



**MINISTRY OF SOCIAL  
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA



**Ministry of Social Development**

# **Benefit Fact Sheets**

**June 2018 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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## Key facts

There are **277,410 working age people in receipt of a main benefit** as at the end of June 2018. This is **more** than a year ago. Despite this increase, **benefit numbers as a proportion of the working age population decreased** relative to June 2017.

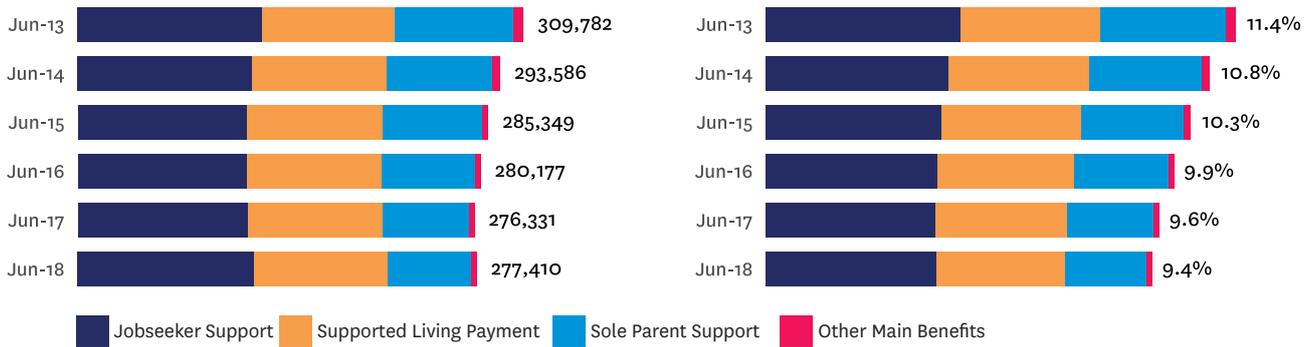
There are **under 60,000 people** receiving **Sole Parent Support**, with **58,558** working age people, or **2.0 percent** of the working age population as at the end of June 2018.

Due to the Families Package, the number of people receiving **Temporary Additional Support or Special Benefit** has decreased. **60,945 people** are receiving this assistance as at the end of June 2018, a **decrease** from **67,317** a year ago.

**321,244 hardship assistance grants** were made over the June 2018 quarter. These were worth **\$88.1 million**. This is an increase from the June 2017 quarter.

# Benefit Fact Sheets

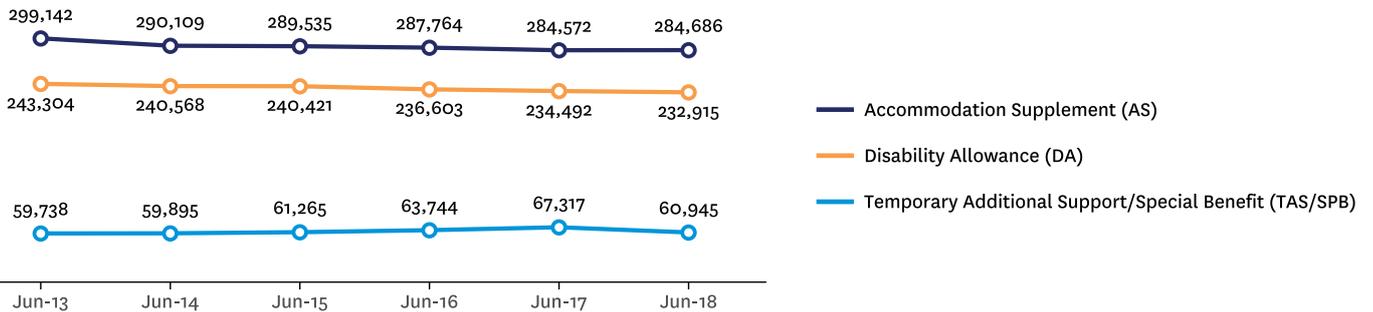
## Main benefits



There are **277,410 working age people in receipt of a main benefit** as at the end of June 2018. This is **more** than a year ago. Despite this increase, **benefit numbers as a proportion of the working age population decreased** relative to June 2017.

