



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA



Ministry of Social Development

Benefit Fact Sheets

March 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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Benefit Fact Sheets

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Key facts

There are **273,387** working age people (representing **9.3 percent** of the total working age population), in receipt of a main benefit as at the end of March 2018. This is less than a year ago.

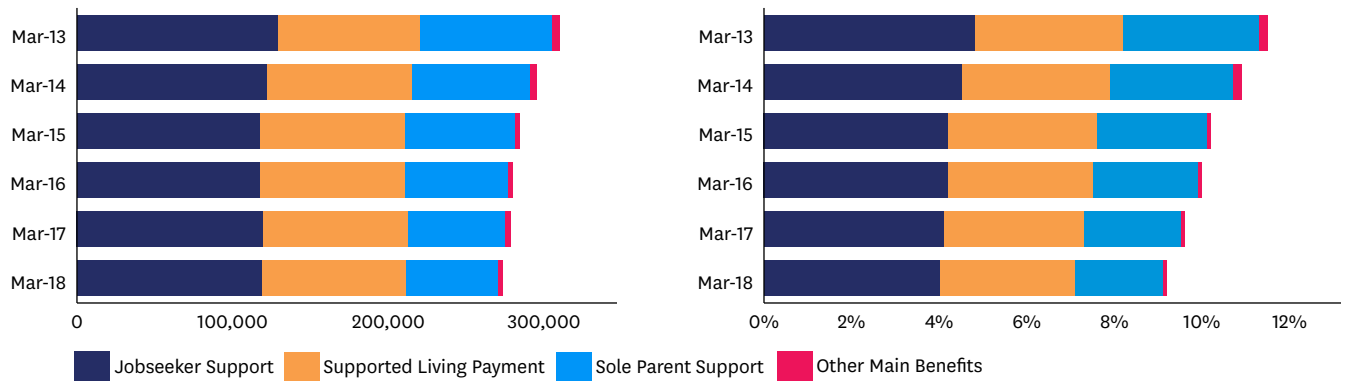
There are now **under 60,000 people** receiving **Sole Parent Support**, with **58,830** working age people, or **2.0 percent** of the working age population as at the end of March 2018.

Due to the Families Package, the number of people receiving **Temporary Additional Support or Special Benefit** has decreased. **63,067 people** are receiving this assistance as at the end of March 2018, a **decrease** from **66,311** a year ago.

319,757 hardship assistance grants were made over the March 2018 quarter. These were worth **nearly \$81 million**. This is an increase from the March 2017 quarter.

Benefit Fact Sheets

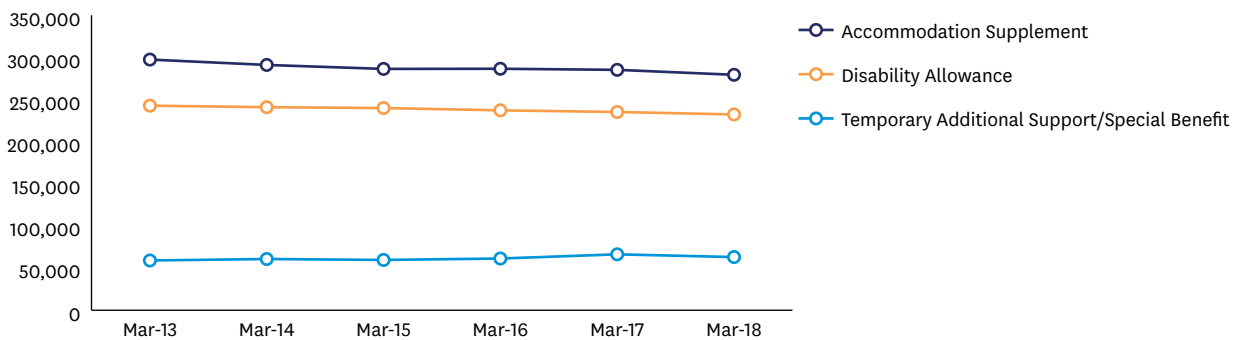
Main benefits



There are **273,387** working age people (representing **9.3 percent** of the total working age population), in receipt of a main benefit as at the end of March 2018. This is less than a year ago.

