

2 4 JUN 2016

Mr Jonathan King Auckland Action Against Poverty fyi-request-4011-f69c5b5f@requests.fyi.org.nz

Dear Mr King

On 17 May 2016 you emailed the Ministry requesting, under the Official Information Act 1982, the following information:

- For each year from 1990 to 2016, the number of sole parents who were subject to reductions in the rates of their benefit payments under Section 70a of the Social Security Act, broken down by total number and percentage according to:
 - a) Gender
 - b) Age
 - c) Ethnicity
 - d) How many reductions were applied to that sole parent's benefit payments under Section 70a
 - e) As a percentage of sole parents receiving benefit payments listed in 70a at the time
- The number of cases for each of the years listed above in which reductions under Section 70a were not applied, or reductions where stopped, as a result of reference to the clauses in 70A(3) or equivalent clauses in previous versions of the law. Please break these down by total number and percentage according to which reason in law the exemption was applied.

As you are aware, from 15 July 2013, those in receipt of a Domestic Purposes Benefit Sole Parent moved to Sole Parent Support or, for those whose youngest child is aged between 14 and 18 years of age, to Jobseeker Support.

Under section 70A of the Social Security Act 1964, people who apply for a sole parent rate of benefit have a legal obligation to make a Child Support Application under the Child Support Act for each dependent child and identify the paying parents. However there are certain circumstances where a person does not have to apply for Child Support, for example, where the paying parent is deceased; where the parent caring for the child or children would be at risk of violence if they took steps to meet their Child Support obligations; where the paying partner is in prison; or the child was conceived as a result of sexual violation.

I have enclosed six tables that provide you with the breakdown of the working age sole parents on Jobseeker Support or Sole Parent Support with a section 70A Child Support deduction.

The Ministry is unable to provide you with the data prior to October 2004 as the Ministry's systems did not capture data on Child Support exemptions prior to this time. Since October 2004, this data was being captured while clients' records were gradually reviewed and updated, so you will note an increase in the numbers over the years.

I hope you find this information helpful. You have the right to seek an investigation and review of my response by the Ombudsman, whose address for contact purposes is:

The Ombudsman Office of the Ombudsman PO Box 10-152 WELLINGTON 6143

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Yours sincerely

Ruth Bound

Deputy Chief Executive, Service Delivery

Table 1: Working age sole parents on Jobseeker or Sole Parent Support with a section 70A Child Support deduction by gender as at the end of March 2005 to March 2016

| - | Ма | ar-05 | Ma | ar-06 | Ma | ar-07 | M | ar-08 | М | ar-09 | M | ar-10 | М | ar-11 | M | ar-12 |
|--------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| Gender | Number of clients | Percentage of clients |
| Female | 10,353 | 98.3 | 13,286 | 98.6 | 12,357 | 98.4 | 11,830 | 98.6 | 12,955 | 98 | 13,552 | 97.4 | 13,795 | 97.5 | 13,646 | 97.4 |
| Male | 180 | 1.7 | 186 | 1.4 | 205 | 1.6 | 167 | 1.4 | 258 | 2 | 355 | 2.6 | 357 | 2.5 | 365 | 2.6 |
| Total | 10,533 | 100 | 13,472 | 100 | 12,562 | 100 | 11,997 | 100 | 13,213 | 100 | 13,907 | 100 | 14,152 | 100 | 14,011 | 100 |

| | М | ar-13 | Ma | ar-14 | М | ar-15 | М | ar-16 |
|--------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| Gender | Number of clients | Percentage of clients |
| Female | 13,364 | 97.7 | 13,623 | 97.1 | 13,498 | 97.4 | 13,298 | 97.7 |
| Male | 321 | 2.3 | 405 | 2.9 | 364 | 2.6 | 318 | 2.3 |
| Total | 13,685 | 100 | 14,028 | 100 | 13,862 | 100 | 13,616 | 100 |

Table 2: Working age sole parents on Jobseeker or Sole Parent Support with a Section 70A Child Support deduction by age as at the end of March 2005 to March 2016.

