

# Information on Quarterly Welfare Assistance Tier 1 Statistics ('the Benefit Fact Sheets')

The Benefit Fact Sheets are published here: <u>https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/benefit/</u>

## **Composition of the Benefit Fact Sheets**

The Benefit Fact Sheets consist of:

- an A4 snapshot, which provides key points of the Benefit Fact Sheets, supporting the interpretation of the Tier One Statistics.
- ten Excel data files, containing information for:
  - national totals for main benefits, other benefits, New Zealand Superannuation (NZS), Veteran's Pension (VP), selected supplementary and hardship assistance, number of dependent children, and number of non-beneficiaries (people who receive assistance from MSD that is not a main benefit)
  - national totals of benefit grants and cancellations, broken down by Work and Income region
  - main benefits, broken down by Work and Income region
  - selected supplementary assistance, broken down by Work and Income region
  - main benefits, broken down by Regional Council area
  - main benefits, broken down by Auckland board area
  - main benefits, broken down by Territorial Authority area
  - main benefits, broken down by service centres (latest quarter only)
  - New Zealand Superannuation and Veteran's Pension, broken down by key recipient characteristics
  - national totals of benefit sanctions, broken down by Work and Income region.

Additional machine-readable Comma Separated-Values (CSV) files are available on the Statistics landing page.

#### Notable changes to data in the Benefit Fact Sheets

On 15 July 2013, the Welfare Reform changes came into effect. Three new benefits replaced most of the previous benefits: Jobseeker Support (JS), Sole Parent Support (SPS) and Supported Living Payment (SLP).

For Benefit Fact Sheets published prior to September 2018, we report estimates of the number of clients receiving the new benefit categories for dates prior to 15 July 2013. These estimates are back-cast based on the type of benefit received and other characteristics recorded for the client. Numbers from 15 July 2013 are actual numbers based on benefit and work obligations post the Welfare Reform changes.

Further information on comparing current benefits to prior to the Welfare Reform can be found here:

https://www.msd.govt.nz/about-msd-and-our-work/publicationsresources/statistics/benefit/benefit-factsheet-changes-2013.html



Starting March 2018, reporting was changed to 2017 Regional Council boundaries and 2017 Territorial Authority (TA) boundaries, from the 2001 boundaries used in earlier quarters. However, figures for 2001 boundaries have been retained in timeseries for quarters up to and including December 2017. Comparisons between March 2018 quarter data and earlier quarters should be undertaken with caution.

On 1 April 2018, the Families Package was implemented. This had an effect on the Accommodation Supplement, and Temporary Additional Support/Special Benefit figures.

From 2 December 2019, forms and online applications were updated to include three gender options for clients to choose from: "Male", "Female", and "Gender Diverse". Gender Diverse is not available in datasets prior to December 2019.

## New Zealand's COVID-19 response is reflected in the Benefit Fact Sheets

The quarterly Benefit Fact Sheets between March 2020 and September 2021 cover the periods in which New Zealand was at different COVID-19 Alert Levels, which had an impact on the country's economy, labour market, health, and wellbeing. The figures in this report reflect the impacts of COVID-19, and MSD's response to support our clients.

Our response to the COVID-19 pandemic included several temporary operational changes to support people affected by the pandemic, and to ensure the health and safety of our clients and of MSD's essential workers. Some of the changes made included deferring the need to provide subsequent medical certificates, reviewing the Disability Allowance, suspending obligation failures, and extending the 52-week reapplication period for Jobseeker Support and Sole Parent Support clients. Details of these changes are available at the Work and Income website:

https://workandincome.govt.nz/covid-19/changes-to-how-we-work.html.

However, some of the temporary business processes such as the suspension of workrelated obligation failures between 23 March 2020 to 27 May 2020, an increase in the amount people can access for food assistance between 23 March 2020 and 10 August 2020, and 52-week reapplications for Jobseeker Support and Sole Parent Support clients, have returned to their normal business processes.