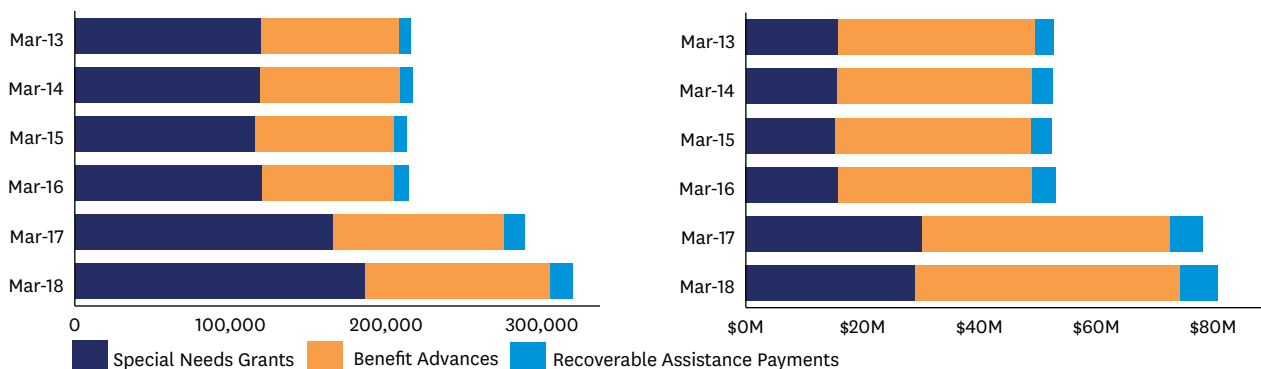
There are now **under 60,000 people** receiving **Sole Parent Support**, with **58,830** working age people, or **2.0 percent** of the working age population as at the end of March 2018.

Supplementary benefits



Due to the Families Package, the number of people receiving **Temporary Additional Support or Special Benefit** has decreased. **63,067 people** are receiving this assistance as at the end of March 2018, a **decrease** from **66,311** a year ago.

Hardship assistance



319,757 hardship assistance grants were made over the March 2018 quarter. These were worth **nearly \$81 million**. This is an increase from the March 2017 quarter.

Main benefit assistance

The number of working age people receiving main benefits as at the end of March 2018 were lower than as at the end of March 2017. This has been led by falling numbers of working age people receiving Sole Parent Support over the last five years.

Main working age benefits include: Jobseeker Support (JS), Sole Parent Support (SPS), Supported Living Payment (SLP), Youth Payment and Young Parent Payment (YP/YPP), Emergency Benefit (EB), Emergency Maintenance Allowance (EMA), Jobseeker Support Student Hardship (JSSH), Widow's Benefit Overseas (WBO), and Sole Parent Support Overseas (SPSO).

Figure 1a: Number of working age people receiving main benefits, broken down by main benefit type

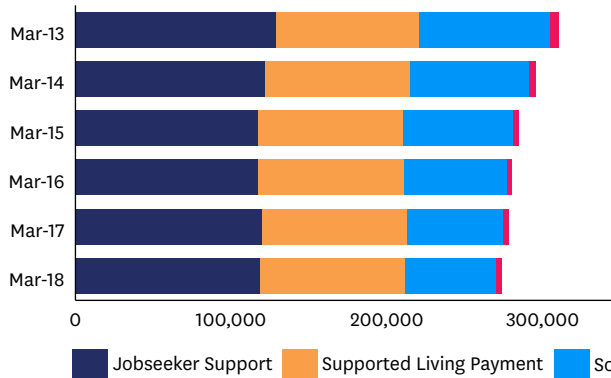
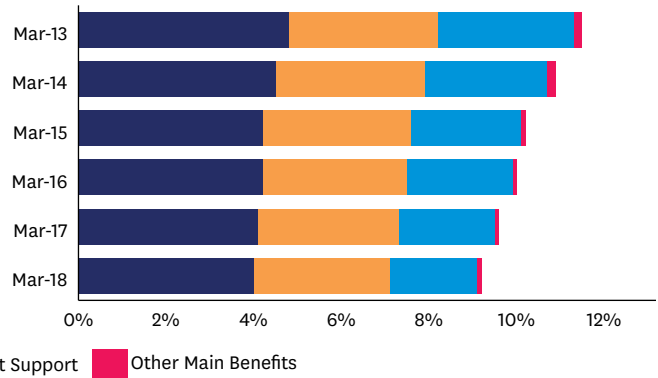


