

New Jobseeker benefit sanctions may ‘negatively impact young job seekers’ in Northland

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During a time of high unemployment, [recent changes made to the Jobseeker benefit](#) may negatively impact young job seekers in [Northland](#), a career advocacy group believes.

Last week Prime Minister Christopher Luxon and Social Development and Employment Minister Louise Upston announced new sanctions to those on the [Jobseeker benefit](#).

The changes include requiring Jobseeker Support recipients to reapply every six months, requiring all beneficiaries with work obligations to have a Jobseeker profile before receiving a benefit and having 50% of the benefit go on to a payment card that can only be used for limited essential products and services.

Northland leads the pack with the largest proportion of its [population on Jobseeker benefits](#).

At the end of June, 380,889 people were receiving a main benefit of some kind, up 8.3%, or 29,130 people compared to June 2023. Of those, 113,931 were receiving Jobseeker Support. Northland had the largest proportion of its population of Jobseekers anywhere in the country, at 10.5%.

Youth Employability Aotearoa (YEA) director Emma Godwin said the new changes would likely have a “very negative impact on our young jobseekers”.

“The measures are landing during a period of high unemployment. This means they are only going to lead to greater social issues and a greater burden on our stretched community sector which will be left to pick up the pieces.

“The application of a blunt instrument for a complex socioeconomic situation is going to fail our youth. New Zealand needs a review of how our young people are supported to transition successfully from education into employment. It’s a critical transition that no one in government is currently taking seriously. “

She added that the Government needed to support struggling employers.

“You don’t get job creation when businesses are fighting for survival. Although the economic pressures are showing signs of easing, we’re still hearing from our network that it’s getting harder and harder to find employers willing and able to take on young employees.”

Godwin said some of the barriers to employment for you in Aotearoa include unstable home environments, abuse, housing instability, no driver’s licence, technology deprivation, economic downturns and poor or no public transport.

YEA is an advocacy group that connects youth employment providers with stakeholders to advocate for change to the systems that create barriers to youth employability and employment.

“There are too many youths falling out of school, or struggling to sustain employment, and we are seeing our NEET [youth not in education, employment or training] numbers rise.”

Godwin said in addition to socio-economic issues and the remoteness of the region, the economic downturn has tightened the job market, “and youth are the first generation to miss

out on job opportunities as employers will often choose to employ an experienced employee over an inexperienced employee”.

Upston said a new Traffic Light System will also come into effect to inform people what is required of them to continue receiving a benefit under the current system and warn them when they are not meeting those expectations.

“There are responsibilities that come with receiving a benefit, and there will be no more excuses for job seekers not knowing what those responsibilities are.”

“These changes come with increased support in the form of a new phone-based case management service for 4000 job seekers aged 18 to 24, and 2100 extra places for young people to get community job coaching.

“Our welfare system will always be a safety net that catches people if they fall. But in the past few years it has become a dragnet that has captured too many people who can work and allowed them to languish on Jobseeker Support for too long.

“The number of people on Jobseeker Support increased by 70,000 under the previous government as the use of sanctions significantly decreased, and almost two-thirds of the people receiving this benefit have been for over a year.

“Our Government will not tolerate people who accept the Jobseeker Support benefit but refuse to uphold their obligation to seek a job – it is not fair on hardworking Kiwis who pay their taxes that go towards those benefit payments.”

Whangarei local Cody Black said she is on a benefit and while she didn’t find it difficult to find work, she had some friends and family who found it difficult to find work.

“There are some barriers in having to look for a job. I have looked at jobs, but they were not ideal for me.

“It’s hard to find something that will give flexibility. That will allow me to be with my daughter.”

She said some other barriers faced by people she has encountered include the stigma around those who were formerly incarcerated.

“It can be disheartening. As soon as you have a criminal history it makes it harder to get a job. Or if you have a child, that can also be a barrier.

“How are you supposed to turn your life around if no one is giving you a chance.”

People Potential chief executive Bronwyn Ronayne said because Northland is a region made up of mostly small to medium businesses “it’s a lovely place to live but also we’re affected quickly by challenges such as weather events, road closures, fallout from Covid and the economic situation”.

“It takes us longer to bounce back.

“I think it is quite challenging at the moment. I think businesses are cautious after a tough few years and uncertainty about what is to come, in terms of the economy, and infrastructure of the area. So, more are likely to consolidate and stay afloat, rather than look for new employees and growth.”

She said forestry is a big part of Northland’s economy but is currently experiencing a lull.

“There seems to be quite a lot of need in health and aged care.”

Dianne Harris, budgeting co-ordinator at the Whangārei Anglican Care Centre, said she believes the changes were needed.

“Due to many variations to benefits over the years a lot of people have started to believe the benefit was a right and were making no effort to find a job. By making these changes it means that JS benefit can be looked on as a stop gap not a lifestyle. Helping people to become work ready.”

She said people new to the Jobseeker benefit are finding it hard due to the drastic cut in income so are coming for support and advice.

“Most of the clients we see do want to get off the benefit and get a job but feel there is so many restrictions, will these changes make it easier for them or will some fall through the cracks.”