



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA



Ministry of Social Development

Benefit Fact Sheets

Snapshot - June 2021 Quarter

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.

New Zealand Government

In the Benefit Fact Sheets Snapshot

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Protecting our clients information – confidentiality

All information in this document has been randomly rounded to base 3. Data found here is rounded independently from other products produced by the Ministry of Social Development (MSD) resulting in small differences in the data between products. From 12 February 2021, MSD is applying a range of new confidentiality procedures to public data releases. These 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-data-private.html>

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Published July 2021
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

Main benefit assistance

Main benefits

Main benefits for those of working age (18–64 years) 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, at the end of the last six June quarters

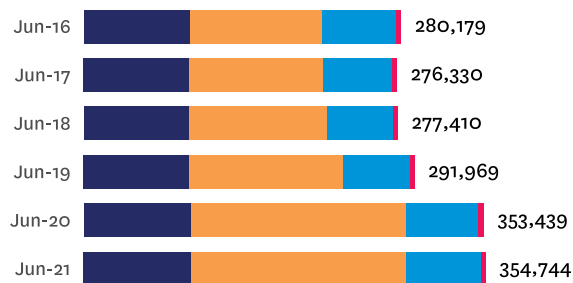


Figure 1b. Proportion of working-age population receiving main benefits, at the end of the last six June quarters



Supported Living Payment Jobseeker Support Sole Parent Support Other Main Benefits

354,744 working-age people receiving a main benefit as at the end of June 2021

The number of working-age people receiving a main benefit, as at the end of June 2021, was **0.4 percent higher** when compared to the June 2020 quarter. The proportion of the working-age population receiving a main benefit are **lower** than June 2020 (11.5 percent), and the recent peak in December 2020 (12.4 percent), **decreasing over the quarter to 11.3 percent** as at 30 June 2021.

11.3 percent of the working-age population receiving a main benefit as at the end of June 2021

The working-age population is a subset of the estimated New Zealand resident population, defined as those aged 18–64. To calculate population proportions, the working-age population is used, as at the most recent June estimate available.

Jobseeker Support (JS)

Figure 2a. Number of working-age people receiving Jobseeker Support by sub category, at the end of the last six June quarters

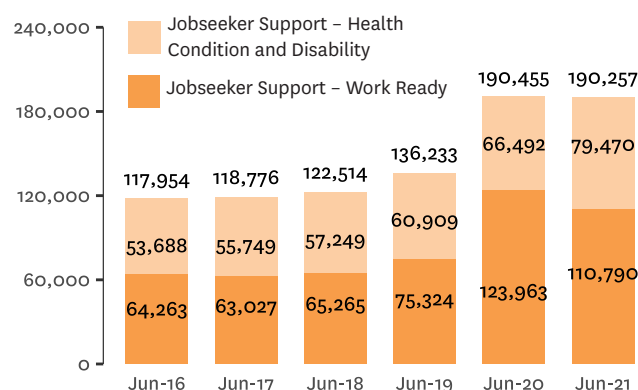
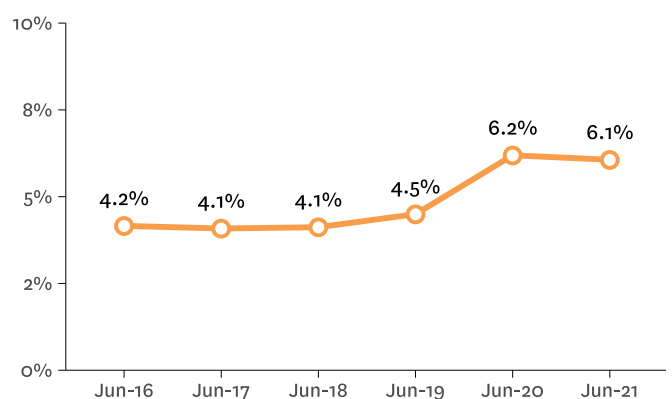


Figure 2b. Proportion of working-age population receiving Jobseeker Support, at the end of the last six June quarters



190,257 working-age people receiving Jobseeker Support as at the end of June 2021

As at the end of June 2021, the number of working-age people on Jobseeker Support decreased by **0.1 percent**, when compared to the June 2020 quarter. **Most of this decrease in Jobseeker Support, came from Jobseeker Support – Work Ready**, which decreased by 10.6 percent when comparing the end of June 2020 (123,963) to June 2021 (110,790).

6.1 percent of the working-age population receiving Jobseeker Support as at the end of June 2021

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. they have a health condition, injury, or disability).