#### Other reporting products available to assist in interpreting the Tier 1 Statistic

The Benefit Fact Sheets Snapshot supports interpretation of the Ministry's Tier 1 statistics. To provide more information on the impact of the COVID-19 pandemic on New Zealand's people, society, and economy, MSD also increased the frequency with which we report key benefit data and additional income support. Following our initial response to COVID-19, MSD is continuing to provide both weekly and monthly reporting, these are available on the MSD website:

- Income Support Weekly Update
- <u>Monthly Benefits Update</u>

Further information on changes to the way MSD operates can be found here: <a href="https://www.workandincome.govt.nz/map/">https://www.workandincome.govt.nz/map/</a>

## **Protecting our client's information – confidentiality procedures**

From 12 February 2021, MSD is applying a range of new confidentiality procedures to public data releases. These procedures will continue to protect client information, while making more data available. To find out how we have changed the way we work with client information visit:



#### https://www.msd.govt.nz/about-msd-and-our-work/tools/how-we-keep-dataprivate.html

All information in the Benefit Fact Sheets has been randomly rounded to a base of 3. Note that all data has been rounded independently from other products published by MSD, and therefore may not match when compared.

In a limited number of circumstances, low numbers may potentially lead to individuals being identified, regardless of random rounding. Due to these privacy concerns, numbers for some groups of people may be suppressed or aggregated. Secondary suppression rules have also been applied when required. Suppressed numbers have been replaced by an "S".

## **Presentation of Data**

The following are reported in the Benefit Fact Sheets:

- counts (randomly rounded to base 3, except for dollar amounts which are rounded to the nearest whole dollar)
- dollar amounts in the commentary released alongside the Benefit Fact Sheets may be rounded to the nearest one hundred thousand.
- percentages (rounded to first decimal point)
- annual and quarterly changes (counts and percentages rounded as above).

## **Data limitations**

The usual limitations for administrative data apply, including:

- the possibility of human error in entering data in the administrative system or when processing data
- the possibility of having missing items, incomplete files or duplicates
- the possibility of under-reporting (not everyone eligible for a benefit or assistance applies for a benefit or assistance)
- circumstances that affect recipient responses (e.g. changes to the ethnicity that they report themselves).

## Revisions

Any revisions to historic data are noted in the content page of the relevant Excel data file.



## **Definitions/concepts**

Aspect	Details			
Data source	Recipient information used in the Benefit Fact Sheets is extracted from MSD's administrative system after the end of the quarter.			
	<ul> <li>This information is collected by MSD to allow the Ministry to undertake its statutory functions, which includes but is not limited to:</li> <li>employment, income support and superannuation services</li> <li>student allowances and loans.</li> </ul>			
Population	Recipients of main benefits, supplementary assistance, hardship assistance, New Zealand Superannuation and Veteran's Pension within the last five years.			
Reporting period	The Benefit Fact Sheets include the most recent quarterly data that is available.			
	Five years of quarterly data plus an additional quarter (21 quarters) are available for most datasets.			
	<ul> <li>Most Benefit Fact Sheets show the number of people receiving benefits at the end of the quarter. However, the following sheets show the sum of all events that occur in the quarter. The data in these sheets is a count of events over the quarter, not a count of clients, and includes: <ul> <li>benefit grants and cancellations</li> <li>benefit sanctions</li> <li>hardship payments.</li> </ul> </li> </ul>			

Main benefits are income-tested and asset-tested. They include the following:

- Jobseeker Support (JS) a benefit paid for up to 52 weeks while clients look for work, are in training for work, or are unable to work due to a temporary health condition, injury or disability. Recipients can reapply for JS, if they still require it, after 52 weeks.
- Sole Parent Support (SPS) a benefit for sole parents whose youngest dependent child is less than 14 years of age. Recipients can reapply for SPS, if they still require it, after 52 weeks.
- Supported Living Payment (SLP) a benefit for people who have a health condition, injury or disability that severely limits their ability to work on a long-term basis (i.e. unable to work more than 15 hours a week), are caring for someone who requires full-time care, or are totally blind.
- Youth Payment (YP) a benefit paid to 16 and 17-year-olds who are not being supported by their parents, have no dependent children, and are not in a relationship with someone receiving a benefit. A small number of 18-year-olds can also receive this benefit.
- Young Parent Payment (YPP) a benefit paid to 16 to 19-year-old parents or guardians of a dependent child or children, who are undertaking or available for approved full-time training or who would be available if care could be found for their dependent child/children. A small number of 20-year-olds can also receive this benefit.