| | Ma | r-05 | Ma | ar-06 | М | ar-07 | M | ar-08 | М | ar-09 | М | ar-10 | М | ar-11 | M | ar-12 |
|--------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|--------------------------|-------------------------|-----------------------|
| Age group | Number of clients | Percentage of clients | Number of clients | Percentage of clients | Number of clients | Percentage of clients |
| 18-19 | 509 | 4.8 | 511 | 3.8 | 517 | 4.1 | 468 | 3.9 | 620 | 4.7 | 582 | 4.2 | 539 | 3.8 | 460 | 3.3 |
| 20-24 | 2,431 | 23.1 | 2,968 | 22 | 2,749 | 21.9 | 2,674 | 22.3 | 3,018 | 22.8 | 3,061 | 22 | 3,171 | 22.4 | 3,189 | 22.8 |
| 25-29 | 2,582 | 24.5 | 3,339 | 24.8 | 3,054 | 24.3 | 2,861 | 23.8 | 3,078 | 23.3 | 3,213 | 23.1 | 3,330 | 23.5 | 3,337 | 23.8 |
| 30-34 | 2,082 | 19.8 | 2,692 | 20 | 2,481 | 19.8 | 2,302 | 19.2 | 2,477 | 18.7 | 2,635 | 18.9 | 2,655 | 18.8 | 2,542 | 18.1 |
| 35-39 | 1,489 | 14.1 | 2,048 | 15.2 | 1,894 | 15.1 | 1,853 | 15.4 | 1,982 | 15 | 2,072 | 14.9 | 2,020 | 14.3 | 1,944 | 13.9 |
| 40-44 | 935 | 8.9 | 1,176 | 8.7 | 1,085 | 8.6 | 1,053 | 8.8 | 1,152 | 8.7 | 1,316 | 9.5 | 1,354 | 9.6 | 1,412 | 10.1 |
| 45-49 | 356 | 3.4 | 533 | 4 | 560 | 4.5 | 559 | 4.7 | 635 | 4.8 | 713 | 5.1 | 716 | 5.1 | 730 | 5.2 |
| 50-54 | 113 | 1.1 | 163 | 1.2 | 176 | 1.4 | 179 | 1.5 | 191 | 1.4 | 237 | 1.7 | 288 | 2 | 298 | 2.1 |
| 55-59 | S | S | S | S | S | S | S. | S | 53 | 0.4 | 66 | 0.5 | 66 | 0.5 | 80 | 0.6 |
| 60-64 | S | S | S | S | S | S | S | S | 7 | 0.1 | 12 | 0.1 | 13 | 0.1 | 19 | 0.1 |
| Total | 10,533 | 100 | 13,472 | 100 | 12,562 | 100 | 11,997 | 100 | 13,213 | 100 | 13,907 | 100 | 14,152 | 100 | 14,011 | 100 |

Note: 'S' represents a suppressed value to protect clients' privacy.

Table 2: Working age sole parents on Jobseeker or Sole Parent Support with a Section 70A Child Support deduction by age as at the end of March 2005 to March 2016.

| Age group | M | ar-13 | М | ar-14 | М | ar-15 | М | ar-16 |
|--------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| | Number of clients | Percentage of clients |
| 18-19 | 279 | 2 | 303 | 2.2 | 216 | 1.6 | 241 | 1.8 |
| 20-24 | 3,134 | 22.9 | 3,285 | 23.4 | 3,177 | 22.9 | 2,952 | 21.7 |
| 25-29 | 3,405 | 24.9 | 3,553 | 25.3 | 3,620 | 26.1 | 3,634 | 26.7 |
| 30-34 | 2,591 | 18.9 | 2,688 | 19.2 | 2,709 | 19.5 | 2,674 | 19.6 |
| 35-39 | 1,860 | 13.6 | 1,822 | 13 | 1,840 | 13.3 | 1,890 | 13.9 |
| 40-44 | 1,327 | 9.7 | 1,325 | 9.4 | 1,279 | 9.2 | 1,214 | 8.9 |
| 45-49 | 696 | 5.1 | 627 | 4.5 | 608 | 4.4 | 628 | 4.6 |
| 50-54 | 287 | 2.1 | 305 | 2.2 | 280 | 2 | 262 | 1.9 |
| 55-59 | 84 | 0.6 | 87 | 0.6 | 101 | 0.7 | 92 | 0.7 |
| 60-64 | 22 | 0.2 | 33 | 0.2 | 32 | 0.2 | 29 | 0.2 |
| Total | 13,685 | 100 | 14,028 | 100 | 13,862 | 100 | 13,616 | 100 |