Sole Parent Support (SPS)

Figure 3a. Number of working-age people receiving Sole Parent Support, at the end of the last six June quarters

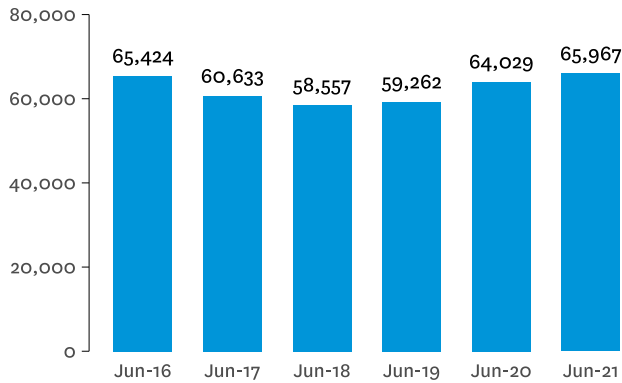
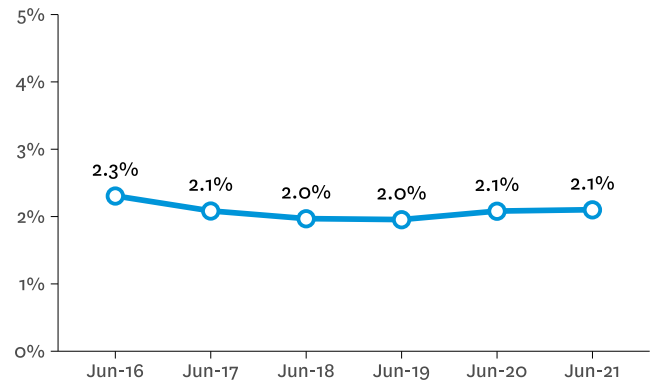


Figure 3b. Proportion of working-age population receiving Sole Parent Support, at the end of the last six June quarters



65,967 working-age people receiving Sole Parent Support as at the end of June 2021

As at the end of June 2021, **the number of working-age people on Sole Parent Support increased by 3.0 percent**, when compared to the June 2020 quarter. **The proportion of working-age people receiving SPS remained steady at 2.1 percent** as at the end of June 2021.

2.1 percent of the working-age population receiving Sole Parent Support as at the end of June 2021

Sole Parent Support is for single parents, with at least one dependent child under 14 years, many of whom can look for or prepare for work.

Supported Living Payment (SLP)

Figure 4a. Number of working-age people receiving Supported Living Payment, at the end of the last six June quarters

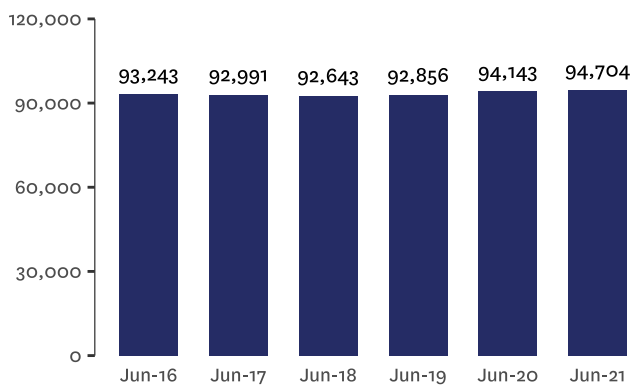
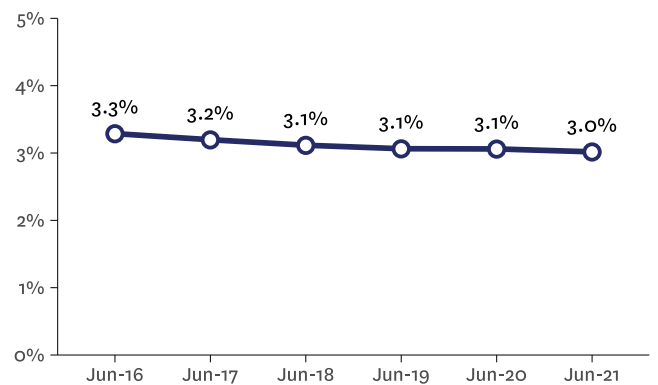


Figure 4b. Proportion of working-age population receiving Supported Living Payment, at the end of the last six June quarters



94,704 working-age people receiving Supported Living Payment as at the end of June 2021

As at the end of June 2021, **the number of working-age people on Supported Living Payment increased by 0.6 percent**, when compared to the June 2020 quarter. **The proportion of working-age people receiving SLP decreased to 3.0 percent** as at the end of June 2021.

3.0 percent of the working-age population receiving Supported Living Payment as at the end of June 2021

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 to another benefit.

Regional distribution of Jobseeker Support as a proportion of the working-age population, by Work and Income region, as at June 2021

The proportion of the working-age population* receiving Jobseeker Support decreased in almost every region. Northland had the highest proportion receiving Jobseeker Support at 10.5 percent, as at the end of June 2021.

In terms of annual change, Auckland Metro was the only region to increase by 0.1 percentage points. The largest percentage point decreases were seen in **East Coast (0.6 percent), Central (0.5 percent), and Nelson (0.4 percent) as at the end of June 2021**, when compared to June 2020.

Work and Income has 11 geographical regions. An extra category, "Other Region", is used to count people managed by national units, for example contact centres and processing centres.

