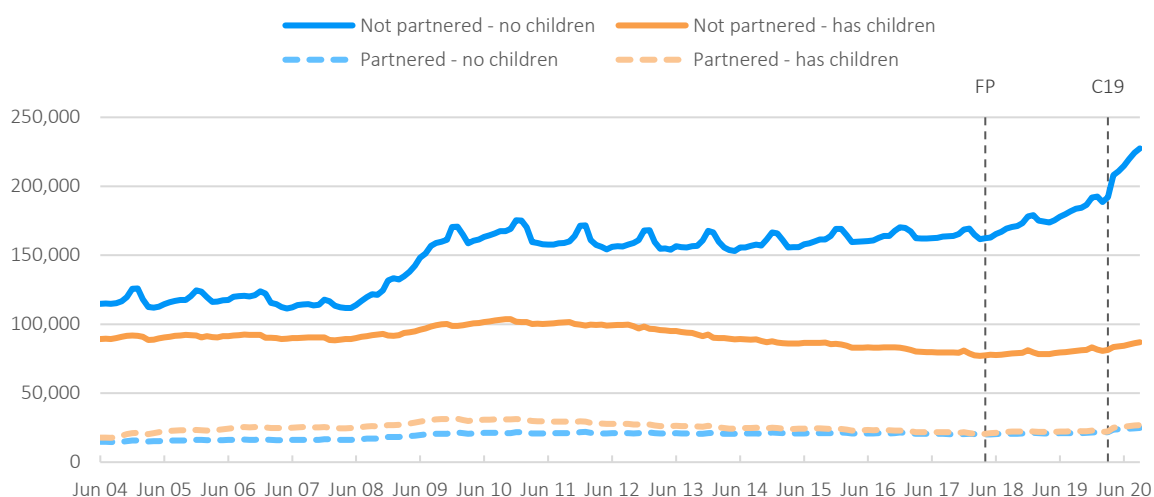
As of the end of June 2020, the largest group of Accommodation Supplement recipients were not in a partnership and did not have any dependent children (Figure 31). This was followed by a large group of sole parents.

**Figure 31: Number of Accommodation Supplement recipients as at the end of June 2020, by family type.**



Over time, the proportion of recipients who are not partnered and have no dependent children has been increasing. This group has also been the main source of growth in Accommodation Supplement receipt since the introduction of the Families Package, particularly since March 2020 (Figure 32).

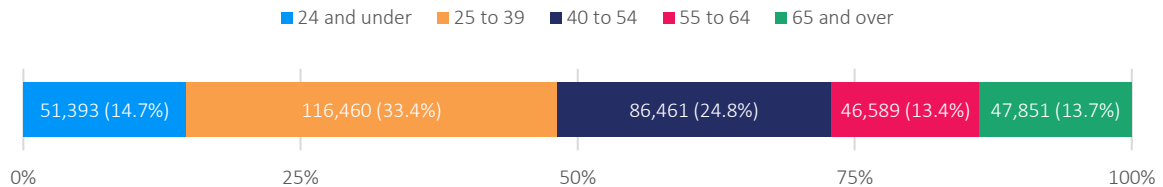
**Figure 32: Number of Accommodation Supplement recipients, monthly since June 2004, by family type.**



## Receipt by age group

As of the end of June 2020, people aged 25 to 39 make up the largest group of Accommodation Supplement recipients, followed by those aged 40 to 54 years old (Figure 33).

