



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA



Ministry of Social Development

Benefit Fact Sheets

March 2019 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

In the Benefit Fact Sheets

Contents

Benefit Fact Sheets

Benefit Fact Sheets Snapshots 2

Main benefit assistance

Main benefit assistance overview 3

Jobseeker Support (JS) 3

Sole Parent Support (SPS) 4

Supported Living Payment (SLP) 4

Hardship assistance

Hardship assistance overview 5

Special Needs Grants (SNG) 6

Benefit Advances (ADV) 6

Civil Defence Payments 7

Supplementary benefit assistance

Accommodation Supplement (AS) 7

Disability Allowance (DA) 7

Temporary Additional Support/Special Benefit (TAS/SPB) 7

Grants and cancellations

Grants 8

Cancellations 8

Benefit sanctions

Benefit sanctions 9

This work is licensed under the Creative Commons Attribution 4.0 International licence. In essence, you are free to copy, distribute and adapt the work, as long as you attribute the work to the Crown and abide by the other licence terms.

To view a copy of this licence, visit <https://creativecommons.org/licenses/by/4.0/>. Please note that no departmental or governmental emblem, logo or Coat of Arms may be used in any way which infringes any provision of the Flags, Emblems, and Names Protection Act 1981. Attribution to the Crown should be in written form and not by reproduction of any such emblem, logo or Coat of Arms.

Published April 2019
Ministry of Social Development
PO Box 1556
Wellington 6140
New Zealand

Telephone: +64 4 916 3300 Email: info@msd.govt.nz
Facsimile: +64 4 918 0099 Web: www.msd.govt.nz

Benefit Fact Sheets Snapshot

The proportion of the working-age population receiving a main benefit increased to 9.5 percent as at March 2019, **higher than the 9.3 percent of the working-age population as at March 2018.**

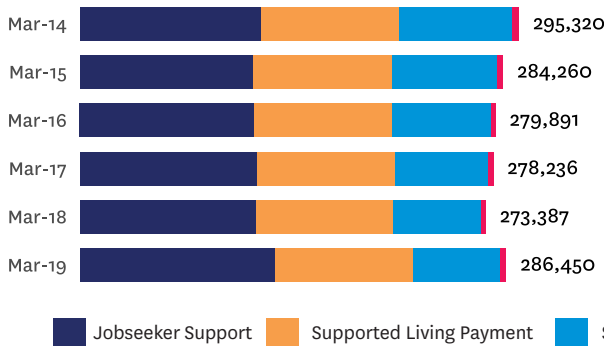
In the March 2019 quarter, **472,217 hardship assistance grants were granted.** These were worth **\$128.5 million.** This is an increase compared to the March 2018 quarter, where 319,757 grants worth \$80.8 million were granted.

As at March 2019, the proportion of the working-age population receiving Jobseeker Support was 4.4 percent, **higher than the 4.0 percent of the working-age population as at March 2018.**

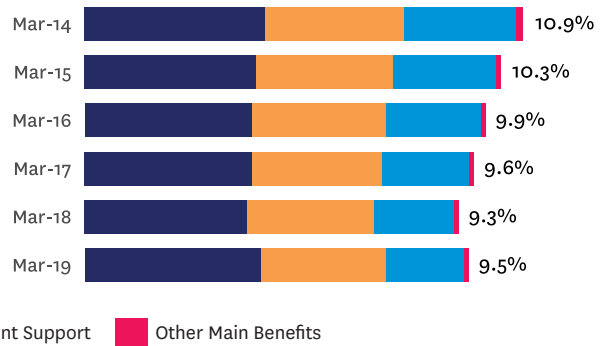
Emergency Housing Special Needs Grants granted totalled \$23,079,536 in the March 2019 quarter, **\$16,504,803 more than the March 2018 quarter.** This makes Emergency Housing the largest contributor to the total value of all hardship grants granted.

Main benefits snapshot

Number of working-age people receiving main benefits, broken down by main benefit type



Proportion of working-age population receiving main benefits, broken down by main benefit type



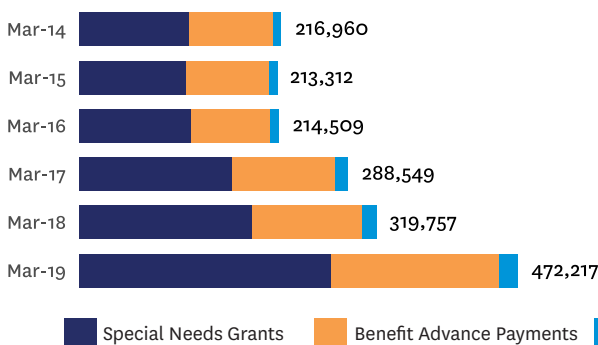
The working-age population is defined as those aged between 18-64 years of age. This reflects the minimum age of eligibility for most main benefits, and the age of qualification for New Zealand Superannuation.