Figure 1b: Proportion of working age population receiving main benefits, broken down by main benefit type



273,387

Working age people receiving a main benefit at the end of March 2018
(278,236 - end of March 2017)

9.3 percent

Of the working age population receiving a main benefit at the end of March 2018
(9.6 percent - end of March 2017)

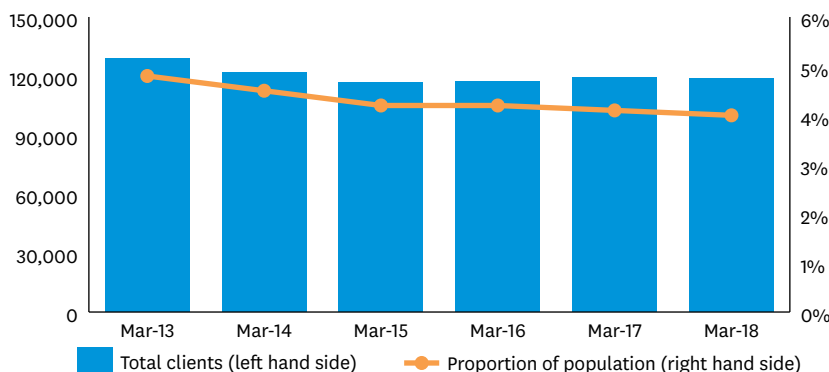
Jobseeker Support (JS)

The number of working age people on Jobseeker Support has remained relatively stable when compared to 31 March 2017, decreasing by 650, to 118,755 as at 31 March 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).

The proportion of the working age population receiving Jobseeker Support at the end of March has gradually decreased over the last five years.

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



118,755

Working age people receiving JS at the end of March 2018
(119,405 - end of March 2017)

4.0 percent

Of the working age population receiving JS at the end of March 2018
(4.1 percent - end of March 2017)

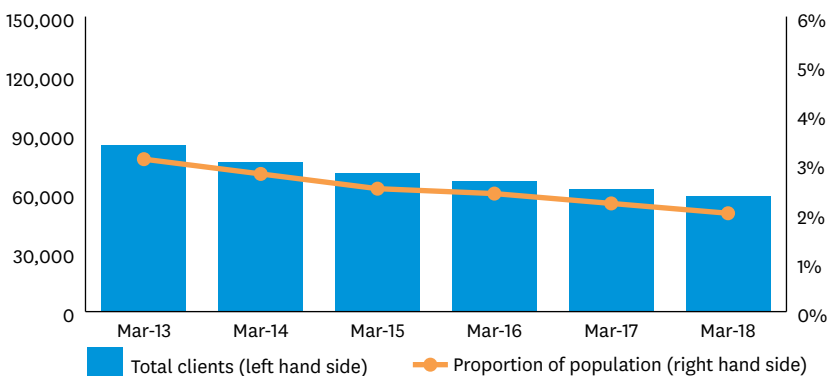
Sole Parent Support (SPS)

The number of working age people on Sole Parent Support has decreased by 3,382 since the end of March 2017, to 58,830 at the end of March 2018.

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

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

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



58,830

Working age people receiving SPS at the end of March 2018
(62,212 - end of March 2017)

2.0 percent

Of the working age population receiving SPS at the end of March 2018
(2.2 percent - end of March 2017)

Supported Living Payment (SLP)