**Figure 33: Number of Accommodation Supplement recipients as at the end of June 2020, by age group.**

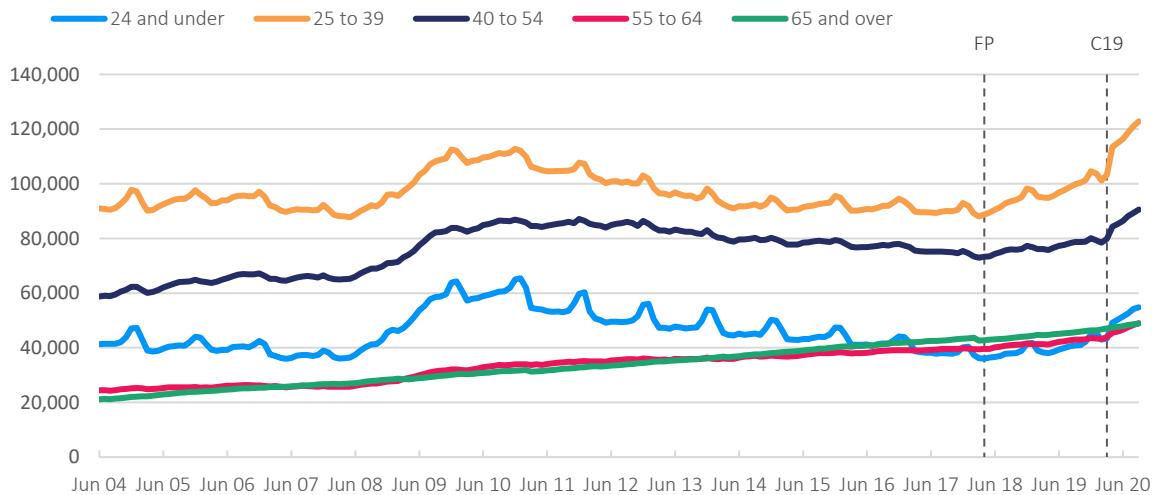


Note: Totals may not add to 100 percent due to rounding.

The picture of receipt by age group has evolved over time. Figure 34 shows that the number of recipients aged 55 to 64 and over 65 has been continuously growing since 2004.

Other age groupings have recently started to see increases in receipt, which is consistent with the overall trend around increased Jobseeker Support receipt. This has been particularly noticeable since March 2020.

**Figure 34: Number of Accommodation Supplement recipients, monthly since June 2004, by age group.**

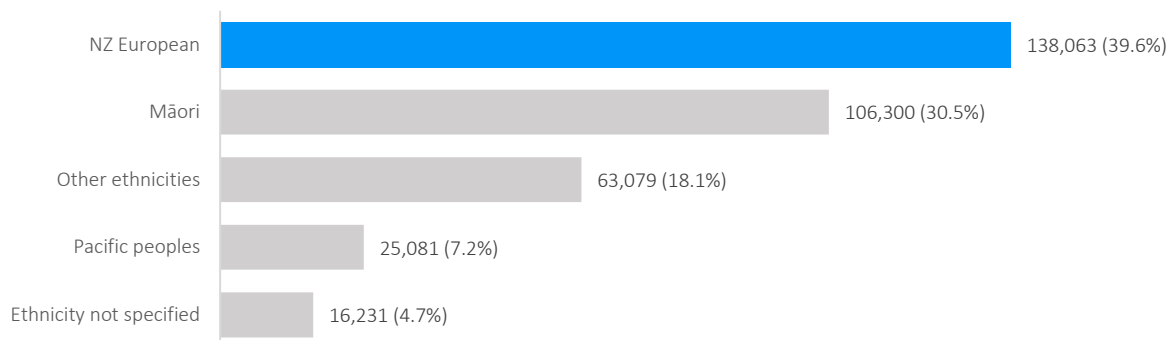




## Receipt by ethnicity<sup>14</sup>

As at the end of June 2020, many Accommodation Supplement recipients identify as New Zealand European, followed by Māori (Figure 35).

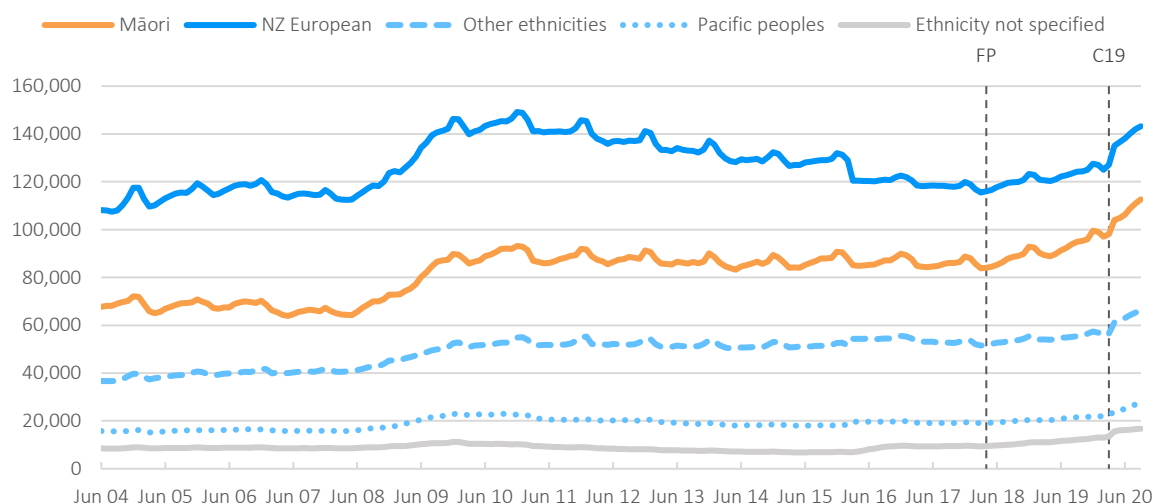
**Figure 35: Number of Accommodation Supplement recipients as at the end of June 2020, by ethnicity.**