There were **286,450 working-age people receiving a main benefit** as at the end of March 2019. This is **4.8 percent more than a year ago** (273,387). Benefit numbers as a proportion of the working-age population was at 9.5 percent.

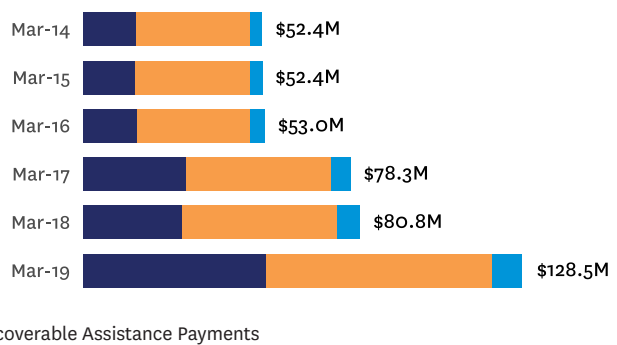
There were **131,720 working-age people receiving Jobseeker Support** as at March 2019. This is **10.9 percent more than at the end of March 2018.** Jobseeker Support as a proportion of the working-age population was at **4.4 percent, this is higher than March 2018 at 4.0 percent of the working-age population.**

Hardship assistance snapshot

Trends over time of hardship grant numbers



Trends over time of the value of granted payments



There were **472,217 hardship assistance grants granted** in the March 2019 quarter. These were worth **\$128.5 million.** This is an increase from the March 2018 quarter, where 319,757 grants worth \$80.8 million were granted.

Main benefit assistance

The number of working-age people receiving main benefits as at the end of March 2019 (286,450) was 4.8 percent higher than the end of March 2018 (273,387). Benefit numbers as a proportion of the working-age population increased to 9.5 percent.

The working-age population are those aged between 18-64 of the New Zealand estimated population. The proportion of the working-age population based on Statistics New Zealand's estimated resident population year ended as at June for relevant years, so estimates as at end of June 2018 have been used for the March 2019 quarter.

Main benefits for those of working-age 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

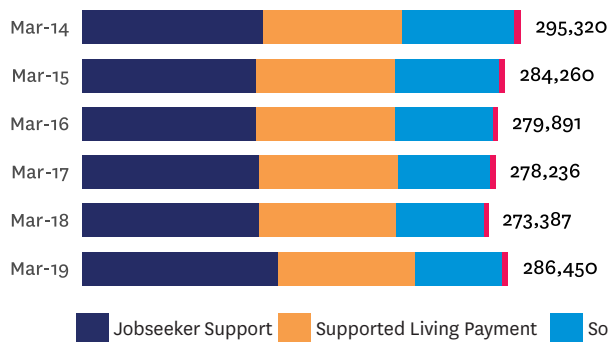
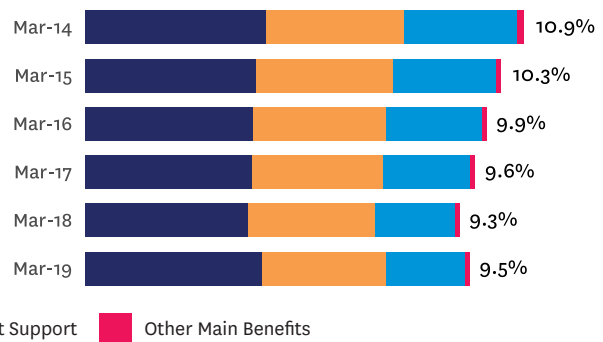


Figure 1b: Proportion of working-age population receiving main benefits, broken down by main benefit type



286,450 working-age people receiving a main benefit as at the end of March 2019 (273,387 – end of March 2018)

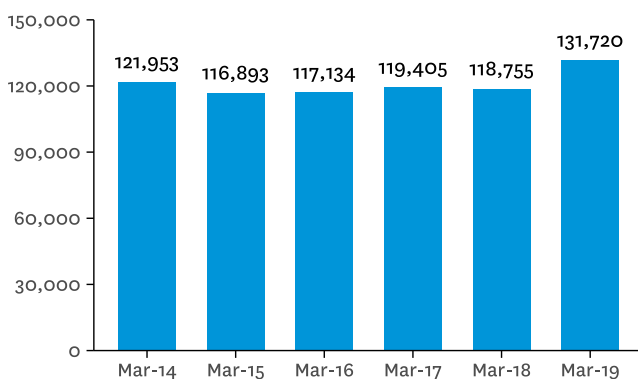
9.5 percent of the working-age population receiving a main benefit as at the end of March 2019 (9.3 percent – end of March 2018)

Jobseeker Support (JS)

The number of working-age people on Jobseeker Support has increased when compared to the end of March 2018, increasing by 12,965 to 131,720 as at the end of March 2019. This is a 10.9 percent increase since March 2018.