All percentages have been rounded to the nearest decimal point. As a result, a percentage point change may be displayed as zero.

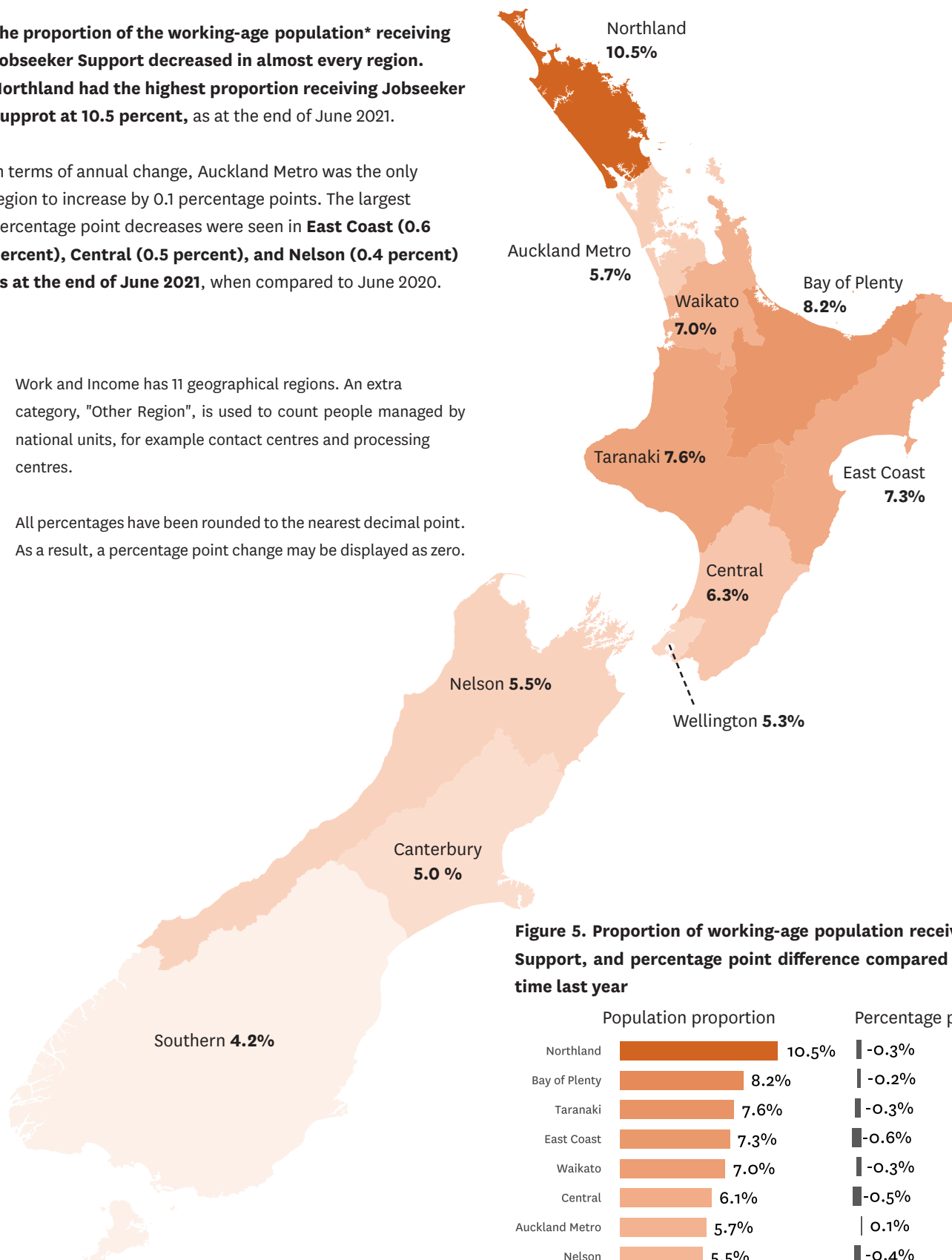


Figure 5. Proportion of working-age population receiving Jobseeker Support, and percentage point difference compared with the same time last year

Region	Population proportion	Percentage point change
Northland	10.5%	-0.3%
Bay of Plenty	8.2%	-0.2%
Taranaki	7.6%	-0.3%
East Coast	7.3%	-0.6%
Waikato	7.0%	-0.3%
Central	6.1%	-0.5%
Auckland Metro	5.7%	0.1%
Nelson	5.5%	-0.4%
Wellington	5.3%	-0.2%
Canterbury	5.0%	0.0%
Southern	4.2%	-0.2%

* The regional estimated working-age population figures used on pages four and five of this report have been calculated using Statistics New Zealand's revised regional population estimates as at June 2020.

Regional distribution of Sole Parent Support as a proportion of the working-age population, by Work and Income region, as at June 2021

The proportion of the working-age population receiving Sole Parent Support remained the same in most regions. Northland had the highest proportion at 3.7 percent, as at the end of June 2021.