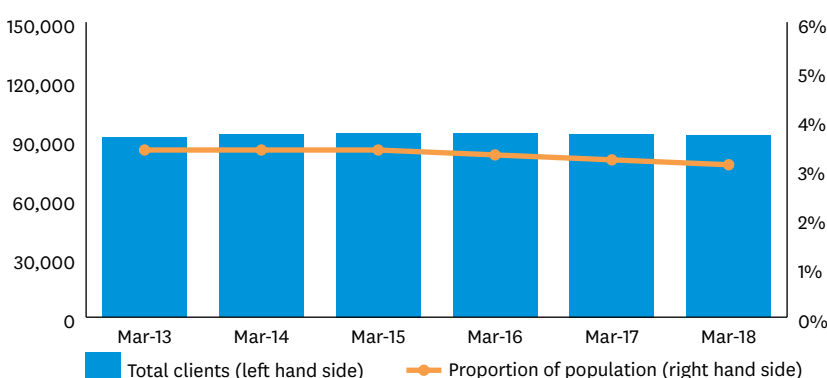
The number of working age people on Supported Living Payment has remained relatively stable when compared to the end of March 2017, decreasing by 634, to 92,473 at the end of March 2018.

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.

The number of working age people receiving Supported Living Payment at the end of March remained relatively stable over the years, ranging from a low of 91,367 (as at the end of March 2013) to a high of 93,580 (as at the end of March 2015).

The proportion of the working age population receiving Supported Living Payment at the end of March each year remained stable between 2013 and 2015 before decreasing slightly each year since 2016.

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



92,473

Working age people receiving SLP at the end of March 2018
(93,107 - end of March 2017)

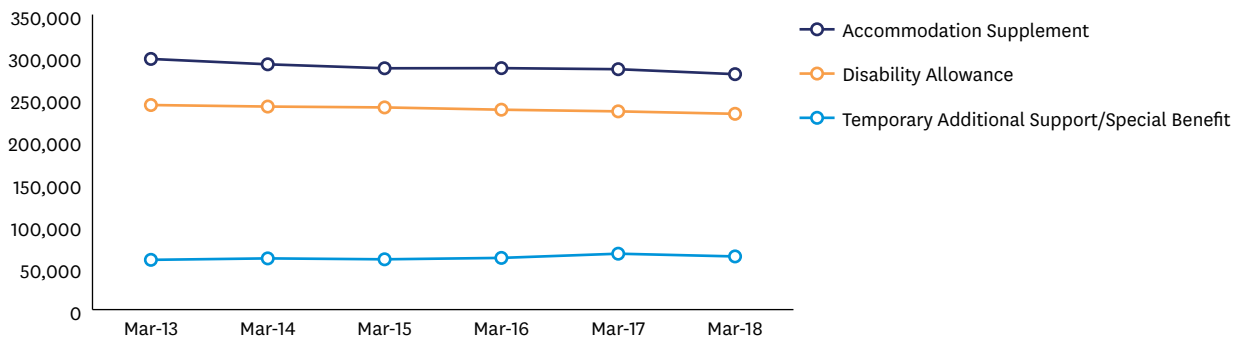
3.1 percent

Of the working age population receiving SLP at the end of March 2018
(3.2 percent - end of March 2017)

Supplementary benefit assistance

The number of supplementary benefits paid out at the end of March 2018 was lower than at the end of March 2012. This was due to a reduction in the number of people receiving the Accommodation Supplement and Disability Allowance.

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



Accommodation Supplement (AS)

The number of people receiving the Accommodation Supplement has decreased by 5,891 since the end of March 2017, to **279,283** at the end of March 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. Official reporting for Accommodation Supplement aligns to the end of the week. This means that the Families Package changes of 1 April 2018 are included in the March 2018 quarter figures. The introduction of the Families Package saw the AS regional boundaries and maximum payment rates changed. This resulted in the weekly spend in Accommodation Supplement increasing significantly when compared to the March 2017 quarter.

279,283

People receiving AS at the end of March 2018
(285,174 - end of March 2017)

Disability Allowance (DA)

The number of people receiving the Disability Allowance has decreased by 2,915 since the end of March 2017, to **232,243** at the end of March 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.

232,243

People receiving DA at the end of March 2018
(235,158 - end of March 2017)

Temporary Additional Support/Special Benefit (TAS/SPB)

The number of people receiving Temporary Additional Support/Special Benefit has decreased by 3,244 since the end of March 2017, to **63,067** at the end of March 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.