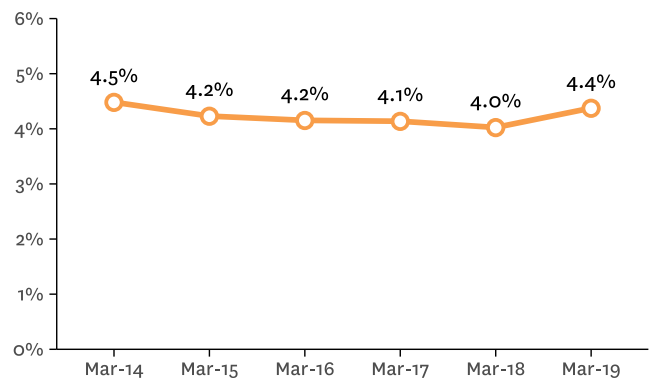
Jobseeker Support is for people who can usually look for or prepare for work. It also includes people who can only work part-time or cannot look for work at the moment (e.g. because they have a health condition, injury or disability).

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



131,720 working-age people receiving JS as at the end of March 2019 (118,755 – end of March 2018)

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



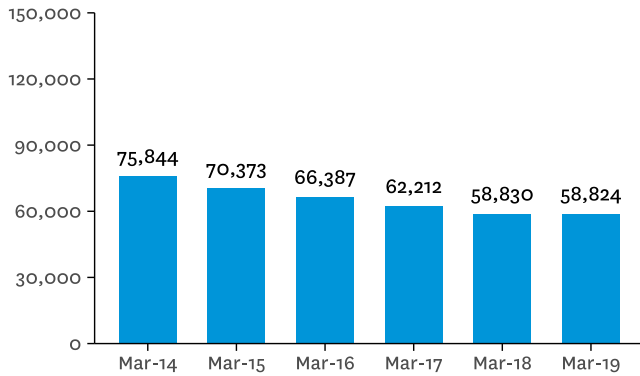
4.4 percent of the working-age population receiving JS as at the end of March 2019 (4.0 percent – end of March 2018)

Sole Parent Support (SPS)

The number of working-age people on Sole Parent Support remained relatively unchanged (6 less recipients) since the end of March 2018, at 58,824 as at March 2019. The proportion of working-age people receiving SPS had decreased consistently over the previous March quarters, but has stabilised at 2.0 percent since March 2018.

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

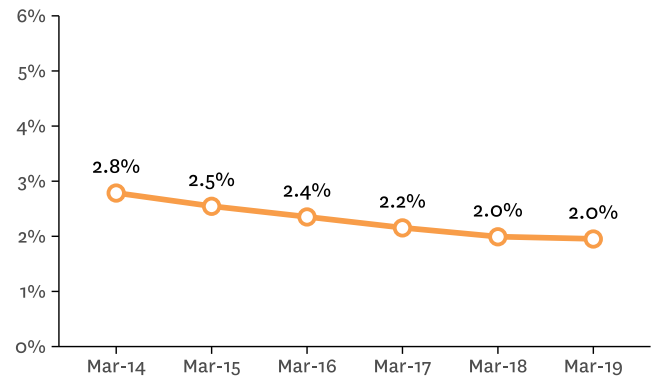
Figure 3a: Number of working-age people receiving Sole Parent Support



58,824 working-age people receiving SPS as at the end of March 2019

(58,830 – end of March 2018)

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



2.0 percent of the working-age population receiving SPS as at the end of March 2019

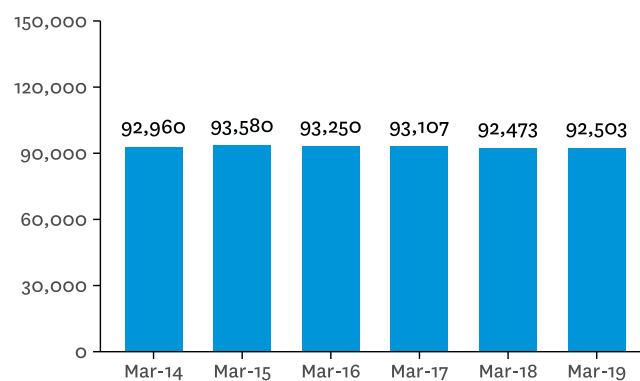
(2.0 percent – end of March 2018)

Supported Living Payment (SLP)

The number of working-age people on Supported Living Payment has remained stable when compared to the end of March 2018. There were 92,503 SLP recipients as at March 2019, which is 30 more than 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.

