Social Development

HIGHLIGHTS

Labour will:

- Ensure all New Zealanders have the support they need to live with dignity
- Provide children with the best start in life
- Invest in our people so they can realise their potential
- Modernise our welfare system so it aligns with the employment market and is fair and accessible for all
- Value all forms of work that positively contribute to New Zealand including volunteering and parenting
- Support communities by investing in quality social services delivering for New Zealanders
- Prioritise warm, dry and affordable housing for all New Zealanders.

Introduction

Labour believes that New Zealand should be a place where everyone is able to live with dignity. We have enough resources to ensure no one has to live in poverty. However after nine years of a National Government our social security system has been eroded. Alongside low wages and employment insecurity, New Zealand now has unprecedented levels of inequality and child poverty.

There are 125,300 more people living in relative poverty when taking into account housing costs than when National took office nine years ago. A third of New Zealand children, or 295,000 children, live in income poverty, while 90,000 children are living in severe poverty. It is a sign of failure that so many of our children are living in hardship.

Labour wants to address the hardship that has been left behind in National’s wake and make sure our welfare system is working to provide real support for New Zealanders. We will implement a real social investment approach by ensuring our children get the best start in life, they have access to education and healthcare, everyone has a safe home to live in and our welfare system doesn’t let any families fall through the cracks.

Investing in our people

Labour believes that we can address poverty and extreme inequality in New Zealand with a real social investment approach. Social investment is about investing in our people for the betterment of all. This requires a long term outlook combined with greater inputs into public services now, in order to achieve the wellbeing of New Zealanders in the future.

---

The current narrow focus from National is on reducing liabilities and short-term costs, however Labour believes in an investment approach that is about supporting everyone to achieve their potential throughout their lives. Rather than focusing only on reducing benefit numbers which creates a more frequent cycle of benefit use, Labour wants to ensure positive long-term outcomes for these families.

**Putting children and parents first**

New Zealand has been described as “a land of inequality, disadvantage and marginalization” by Children’s Commissioner Judge Andrew Becroft. We need to change this by addressing child poverty and providing the best start in life for our young people. That’s why Labour wants to ensure children are at the heart of our welfare policies and all financial decisions, so that their needs come first.

**Labour will:**

- Establish a child poverty reduction target
- Legislate a focus on the reduction of child poverty by measuring all financial policies against their impact on children and assessing progress at each budget
- Include a principle in the Social Security Act that requires the wellbeing of children is considered in all social development policies and laws
- Rename the Ministry of Vulnerable Children the Ministry for Children: Oranga Tamariki and expand its scope to reflect upholding the wellbeing of all children.

*See Labour’s Children’s policy for further detail.*

Supporting our children starts by making sure there are the right supports in place for parents. Parents and other unpaid carers are increasingly undervalued in New Zealand. Labour wants to support those who are taking care of children or other family members and acknowledge the essential work they do. We know that looking after and raising our future generations is incredibly important work that we should not overlook.

**Labour will:**

- Implement a Families Package that will deliver more money to families with children and reduce child poverty. Labour has targeted support at low and middle income families through the introduction of the Best Start scheme, the continuation of Accommodation Supplement increases and our increase in Working for Families payments.

Sole parents in particular often face financial struggles and discrimination. Despite a reduction in the number of sole parents on a benefit, 56% of sole parents families are considered to be living in poverty and sole parents are six times more likely to be homeless than couples with children. Labour wants to put in place real support so that all parents can give their children the best start in life.

Labour will:

- Remove the sanctioning of sole parents who don’t identify the other parent of their child under Section 70 of the Social Security Act to prevent ongoing discrimination against sole parents and undue hardship on children
- Undertake a review of work obligations for beneficiaries with young children.

Supporting better outcomes

Over the last two decades, New Zealand has seen considerable changes in the labour market, impacting both job and employment security. In line with global trends, non-standard employment, including short-term contracts and casual employment has risen considerably in New Zealand. We know that coming off the benefit does not guarantee families will be better off. 40% of children living in income poverty are in working households. On top of that, over half of people currently coming off the benefit are not going into employment.

Labour will:

- Monitor and report on the outcomes of people who come off the benefit to ensure the Government is accountable for facilitating better outcomes for individuals and their families.
- Explore the introduction of a Training Incentive Package that would provide careers advice for people who are unemployed and ready to work, followed by work experience, and a transition into work or further education and training. As part of this, Labour will also reinstate the Training Incentive Allowance which provides vital support for beneficiaries looking to upskill.
- Lift the abatement threshold for beneficiaries to $150 to enable more part-time and casual work to help beneficiaries transition to full employment.
- Abolish secondary tax as part of Inland Revenue’s Business Transformation Programme
- Encourage the uptake of self-employment by raising awareness of support programmes, increasing the use of targeted outreach and developing entrepreneurial networks particularly for sole parents in order to provide employment flexibility
- Focus on increasing the proportion of disabled people who are supported into paid work through increasing employer support and education.

Labour wants to focus on making sure our young people are able to positively contribute to New Zealand. Education gives our young people the freedom and opportunities to be the best they can be and provides the best pathway to stable employment. No young person should be denied access to educational opportunities. We will be focused on supporting the 72,000 young people currently not in employment or training to ensure they have the best long-term outcomes for them and their families.

Labour will:

- Create a School Leavers’ Tool Kit to give students the practical skills and knowledge they need for adult life
- Institute the Working Futures Plan to provide all New Zealanders with three years of free post-school education or training and increase support available through Studylink
• Set up the Dole for Apprenticeships scheme to provide a positive pathway to employment for young people by paying the equivalent of the unemployment benefit to employers who take on an apprentice.

