

# **Benefit Fact Sheets Snapshot**

December 2024 Quarter

#### In the

## **Benefit Fact Sheets Snapshot**

The Benefit Fact Sheets provide a high-level view of trends in benefit receipt.

The Benefit Fact Sheets are published quarterly and contain information on income support provided by the Ministry.

For technical information about the Benefit Fact Sheets, like how we protect our clients' confidentiality, please see:

www.msd.govt.nz/documents/about-msdand-our-work/publications-resources/ statistics/benefit/2024/bfs-t1-statsinformation-dec-24.pdf

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### Main benefit assistance

#### Main benefits

At the end of December 2024, **409,665 people** were receiving a main benefit. This was up 30,954 or 8.2 percent when compared to December 2023.

The proportion of the working-age population receiving a main benefit increased to **12.6 percent**, up 0.8 percentage points from December 2023.

Figure 1a: Number and proportion of people receiving a main benefit at the end of the last six December quarters.

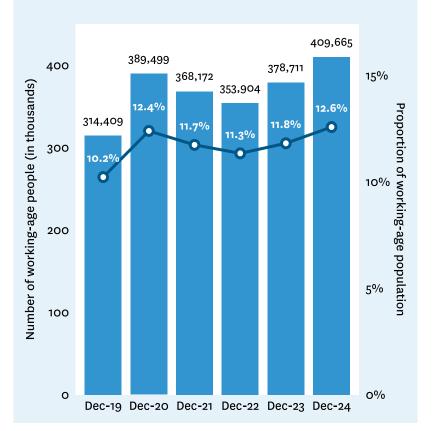
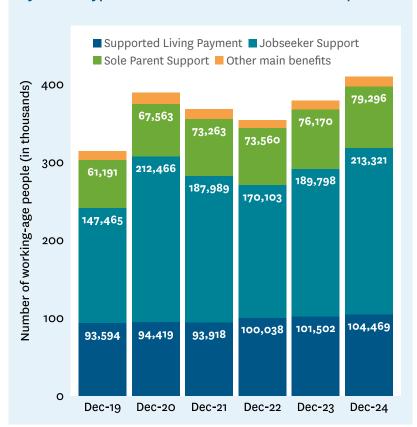


Figure 1b: Number of people receiving a main benefit by benefit type at the end of the last six December quarters.



In Figure 1b, other main benefits include:

- Youth Payment and Young Parent Payment
- Emergency Benefit
- Emergency Maintenance Allowance
- Jobseeker Support Student Hardship

### Jobseeker Support

At the end of December 2024, **213,321 people** were receiving Jobseeker Support. This was up 23,523 or 12.4 percent when compared to December 2023.

The proportion of the working-age population receiving this benefit increased to **6.5 percent**, up 0.6 percentage points from December 2023.

At the end of December 2024, **120,399 people** were receiving Jobseeker Support
- Work Ready. This was up 10,701 or
9.8 percent when compared to
December 2023.

At the end of December 2024, **92,922 people** were receiving Jobseeker Support – Health Condition or Disability. This was up 12,822 or 16.0 percent when compared to December 2023.

Jobseeker Support is for people who are actively looking for or preparing for work. It includes people with part-time work obligations and those who cannot look for work at the moment (e.g. those with a health condition, injury, or disability).

Figure 2a: Number and proportion of people receiving Jobseeker Support at the end of the last six December quarters.

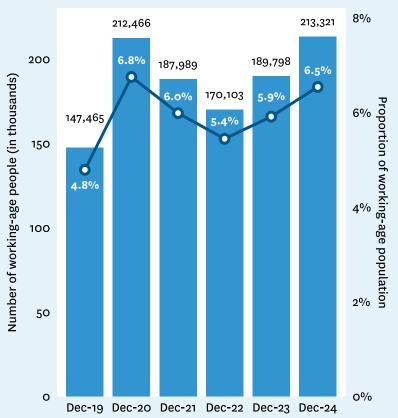
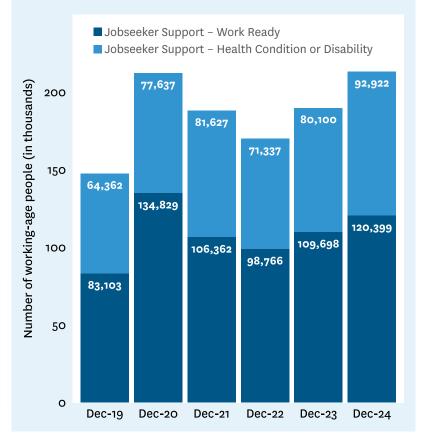


Figure 2b: Number of people receiving Jobseeker Support by benefit type at the end of the last six December quarters.