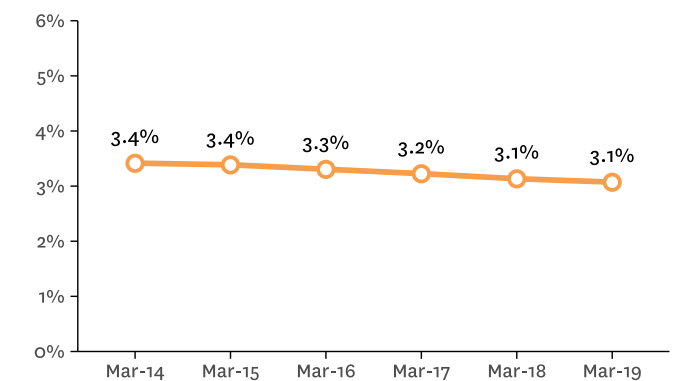
Figure 4a: Number of working-age people receiving Supported Living Payment



92,503 working-age people receiving SLP as at the end of March 2019

(92,473 – end of March 2018)

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



3.1 percent of the working-age population receiving SLP as at the end of March 2019

(3.1 percent – end of March 2018)

Hardship assistance

A total of **472,217 hardship assistance payments, worth \$128.5 million** were granted in the March 2019 quarter. This is **higher** than in the March 2018 quarter, where 319,757 hardship assistance payments worth \$80.8 million were granted.

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. The numbers reported for hardship assistance granted are sums of grants granted with the March quarter (ie January 1 to 31 March). Hardship assistance contains all ages data, rather than working age (ie 18 to 64).

Figure 5a: Trends over time of hardship grant numbers

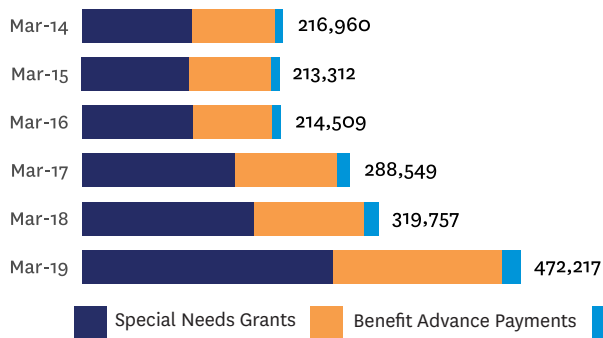
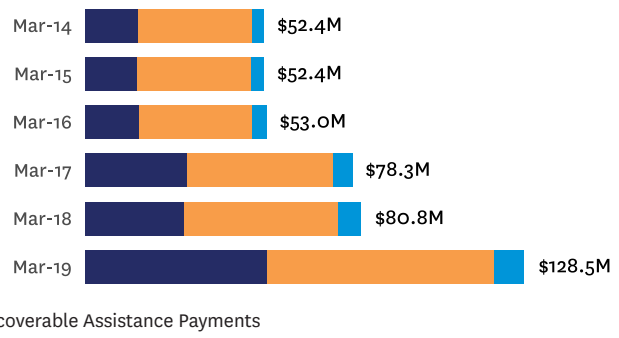


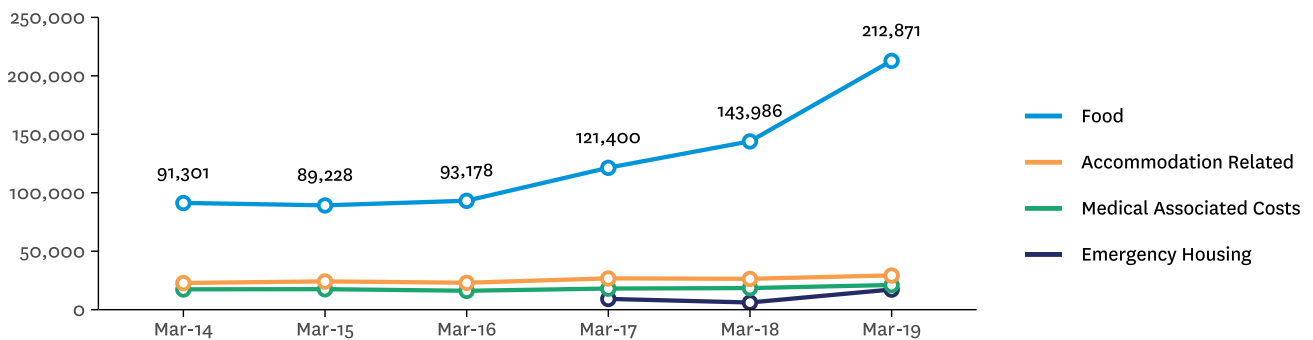
Figure 5b: Trends over time of the value of granted payments



472,217 payments granted in the March 2019 quarter
(319,757 – March 2018 quarter)