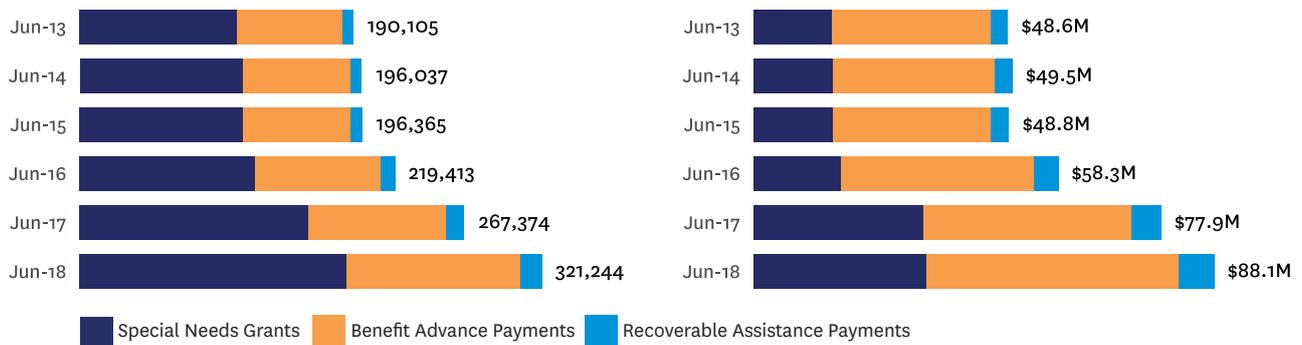
Additionally, there are **under 60,000 people** receiving **Sole Parent Support**, with **58,558** working age people, or **2.0 percent** of the working age population as at the end of June 2018.

## Supplementary benefits



Due to the Families Package, the number of people receiving **Temporary Additional Support or Special Benefit** has decreased. **60,945 people** are receiving this assistance as at the end of June 2018, a **decrease** from **67,317** a year ago.

## Hardship assistance



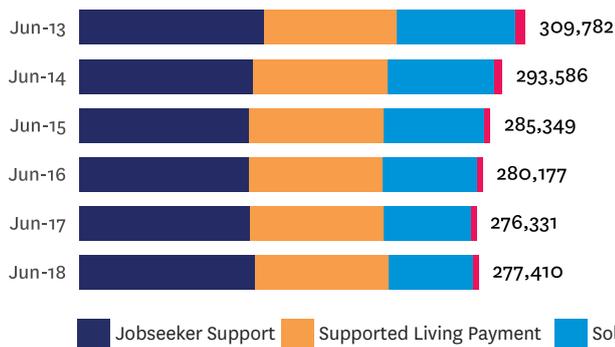
**321,244 hardship assistance grants** were made over the June 2018 quarter. These were worth **\$88.1 million**. This is an increase from the June 2017 quarter.

# Main benefit assistance

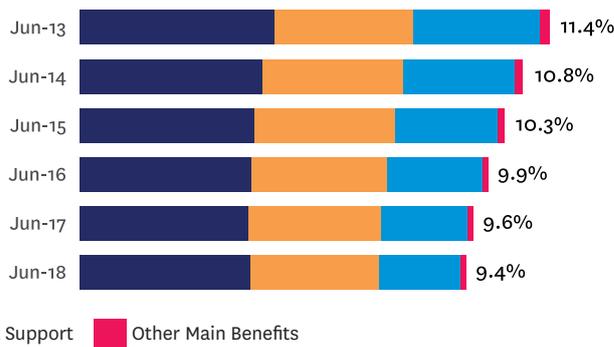
The number of working age people receiving main benefits as at the end of June 2018 was higher than as at the end of June 2017. Despite this, benefit numbers as a proportion of the working age population decreased relative to June 2017.

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: Number of working age 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**



**277,410** – working age people receiving a main benefit at the end of June 2018  
(276,331 – end of June 2017)

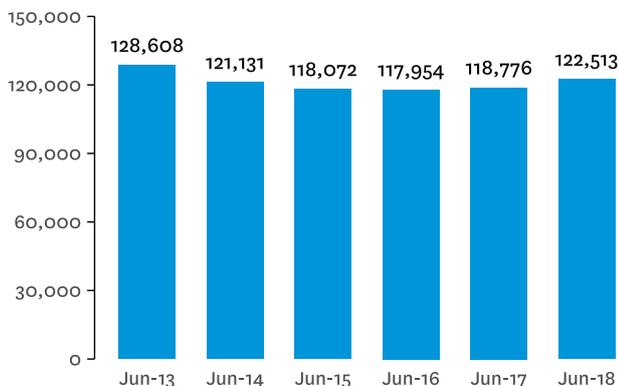
**9.4 percent** – of the working age population receiving a main benefit at the end of June 2018  
(9.6 percent – end of June 2017)

## Jobseeker Support (JS)

The number of working age people on Jobseeker Support has increased when compared to 30 June 2017, increasing by 3,737, to 122,513 as at 30 June 2018.