Note: Totals may not add to 100 percent due to rounding.

The number of Māori receiving the Accommodation Supplement since the Global Financial Crisis has remained relatively stable, while the numbers of New Zealand Europeans receiving the Accommodation Supplement has decreased over time (Figure 36). The recent increase in receipt has occurred for all ethnic groups and is most rapid for Māori.

**Figure 36: Number of Accommodation Supplement recipients, monthly since June 2004, by ethnicity.**

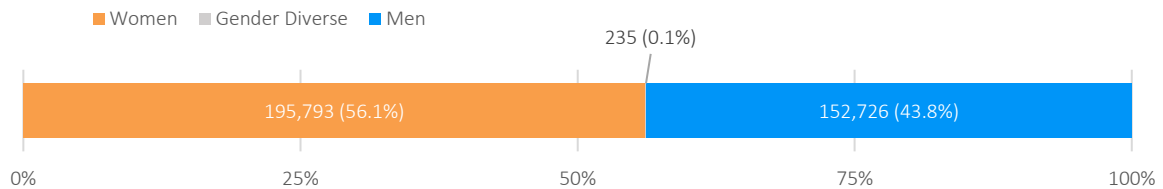


<sup>14</sup> Ethnicity data is self-identified and multiple ethnicities may be chosen by an individual as fits their preference or self-concept. Multiple selected ethnicities are then prioritised into a hierarchy. The Māori ethnicity has the highest priority in this hierarchy, followed by Pacific peoples. NZ European has the lowest priority. This is to ensure that smaller ethnic groups do not get overwhelmed by the larger ethnic groups. A single ethnicity is assigned to an individual based on this hierarchy. Ethnic groups do not currently align with Statistics New Zealand ethnicity groupings.

## Receipt by gender

As at the end of June 2020, most Accommodation Supplement recipients are women (Figure 37).

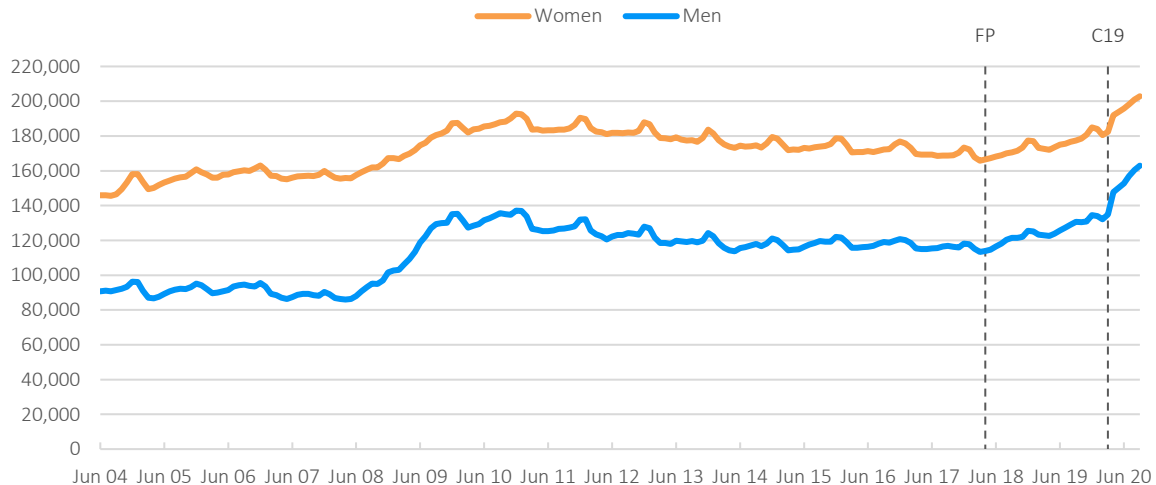
**Figure 37: Number of Accommodation Supplement recipients as at the end of June 2020, by gender.**



Note: Totals may not add to 100 percent due to rounding.