Table 3: Working age sole parents on Jobseeker or Sole Parent Support with a Section 70A Child Support deduction by prioritised ethnicity as at the end of March 2005 to March 2016

| | Ma | ar-05 | М | ar-06 | М | ar-07 | · M | ar-08 | М | ar-09 | М | ar-10 | M | ar-11 | · M | ar-12 |
|-------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| Ethnic group | Number of clients | Percentage of clients |
| Maori | 5,348 | 50.8 | 6,725 | 49.9 | 6,311 | 50.2 | 6,073 | 50.6 | 6,553 | 49.6 | 6,833 | 49.1 | 6,967 | 49.2 | 6,937 | 49.5 |
| NZ | | | , | | , | | | | | | | , | | | | |
| European | 3,120 | 29.6 | 3,850 | 28.6 | 3,559 | 28.3 | 3,371 | 28.1 | 3,894 | 29.5 | 4,125 | 29.7 | 4,226 | 29.9 | 4,172 | 29.8 |
| Other | 629 | 6 | 843 | 6.3 | 773 | 6.2 | 758 | 6.3 | 808 | 6.1 | 919 | 6.6 | 954 | 6.7 | 967 | 6.9 |
| Pacific Island | 1,334 | 12.7 | 1,904 | 14.1 | 1,778 | 14.2 | 1,648 | 13.7 | 1,749 | 13.2 | 1,808 | 13 | 1,777 | 12.6 | 1,720 | 12.3 |
| Unspecified | 102 | 1 | 150 | 1.1 | 141 | 1.1 | 147 | 1.2 | 209 | 1.6 | 222 | 1.6 | 228 | 1.6 | 215 | 1.5 |
| Total | 10,533 | 100 | 13,472 | 100 | 12,562 | 100 | 11,997 | 100 | 13,213 | 100 | 13,907 | 100 | 14,152 | 100 | 14,011 | 100 |

| | М | ar-13 | М | ar-14 | M | ar-15 | М | ar-16 |
|-------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| Ethnic group | Number of clients | Percentage of clients |
| Maori | 6,842 | 50 | 7,196 | 51.3 | 7,211 | 52 | 7,195 | 52.8 |
| NZ | , | | | | | | , | |
| European | 4,026 | 29.4 | 3,966 | 28.3 | 3,810 | 27.5 | 3,346 | 24.6 |
| Other | 969 | 7.1 | 960 | 6.8 | 946 | 6.8 | 987 | 7.2 |
| Pacific Island | 1,656 | 12.1 | 1,712 | 12.2 | 1,714 | 12.4 | 1,895 | 13.9 |
| Unspecified | 192 | 1.4 | 194 | 1.4 | 181 | 1.3 | 193 | 1.4 |
| Total | 13,685 | 100 | 14,028 | 100 | 13,862 | 100 | 13,616 | 100 |

Table 4: Working age sole parents on Jobseeker or Sole Parent Support with a Section 70A Child Support deduction by number of deductions as at the end of March 2005 to March 2016