- Emergency Benefit (EB) a benefit that is granted to people who are in significant hardship as they are unable to earn a sufficient livelihood but are not eligible for any other main benefit.
- Emergency Maintenance Allowance (EMA) a benefit granted to sole parents who are in hardship and who do not qualify for other payments.
- Jobseeker Support Student Hardship (JSSH) a benefit that provides income support for full-time students during breaks in study, who have little or no income, are actively seeking work, and are suffering hardship.
- Widow's Benefit Overseas (WBO) a benefit for widowed women who meet certain criteria and are living in certain countries overseas (no longer available for new clients).
- Sole Parent Support Overseas (SPSO) a benefit available to a widow or widower whose youngest dependent child is less than 14 years of age. They also need to meet certain criteria and be living in certain countries overseas to qualify.

**Supplementary Assistance** is non-taxable, income-tested, and asset-tested assistance to meet specific costs, including: accommodation, childcare, training, and health-related or medical-related costs. The Benefit Fact Sheets report receipt of selected supplementary assistance:

- Temporary Additional Support (TAS) available to people who are having difficulty paying for their ongoing essential living costs. This replaced the Special Benefit (SPB), which is still received by a small number of clients.
- Disability Allowance (DA) a payment to help cover ongoing additional costs due to a disability, available to both beneficiaries and non-beneficiaries.
- Accommodation Supplement (AS) assistance for private housing expenses of both beneficiaries and non-beneficiaries.
- Unsupported Child's Benefit (UCB)/Orphan's Benefit (OB) a payment granted to the primary caregivers of orphaned or unsupported children.

**Hardship Assistance** is non-taxable, income-tested, and asset-tested assistance available to non-beneficiaries and/or beneficiaries. Figures contained in the Benefit Fact Sheets are based on grants made, including:

- Special Needs Grants (SNGs) one-off grants made to those who have immediate or emergency needs and who have no other means of paying the cost to meet those needs. Most Special Needs Grants are non-recoverable.
- Recoverable Assistance Payment (RAP) non-taxable, interest-free financial assistance to people on a low income, who aren't receiving a benefit or pension. The aim is to enable them to meet essential immediate needs for specific goods and services.
- Benefit Advances (ADV) up to six weeks' worth of benefit payments are available in advance to recipients of a main benefit. The advance enables benefit recipients to meet one-off needs that are immediate and essential, but cannot be met from their regular income.

**Civil Defence Payments** are payments that are available to meet the immediate needs of people who are affected by a Civil Defence emergency or adverse event. This assistance is not income or asset tested.

**Winter Energy Payment**, starting 2018, is a non-taxable benefit paid in addition to the recipient's main benefit, New Zealand Superannuation or Veteran's Pension to support eligible recipients to meet their household heating costs during the winter period, from 1 May to 1 October. During 2018, this period was 1 July to 29 September.



**New Zealand Superannuation (NZS)** is a fortnightly, non-income-tested payment for people aged 65 years and over who are New Zealand citizens or permanent residents, and normally live in New Zealand at the time New Zealand Superannuation is applied for. It may be paid to people who do not meet the eligibility criteria, but are in a relationship (i.e. married, living as married or in a civil union) with qualified recipients of NZS.

**Veteran's Pension (VP)** is a fortnightly payment for veterans who have served in the New Zealand Armed Forces in a war or other emergency, are New Zealand residents and normally live in New Zealand. Recipients of Veteran's Pension are not eligible for New Zealand Superannuation.