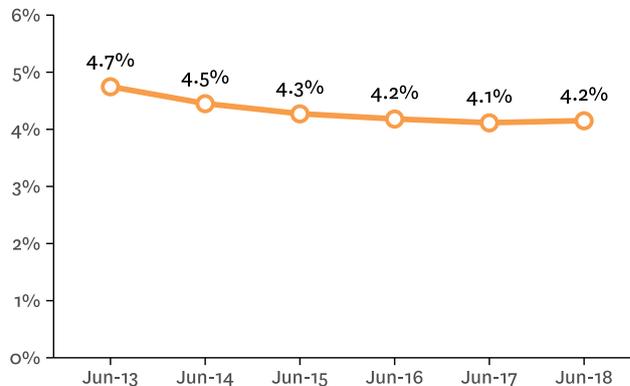
Jobseeker Support is for people who can usually look for or prepare for work. It also includes people who can only work part-time or cannot look for work at the moment (eg because they have a health condition, injury or disability).

**Figure 2a: Number of working age people receiving Jobseeker Support**



**122,513** – working age people receiving JS at the end of June 2018  
(118,776 – end of June 2017)

**Figure 2b: Proportion of working age population receiving Jobseeker Support**



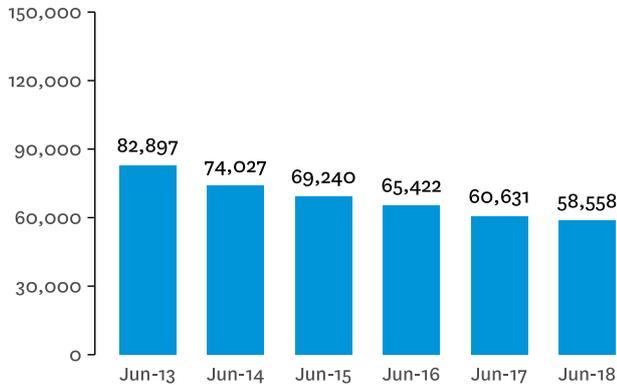
**4.2 percent** – of the working age population receiving JS at the end of June 2018  
(4.1 percent – end of June 2017)

## Sole Parent Support (SPS)

The number of working age people on Sole Parent Support has decreased by 2,073 since the end of June 2017, to 58,558 at the end of June 2018. The proportion of working age people has also been decreasing consistently over the past five years.

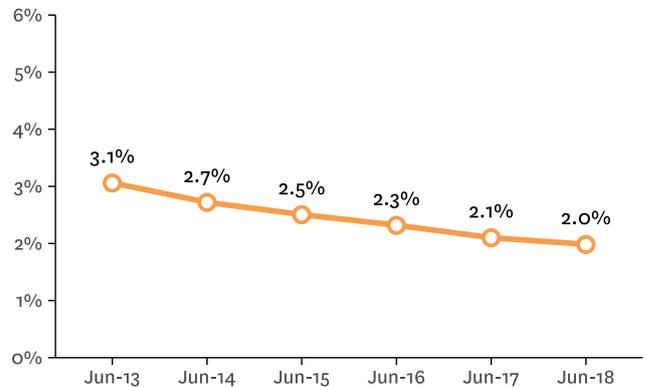
Sole Parent Support is for sole parents with at least one dependent child under 14 years who can look for or prepare for part-time work.

**Figure 3a: Number of working age people receiving Sole Parent Support**



**58,558** – working age people receiving SPS at the end of June 2018  
(60,631 – end of June 2017)

**Figure 3b: Proportion of working age population receiving Sole Parent Support**



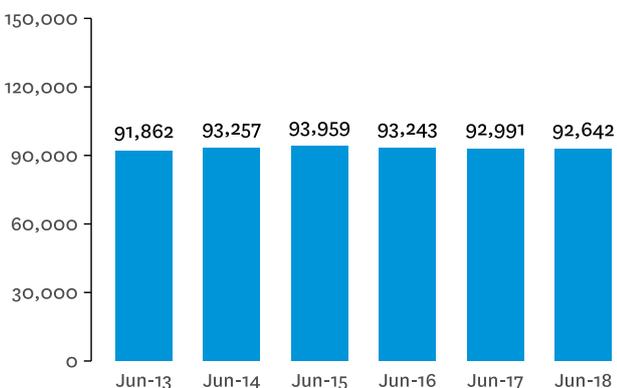
**2.0 percent** – of the working age population receiving SPS at the end of June 2018  
(2.1 percent – end of June 2017)

## Supported Living Payment (SLP)

The number of working age people on Supported Living Payment has remained relatively stable when compared to the end of June 2017, decreasing by 349, to 92,642 at the end of June 2018.

