

New analysis measures the living standards of people receiving income-tested main benefits

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Analysis shows a high prevalence of material hardship and other adverse outcomes among people receiving a main benefit.

In joint research with the Ministry of Social Development, [*Measuring the living standards of people receiving income-tested main benefits* \[PDF, 492 KB\]](#) provides information on the living standards of individuals receiving income-tested main benefits compared with the working-age population not receiving an income-tested benefit.

The paper uses data from the New Zealand General Social Surveys (NZGSS) linked to government administrative records.

Research looked at a range of measures of hardship and wellbeing for individuals receiving a main benefit.

Findings

Analysis shows a high prevalence of both material hardship and other adverse outcomes among people receiving a main benefit.

The data shows high rates of respondents reporting that they were postponing visits to the doctor because of costs, living in over-crowded and poor-quality housing, and being unable to afford necessities. In addition, people receiving income-tested main benefits fared relatively poorly across many of the wider measures of wellbeing.

The analysis shows, across virtually all indicators, the average standard of living of benefit recipients is considerably lower than the rest of the community.

Caveats

Some caution is required in the use of the analysis presented in this paper.

The sample size is relatively small and was sourced from the 2014 and 2016 waves of the New Zealand General Social Survey.

Any changes or reforms since that time mean that the living standards may now be different to what was observed in 2016.

While the analysis documents the living standards of individuals in receipt of benefits and makes comparisons with the rest of the working age population, it is not an investigation of the ability and extent to which current policy and service delivery settings are able to influence the overall extent of hardship and other poor outcomes for people accessing support.

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