The number of women and men receiving the Accommodation Supplement since the Global Financial Crisis decreased slowly until 2018. Since the Families Package, there has been an increase in the number of men and women receiving the Accommodation Supplement. This growth has been more rapid for men, particularly so since March 2020 (Figure 38). These counts include primary recipients in cases where a couple receives a benefit, but do not include partners of primary benefit recipients (consistent with MSD's standard reporting).

**Figure 38: Number of Accommodation Supplement recipients, monthly since June 2004, by gender.**

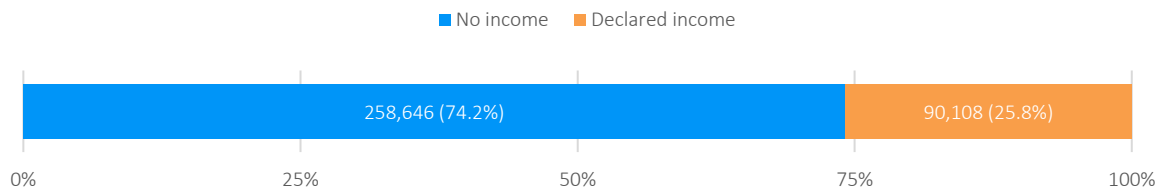


## Receipt by other income<sup>15</sup>

As at the end of June 2020, many Accommodation Supplement recipients do not report having another source of income (Figure 39).

Out of those who do report having other sources of income, most report having over \$300 in other outcome. This is likely related to the non-beneficiary population receiving an Accommodation Supplement.

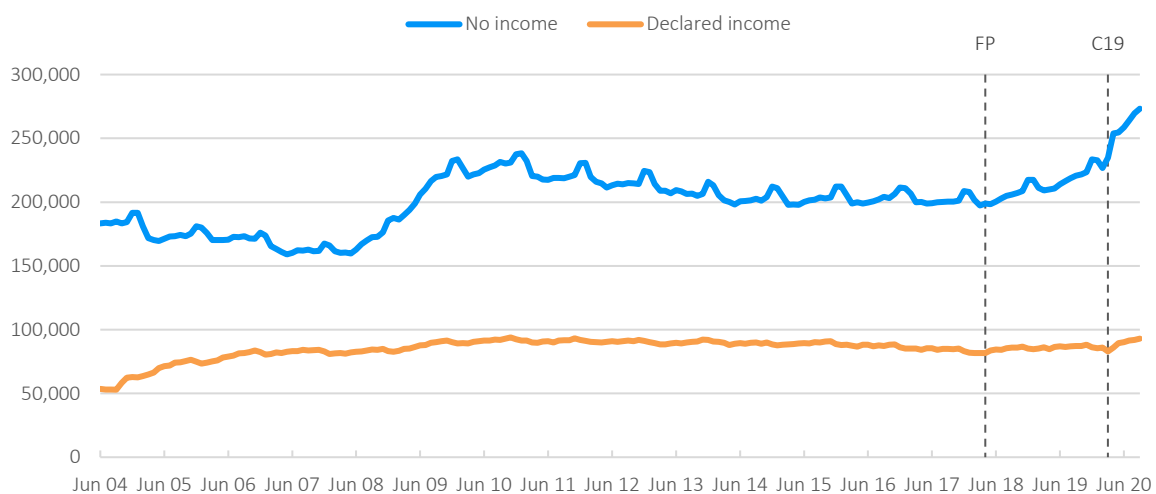
**Figure 39: Number of Accommodation Supplement recipients as at the end of June 2020, by whether they receive other income.**



Note: Totals may not add to 100 percent due to rounding

The number of people with a declared other income over time has broadly followed the trend in the number of non-beneficiaries receiving an Accommodation Supplement (Figure 40).

**Figure 40: Number of Accommodation Supplement recipients, monthly since June 2004, by whether they receive other income.**



<sup>15</sup> This means an income not derived from a benefit payment or tax credit.