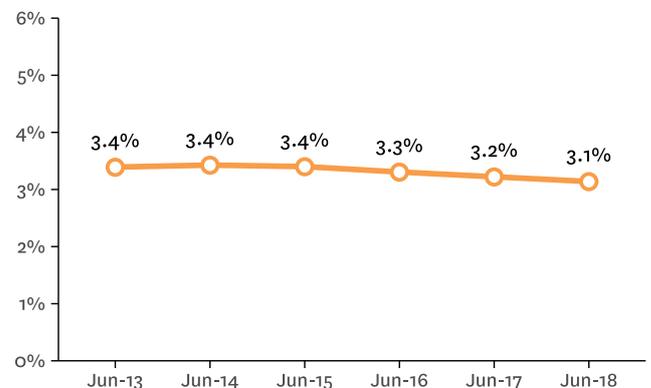
Supported Living Payment is for people who have, or care for someone with, a health condition, injury or disability that severely limits their ability to work on a long-term basis. The long-term nature of conditions for people on Supported Living Payment mean that very few people move from Supported Living Payment into paid work or on to another benefit.

**Figure 4a: Number of working age people receiving Supported Living Payment**



**92,642** – working age people receiving SLP at the end of June 2018  
(92,991 – end of June 2017)

**Figure 4b: Proportion of working age population receiving Supported Living Payment**

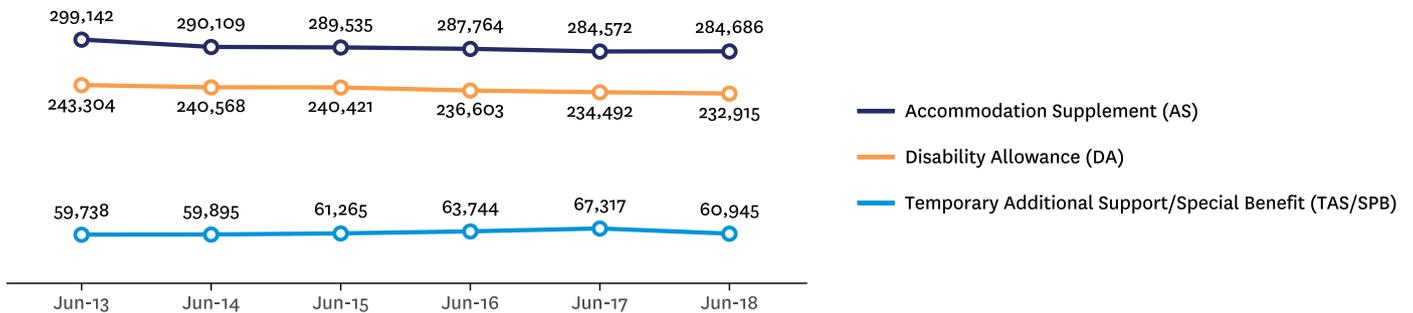


**3.1 percent** – of the working age population receiving SLP at the end of June 2018  
(3.2 percent – end of June 2017)

# Supplementary benefit assistance

The number of supplementary benefits paid out at the end of June 2018 was lower than at the end of June 2017. This was mostly due to a reduction in the number of people receiving Temporary Additional Support or Special Benefit.

Figure 5: Trends over time of selected supplementary benefit receipt, all ages



**284,686** – people receiving AS at the end of June 2018

(284,572 – end of June 2017)

**232,915** – people receiving DA at the end of June 2018

(234,492 – end of June 2017)

**60,945** – people receiving TAS/SPB at the end of June 2018

(67,317 – end of June 2017)

## 1 April Families Package impacts

The introduction of the Families Package as of 1 April 2018 has resulted in various impacts on Accommodation Supplement and Temporary Additional Support/Special Benefit receipt.

The introduction of the Families Package saw the AS regional boundaries and maximum payment rates changed. This did not result in a noticeable change in the number of Accommodation Supplement recipients, but did result in increased weekly expenditure relative to the June 2017 quarter. It also led to a decrease in the number of people receiving TAS/SPB. This is due to some people receiving a large enough increase to their Accommodation Supplement, which meant they no longer were eligible for TAS/SPB.