**Benefit sanctions** are penalties imposed on clients' benefits for failure to fulfill their work or youth activity obligations. Work obligations are reported in the Benefit Fact Sheets and include work preparation steps, attending arranged appointments, and accepting offers of employment. The majority of clients who have work obligations are receiving Jobseeker Support or Sole Parent Support. Most clients re-comply with their work obligations before a sanction is imposed.

Operational processes for work-related obligation requirements were suspended from 23 March 2020 to 27 May 2020.

Sanctions affect clients in several ways, depending on their circumstances (e.g. sole parents, couples with dependent children or subject to money management), and the number of times they have had a sanction imposed over the last 12 months. Sole parents and couples with dependent children face a maximum 50 per cent reduction of their main benefit when sanctioned. For single clients with no dependent children, the first sanction is a maximum 50 per cent reduction of their main benefit; for a second failure, they face a 100 percent suspension of their main benefit; a third sanction results in the main benefit being cancelled.

There are three grades of benefit sanctions:

- A Grade 1 sanction means the client has failed their obligations for the first time in the last 12 months and has not re-complied within five working days.
- A Grade 2 sanction occurs if a client has failed their obligations for the second time in the last 12 months and has not re-complied within five working days.
- A Grade 3 sanction means the client has failed their obligations for the third time in the last 12 months or has not accepted an offer of suitable employment (job refusal) and has not re-complied within five working days.

Note: Sanctions for youth activity failures impact on a young person's in-hand allowance or incentive payment.

**Working-age** clients are aged 18–64 years. This definition reflects the minimum age of eligibility for most main benefits and the age of qualification for New Zealand Superannuation (65). In some cases, benefits may be received by individuals outside of working age. Examples of this include:

- individuals receiving Youth Payment or Young Parent Payment, or individuals being eligible for a main benefit from a younger age
- people over 65 years receiving a benefit due to residency issues impacting on their eligibility for New Zealand Superannuation.

**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. New Zealand 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. MSD's ethnic groups do not currently align with Statistics New Zealand ethnicity groupings.

**Continuous duration** is the length of time the client has continuously been receiving any main benefit. A client is considered to have continuously been on a benefit even if there has been a break of up to 14 days (e.g. if they have transferred to another main benefit).

**Dependent children** (whether own, stepchild, adopted, grandchild or mokopuna) are primarily under the care and responsibility of the person receiving the benefit, living with that person as a member of their family, and substantially reliant on that person for financial support.

## Classifications

Gender	<ul><li>Male</li><li>Female</li><li>Gender Diverse</li></ul>
Ethnic group	<ul> <li>New Zealand European</li> <li>Māori</li> <li>Pacific peoples</li> <li>All other ethnicities</li> <li>Unspecified</li> </ul>
Age group [general]	<ul> <li>18-24 years</li> <li>25-39 years</li> <li>40-54 years</li> <li>55-64 years</li> </ul>
Age group [NZS/VP Excel file]	<ul> <li>Under 60 years</li> <li>60-64 years</li> <li>65-69 years</li> <li>70-74 years</li> <li>75-79 years</li> <li>80-84 years</li> <li>85-89 years</li> <li>90 years and over</li> </ul>
<i>Continuous duration on benefit</i>	<ul><li>One year or less</li><li>More than one year</li></ul>
Benefit Groups	<ul> <li>Jobseeker Support</li> <li>Sole Parent Support</li> <li>Supported Living Payment</li> <li>Other main benefit</li> </ul>
<i>Other main benefits subgroups</i>	<ul> <li>Youth Payment/Young Parent Payment</li> <li>Jobseeker Support Student Hardship</li> <li>Emergency Benefit</li> <li>Emergency Maintenance Benefit</li> <li>Sole Parent Support Overseas</li> <li>Widow's Benefit Overseas</li> </ul>
Jobseeker Support sub groups	<ul> <li>Jobseeker Support – Work Ready</li> <li>Jobseeker Support – Health Condition or Disability</li> </ul>