In terms of annual change, most regions had no or only small changes, when compared to the June 2020 quarter.

Work and Income has 11 geographical regions. An extra category, "Other Region" is used to count people managed by national units, for example contact centres and processing centres.

All percentages have been rounded to the nearest decimal point. As a result, a percentage point change may be displayed as zero.

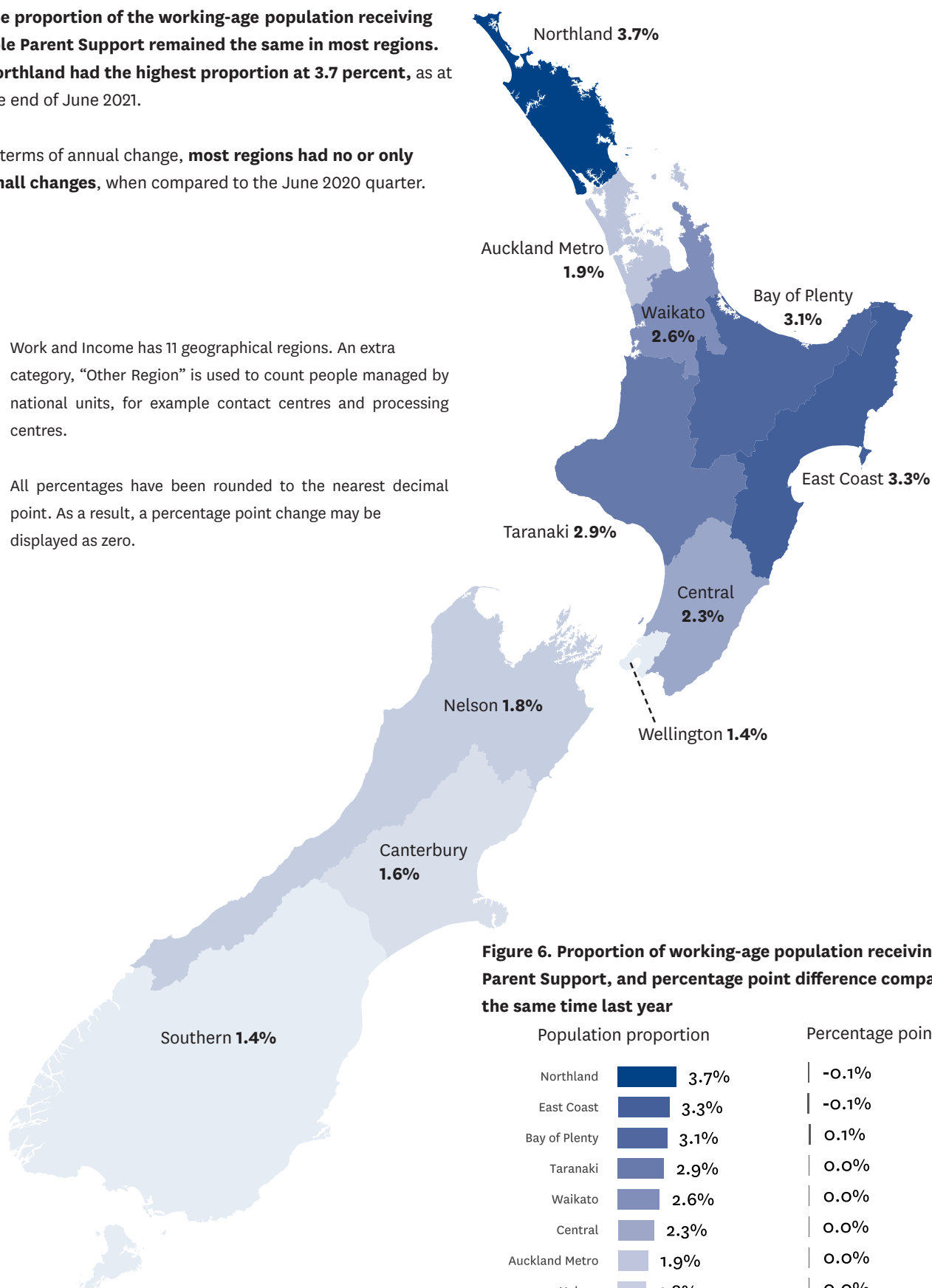


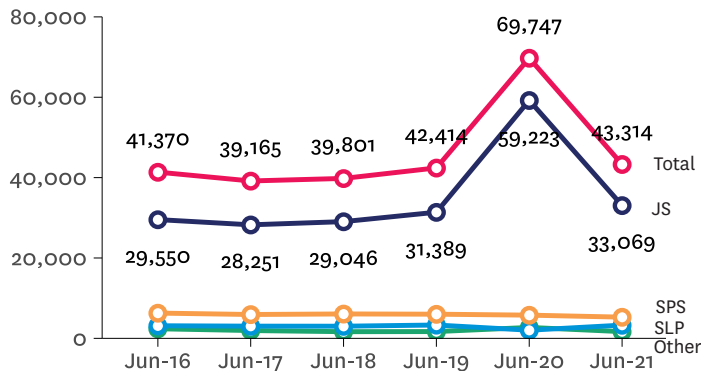
Figure 6. Proportion of working-age population receiving Sole Parent Support, and percentage point difference compared with the same time last year