### Accommodation Supplement (AS)

The number of people receiving the Accommodation Supplement remained stable when compared to the end of June 2017, increasing by 114, to 284,686 at the end of June 2018.

The Accommodation Supplement is a weekly payment to assist people with low incomes who are not in public housing with their rent, board, or the cost of owning a home. The number of people receiving an Accommodation Supplement tends to follow trends around broader benefit numbers.

### Disability Allowance (DA)

The number of people receiving the Disability Allowance has decreased by 1,577 since the end of June 2017, to 232,915 at the end of June 2018.

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 broader benefit and New Zealand Superannuation numbers.

### Temporary Additional Support/Special Benefit (TAS/SPB)

The number of people receiving Temporary Additional Support/Special Benefit has decreased by 6,372 since the end of June 2017, to 60,945 at the end of June 2018.

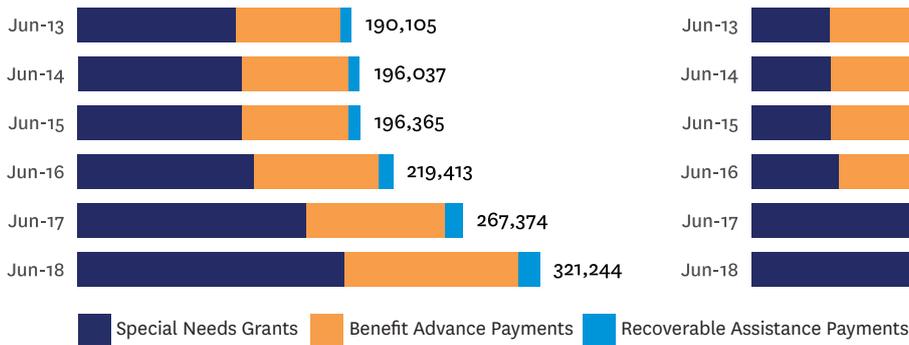
Temporary Additional Support is a weekly payment that helps people to cover essential living costs that cannot be met from their income and through other resources. A person does not have to be receiving a main benefit to qualify for Temporary Additional Support. Temporary Additional Support replaced the Special Benefit in 2006. Some people are still entitled to receive the Special Benefit, so therefore these are counted together.

# Hardship assistance

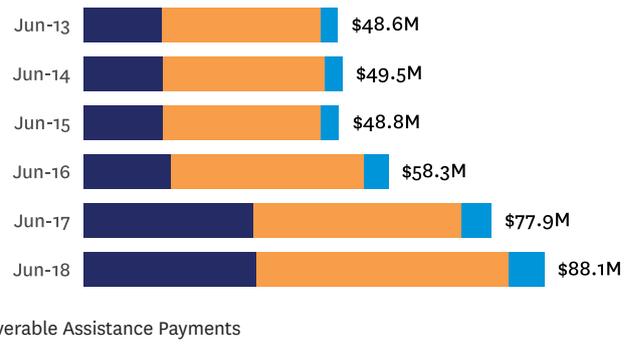
The number of grants and value of granted payments of hardship assistance in the June 2018 quarter was higher than in the June 2013 quarter. Most of this increase in the number of grants and value of grants provided has come in the last two years.

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. The numbers reported over the next two pages are for hardship assistance granted in the June quarter for the last six June quarters (ie 1 April to 30 June).

**Figure 6a: Trends over time of hardship grant numbers**



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

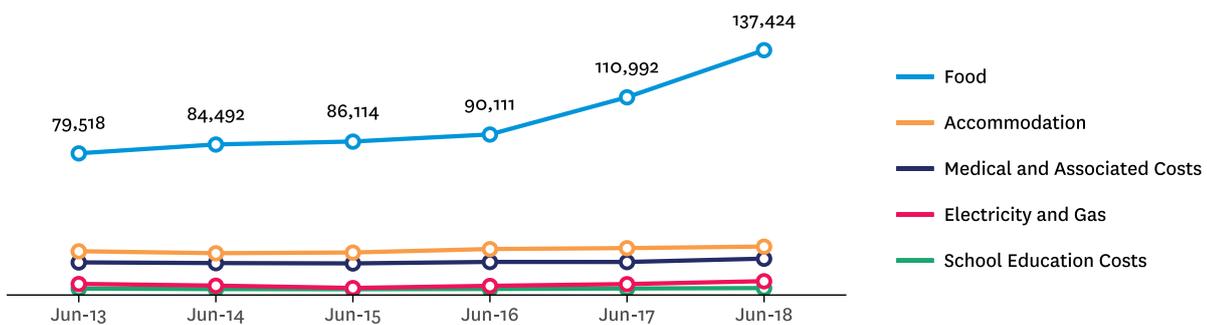


**321,244** – payments granted in the June 2018 quarter  
(267,374 – June 2017 quarter)

**\$88,129,108** – value of grants provided in the June 2018 quarter  
(\$77,933,239 – June 2017 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 grants provided 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**