| | Ma | ar-05 | М | ar-06 | М | ar-07 | М | ar-08 | М | ar-09 | М | ar-10 | М | ar-11 | М | ar-12 |
|------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|--------------------------|-------------------------|-----------------------|
| Deductions | Number of clients | Percentage of clients | Number of clients | Percentage of clients | Number of clients | Percentage of clients |
| 1 | 8,578 | 81.4 | 10,887 | 80.8 | 10,232 | 81.5 | 9,817 | 81.8 | 10,849 | 82.1 | 11,318 | 81.4 | 11,567 | 81.7 | 11,458 | 81.8 |
| 2 | 1,589 | 15.1 | 2,112 | 15.7 | 1,920 | 15.3 | 1,809 | 15.1 | 1,965 | 14.9 | 2,138 | 15.4 | 2,145 | 15.2 | 2,082 | 14.9 |
| 3 | 299 | 2.8 | 392 | 2.9 | 344 | 2.7 | 318 | 2.7 | 342 | 2.6 | 378 | 2.7 | 363 | 2.6 | 386 | 2.8 |
| 4 | 51 | 0.5 | 62 | 0.5 | 57 | 0.5 | 46 | 0.4 | 50 | 0.4 | 64 | 0.5 | 66 | 0.5 | 75 | 0.5 |
| 5 or more | 16 | 0.2 | 19 | 0.1 | 9 | 0.1 | 7 | 0.1 | 7 | 0.1 | 9 | 0.1 | 11 | 0.1 | 10 | 0.1 |
| Total | 10,533 | 100 | 13,472 | 100 | 12,562 | 100 | 11,997 | 100 | 13,213 | 100 | 13,907 | 100 | 14,152 | 100 | 14,011 | 100 |

| _ | M | lar-13 | М | ar-14 | М | ar-15 | М | ar-16 |
|------------|-------------------------|--------------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| Deductions | Number of clients | Percentage of clients | Number of clients | Percentage of clients | Number of clients | Percentage of clients | Number of clients | Percentage of clients |
| 1 | 11,097 | 81.1 | 11,407 | 81.3 | 11,183 | 80.7 | 10,848 | 79.7 |
| 2 | 2,091 | 15.3 | 2,116 | 15.1 | 2,151 | 15.5 | 2,189 | 16.1 |
| 3 | 407 | 3 | 409 | 2.9 | 445 | 3.2 | 476 | 3.5 |
| 4 | 82 | 0.6 | 87 | 0.6 | 72 | 0.5 | 82 | 0.6 |
| 5 or more | 8 | 0.1 | 9 | 0.1 | 11 | 0.1 | 21 | 0.2 |
| Total | 13,685 | 100 | 14,028 | 100 | 13,862 | 100 | 13,616 | 100 |

Table 5: The number of clients with a Section 70A Child Support deduction as a percentage of working age sole parents on Jobseeker or Sole Parent Support as at the end of March 2005 to March 2016

| | | Mar-05 | | | Mar-06 | | | Mar-07 | - | | Mar-08 | | · | Mar-09 | |
|---------|---|--|---|---|--|---|---|--|---|---|--|---|---|--|---|
| Benefit | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction |
| DPB- | | | | | | | | | | | | | | | |
| SP | 10,471 | 98,091 | 10.7% | 13,420 | 95,303 | 14.1% | 12,513 | 88,508 | 14.1% | 11,983 | 86,333 | 13.9% | 13,194 | 91,442 | 14.4% |
| JS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SPS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | . 0 | 0. |
| UB | | | | | | | | | | | | | | | |
| related | 62 | 2,612 | 2.4% | 52 | 1,993 | 2.6% | 49 | 1,393 | 3.5% | 14 | 772 | 1.8% | 19 | 885 | 2.1% |
| Total | 10,533 | 100,703 | 10.5% | 13,472 | 97,296 | 13.8% | 12,562 | 89,901 | 14.0% | 11,997 | 87,105 | 13.8% | 13,213 | 92,327 | 14.3% |

Table 5: The number of clients with a Section 70A Child Support deduction as a percentage of working age sole parents on Jobseeker or Sole Parent Support as at the end of March 2005 to March 2016

| | | Mar-10 | | | Mar-11 | | | Mar-12 | | | Mar-13 | | | Mar-14 | |
|---------------|---|--|---|---|--|---|---|--|---|---|--|---|---|--|---|
| Benefit | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction |
| DPB-SP | 13,861 | 97,661 | 14.2% | 14,110 | 99,922 | 14.1% | 13,972 | 98,989 | 14.1% | 13,642 | 92,550 | 14.7% | 0 | ·O | 0 |
| JS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 834 | 11,634 | 7.2% |
| SPS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | . 0 | 0 | 13,194 | 75,844 | 17.4% |
| UB related | 46 | 1,384 | 3.3% | 42 | 1,522 | 2.8% | 39 | 1,364 | 2.9% | 43 | 1,388 | 3.1% | 0 | 0 | 0 |
| Total | 13,907 | 99,045 | 14.0% | 14,152 | 101,444 | 14.0% | 14,011 | 100,353 | 14.0% | 13,685 | 93,938 | 14.6% | 14,028 | 87,478 | 16.0% |