Region	Population proportion	Percentage point change
Northland	3.7%	-0.1%
East Coast	3.3%	-0.1%
Bay of Plenty	3.1%	0.1%
Taranaki	2.9%	0.0%
Waikato	2.6%	0.0%
Central	2.3%	0.0%
Auckland Metro	1.9%	0.0%
Nelson	1.8%	0.0%
Canterbury	1.6%	0.1%
Southern	1.4%	0.0%
Wellington	1.4%	0.0%

Benefit grants and cancellations

Benefit grants

Figure 7. Number of benefits granted during the last six June quarters



The total number of benefits granted during the June 2021 quarter decreased by 26,433 when compared with the June 2020 quarter, or a decrease of 37.9 percent.

There were 33,069 benefit grants for Jobseeker Support (JS) during the June 2021 quarter, or a decrease of 26,154 when compared with the June 2020 quarter.

A grant is the formal acceptance of entitlement to a benefit. The numbers reported here are for benefits granted during the June quarter, for the last six June quarters (i.e. 1 April to 30 June).

Benefit cancellations

Figure 8a. Number of cancellations by benefit during the last six June quarters

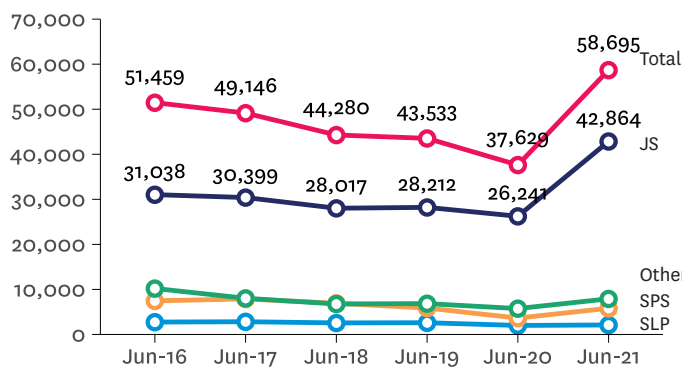
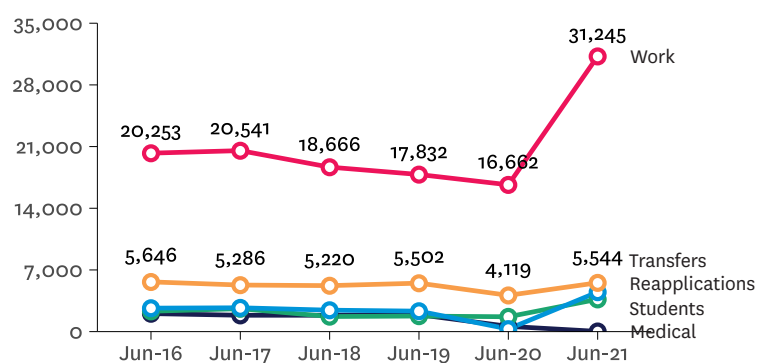


Figure 8b. Number of cancellations by selected reason during the last six June quarters



58,695 benefit cancels made during the June 2021

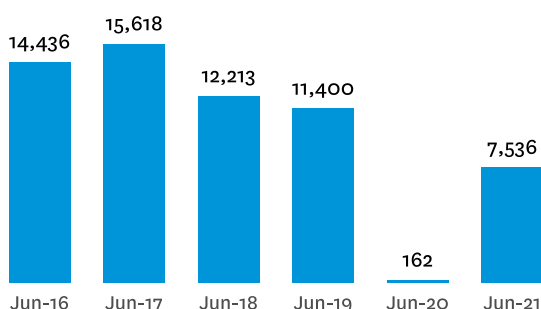
31,245 benefit cancels made during the June 2021 quarter due to obtaining work

The number of benefits cancelled during the June 2021 quarter increased by 21,066 when compared to the June 2020 quarter, or an increase of 56.0 percent. **Obtaining work, a main reason for benefit cancellations, increased by 87.5 percent** when compared to the June 2020 quarter.

A cancellation (cancel) is the formal process that stops the entitlement to a benefit. The numbers reported above are for benefits cancelled within the June quarter, for the last six June quarters (i.e. 1 April to 30 June).