63,067

People receiving TAS or SPB at the end of March 2018
(66,311 - end of March 2017)

Official reporting for TAS/SPB aligns to the end of the week. This means that the Families Package changes of 1 April 2018 are included in the March quarter figures. The decrease in TAS/SPB figures when compared to the end of March 2017 is a result of the Families Package changes. This is due to some people receiving a large enough boost to their Accommodation Supplement, which meant they no longer were eligible for TAS/SPB.

Hardship assistance

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

Hardship assistance includes (but is not limited to) Special Needs Grants (SNGs), Benefit Advance Payments (ADVs) and Recoverable Assistance Payments (RAPs). These forms of assistance are designed to help people who have immediate needs that cannot be met from their available income and assets. The numbers reported over the next two pages are for hardship assistance granted in the March quarter for the last six March quarters (ie 1 January to 31 March).

Figure 6a: Trends over time of hardship grant numbers

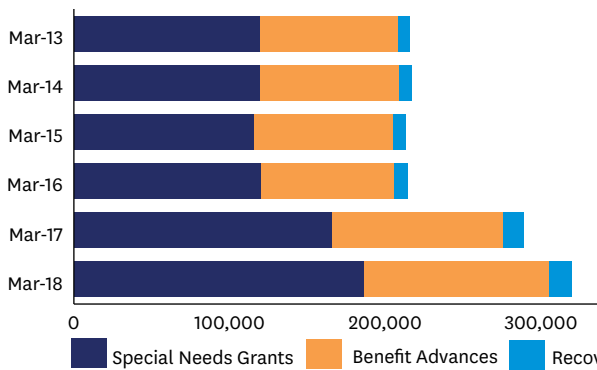
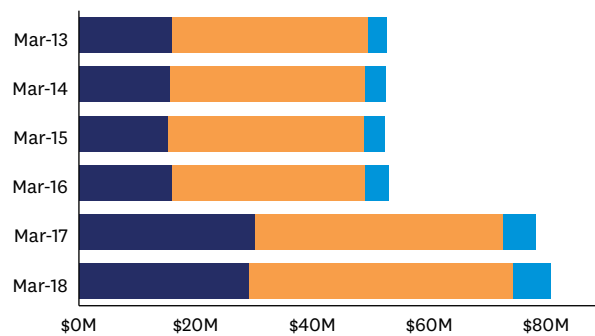


Figure 6b: Trends over time of the value of granted payments



319,757

Payments granted in the March 2018 quarter
(288,549 - March 2017 quarter)

\$80,821,935

Value of payments granted in the March 2018 quarter
(\$78,262,549 - March 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 payments granted is either for accommodation related costs (excluding Emergency Housing) or food assistance.

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

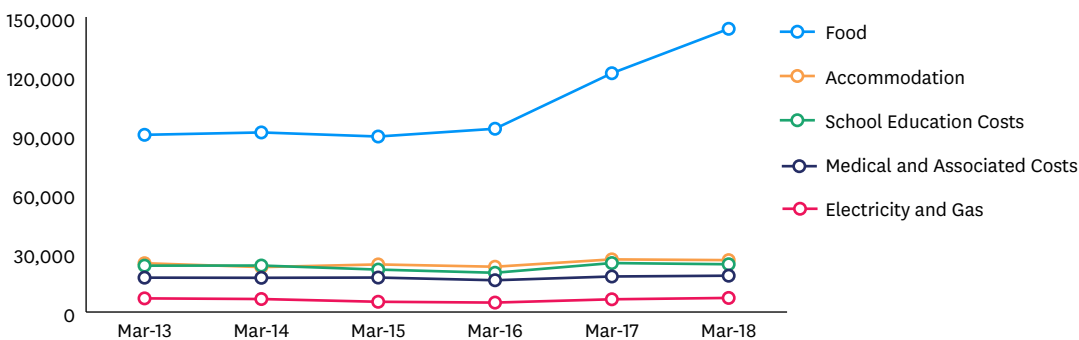
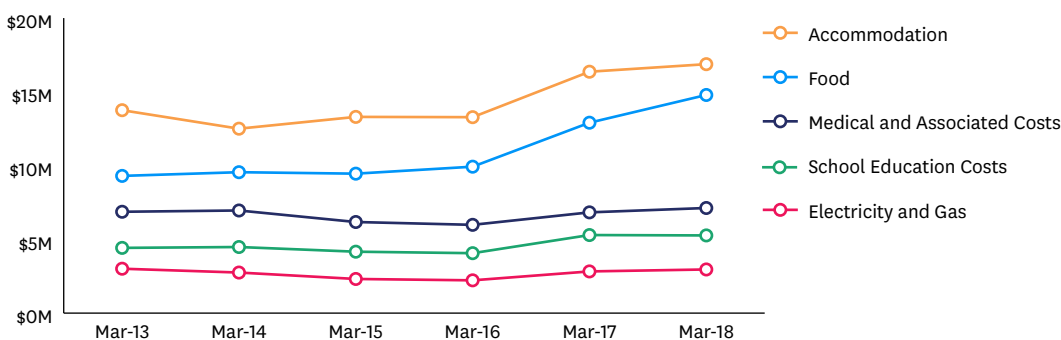