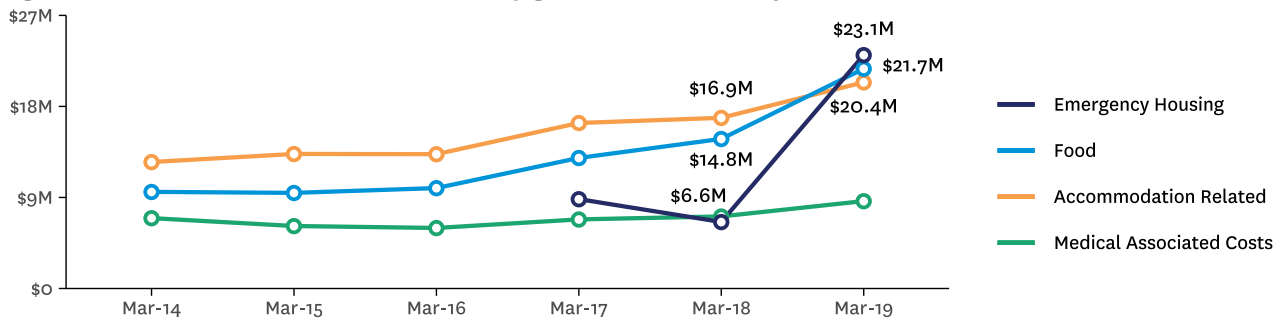
\$128,492,321 – The value of grants provided in the March 2019 quarter
(\$80,821,935 – March 2018 quarter)

Figure 6a: Trends over time of hardship grant numbers broken down by selected reason



The demand for food assistance continues to increase, compared to the March 2018 quarter there were 68,885 more grants granted increasing to 212,871 in the March 2019 quarter. The number of Emergency Housing grants granted has increased, compared to the March 2018 quarter, 11,126 more grants were granted increasing to 17,264 in the March 2019 quarter.

Figure 6b: Trends over time of value of hardship grants broken down by selected reason



Emergency Housing was the leading contributor to the total value granted, \$23,079,536 was granted in the March 2019 quarter, \$16,504,803 more than the March 2018 quarter. The value of hardship grants for food assistance was \$21,728,864 in the March 2019 quarter, \$6,942,328 more compared to the March 2018 quarter.

Special Needs Grants (SNG)

The number of Special Needs Grants granted is **84,715 higher in the March 2019 quarter (270,834)** compared to the March 2018 quarter. This has resulted in **the value of grants granted increasing** by \$24,474,217 to \$53,446,707 over the same period.

A Special Needs Grant 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 to be eligible for a Special Needs Grant.

Figure 7a: Trends over time of the number of Special Needs Grants granted

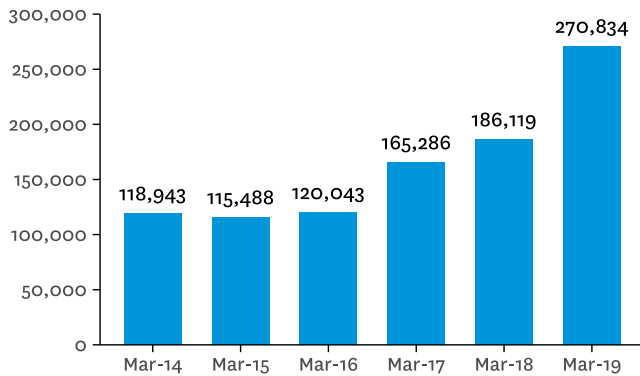
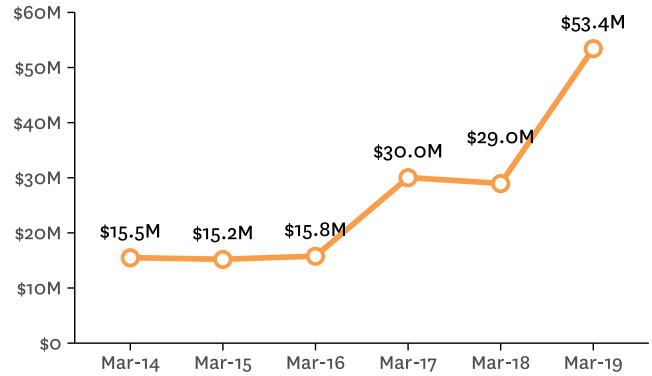


Figure 7b: Trends over time of the total value of payments of Special Needs Grants granted



270,834 Special Needs Grants granted in the March 2019 quarter
(186,119 – March 2018 quarter)

\$53,446,707 – The value of Special Needs Grants granted in the March 2019 quarter
(\$28,972,490 – March 2018 quarter)

Benefit Advances (ADV)

The number of Benefit Advances granted is **62,758 higher in the March 2019 quarter (181,286)** compared to the March 2018 quarter. This has resulted in **the value of Benefit Advances granted increasing** by \$21,178,364 to \$66,397,638.