### Sole Parent Support

At the end of December 2024, **79,296 people** were receiving Sole Parent Support. This was up 3,126 or 4.1 percent when compared to December 2023.

The proportion of the working-age population receiving this benefit is **2.4 percent**, the same as this time last year, December 2023.

Sole Parent Support is for single parents with at least one dependent child under 14 years.

## Supported Living Payment

At the end of December 2024, **104,469 people** were receiving Supported Living Payment. This was up 2,967 or 2.9 percent when compared to December 2023.

The proportion of the working-age population receiving this benefit is **3.2 percent**, the same as this time last year, December 2023.

Supported Living Payment is for people who have, or care for someone with, a health condition, injury or disability that limits their ability to work.

Figure 3: Number and proportion of people receiving Sole Parent Support at the end of the last six December quarters.

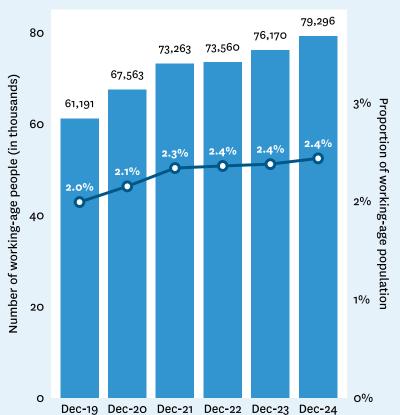
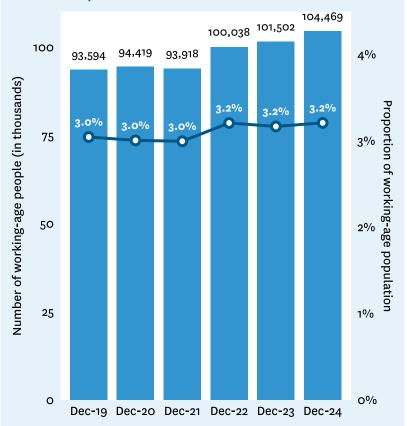


Figure 4: Number and proportion of people receiving Supported Living Payment at the end of the last six December quarters.



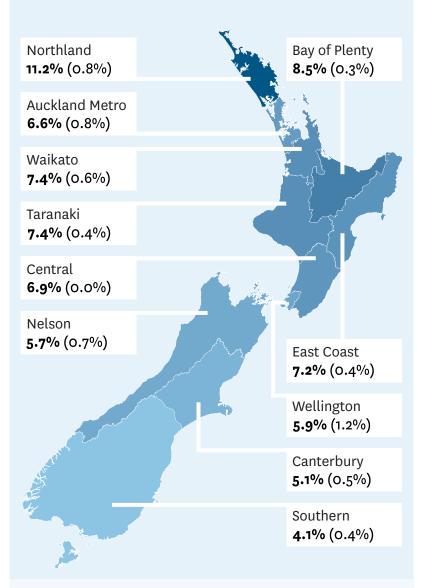
# Regional distribution of Jobseeker Support

Between December 2023 and December 2024, the proportion of the workingage population receiving Jobseeker Support increased in most regions.

The largest percentage point increase was seen in Wellington (1.2 percent).

At the end of December 2024, Northland had the highest proportion receiving Jobseeker Support, at 11.2 percent.

Figure 5: Regional distribution of Jobseeker Support as a proportion of the population by Work and Income region, as at December 2024.



Figures in labels refer to 'working-age population proportion' and 'percentage point change' respectively. All percentages have been rounded to the nearest decimal point. As a result, a percentage point change may be displayed as zero.