Benefit sanctions

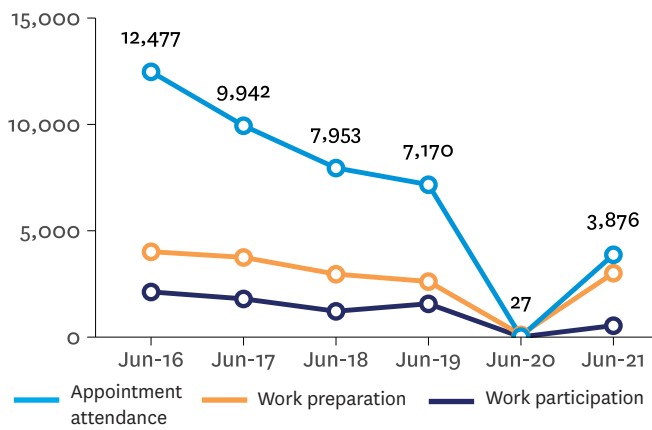
Figure 9. Number of sanctions for unfulfilled work obligations during the last six June quarters



The number of sanctions issued during the June 2021 quarter was **7,536**. Between 23 March 2020 and 27 May 2020, work related obligation failures were suspended, they restarted back in late June 2020 and have been increasing quarter on quarter since then.

A sanction is a reduction on a person's benefit that may occur if they do not 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 graduated sanction over the last 12 months. There are three types of sanctions: graduated (i.e. percentage reduction in benefit amount), suspended, or cancelled.

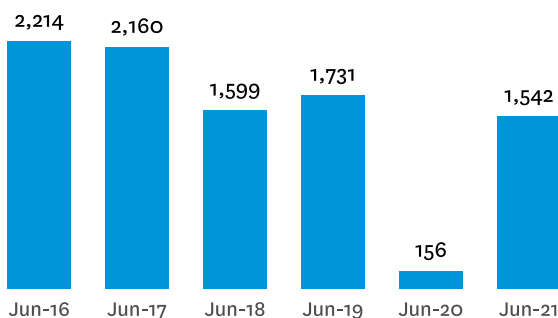
Figure 10. Number of sanctions for unfulfilled work obligations, by reason, during the last six June quarters



The main reason for sanctions was due to clients not attending appointments, with 3,876 recipients of a main benefit having unfulfilled work obligations due to this reason during the June 2021 quarter.

The maximum main benefit reduction for sole parents and couples with dependent children is 50 percent, when sanctioned within a 12-month period. For people without a de facto partner or couples with no dependent children, the first sanction is a maximum 50 percent reduction of their main benefit; for a second non-fulfilment of an obligation, they face a 100 percent suspension of their main benefit; and a third sanction will then result in a cancellation of their benefit.

Figure 11. Number of graduated sanctions active at the end of the last six June quarters

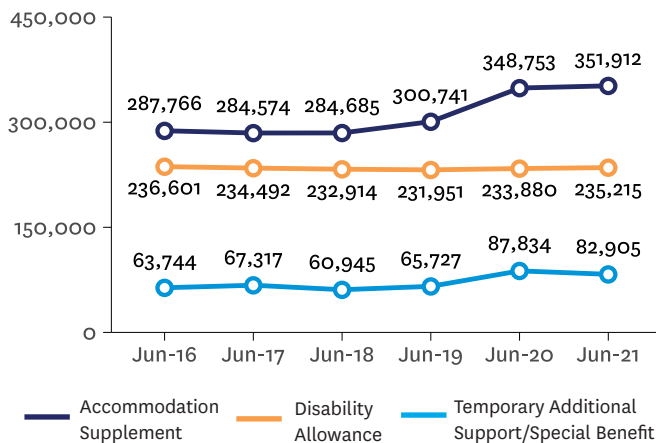


As at the end of June 2021, there were 1,542 graduated sanctions that were actively in place (i.e. when a client has a percentage reduction in their weekly benefit rate).

Not everyone who does not fulfil their obligations gets sanctioned; if benefit recipients re-comply or provide additional information, the sanction can be withdrawn.

Supplementary assistance

Figure 12. Number of recipients of supplementary assistance at the end of the last six June quarters



The number of people receiving **Accommodation Supplement** in the June 2021 quarter **increased by 3,159** when compared to the June 2020 quarter.

The number of people receiving **Temporary Additional Support/Special Benefit** in the June 2021 quarter **decreased by 4,929** when compared to the June 2020 quarter.

The number of people receiving **Disability Allowance** in the June 2021 quarter **increased by 1,335** when compared to the June 2020 quarter.

The Accommodation Supplement is a weekly payment to assist people on low incomes with their rent, board, or the cost of owning a home, but not those in public housing or Income-Related Rent. The changes in the number of people receiving an Accommodation Supplement tend to follow similar changes in benefit numbers.

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 changes in the number of people receiving a Disability Allowance tends to follow similar changes in benefit and New Zealand Superannuation numbers.

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 Special Benefit in 2006, however some people are still entitled to receive Special Benefit, therefore these are counted together.