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

Figure 8a: Trends over time of the number of Benefit Advances granted

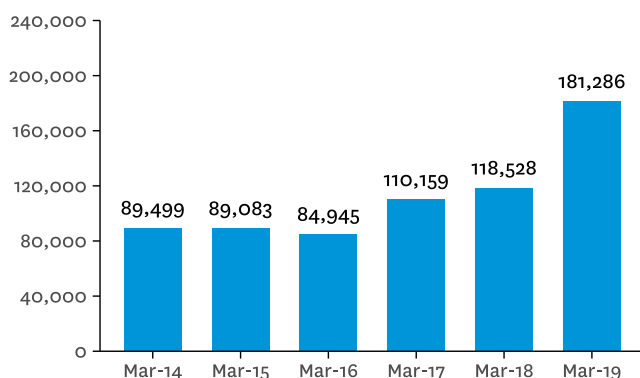
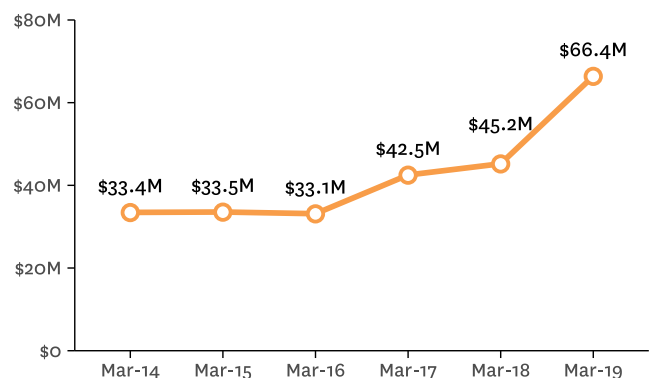


Figure 8b: Trends over time of the value of payments of Benefit Advances granted



181,286 benefit Advances granted in the March 2019 quarter
(118,528 – March 2018 quarter)

\$66,397,638 – The value of Benefit Advances granted in the March 2019 quarter
(\$45,219,274 – March 2018 quarter)

Civil Defence Payments

There were 1,538 grants granted amounting to \$428,971 made under the Civil Defence Payments in the March 2019 quarter. This was due to the Nelson-Tasman Fires during February 2019, and the 15 March 2019 Christchurch tragedy. The Ministry of Social Development provided a range of financial assistance to a number of affected clients for both events.

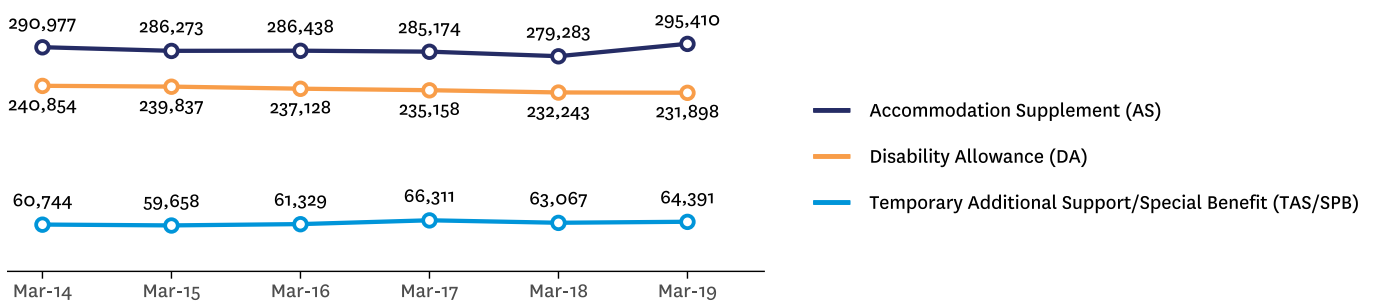
Civil Defence Payments are payments that are available to meet the immediate needs of people who are affected by a civil defence emergency or adverse event. This assistance is not income or asset tested.

Supplementary benefit assistance

The number of supplementary benefits paid out as at the end of March 2019 was higher than as at the end of March 2018. This was mostly due to an increase in the number of people receiving the Accommodation Supplement (AS).

Supplementary benefit assistance contains all ages data, rather than working age (ie 18 to 64).

Figure 9: Trends over time of selected supplementary benefit receipt



295,410 people receiving AS
as at the end of March 2019
(279,283 – end of March 2018)

Accommodation Supplement (AS)

The number of people receiving the Accommodation Supplement has increased by 16,127 compared to the end of March 2018, to 295,410 as at the end of March 2019.

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.

231,898 people receiving DA
as at the end of March 2019
(232,243 – end of March 2018)

Disability Allowance (DA)

The number of people receiving the Disability Allowance decreased by 345 compared to the end of March 2018, to 231,898 as at the end of March 2019.