## **Accommodation Benefit**

The Accommodation Benefit is a payment to assist students who are receiving a Student Allowance with their accommodation costs. Therefore, the number of people receiving a Accommodation Benefit over time follows the same trends as the number of people receiving the Student Allowance.

### **What is included here?**

This section provides supplementary breakdowns of receipt for Accommodation Benefit by the following:

- partnership status
- age group
- ethnicity
- gender
- provider type.

For ease of interpretation, overall trends in receipt are also included.

## Receipt of Accommodation Benefit

### Overall

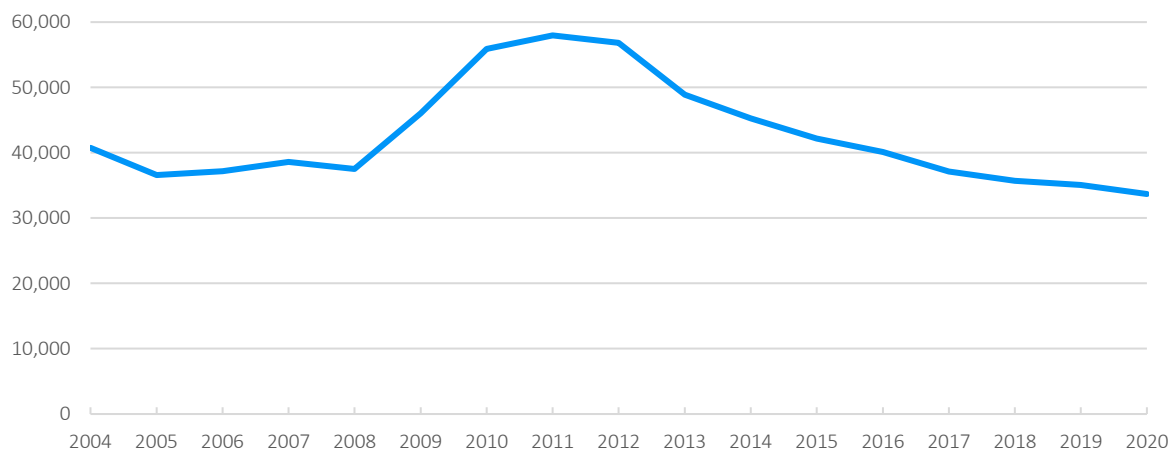
The number of people receiving an Accommodation Benefit during the year to 30 June has decreased over the past four years (Figure 41).

**Figure 41: Total number of people receiving an Accommodation Benefit in the year to 30 June, last four years.**



The number of people receiving an Accommodation Benefit has fallen away since its peak in 2011 (Figure 42).

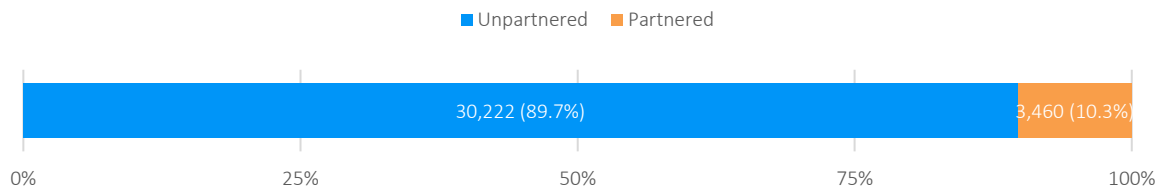
**Figure 42: Total number of people receiving an Accommodation Benefit in the year to 30 June, since 2004.**



## Receipt by partnership status

As at the end of June 2020, most Accommodation Benefit recipients were unpartnered (Figure 43).