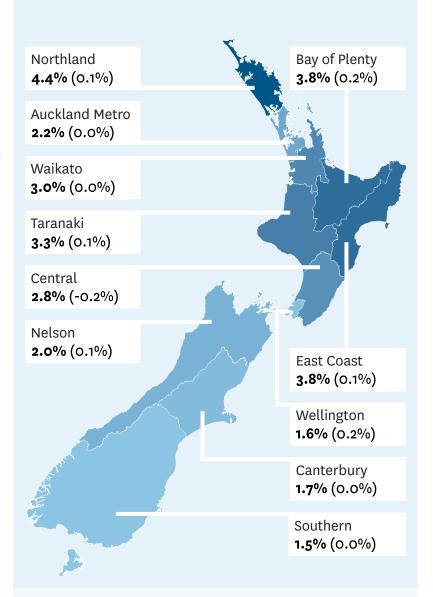
## Regional distribution of Sole Parent Support

Between December 2023 and December 2024, the proportion of the workingage population receiving Sole Parent Support remained the same or increased slightly in most regions.

The largest percentage point increase were seen in Wellington and Bay of Plenty (both 0.2 percent).

At the end of December 2024, Northland had the highest proportion receiving Sole Parent Support, at 4.4 percent.





Figures in labels refer to 'working-age population proportion' and 'percentage point change' respectively. All percentages have been rounded to the nearest decimal point. As a result, a percentage point change may be displayed as zero.

## Main benefit grants and cancellations

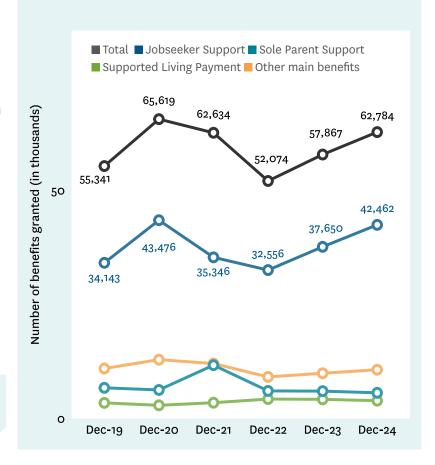
### Main benefit grants

There were **62,784 main benefits granted** in the December 2024 quarter, an increase of 4,917 or 8.5 percent from the December 2023 quarter.

There were **42,462 Jobseeker Support grants** in the December 2024 quarter, an increase of 4,812 or 12.8 percent from the December 2023 quarter.

A main benefit grant is the formal acceptance of entitlement to a main benefit.

Figure 7: Number of main benefits granted during the last six December quarters.



### Main benefit cancellations

There were **41,946 main benefit cancellations** in the December 2024 quarter, an increase of 4,353 or 11.6 percent from the December 2023 quarter.

There were **19,395 exits into work** in the December 2024 quarter, an increase of 3,084 or 18.9 percent from the December 2023 quarter.

Figure 8a: Number of main benefit cancellations by benefit type during the last six December quarters.

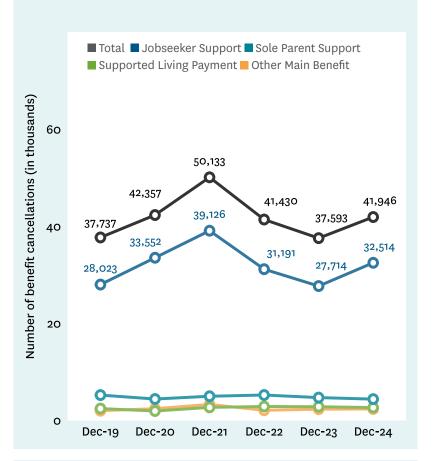
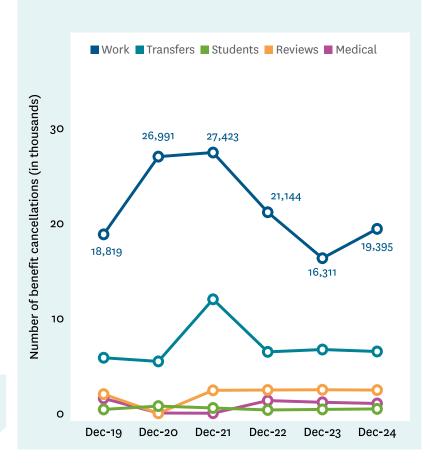


Figure 8b: Number of main benefit cancellations by selected reasons during the last six December quarters.



A main benefit cancellation is the formal process that ends the entitlement to a main benefit.

### **Benefit sanctions**

The number of sanctions issued during the December 2024 quarter was **13,518**, an increase of 7,371 or 119.9 percent from the December 2023 quarter.