The Disability Allowance is a weekly payment to assist people who have on-going 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.

64,391 people receiving TAS/
SPB as at the end of March 2019
(63,067 – end of March 2018)

Temporary Additional Support/Special Benefit (TAS/SPB)

The number of people receiving Temporary Additional Support/Special Benefit increased by 1,324 compared to the end of March 2018, to 64,391 as at the end of March 2019.

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.

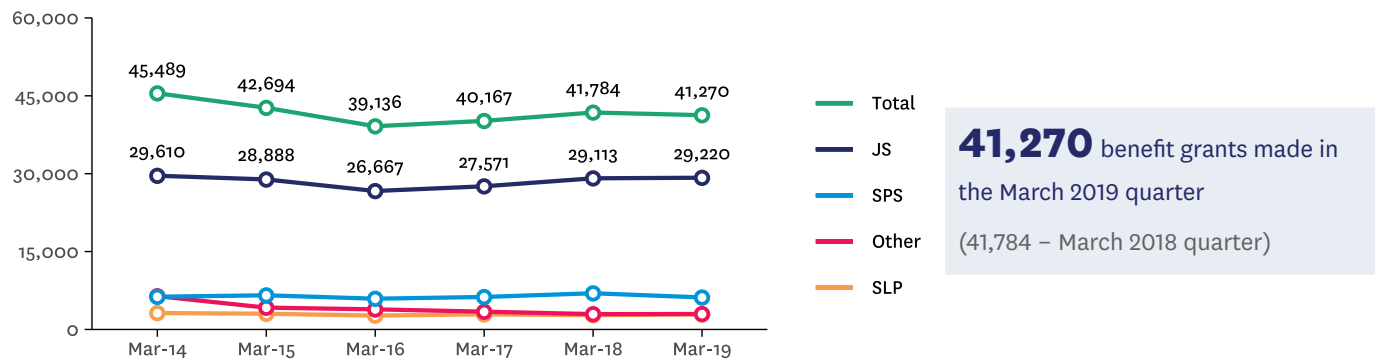
Benefit grants and cancellations

Grants

The number of benefits granted has decreased by 514 compared to the March 2018 quarter to 41,270 for the March 2019 quarter. There was an increase in benefit grants for Jobseeker Support, a decrease for Sole Parent Support, and remained relatively unchanged for Other Main Benefits categories. Supported Living Payment grants also increased slightly when compared to March 2018.

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 six March quarters (ie 1 January to 31 March).

Figure 10: Trends over time of benefit grants



Cancellations

The number of benefits cancelled has decreased by 3,295 compared to the March 2018 quarter, to 48,354 in the March 2019 quarter. This came from decreased cancellations of Jobseeker Support, and Sole Parent Support. Obtaining work is the main reason for benefit cancellations, however this reason fell by 1,434 from the March 2018 quarter, to 20,511 in the March 2019 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 March quarter for the last six March quarters (ie 1 January to 31 March).

Figure 11: Trends over time of benefit cancellations

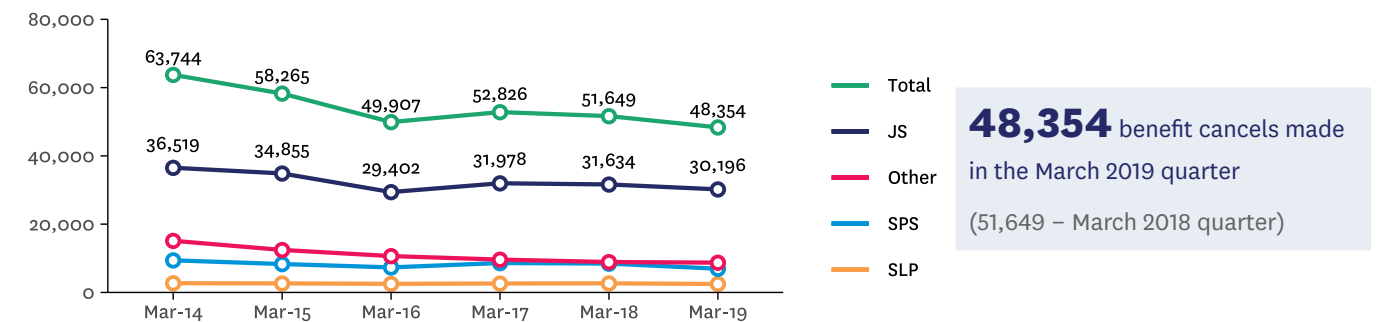
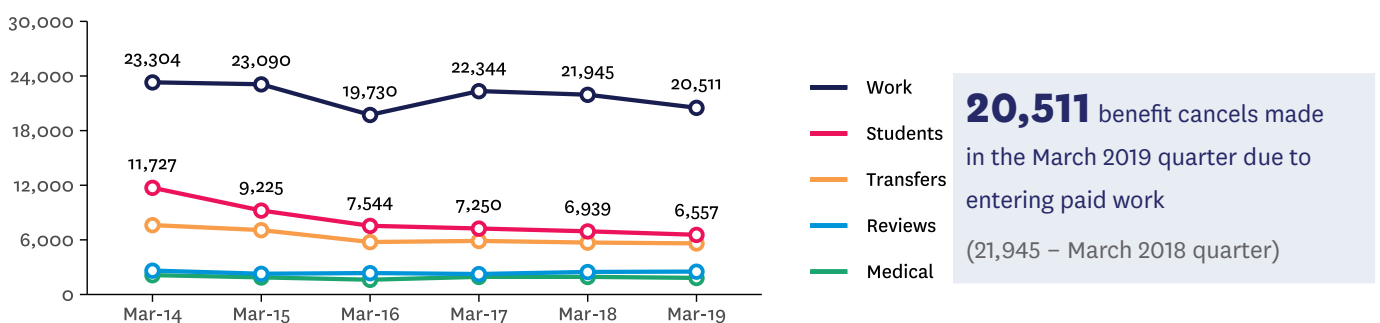


