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S21.11

Submission to the Social Services and Community Committee on the Social Security (Subsequent Child Policy Removal) Amendment Bill 18-1

Introduction

- 1 The National Council of Women of New Zealand, Te Kaunihera Wahine o Aotearoa (NCWNZ), is an umbrella group representing over 200 organisations affiliated at either national level or to one of our 15 branches. In addition, about 450 people are individual members. Collectively our reach is over 450,000 with many of our membership organisations representing all genders. NCWNZ's vision is a gender-equal New Zealand and research¹²³ shows we will be better off socially and economically if we are gender equal. Through research, discussion and action, NCWNZ in partnership with others, seeks to realise its vision of gender equality because it is a basic human right.
- 2 The NCWNZ Social Issues Committee has prepared this submission after consultation with the membership of NCWNZ.

Summary

- 3 NCWNZ holds a long-standing concern for the welfare of children, and has a history of supporting all children, and in particular, vulnerable children living in precarious circumstances. We once again urge the Government to ensure that the wellbeing of children – both short-term and long-term – is at the heart of all social security policy and legislation.
- 4 Members who contributed to the submission view the existing legislation as primitive and punitive, and support the proposed amendments to Clauses 3 – 10 of The Social Security Act 2018 and Clauses 11- 16 of The Social Security Regulations 2018. NCWNZ endorses the amendment that will see a sole parent move to Job Seeker status when their youngest child is three years old, and further recommends Section 121 (a) is amended to five years of age.

¹ Crum et al. 2019. The Global Gender Equality Movement. *Benefits*, 56(10): 32-39.

² OECD. 2021. *Why a push for gender equality makes sound economic sense*. <https://www.oecd.org/gender/push-gender-equality-economic-sense.htm>

³ Diversityworks.nz. 2021. *Why Diversity?* https://diversityworks.nz.org.nz/why-diversity/?gclid=CjwKCAjwy42FBhB2EiwAJY0yQoUDE-JTQbUTZmF_g0k2bxgDv6Ti1kfec9Hjf0sCVXW31p6LnQ1laxoCy4cQAvD_BwE

- 5 NCWNZ believes the original legislation failed to fulfil its aims of reducing time spent on benefits and improving financial and social outcomes. Instead, the job-seeker requirements imposed on parents have added to stress and negatively impacted the mental wellbeing of sole parents.
- 6 NCWNZ notes the negative impact of punitive and complex welfare policies on the following groups of beneficiaries in particular – Māori women, Pasifika women, and women with disabilities. Additional challenges for rural women were also noted.
- 7 There is agreement that the proposed Bill aligns with the Welfare Expert Advisory Group (WEAG)'s goal to treat beneficiaries with dignity⁴, and is a step in the right direction, but does not go far enough to alleviate hardship and stress for parents raising their tamariki.
- 8 Our members have concerns that the impact of COVID-19 has not been taken into account when drafting this legislation.
- 9 Many members consider that caring and parenting are not valued sufficiently in Aotearoa New Zealand, and long-term negative consequences for society arise from the lack of parental support.
- 10 Members recommend offering education and training opportunities rather than job-seeking requirements for parents.
- 11 Children need strong parental support in their very early years and through their teenage years to receive support in navigating issues associated with adolescent and teen years.
- 12 We are aware that this Bill aims to improve access to entitlements through clearer language and process, but wish to see further steps taken to ensure all eligible citizens are informed of the entitlements they are due.
- 13 Additionally, we recommend exploring alternative means of supporting sole parents caring for children in their children's early years.

Members' Views in Detail

- 14 There is strong support from NCWNZ membership for a law change that will see a more child-centred approach to delivering welfare benefits. Our membership believes that the existing policy is unfair to a child. All children should be considered worthy by the state, and given equal opportunity and equal access to time with their parents, health care, decent food, clothing, and schooling. The existing legislation is not child-centred and there is no logic to the principle that two or more children need less parenting time and care than one child. Providing consistent support for the parenting of children in the first three years of their life is critical for ensuring a child's optimum physical and emotional development⁵⁶. The requirement of the existing policy means that any child after the first is discriminated against, as it will have its

⁴ Welfare Expert Advisory Group. 2019. *Whakamana Tāngata Restoring Dignity to Social Security in New Zealand*. <http://www.weag.govt.nz/assets/documents/WEAG-report/aed960c3ce/WEAG-Report.pdf>

⁵ UNICEF. 2021. *Child Development and Early Learning*. <https://www.unicef.org/ffi/03/>

⁶ Jeong J et al. 2021. Parenting interventions to promote early child development in the first three years of life: A global systematic review and meta-analysis. *PLoS Medicine*, 18(5): 1-51 <https://doi.org/10.1371/journal.pmed.1003602>

parent's care for only one year, whereas the first child will have three years of parental nurturing. To strengthen parenting support for children under the age of three, NCWNZ endorses the proposed amendments to the Social Security (Subsequent Child Policy Removal) Amendment Bill.