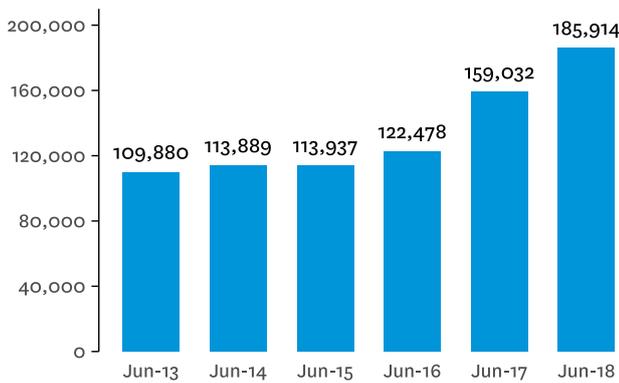


## Special Needs Grants (SNG)

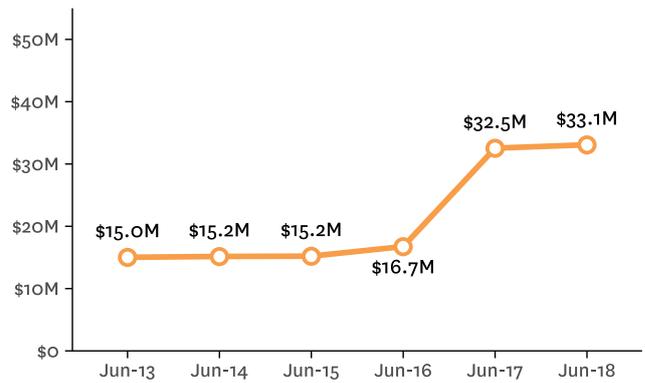
The number of Special Needs Grants granted has increased by 26,882 since the June 2017 quarter, to 185,914 for the June 2018 quarter. Despite this large increase, the value of grants provided increased by a relatively small amount (\$541,801), to \$33,083,239 over the same period.

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 9a: Trends over time of the number of Special Needs Grants granted**



**Figure 9b: Trends over time of the value of payments of Special Needs Grants granted**



**185,914** – Special Needs Grants granted in the June 2018 quarter  
(159,032 – June 2017 quarter)

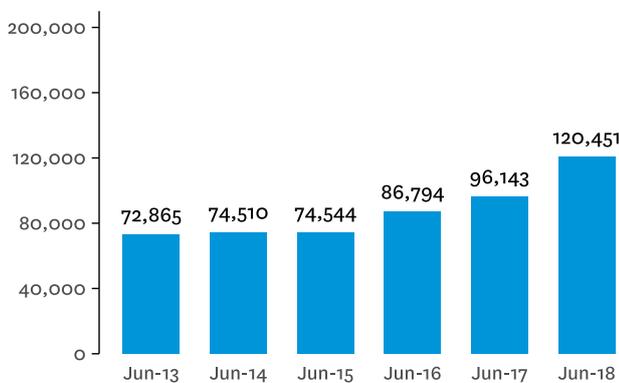
**\$33,083,239** – value of Special Needs Grants granted in the June 2018 quarter  
((\$32,541,438 – June 2017 quarter)

## Benefit Advances (ADV)

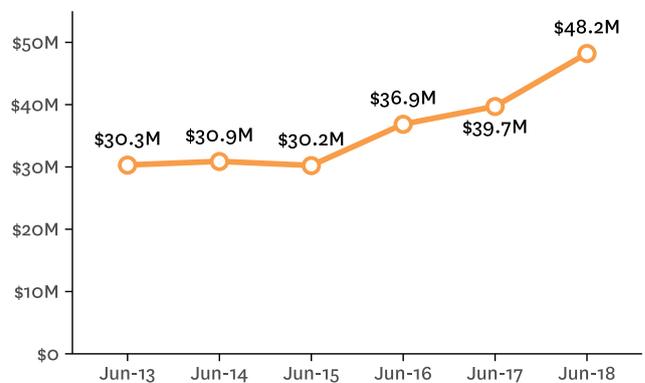
The number of Benefit Advances granted has increased by 24,308 since the June 2017 quarter, to 120,451 for the June 2018 quarter. This has resulted in the value of Benefit Advances granted increasing by \$8,510,072 to \$48,232,952.