Figure 12: Trends over time of benefit cancellations, by selected reason



Benefit sanctions

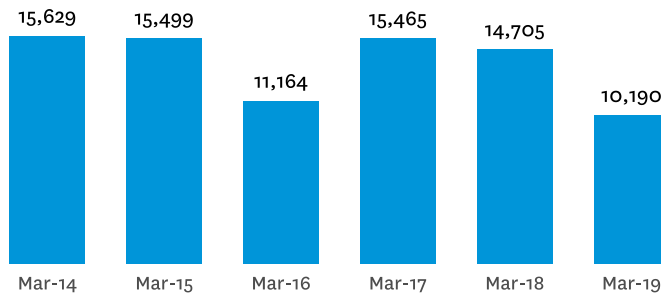
The number of sanctions issued in the March 2019 quarter was **10,190**. This was a decrease of 4,515 compared to the March 2018 quarter. The main reason for sanctions was due to the failure of clients to attend arranged appointments. As at the end of March 2019, there were **1,887** sanctions that were actively in place.

A sanction is a penalty imposed on a person's benefit for failure to fulfil 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 then result in a cancellation.

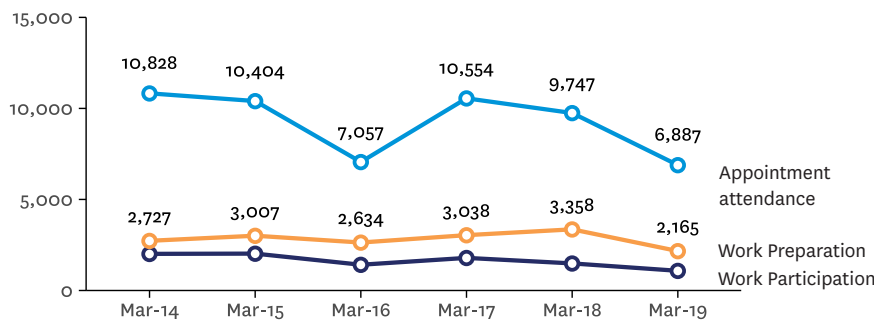
Not everyone who fails their obligations gets sanctioned; if benefit recipients re-comply or provide additional information, their failure to fulfil their obligations can be withdrawn.

Figure 13: Trends over time of benefit sanctions (flow data)



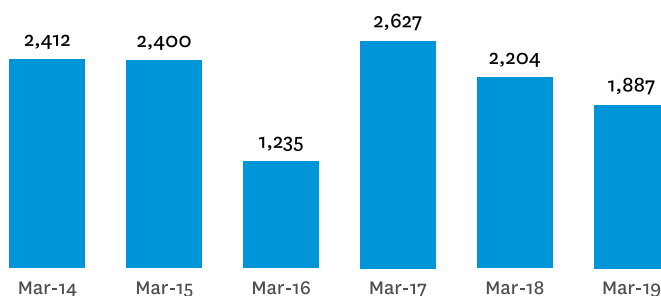
10,190 benefit sanctions made in the March 2019 quarter
(14,705 – March 2018 quarter)

Figure 14: Trends over time of benefit sanctions by reason



6,887 benefit sanctions made in the March 2019 quarter for failing to attend appointments
(9,747 – March 2018 quarter)

Figure 15: Trends over time of benefit sanctions (point-in-time data)



1,887 active benefit sanctions at the end of March 2019
(2,204 – end of March 2018)