Figure 8: Trends over time of value of hardship grants broken down by reason

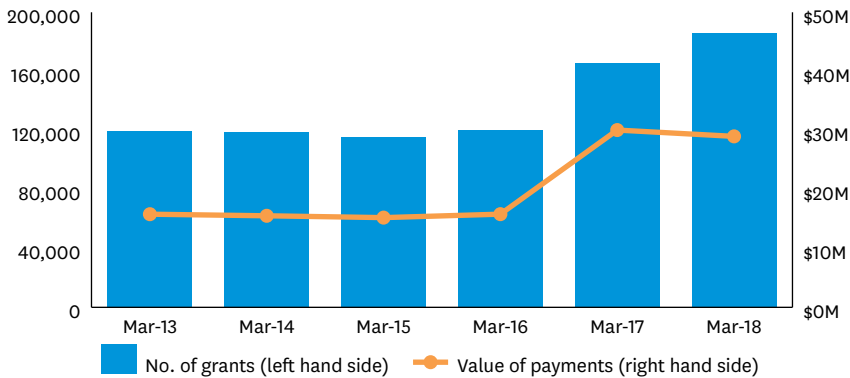


Special Needs Grants (SNG)

The number of Special Needs Grants granted has increased by 20,833 since the March 2017 quarter, to 186,119 for the March 2018 quarter. Despite this large increase, the value of granted payments decreased by \$1,068,803 to \$28,972,490 over the same period.

Special Needs Grants provides non-taxable, one-off recoverable or non-recoverable financial assistance to people to meet immediate needs. A person does not need to be receiving a main benefit in order to qualify for a Special Needs Grant.

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



186,119

SNG payments granted in the March 2018 quarter
(165,286 - March 2017 quarter)

\$28,972,490

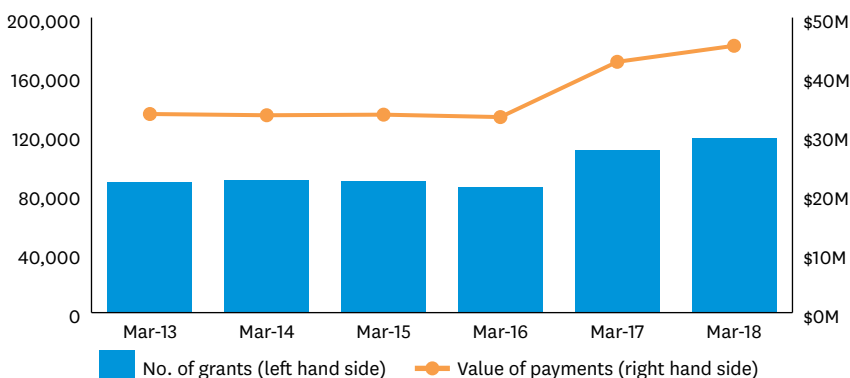
Value of SNG payments granted in the March 2018 quarter
((\$30,041,293 - March 2017 quarter)

Benefit Advances (ADV)

The number of Benefit Advances granted has increased by 8,369 since the March 2017 quarter, to 118,528 for the March 2018 quarter. This has resulted in the value of granted payments increasing by \$2,716,769 to \$45,219,274.

All people receiving a main benefit and who require assistance to meet a particular immediate need for an essential item have access to an advance of up to six weeks of their net benefit entitlement.