Hardship assistance

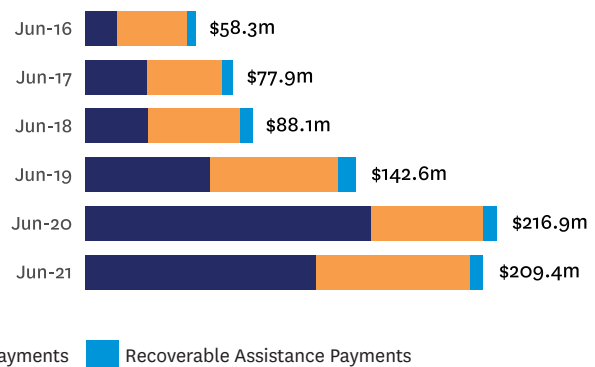
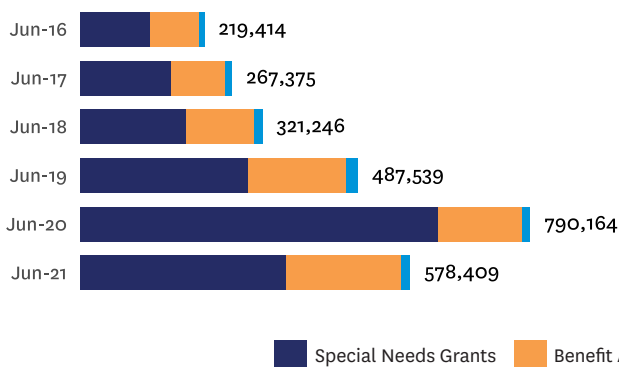
A total of **578,409 hardship assistance payments, worth \$209,420,649** were granted during the June 2021 quarter. These figures are lower than the hardship assistance granted during the June 2020 quarter, when there were 790,164 hardship assistance payments worth \$216,862,777.

Hardship assistance includes, but is not limited to: Special Needs Grants (SNGs), Benefit Advances (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 within the June quarter (i.e. 1 April to 30 June). Hardship assistance contains all ages data, rather than grants to only working-age (i.e. 18 to 64).

Total hardship assistance

Figure 13a. Number of hardship grants during the quarter for the last six June quarters, by type of assistance

Figure 13b. Value of hardship grants during the quarter for the last six June quarters, by type of assistance



Special Needs Grants Benefit Advance Payments Recoverable Assistance Payments

578,409 hardship grants granted during the June 2021 quarter

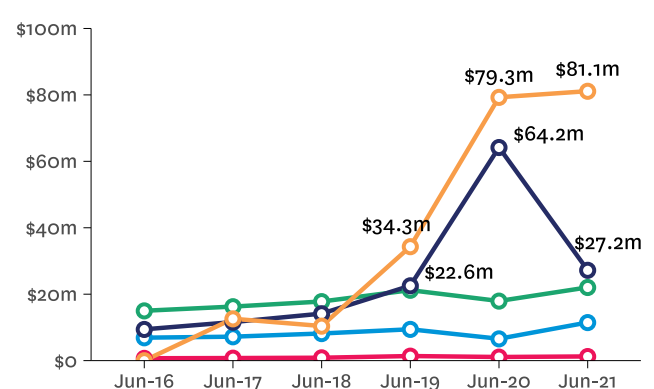
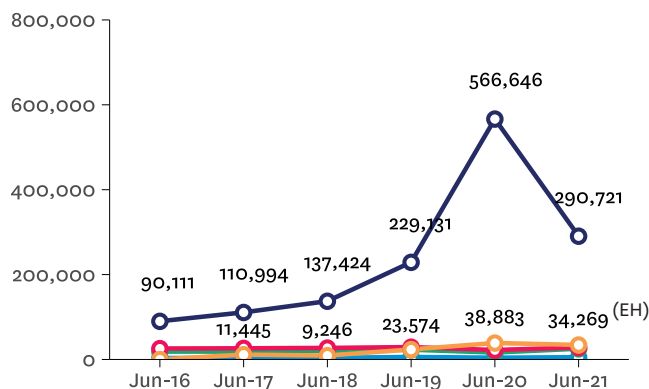
\$209,420,649 is the value of grants provided during the June 2021 quarter

Reasons for hardship assistance, detailed below include the reasons for both Benefit Advance and Special Needs Grant. The Accommodation-related reasons are for Benefit Advance grants only. Food grants, Medical-associated costs, and Emergency Housing reasons are for Special Needs Grants.

