

## 23 March 2023

## Tēnā koe

On 1 February 2023, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

- 1. How many children were considered in poverty in Palmerston North in 2017, 2020 and 2022?
- 2. How many of those children in Palmerston North have moved out of poverty?
- 3. How many of those Palmerston North children who were classified as moving out of poverty did so because their family had an increase in the benefit as opposed to obtaining employment in 2017, 2020 and 2022?
- 4. How many children in Palmerston North are judged to be in benefit dependent families?
- 5. How many people in Palmerston North are on welfare in 2017, 2020 and 2022?
- 6. How many in those years are of working age in Palmerston North? How many Māori? How many Pacific Islanders?
- 7. How many people in Palmerston North are on Job Seeker for 2017, 2020 and 2022?
- 8. How many are of working age in Palmerston North are on Job Seeker for those years?
- 9. How many in Palmerston North have been on Job Seeker for more than a year?
- 10. How many people are on an accommodation supplement in Palmerston North in 2017, 2020 and 2022?
- 11. How many benefit sanctions were enacted against benefit obligation defaulters in Palmerston North in 2017, 2020 and 2022?

On 2 March 2023, the Ministry contacted you to advise more time was required to respond to your request. The reason for the extension was such that the consultations necessary tomake a decision on your request could not be reasonably completed within the original time limit.

- 1. How many children were considered in poverty in Palmerston North in 2017, 2020 and 2022?
- 2. How many of those children in Palmerston North have moved out of poverty?
- 3. How many of those Palmerston North children who were classified as moving out of poverty did so because their family had an increase in the benefit as opposed to obtaining employment in 2017, 2020 and 2022?

I am refusing your request for this information under section 18(g) of the Act as this information is not held by the Ministry and I have no grounds to believe that the information is either held by or closely connected to the functions of another department, Minister of the Crown or organisation.

You may find the *Child poverty statistics: Year ended June 2021* page helpful as it contains estimates of low income and material hardship rates for measures listed in the Child Poverty Reduction Act 2018, including by regional council area (e.g., Manawatū-Whanganui). This is available on the Stats NZ website at the link below:

- <u>www.stats.govt.nz/information-releases/child-poverty-statistics-year-ended-june-2021/</u>
- 4. How many children in Palmerston North are judged to be in benefit dependent families?

**Table One** in the **Appendix** outlines the number of children attached to a main benefit, for clients of the Palmerston North Service Centre as at 31 December for the years 2017, 2020 and 2022, broken down by benefit type and number of children.

5. How many people in Palmerston North are on welfare in 2017, 2020 and 2022?

**Table Two** in the **Appendix** outlines the number of main benefit recipients of the Palmerston North Service Centre as at 31 December 2017, 2020 and 2022, broken down by age and benefit type.

Please note, this data includes all age groups.

6. How many in those years are of working age in Palmerston North? How many Māori? How many Pacific Islanders?

The number of clients in Palmerston North in receipt of a main benefit is broken down by working age group and ethnicity, is available on the Ministry's website as part of our regular Benefit Fact Sheet data releases.

This information can be found in the *Territorial Authorities (TA) data tables* spreadsheets at the following links for each year requested:

- 2017 <u>www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/benefit/archive-2017.html.</u>
- 2020 <u>www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/benefit/archive-2020.html.</u>
- 2022 <u>www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/benefit/archive-2022.html.</u>

As such, your request for this information is refused under section 18(d) of the Act on the basis that the information requested is publicly available.

- 7. How many people in Palmerston North are on Job Seeker for 2017, 2020 and 2022?
- 8. How many are of working age in Palmerston North are on Job Seeker for those years?
- 9. How many in Palmerston North have been on Job Seeker for more than a year?

**Table Three** in the **Appendix** outlines the number of clients on Jobseeker Support in Palmerston North district as at 31 December for the years 2017, 2020 and 2022, broken down by continuous duration on benefit and age group.

Please note, in this table, continuous duration refers to how long the current recipients of Jobseeker Support have been continuously receiving a benefit in the wider benefit system. This does not mean they have been receiving Jobseeker Support for the entirety of the continuous duration period.

You will note a small number of Jobseeker Support recipients in **Table Three** who are aged 65+ and therefore outside the usual definition of the working age group (18-64 years). While uncommon, occasionally clients over the age of 65 years are not eligible for NZ Superannuation and may instead receive Jobseeker Support. Reasons someone may not be eligible for NZ Superannuation are often due to not meeting residency requirements.

10. How many people are on an accommodation supplement in Palmerston North in 2017, 2020 and 2022?

**Table Four** in the **Appendix** outlines the number of clients receiving a main benefit and Accommodation Supplement in Palmerston North district as at 31 December for the years 2017, 2020 and 2022.

**Table Five** in the **Appendix** outlines the number of clients receiving non-beneficiary Accommodation Supplement in Palmerston North district as at 31 December for the years 2017, 2020 and 2022.

11. How many benefit sanctions were enacted against benefit obligation defaulters in Palmerston North in 2017, 2020 and 2022?

**Table Six** in the **Appendix** outlines the number of sanctions imposed on all working age main benefit clients in Palmerston North district as at 31 December for the years 2017, 2020 and 2022.

A client in receipt of a main benefit must meet certain on-going work obligations to continue to be entitled to that benefit or payment. Obligations relating to each of the main benefit types can be found here: www.workandincome.govt.nz/on-a-benefit/obligations/index.html.

When a client fails to meet one of their obligations (e.g., missing an appointment or failing to attend a training course), they are notified by letter and given five working days to provide a "good and sufficient" reason for why the obligation failure has occurred. If a sufficient reason is provided, then the obligation failure is overturned, and no sanction will be imposed. In most cases, a decision is made in the client's favour and the obligation failure is overturned. However, the obligation failure will be recorded on the client's file, whether a sanction was imposed or not.

Sanctions can affect benefit recipients in several ways depending on the client's circumstances and the number of times they have had a sanction imposed over the last 12 months. Not everyone who does not meet their benefit obligations will be sanctioned. For example, benefit protections exist for clients with children. Furthermore, a sanction can be withdrawn if a client later provides a legitimate reason as to why they could not meet their benefit obligation, and a large majority of clients will re-comply before their benefit is impacted.

You may be interested to know that the Government also removed the subsequent child policy from the Social Security Act 2018 in November 2021. The policy meant that eligibility for Sole Parent Support (SPS) and work or work preparation obligations for parents on a main benefit would only be based on the age of their additional dependent child until they turned one.

The policy's removal means the Ministry now always considers the age of the youngest dependent child in a person's care when determining eligibility for SPS and when setting work or work preparation obligations for SPS clients and partners of people on a main benefit. This initiative increases flexibility for affected parents to spend more time with their children in their critical early years and improves equity and simplicity in the welfare system. Approximately 11,400 clients were directly impacted by the policy's removal.

As a result of the COVID-19 pandemic, there was also a decrease in work test sanctions due to reduction in work-focussed appointments.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public. The Ministry will do this by publishing this letter and attachments on the Ministry's website. Your personal details will be deleted, and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response with us, please feel free to contact OIA Requests@msd.govt.nz.

If you are not satisfied with this response, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at <a href="https://www.ombudsman.parliament.nz">www.ombudsman.parliament.nz</a> or 0800 802 602.

Ngā mihi nui

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