- 15 NCWNZ membership considers the existing policy punishes the child and the sole parent. The requirement for a sole parent to return to work when the youngest child turns one year of age is viewed as another example of victimising beneficiaries. It is punitive and judgemental, and we endorse the removal of this requirement. The policy ignores the child's needs, and the many stressors on a parent of young children. A child should not be penalised for the circumstances of its parent. Concern was also expressed that choice is being taken away from a sole parent who may wish to be a full-time parent, making full-time parenting an elite occupation, available to a privileged few.
- 16 The objectives of the original legislation, that is, to reduce time on benefits and improve financial and social outcomes, have not been achieved. The requirement of the existing legislation ignores any impact on the mental health of a parent required to return to work or look for work while juggling household tasks and caring for two or more children, the youngest being one year of age. Sole parents need adequate financial support and to be given a choice about returning to work. Women need support to parent their children, and their ability to study or work can be limited when coping with stress. Having a parent available to them in their early years provides security and stability for a child, and provides a solid foundation for their future development.
- 17 Some members consider that the state's actions towards people receiving benefits do not necessarily treat people with dignity. People are vulnerable and scared in these circumstances and it is not easy to navigate the social security system.
- 18 Members further suggest that the proposed changes to legislation need to be implemented to return to adequate funding for housing and health, and a focus on meaningful and long-term employment.
- 19 Members expressed concern about the lack of accessible or affordable childcare. If a parent is obliged to seek part-time work, there must be an assurance that income earned is greater than childcare costs. NCWNZ acknowledges the recent changes implemented by the Government that guarantee 20 hours of ECE for children aged 3, 4, and 5 years, and other support for childcare.
- 20 Our membership further believes the welfare system must have flexibility and work on a case-by-case basis to provide a level playing field for sole parents. One size does not fit all, and some families, for example those with a child with special medical or other needs, will require more help than others. Allowing parents to be involved in their children's lives without the pressure of seeking employment when the youngest child is three is beneficial to both parties. Being adequately resourced to be involved in ECE, school and after school can empower the parent and adds security and richness to the child's life. A parent's self-esteem is built up by being engaged in their child's learning, being able to contribute by offering classroom support,

taking up committee roles, understanding how maths etc is taught and being able to support their children generally.

- 21 NCWNZ membership believes that special consideration of wāhine Māori, Pasifika women and women with disabilities is required, acknowledging the need for culturally sensitive approaches when formulating social security policy. This cohort has been disproportionately affected to date especially with the difficulties of gaining part-time work⁷⁸⁹. Women from other migrant communities will also face added challenges in this sphere.
- 22 NCWNZ endorses WEAG's proposal based on whakamanatāngata that is centred on treating people with dignity and supporting long-term outcomes, and further believes a holistic approach must be taken to ensure that the change in one aspect of the policy does not negatively affect others. The existing policy is designed to make women feel that they should not have subsequent children. Breaking the cycle of shame, judgement and the repetition of intergenerational poverty is necessary. It makes economic sense to support parents in nourishing their children in their early years thereby reducing long-term costs to the individual and to society.
- 23 Our membership believes that the proposed legislation is a step in the right direction. However, with the fracturing of New Zealand society and the impact it has had on generations of families, we believe there is a need for support and education on such topics as parenting and budgeting to help break the cycle.
- 24 It is noted that this legislation will not support the Government's welfare overhaul work programme unless it is properly resourced.
- 25 Our membership therefore, endorses a whakamatāngata approach to the delivery of social security benefits. This includes ensuring no child is homeless or goes without the necessities of food, clothing and shelter.
- 26 NCWNZ notes that this Bill was prepared pre-COVID-19. A reassessment is recommended to take into account the changes in the environment, particularly in terms of reducing full and part-time employment opportunities available for women.
- 27 NCWNZ believes that there is a need to better recognize the value of caring in our communities. In prioritising paid employment, the work of unpaid caring is undervalued. Some members state there is little value attached to caring and parenting in this country. Emphasis is on money before care. In valuing paid employment as the most desirable end goal for parents (sole and partnered), our welfare system ignores the considerable range of unpaid work undertaken which contributes value to our society. This work is primarily carried out by women and incorporates childcare and care provided to elderly, sick, and disabled family