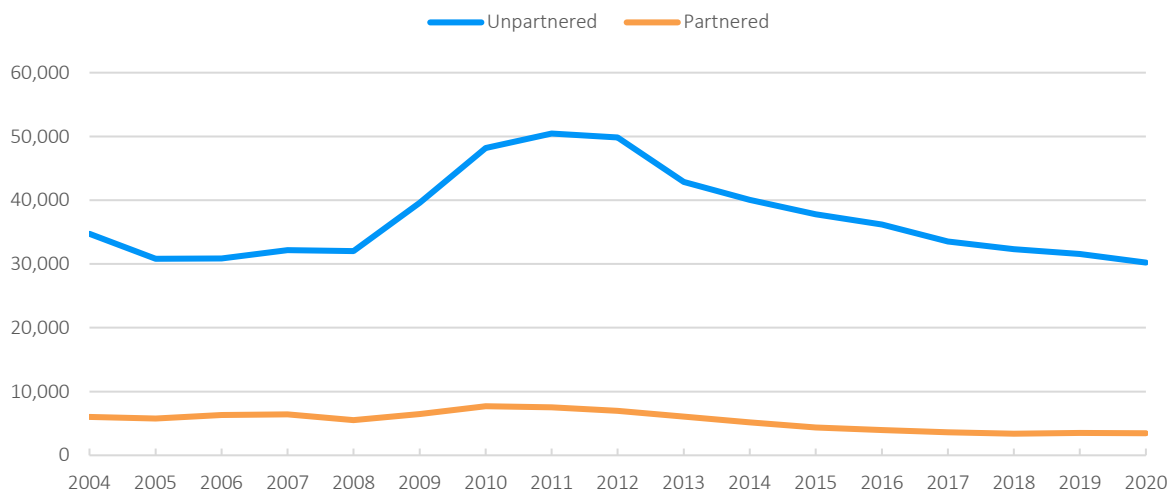
**Figure 43: Total number of people receiving an Accommodation Benefit in the year to 30 June, by partnership status.**



Note: Totals may not add to 100 percent due to rounding.

Most of the increase during the Global Financial Crisis came from unpartnered people (Figure 44). Since then figures have gradually reduced for this group returning to levels similar to what they were prior to the Global Financial Crisis. The number of partnered people receiving the Accommodation Benefit has decreased since the Global Financial Crisis and is now lower than levels prior to it.

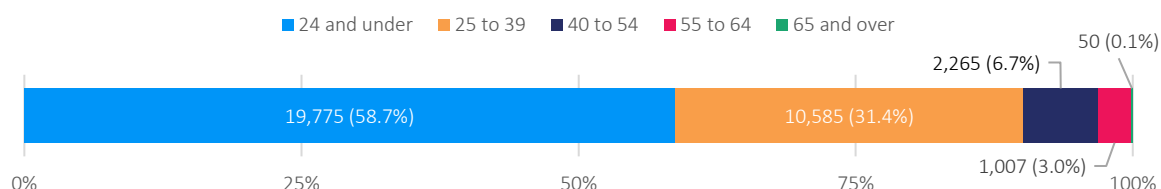
**Figure 44: Total number of people receiving an Accommodation Benefit in the year to 30 June, since 2004, by partnership status.**



## Receipt by age group

In the year to 30 June 2020, most people receiving an Accommodation Benefit were aged 24 and under (Figure 45).

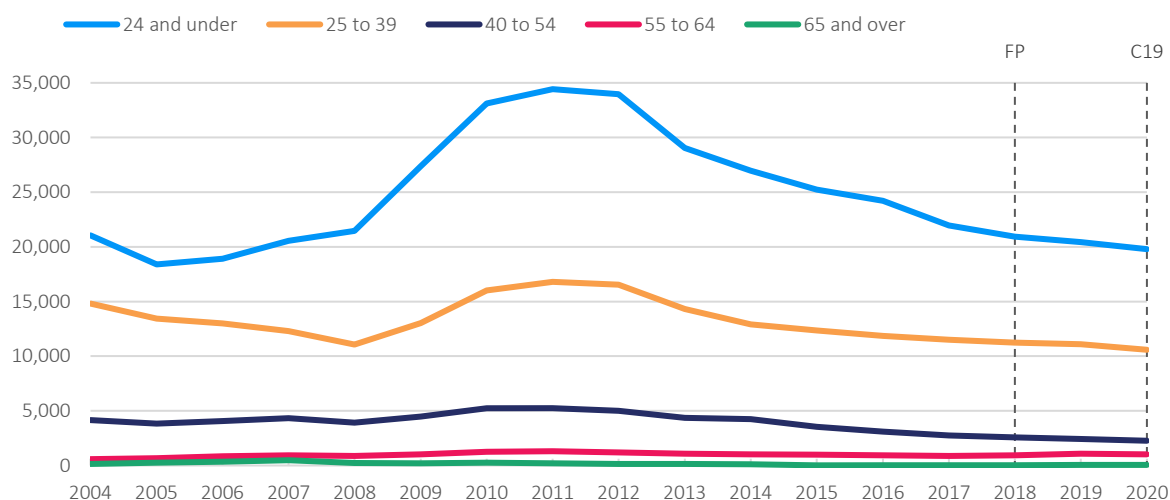
**Figure 45: Total number of people receiving an Accommodation Benefit in the year to 30 June 2020, by age group.**



Note: Totals may not add to 100 percent due to rounding.