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 10a: Trends over time of the number of Benefit Advances granted**



**Figure 10b: Trends over time of the value of payments of Benefit Advances granted**



**120,451** – Benefit Advances granted in the June 2018 quarter  
(96,143 – June 2017 quarter)

**\$48,232,952** – value of Benefit Advances granted in the June 2018 quarter  
((\$39,722,880 – June 2017 quarter)

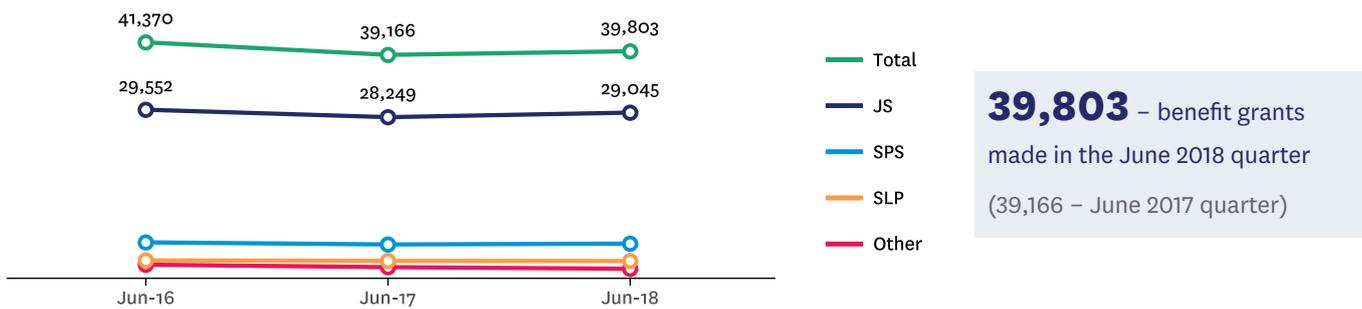
# Benefit grants and cancellations

## Grants

The number of benefits granted has increased by 637 since the June 2017 quarter to 39,803 for the June 2018 quarter. There was a rise in benefit grants for Jobseeker Support and Sole Parent Support and falls for Supported Living Payment and 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 June quarter for the last three June quarters (ie 1 April to 30 June).

Figure 11: Trends over time of selected benefit grants



## Cancellations

The number of benefits cancelled has decreased by 4,866 from the June 2017 quarter, to 44,281 in the June 2018 quarter. Most of this decrease came from a decreased number of Jobseeker Support cancellations. Obtaining work continues to be the main reason for benefit cancellations, however this reason fell by 1,872 when compared to the June 2017 quarter.

A cancellation (cancel) is the formal process that stops the entitlement to a benefit. The numbers reported below are for benefits cancelled in the June quarter for the last three June quarters (ie 1 April to 30 June).

Figure 12: Trends over time of selected benefit cancellations

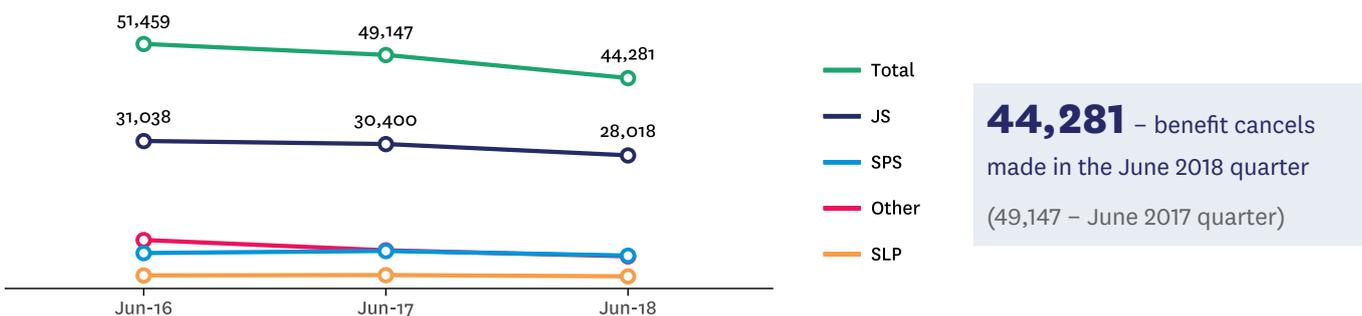
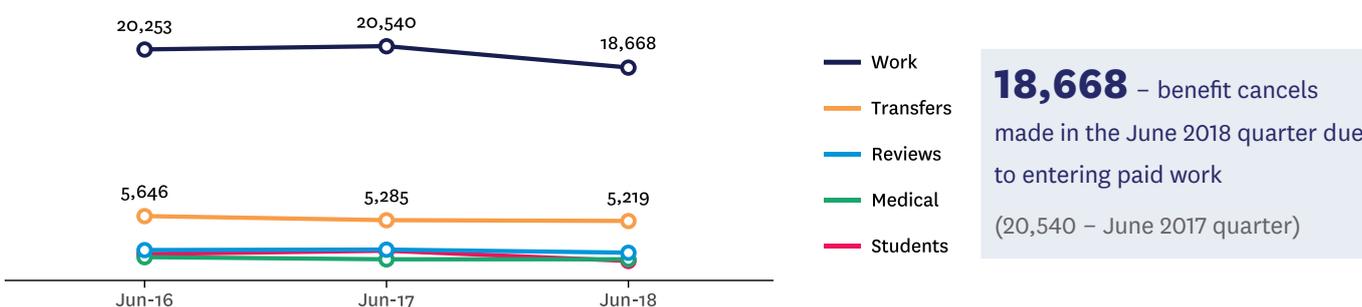