During the December 2024 quarter, the main reasons for unfulfilled work obligation sanctions were **clients not attending appointments** including seminar appointments (9,066 sanctions) and **failing to prepare for work** (3,306 sanctions).

A sanction is a reduction in a person's benefit that may occur if they do not fulfil their work obligations, work prep or social obligations. Clients have 5 working days to either arrange to recomply or dispute their failure (by either providing a good and sufficient reason for not meeting obligations or asking MSD to review the decision). Benefit recipients who have not fulfilled their obligations may have their sanctions overturned so long as they re-comply or provide additional information.

Traffic Light System is now used to track how clients are meeting their obligations. Clients that have obligations and are meeting them are at Green, those who have failed an obligation and are in the five working day dispute period are at Orange and those with an active sanction are at Red.

At the end of December 2024, in the Traffic Light System there were 345,297 clients at Green, 1,485 clients at Orange and 3,522 clients at Red.

Sanctions can affect benefit recipients in a number of ways, depending on their circumstances and the number of times they have had a sanction over the last 12 months. There are three types of sanctions: a reduction in benefit, suspension, or cancellation.

Figure 9a: Number of sanctions for unfulfilled work obligations during the last six December quarters.

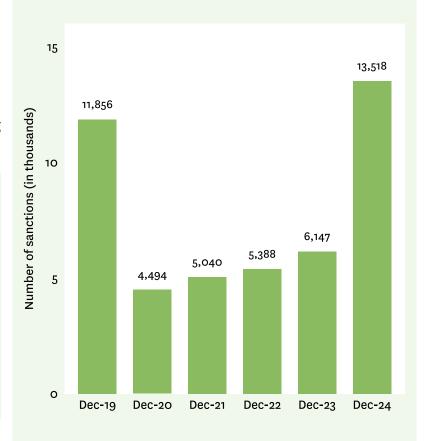
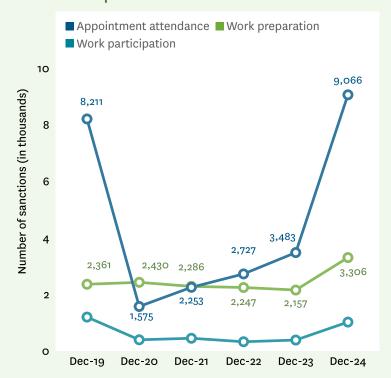


Figure 9b: Number of sanctions for unfulfilled work obligations by reason during the last six December quarters.



### Supplementary assistance

Between the end of December 2023 and the end of December 2024:

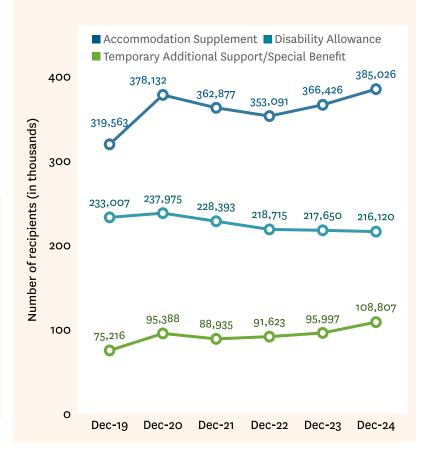
- the number of people receiving
   Accommodation Supplement increased
   by 18,600 or 5.1 percent
- the number of people receiving Disability Allowance decreased by 1,530 or 0.7 percent
- the number of people receiving
   Temporary Additional Support/Special
   Benefit increased by 12,810 or
   13.3 percent.

The Accommodation Supplement assists people on low incomes with their rent, board, or the cost of owning a home.

The Disability Allowance assists people who have on-going costs because of a disability.

Temporary Additional Support helps people to cover essential living costs that cannot be met from their income or other resources.

Figure 10: Number of recipients of supplementary assistance at the end of the last six December quarters.



### Hardship assistance

## Total hardship assistance

During the December 2024 quarter, there were **553,575** hardship assistance payments, worth **\$173.4** million.

Compared with the December 2023 quarter, the number of hardship assistance payments was 8.0 percent lower, and the value of hardship payments was 28.0 percent lower.

Figure 11a: Number of hardship payments provided during the quarter for the last six December quarters, by type of assistance. ■ Special Needs Grants ■ Benefit Advances ■ Recoverable Assistance Payments Number of hardship payments (in thousands) 800 634,206 601,752 592,068 573,849 567,075 600 553,575 400 200

Dec-22

0

\$0

Dec-19

during the quarter for the last six December quarters, by type of assistance.