Over time most people receiving an Accommodation Benefit have been under the age of 40. This group also had the largest change in numbers during the Global Financial Crisis (Figure 46).

**Figure 46: Total number of people receiving an Accommodation Benefit in the year to 30 June, since 2004, by age group.**



## Receipt by ethnicity<sup>16</sup>

In the year to 30 June 2020, many people receiving an Accommodation Benefit identify as only European, followed by only Asian and only Māori (Table 14).

**Table 14: Total number of people receiving an Accommodation Benefit in the year to 30 June 2020, by ethnicity.**

Ethnic category	Number for the year to 30 June 2020
European	15,051 (44.7%)
Asian	5,262 (15.6%)
Māori	3,567 (10.6%)
European and Māori	2,982 (8.9%)
Pacific peoples	1,505 (4.5%)
Other	857 (2.5%)
European and Pacific peoples	528 (1.6%)
European and Asian	516 (1.5%)
3 or more ethnic groups	374 (1.1%)
European and Other	290 (0.9%)
Māori and Pacific peoples	282 (0.8%)
Asian and Other	72 (0.2%)
Pacific and Asian	69 (0.2%)
Māori and Asian	44 (0.1%)
Māori and Other	25 (0.1%)
Pacific and Other	11 (0.0%)
Unspecified	2,247 (6.7%)
<b>Total</b>	<b>33,682</b>

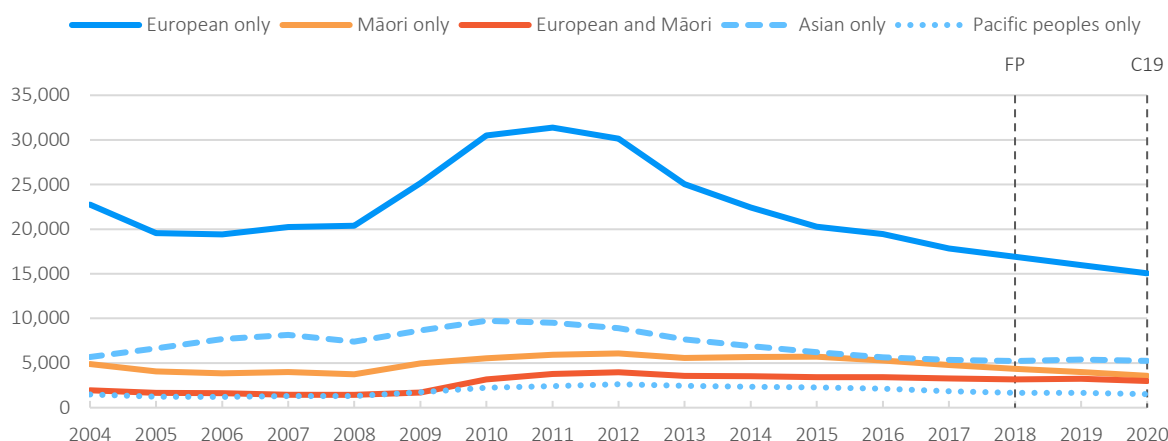
Note: Totals may not add to 100 percent due to rounding.

Most of the increase in people receiving an Accommodation Benefit during the Global Financial Crisis, as well as most of the decrease following it, came from people that identified as European only. The number of people that identified as Māori only or European and Māori has by comparison stayed relatively stable since the Global Financial Crisis (Figure 47 overleaf).

<sup>16</sup> It is not mandatory for students to disclose their ethnicity and students may report more than one ethnicity. In this section, ethnic groups are reported on a non-prioritised basis – this is consistent with how Student Allowance data is publicly reported (see: <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/studylink/new-student-allowance/student-profiles.html>).