Figure 13: Trends over time of selected benefit cancellations by reason



# Benefit sanctions

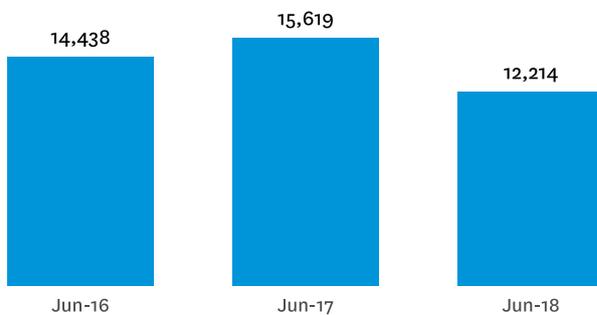
The number of sanctions issued in the June 2018 quarter was **12,214**. This was a decrease of 3,405 since the June 2017 quarter. The main reason for sanctions was due to the failure of people to attend arranged appointments. As at the end of June 2018, there were 1,601 sanctions that were actively in place.

A sanction is a penalty imposed on a person's benefit for failure to fulfill their work obligations. Sanctions can affect benefit recipients 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 single people 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.

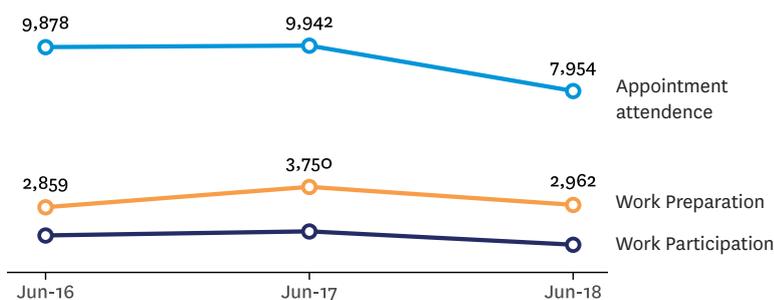
Not everyone who fails their obligations gets sanctioned; if benefit recipients recommit or provide additional information, their failure to fulfill their obligations can be withdrawn.

**Figure 14: Trends over time of benefit sanctions (flow data)**



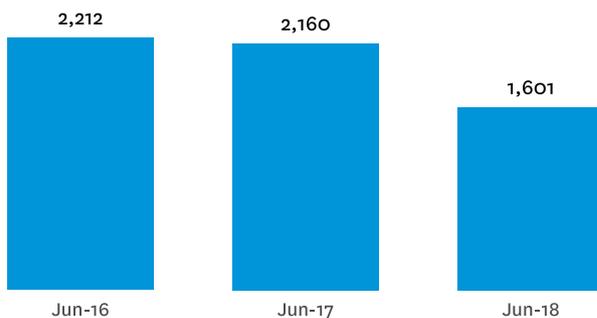
**12,214** – benefit sanctions made in the June 2018 quarter  
(15,619 – June 2017 quarter)

**Figure 15: Trends over time of benefit sanctions by reason**



**7,954** – benefit sanctions made in the June 2018 quarter for failing to attend appointments  
(9,942 – June 2017 quarter)

**Figure 16: Trends over time of benefit sanctions (point-in-time data)**



**1,601** – active benefit sanctions at the end of June 2018  
(2,160 – end of June 2017)