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



118,528

ADV payments granted in the March 2018 quarter
(110,159 - March 2017 quarter)

\$45,219,274

Value of ADV payments granted in the March 2018 quarter
((\$42,502,505 - March 2017 quarter)

Recoverable Assistance Payments (RAP)

The number of Recoverable Assistance Payments granted has increased by 2,006 since the March 2017 quarter, to 15,110 for the March 2018 quarter. This has resulted in the value of granted payments increasing by \$911,420 to \$6,630,171 over the same period.

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

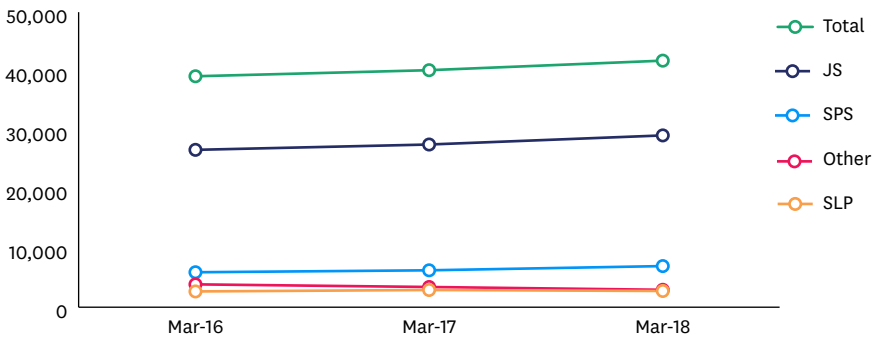
Benefit grants and cancellations

Grants

The number of benefits granted was increased by 1,617 since the March 2017 quarter to 41,784 for the March 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 March quarter for the last three March quarters (ie 1 January to 31 March).

Figure 12: Trends over time of selected benefit grants



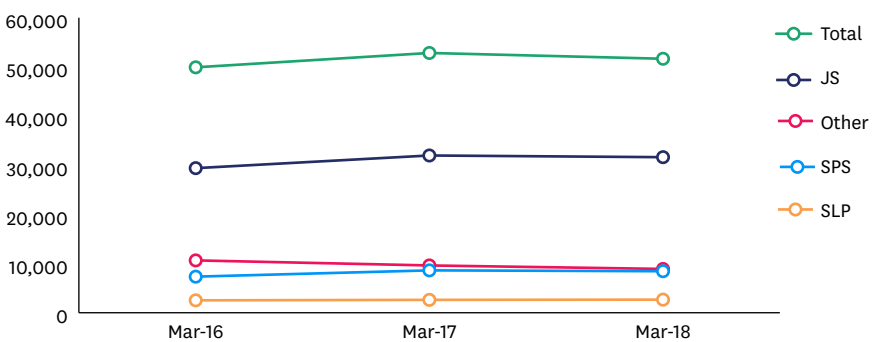
41,784
Benefit grants made in the March 2018 quarter
(40,167 - March 2017 quarter)

Cancellations

The number of benefits cancelled has decreased by 1,177 from the March 2017 quarter, to 51,649 in the March 2018 quarter. Most of this increase came from an increased number of Other Main Benefits cancellations. Obtaining work continues to be the main reason for benefit cancellations.

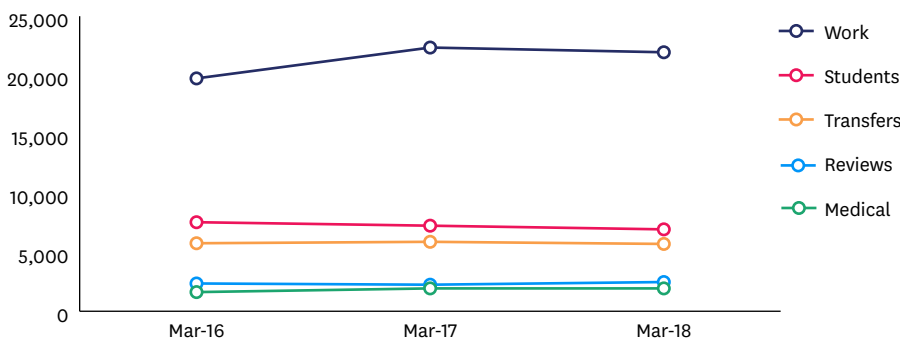
A cancellation (cancel) is the formal process that stops the entitlement to a benefit. The numbers reported below are for benefits cancelled in the March quarter for the last three March quarters (ie 1 January to 31 March).