Special Needs Grants Benefit Advances
Recoverable Assistance Payments

\$240.7m
\$215.1m
\$1173.4m
\$150
\$50
\$50

Figure 11b: Value of hardship payments provided

Hardship assistance includes, but is not limited to: Special Needs Grants, Benefit Advances, and Recoverable Assistance Payments. These forms of assistance are designed to help people who have immediate needs.

Dec-21

Dec-22

Dec-23

Dec-20

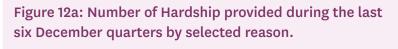
### Reasons for hardship assistance

Two key types of hardship assistance are Special Needs Grants for food and Emergency Housing Special Needs Grants.

There were **331,296** Special Needs Grants for food during the December 2024 quarter, down 4,974 or 1.5 percent from the December 2023 quarter.

The value of these grants was **\$33.5 million**, down 6.6 percent from the December 2023 quarter.

There were **5,946** Emergency Housing Special Needs Grants during the December 2024 quarter, down 18,168 or 75.3 percent from the December 2023 quarter. The value of these grants was **\$18.2 million**, down 78.9 percent from the December 2023 quarter.



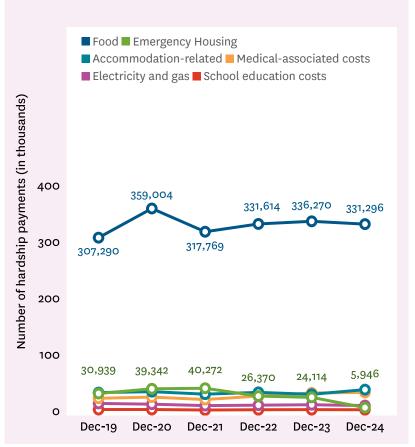
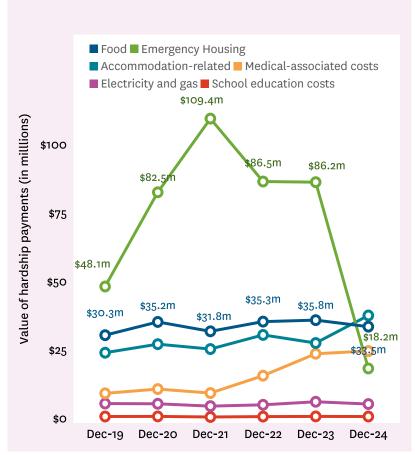


Figure 12b: Value of Special Needs Grants provided during the last six December quarters by selected reason.



### Special Needs Grants

There were **415,362** Special Needs Grants in the December 2024 quarter, down 3.3 percent from the December 2023 quarter. The value of these grants was **\$108.7 million**, down 35.2 percent from the December 2023 quarter.

A Special Needs Grant provides a non-taxable, one-off recoverable or non-recoverable payment to help people meet immediate needs. A person does not need to be receiving a main benefit to be eligible for a Special Needs Grant.

#### **Benefit Advances**

There were **129,408** Benefit Advances provided during the December 2024 quarter, down 18.4 percent from the December 2023 quarter. The value of these grants was **\$60.6** million, down 10.4 percent from the December 2023 quarter.

A Benefit Advance can be up to six weeks of a benefit recipient's net entitlement, and is recovered from subsequent payments of benefit. People not receiving a main benefit may instead receive Recoverable Assistance Payments.

Figure 13: Number and value of Special Needs Grants provided during the last six December quarters.

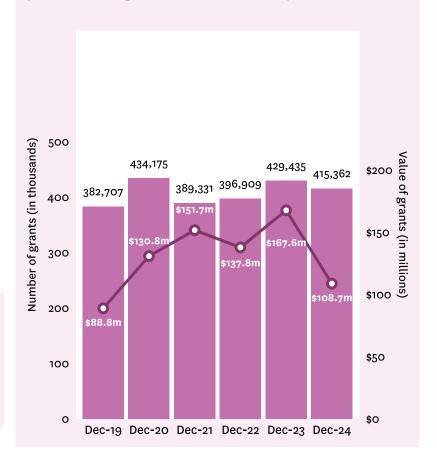


Figure 14: Number and value of Benefit Advances provided during the last six December quarters.

