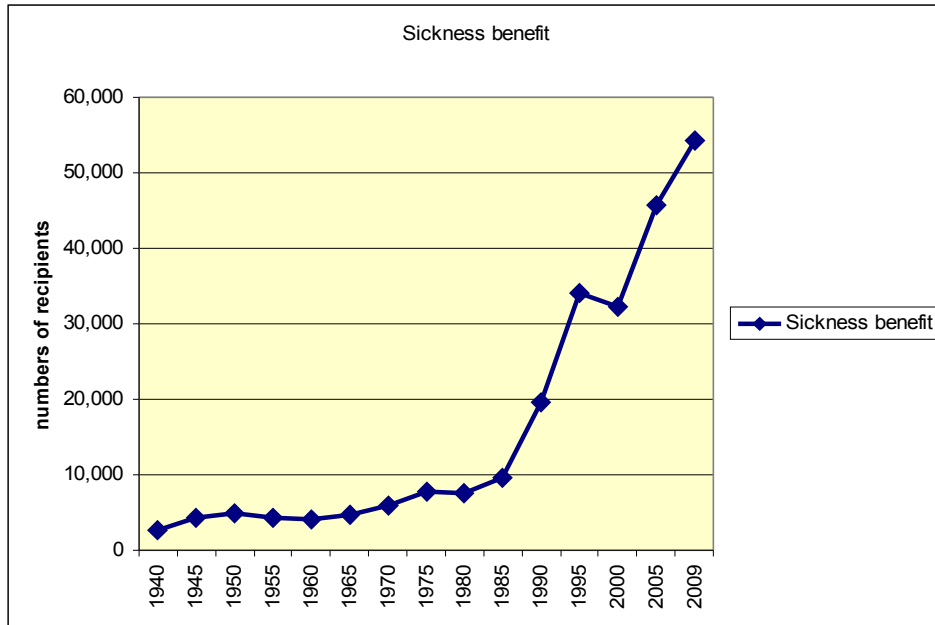


Sickness Benefit Growth



For many years after its inception the sickness benefit uptake remained low and steady. Remarkably despite the population doubling between 1940 and 1985 the numbers receiving a sickness benefit at any given time never exceeded 10,000.

At the end of 2009 only 51.5 percent of current sickness beneficiaries had received their benefit for less than 1 year whereas during 1971, 97 percent of the sickness benefits ceased had been in place for less than a year. At the end of 2009 13.5 percent of sickness beneficiaries had been on that benefit for 4 or more years. This tendency to stay on a sickness benefit longer is contributing to the growing total.

At the end of 2008 one in twelve people receiving a sickness benefit had a primary incapacity of substance abuse. More beneficiaries will be substance abusers with a different primary incapacity eg depression. The fastest growing primary incapacity is psychiatric or psychological now accounting for 41 percent of all sickness beneficiaries.

The sickness benefit also provides a pathway to the DPB with almost 3,000 females transferring between these benefits in 2008. 37 percent were teenagers who were pregnant with no form of financial support.

TABLE ONE: Number of transfers from Sickness-related Benefit with 'pregnancy related' reasons to Domestic Purposes-related Benefit for working age females in the 2008 calendar year, broken down by age and ethnicity

Age group	Ethnicity					Total
	Maori	NZ European	Pacific Island	Other	Unspecified	
18-19	541	316	123	50	68	1,098
20-24	614	362	178	56	46	1,256
25-29	151	112	52	41	1	357
30-34	44	40	17	14	2	117
35-39	41	42	9	10	1	103
40-44	9	7	1	2	0	19
45-49	1	0	0	2	0	3
Total	1,401	879	380	175	118	2,953

A further 126 16-17 year-olds were receiving a sickness benefit for pregnancy reasons at the end of March 2009.