Figure 13: Trends over time of selected benefit cancellations



51,649
Benefit cancels made in the March 2018 quarter
(52,826 - March 2017 quarter)

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



21,945
Benefit cancels made in the March 2018 quarter due to entering paid work
(22,344 - March 2017 quarter)

Benefit sanctions

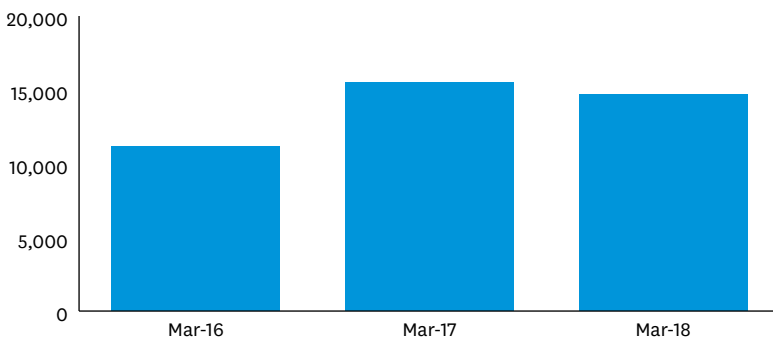
The number of sanctions issued in the March 2018 quarter was 14,705. This was a decrease of 760 since the March 2017 quarter. The main reason for sanctions was due to the failure of people to attend arranged appointments. As at the end of March 2018, there were 2,204 sanctions that were actively in place.

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.

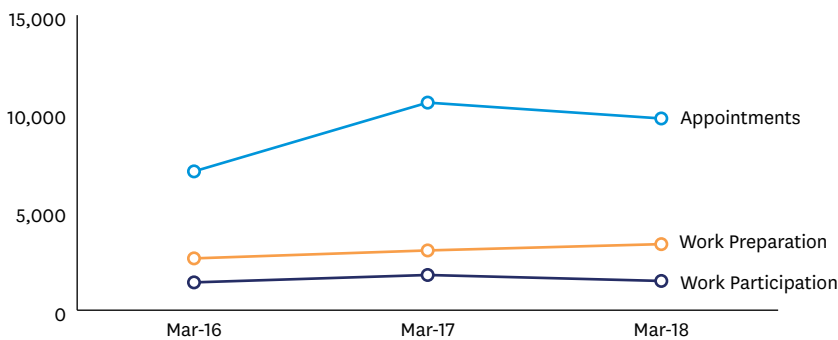
Figure 15: Trends over time of benefit sanctions (flow data)



14,705

Benefit sanctions made in the March 2018 quarter
(15,465 - March 2017 quarter)

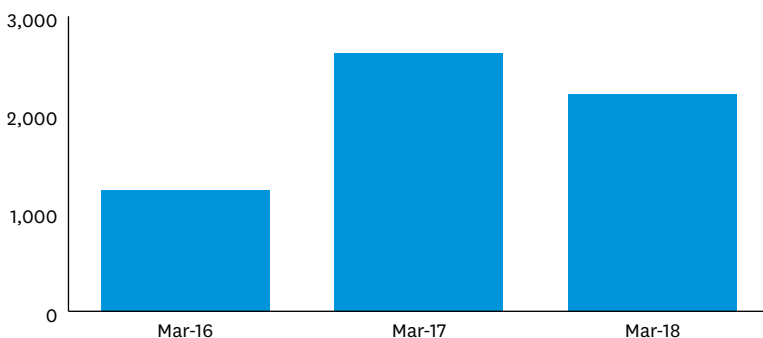
Figure 16: Trends over time of benefit sanctions by reason



9,747

Benefit sanctions made in the March 2018 quarter for failing to attend appointments
(10,554 - March 2017 quarter)

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



2,204

Active benefit sanctions at the end of March 2018
(2,627 - end of March 2017)