Reasons for granting hardship assistance

Figure 14a. Number of hardship grants during the quarter for the last six June quarters, by selected reason

Figure 14b. Value of hardship grants during the quarter for the last six June quarters, by selected reason



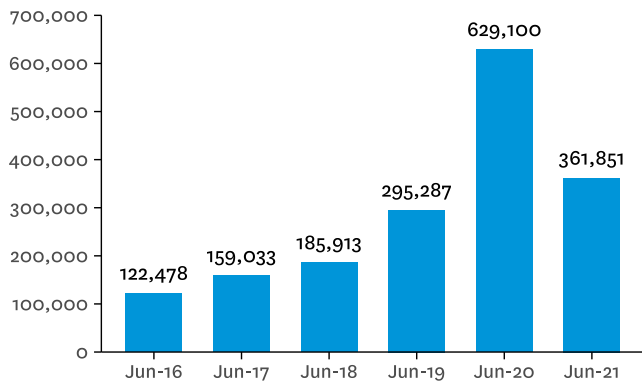
Emergency housing (EH) Food grants Electricity and gas Accommodation-related Medical-associated costs

The number of grants for Emergency Housing Special Needs Grants (EH SNGs) decreased by 4,614 to 34,269 EH SNGs granted in June 2021 quarter when compared to June 2020 quarter (38,883 grants).

When looking at the annual change, the number of Special Needs Grants (SNGs) for food has decreased. Comparing the June 2020 quarter to the June 2021 quarter, there was a 275,925 decrease in the number of SNGs for food granted, totalling 290,721 during the June 2021 quarter. As a result, the value of SNGs for food assistance decreased to \$27,227,936 during the June 2021 quarter.

Special Needs Grants (SNGs)

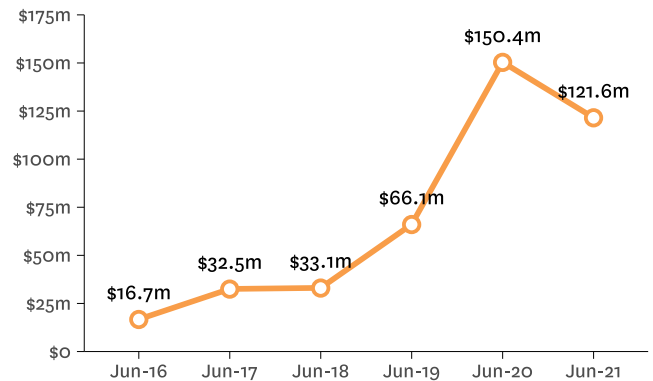
Figure 15a. Number of Special Needs Grants granted during the quarter, for the last six June quarters



361,851 Special Needs Grants granted during the June 2021 quarter

\$121,568,553 is the value of Special Needs Grants granted in the June 2021 quarter

Figure 15b. Value of Special Needs Grants granted during the quarter, for the last six June quarters

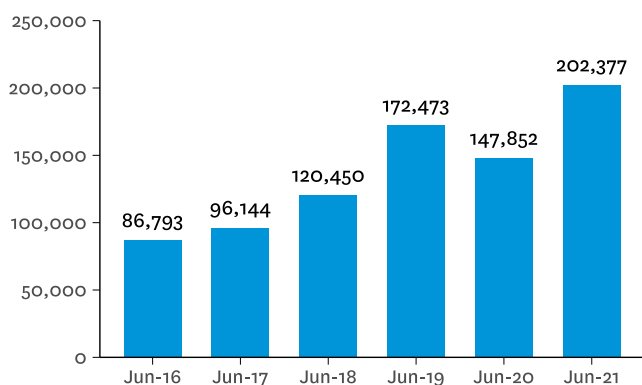


The number of Special Needs Grants granted was 267,249 lower during the June 2021 quarter when compared to the same period in 2020. The value of grants granted decreased from \$150,382,639 during the June 2020 quarter to \$121,568,552 during the June 2021 quarter.

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

Benefit Advances (ADVs)

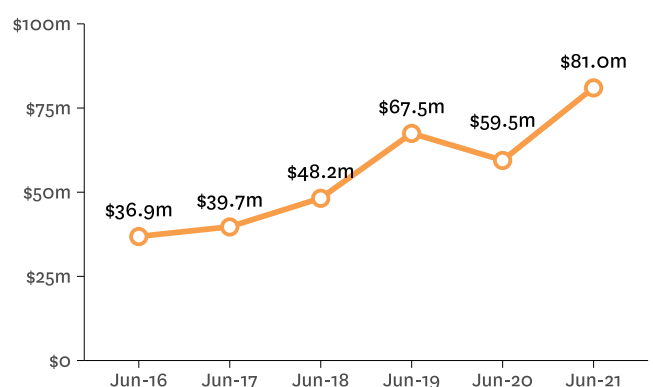
Figure 16a. Number of Benefit Advances granted during the quarter, for the last six June quarters



202,377 Benefit Advances granted during the June 2021 quarter

\$81,022,151 is the value of Benefit Advances granted during the June 2021 quarter

Figure 16b. Value of Benefit Advances granted during the quarter, for the last six June quarters



The number of Benefit Advances granted was 54,525 higher during the June 2021 quarter, compared with the June 2020 quarter. This has resulted in the value of Benefit Advances granted increasing by \$21,558,458 to a total of \$81,022,151.

Anyone receiving a main benefit who require assistance to meet an immediate essential need can have access to a Benefit Advance. The advance can be up to six weeks of their net entitlement, and is recovered from subsequent payments of benefit.