Support Living Payments sub groups	<ul> <li>Supported Living Payment – Health Condition or Disability</li> <li>Supported Living Payment – Carers</li> </ul>
	Note that Supported Living Payment Overseas is included in the total for Supported Living Payment – Health Condition or Disability
Incapacity group Jobseeker Support	<ul> <li>Psychological or psychiatric conditions</li> <li>Accidents</li> <li>Musculo-skeletal system disorders</li> <li>Cardio-vascular disorders</li> <li>Pregnancy-related conditions</li> <li>Other disorders and conditions</li> </ul>
<i>Incapacity group Supported Living Payment</i>	<ul> <li>Psychological or psychiatric conditions</li> <li>Intellectual disability</li> <li>Musculo-skeletal system disorders</li> <li>Nervous system disorders</li> <li>Cardio-vascular disorders</li> <li>Accidents</li> <li>Cancer and congenital conditions</li> <li>Other disorders and conditions</li> </ul>
Age of youngest dependent child [Sole Parent Support]	<ul> <li>Under 5 years</li> <li>Ages 5–13 years</li> </ul>
<i>Reason for hardship assistance</i>	<ul> <li>Food</li> <li>Accommodation related</li> <li>Medical and associated costs</li> <li>People affected by benefit stand downs</li> <li>Electricity and gas</li> <li>School education costs</li> <li>Re-establishment grants</li> <li>Driver license</li> <li>Health related</li> <li>Long-acting reversible contraception (national level only)</li> <li>Emergency housing (national level only)</li> <li>Other</li> </ul>
<i>Client with dependent children [benefit sanctions]</i>	<ul><li>Dependent child(ren)</li><li>No dependent child(ren)</li></ul>
First sanction reason	<ul> <li>Recipients who failed to attend appointment(s)</li> <li>Clients who failed to prepare for work</li> <li>Clients who failed to participate in work</li> <li>Other reasons</li> </ul>
Sanction type	<ul><li>Graduated</li><li>Suspended/cancelled</li></ul>
<i>Duration of graduated sanction</i>	<ul> <li>Up to 4 weeks</li> <li>4 to 8 weeks</li> <li>Over 8 weeks</li> </ul>



Work and Income regions (12 regions, including Other) as at September 2021	<ul> <li>Auckland</li> <li>Bay of Plenty</li> <li>Canterbury</li> <li>Central</li> <li>East Coast</li> <li>Nelson (Nelson, Marlborough, and West Coast)</li> <li>Northland</li> <li>Southern</li> <li>Taranaki (Taranaki, King Country, and Whanganui)</li> <li>Waikato</li> <li>Wellington</li> <li>Other (i.e. clients managed by national units such as contact centres and other processing centres)</li> </ul>
Regional Councils/Unitary Authorities (17 regions, including Other/Unknown) as at September 2021	<ul> <li>Auckland</li> <li>Bay of Plenty</li> <li>Canterbury</li> <li>Gisborne</li> <li>Hawke's Bay</li> <li>Manawatū-Whanganui</li> <li>Marlborough</li> <li>Nelson</li> <li>Northland</li> <li>Otago</li> <li>Southland</li> <li>Taranaki</li> <li>Tasman</li> <li>Waikato</li> <li>Wellington</li> <li>West Coast</li> <li>Other/Unknown</li> </ul>
<i>Auckland boards (20 boards) as at September 2021</i>	<ul> <li>Albert-Eden</li> <li>Devonport-Takapuna</li> <li>Franklin</li> <li>Great Barrier/Waiheke</li> <li>Henderson-Massey</li> <li>Hibiscus and Bays</li> <li>Howick</li> <li>Kaipātiki</li> <li>Māngere-Ōtāhuhu</li> <li>Manurewa</li> <li>Maungakiekie-Tāmaki</li> <li>Ōrākei</li> <li>Ōtara-Papatoetoe</li> <li>Papakura</li> <li>Puketāpapa</li> <li>Rodney</li> <li>Upper Harbour</li> <li>Waitākere Ranges</li> <li>Waitematā; Whau</li> </ul>