See Labour’s Youth and Education policy for further detail

Making our welfare system fair and accessible
One of the most problematic areas of our current welfare system is the culture at Work and Income and the stigma attached with using social services. This is creating further barriers to accessing vital support. Evidence from current and former beneficiaries highlights the unnecessary and harmful negativity, stigma and shame currently felt as a result of being on the benefit.

Labour will:
• Amend the principles of the Social Security Act so they reflect a fair and inclusive welfare system
• Create a change in culture at Work and Income through more effective policies, regulations, and staff training that align with the amended principles of the Social Security Act
• Work toward changing Work and Income offices from merely offices for processing payments and filling out forms to proactive spaces where New Zealanders can receive real support. Case managers would offer one-on-one support, and ensure that their client is informed of all support they are eligible for.
• Work toward smoother benefit transition processes so people shifting in and out of work are not penalised.

Labour believes that there needs to be adequate supports in place for those who are unable to work, temporarily or permanently. Many people may not be able to participate in paid employment due to physical or mental restrictions, or because of caring commitments for children or other family members. These people need to feel supported and be a part of our society. It is also vital that they are able to access all assistance they are entitled to, whether they are sole parents, single people out of work, disabled people, New Zealanders with mental illness or Senior Citizens.

Labour will:
• Extend the eligibility criteria of the Supported Living Payment over time to ensure those temporarily unable to work are provided with proper support during a time of illness or injury
• Create an exemption for New Zealanders escaping family violence from having to be seeking work to receive a benefit
• Ensure that any language, literacy or technological barriers do not impede individuals from accessing entitlements
• Implement a Winter Energy Payment for beneficiaries and superannuitants to provide extra support for rising power bills during winter.
Valuing unpaid work and community groups

Labour wants to ensure the contribution caregivers, volunteers, and other unpaid workers make to our society is acknowledged and valued. Informal work is not only necessary to our economy and society, it is an opportunity for people to gain the skills and experience they need to participate in the paid workforce.

Labour will:

- Acknowledge volunteer work alongside paid employment by exploring the role of volunteer work in the fulfilment of work obligations for beneficiaries
- Promote pathways to volunteer work for disabled people who are able to engage with the workforce
- Recognise and honour the vital role of volunteers in building a resilient community and nation.

Labour also recognises the contribution that non-government and community organisations make to New Zealand and to New Zealanders. These organisations are essential supports in our communities and Labour believes in working with the community sector to create better policies. Bigger and better data is claimed to be the crux of the Governments social investment ideology, but their push for the sharing of individualised client data from community groups was met with concerns about privacy, trust and people being deterred from accessing services. This is not a real social investment approach. Labour wants to collect data that can be used to view wider patterns and inform positive and progressive policy, rather than deter people from seeking help and cause concerns about privacy.

Labour will:

- Ensure that community and voluntary organisations can engage in advocacy without fear of losing government contracts or their charitable status
- Foster greater relationships with community social services and take into account the full range of contributions social services make to their communities during tendering processes
- Undertake a full funding review with a focus on improving the tendering process so that it aligns better with the community sector and ensures the best outcomes for people using these services
- Implement improved contracts for social service organisations receiving Government funding to allow them to best serve the community, including a standard duration of three years for funding as recommended by the Productivity Commission
- Remove the requirement in social services contracts to share identifiable client–level data in order to gain funding, and work toward a better means of collecting data that will be able to be used effectively to inform policy while protecting individuals’ rights and needs.

Supporting Senior Citizens

Labour recognises and values the skills, knowledge and experience older people contribute to the nation. It is important that we have the right supports in place for senior citizens so they can continue to live as full lives as possible.
Superannuation currently makes up over half of the spending in the social development area. This is a vital support for New Zealanders aged over 65 years old and we are committed to maintaining a strong Superannuation scheme. Anecdotal evidence from many Superannuitants reflects the negative culture at Work and Income and the ongoing struggle faced by many around accessing their entitlements. It is vital that senior citizens are able to receive the financial supports they need.

**Labour will:**
- Maintain the Superannuation age at 65, maintain Superannuation with inflation adjustments as at present, and restart contributions to the Super Fund
- Review the legislation around superannuation portability
- Undertake a review of the differences in government assistance provided to foster carers and to kin carers (including grandparents) with a view to ensuring that both groups are treated equitably.

See Labour’s Senior Citizens policy for further detail

---

**Prioritising housing for all New Zealanders**

There are 4,200 New Zealanders sleeping rough or in cars at any one time\(^4\). Because of insufficient emergency housing, there are currently 898 applicants on the social housing register who are homeless\(^5\). No New Zealander should be homeless. We’re a better country than that.

State housing is meant to provide good quality housing to families in need. The current Government has used it as a revenue stream - siphoning off dividends and selling state houses, despite a huge waiting list and a shocking rise in homelessness. Labour wants to ensure that social housing is not a component of the Ministry of Social Development, but is able to be its own separate entity entirely devoted to ensuring all New Zealanders have access to a warm, dry, affordable home.

**Labour will:**
- Take away all responsibilities for the social housing register from the Ministry of Social Development. Housing New Zealand will be a separate entity with sole management of the social housing register
- Review the role MSD plays in managing the emergency housing programme with a view to consolidating all social and emergency housing functions with HNZ.

See Labour’s plan to fix the housing crisis.

---