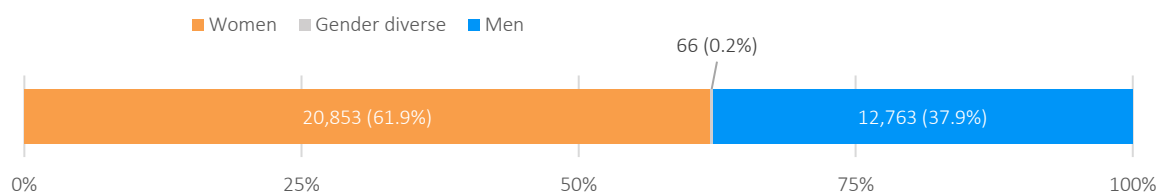
**Figure 47: Number of people receiving an Accommodation Benefit in the year to 30 June, since 2004, by selected ethnicity.**



### Receipt by gender

In the year to 30 June 2020, most people receiving the Accommodation Benefit are women (Figure 48).

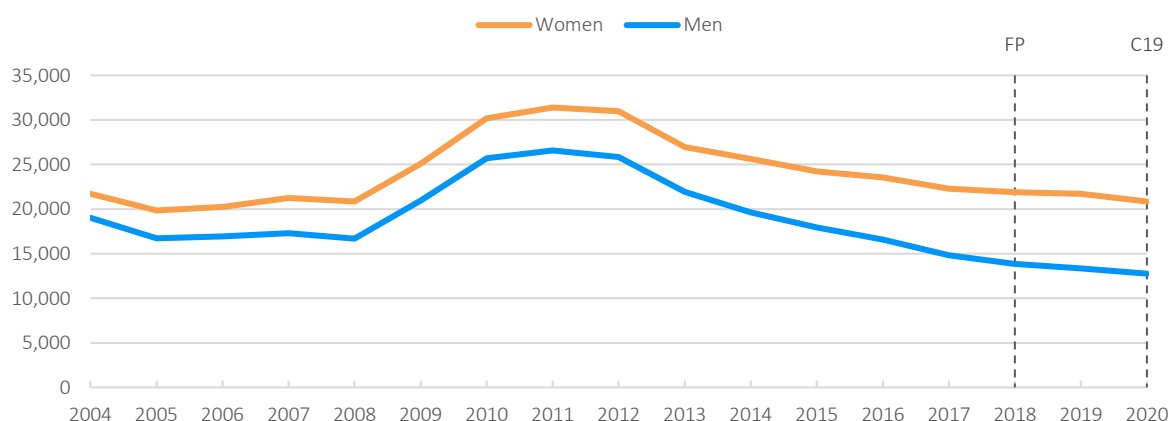
**Figure 48: Number of people receiving an Accommodation Benefit in the year to 30 June 2020, by gender.**



Note: Totals may not add to 100 percent due to rounding.

Women have made up most of the people receiving an Accommodation Benefit during the time period analysed. Following the end of the Global Financial Crisis the fall in numbers have been larger for men than women (Figure 49). The number of women that received an Accommodation Benefit in the year to 30 June 2020 is higher than prior to the Global Financial Crisis, while the number of men is lower.

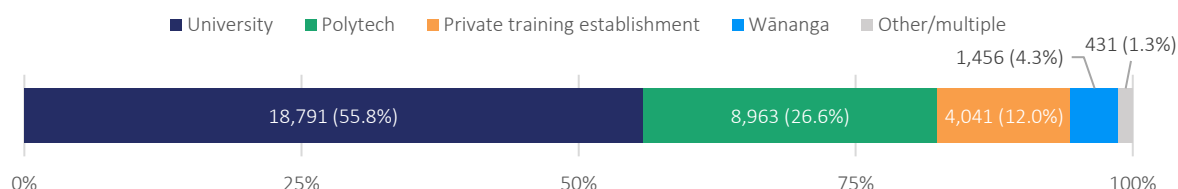
**Figure 49: Number of people receiving an Accommodation Benefit in the year to 30 June, since 2004, by gender.**



## Receipt by provider type

In the year to 30 June 2020, most people receiving an Accommodation Benefit are enrolled at a university (Figure 50).

**Figure 50: Number of people receiving an Accommodation Benefit in the year to 30 June 2020, by provider type.**



Note: Totals may not add to 100 percent due to rounding.

Most people receiving an Accommodation Benefit over time have been enrolled at a university. While the number of people receiving an Accommodation Benefit declined across most types of providers, since the Families Package the number of people at universities has remained relatively stable (Figure 51).

**Figure 51: Number of people receiving an Accommodation Benefit in the year to 30 June, since 2004, by provider type.**