Territorial Authorities (68 authorities, including Other/Unknown) as at September 2021	Super City (fror Central Hawke's City; Clutha Dis District (until M District; Hamilti Horowhenua Di District; Kaipara Lower Hutt City City (until Marc Matamata-Piaka District; North S Ōtorohanga Dis (until March 20 Rangitikei Distr District; Ruapel District; Ruapel District; South Southland Distr District; Taupō Coromandel Dis District; Waima Wairoa District; District; Waiton District; Westla	rict; Auckland City (until March 2018); Auckland m March 2018); Buller District; Carterton District; s Bay District; Central Otago District; Christchurch strict; Dunedin City; Far North District; Franklin arch 2018); Gisborne District; Gore District; Grey on City; Hastings District; Hauraki District; strict; Hurunui District; Invercargill City; Kaikōura a District; Kāpiti Coast District; Kawerau District; mackenzie District; Manawatū District; Manukau h 2018); Marlborough District; Masterton District; o District; Napier City; Nelson City; New Plymouth Shore City (until March 2018); Ōpōtiki District; strict; Palmerston North City; Papakura District 18); Porirua City; Queenstown-Lakes District; ict; Rodney District; South Taranaki Waikato District; South Wairarapa District; ict; Stratford District; Tararua District; Tauranga District; ict; Timaru District; Upper Hutt City; Waikato kariri District; Waimate District; Waipā District; Waitakere City (until March 2018); Waitaki no District; Wellington City; Western Bay of Plenty nd District; Other/Unknown
<i>MSD service centres (119 service centres) as at September 2021</i>	Auckland (30)	Albany; Avondale; Clendon; Glenfield; Glenmall; Grey Lynn; Helensville; Highland Park; Māngere; Manukau; Manurewa; Mt Albert; Mt Eden; New Lynn; Onehunga; Orewa; Ōtāhuhu; Ōtara; Papakura; Papatoetoe; Pukekohe; Queen Street; Takapuna; Tāmaki; Three Kings; Waiheke; Waitākere; Waiuku; Warkworth; Westgate
	Bay of Plenty (10)	Greerton; Kawerau; Mount Maunganui; Ōpōtiki; Rotorua; Taupō; Tauranga; Te Puke; Tokoroa; Whakatāne
	Canterbury (9)	Ashburton; Hornby; Linwood; New Brighton; Papanui; Rangiora; Riccarton; Shirley; Sydenham
	Central (8)	Dannevirke; Feilding; Foxton; Horowhenua; Kāpiti; Ōtaki; Palmerston North; Wairarapa
	East Coast (8)	Flaxmere; Gisborne; Hastings; Napier; Ruatōria; Taradale; Waipukurau; Wairoa
	Nelson (6)	Blenheim; Greymouth; Motueka; Nelson/Nelson Region Processing Unit; Richmond; Westport
	Northland (7)	Dargaville; Kaikohe; Kaitāia; Kamo; Kawakawa; Kerikeri; Whangārei Central
	Southern (10)	Alexandra; Balclutha; Dunedin Central; Gore; Invercargill; Mosgiel; Oamaru; Queenstown; South Dunedin; Timaru
	Taranaki (9)	Hāwera; Marton; New Plymouth; Stratford; Taihape; Taumarunui; Te Kuiti; Waitara; Whanganui



Waikato (14)	Cambridge; Dinsdale; Five Cross Roads; Glenview; Hamilton; Hamilton East; Huntly; Matamata; Morrinsville; Ngāruawāhia; Paeroa; Te Awamutu; Thames; Waihi
Wellington (8)	Johnsonville; Lower Hutt; Naenae; Newtown; Porirua; Upper Hutt; Wainuiomata; Wellington

Contact details for further information: <u>https://www.msd.govt.nz/about-msd-and-our-work/contact-us/index.html</u>