| DPB-SP JS SPS | | Mar-15 | | | Mar-16 | |
|---------------------|--|------------------------------------|---|--|------------------------------------|---|
| Benefit | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction | Number of clients with a Section 70A deduction | Number of working age sole parents | Percentage of working age sole parents with a section 70A deduction |
| DPB-SP | 0 | . 0 | 0 | 0 | 0 | 0 |
| JS | 828 | 10,867 | 7.6% | 852 | 10,638 | 8.0% |
| SPS | 13,034 | 70,373 | 18.5% | 12,764 | 66,387 | 19.2% |
| UB related | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 13,862 | 81,240 | 17.1% | 13,616 | 77,025 | 17.7% |

Note:

JS and SPS replaced UB and DPB-SP when the Welfare Reform changes came into place on 15th July 2013.

Table 6: Working age sole parents on Jobseeker or Sole Parent Support with a Section 70A Child Support exemption by exemption reason as at the end of March 2005 to March 2016

| Everation resear | | | | | | Number o | of clients | | | - | | |
|---------------------------------------|--------|--------|--------|--------|--------|----------|------------|--------|--------|--------|--------|--------|
| Exemption reason | Mar-05 | Mar-06 | Mar-07 | Mar-08 | Mar-09 | Mar-10 | Mar-11 | Mar-12 | Mar-13 | Mar-14 | Mar-15 | Mar-16 |
| Compelling circumstances s70a (3)(bb) | 0 | 22 | 25 | 37 | 70 | 86 | 104 | 112 | 118 | 203 | 275 | 364 |
| Conception issues s70a (3)(c) | 42 | 75 | 75 | 96 | 108 | 118 | 138 | 153 | 139 | 157 | 181 | 206 |
| Insufficient evidence s70a (3)(a) | 74 | 169 | 200 | 245 | 311 | 378 | 437 | 491 | 504 | 536 | 595 | 702 |
| Taking active steps s70a (3)(b) | 179 | 536 | 630 | 700 | 707 | 766 | 765 | 796 | 800 | 886 | 961 | 1,128 |

| Exemption reason | Number of clients | | | | | | | | | | | |
|------------------|-------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | Mar-05 | Mar-06 | Mar-07 | Mar-08 | Mar-09 | Mar-10 | Mar-11 | Mar-12 | Mar-13 | Mar-14 | Mar-15 | Mar-16 |
| Violence s70a | | | | | | | | | | | | |
| (3)(ba) | 0 | 61 | 102 | 144 | 187 | 216 | 233 | 276 | 309 | 345 | 396 | 541 |
| Total | 294 | 851 | 1,012 | 1,197 | 1,356 | 1,529 | 1,648 | 1,791 | 1,831 | 2,086 | 2,360 | 2,884 |

Notes:

Some clients can be counted twice in the table if they have more than one child with a section 70a exemption for different reasons, however they will only be counted in the total once. The Ministry's systems did not capture data on Child Support exemptions prior to October 2004.

Since October 2004, this data was being captured while clients' records were gradually reviewed and updated, so we see an increase in the numbers over the series.

Working age clients is 18-64 year old clients.

Sole parents on JS includes single clients with children included in their benefit.

Clients can have multiples Section 70A deductions, if they have multiple children for which this is applicable. This report is a count of clients with one or more deduction.

Demographics are for the client, not the children to whom the deductions are applied.

It cannot be assumed that the ethnicity classification used to construct this table necessarily aligns neatly with the current Statistics New Zealand classification of ethnicity. Ethnicity details recorded in MSD's systems have been gathered under a variety of classification schemes as clients came into contact with the Ministry.

Other ethnicities includes Other Europeans, Asian peoples and Middle Eastern/Latin American/African people.

JS is Job Seeker.

SPS is Sole Parent Support.

UB related is Unemployment Benefit and Unemployment Benefit Hardship

DPB-SP is Domestic Purposes Benefit - Sole Parent