⁷ Harris C. 2021. *Unemployment still higher for women, Maori: CTU.*

<https://www.stuff.co.nz/business/300221045/unemployment-still-higher-for-women-maori-ctu>

⁸ MBIE. 2021. *Māori labour market trends.* <https://www.mbie.govt.nz/business-and-employment/employment-and-skills/labour-market-reports-data-and-analysis/other-labour-market-reports/maori-labour-market-trends/>

⁹ Auckland Council. 2021. *Groups that experience poor education and employment outcomes.*

<https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/auckland-plan/opportunities-prosperity/Pages/groups-experience-poor-education-employment-outcomes.aspx>

members, including extended family. Care also includes unpaid care for children in the extended family and broader community. If we want to prioritise child wellbeing as a society we need to ensure that this care work is properly valued and supported, particularly in a child's early years. This means ensuring that sole parent families have adequate support to provide care for all their children. In addition to caring this includes housework, working in cooperatives and community gardens, fundraising, training, and mentoring, committee work, and a wide variety of voluntary commitments to communities, iwi and hapū, churches, families and neighbours. Ensuring that this work is visible, recognised and supported we will add greater value to our society as a whole.

- 28 Our membership would be pleased to see an emphasis on providing education opportunities for sole parents on benefits, including flexible options for rural women. It further recommends the provision of effective and easily accessible parenting and communication skills programmes, and conflict resolution programmes and the provision of easily accessible budgeting advice.
- 29 Our membership also suggested other options like monetary incentives for passing NCEA credits. Learning remotely without financial burden would provide opportunities for improving skills and enhancing future employment possibilities. If sole parents can undertake vocational or tertiary education, or to complete NCEA credits, they would have more marketable skills and not be left to rely on low paying manual jobs when they do re-enter the paid workforce.
- 30 NCWNZ members further recommend providing opportunities for education on the subjects of sexual health including contraception and consent.
- 31 Further support for sole parents at the time of seeking employment would be welcome. Providing access to suitable clothing for interviews would be one way to achieve this. Childcare during interviews and transport to interviews are other ways. With many grandparents helping their sole parent children with childcare, more financial support and recognition to grandparents when they help their children bring up grandchildren is suggested.
- 32 Members point out that children need focussed parenting well beyond their pre-school years, and note the need for parents to be available for their children into their adolescent and teen years. There is strong support to extend the scope of legislation to provide sole parent support until a child is school age. Some members suggest obligations for beneficiary parents should be work preparation when a child is 3 – 14 years, and part-time work once a child turns 14.
- 33 Members suggest that many of the social ills in New Zealand today stem from a lack of adequate support in a child's earliest years, and better support for all parents would be an investment in the future of NZ society, as well as being an economic investment in terms of reduced subsequent costs for health provision, long-term unemployment, prisons, and other social costs.
- 34 While one objective of the Bill is to reduce complexity in the welfare system, there remains ongoing concern by NCWNZ that some beneficiaries do not always know what they are entitled to. Agencies do not appear to be transparent about the rights of beneficiaries. A one-stop multi-agency location for providing correct and consistent information to beneficiaries about their entitlements is suggested.

- 35 NCWNZ membership suggests consideration of the introduction of UBI (Universal Basic Income). The Universal Basic Income is part of NCWNZ policy¹⁰. A UBI payment implemented at the children's level would instantly raise household incomes. Children's Commissioner, Andrew Becroft states that indexing benefits to wage growth is the single best thing the Government could do to reduce child poverty because it ensures enduring parity with wages. A catch-up payment is further recommended to reflect that benefit levels have fallen behind over the past 25 years.
- 36 NCWNZ's policy on UBI suggests that volunteer hours could be counted for the work obligations.

Conclusions

- 37 NCWNZ supports this Bill and applauds the objective of allowing sole parents more time to interact with their children and support their early development. We further recommend more work is undertaken to reduce the complexity of the social security welfare system, and to ensure adequate funding is provided allowing families to thrive, not simply survive. Wāhine Māori, Pasifika women, and women with disabilities must receive additional culturally appropriate support. Families with disabled children or children with special needs must be treated and funded appropriately according to their circumstances.
- 38 NCWNZ further recommends examining alternative funding options, and recommends that the requirement to transition from Sole Parent Benefit to Job Seeker benefit should be no earlier than when a sole parent's youngest child starts school, usually at five years of age.



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¹⁰ NCWNZ. 2017. Appendix "D": Resolutions of National Meetings 2011-2018. 4.2.2. <https://www.ncwnz.org.nz/wp-content/uploads/2018/11/Appendix-D-Resolutions-2011-2018.pdf>