



**METHODIST
ALLIANCE**
NGA PURAPURA WETERIANA

**Submission to the
Social Services & Community
Select Committee**

on the

Child Poverty Reduction Bill

4 April 2018



Methodist Alliance Submission

Child Poverty Reduction Bill

1. Who we are

The Methodist Alliance is a formal alliance of Methodist Missions, parishes and community based social services and trusts, including cooperating ventures. This grouping constitutes a major provider of a range of services for children, young people and their families.

The Methodist Alliance brings together a number of large social service providers such as Lifewise in Auckland, Wesley Community Action in Wellington, Christchurch Methodist Mission as well as local community services provided by individual parishes. It includes new social service organisations, for example, Siaola Vahefonua Methodist Mission, and Samoan Synod within the Methodist Church and Te Taha Māori.

The Methodist Alliance is grounded in a commitment to Te Tiriti o Waitangi and the bi-cultural journey of the Methodist Church of New Zealand - Te Hāhi Weteriana o Aotearoa, where Te Taha Māori and Tauīwi work in partnership.

2. Overview

The purpose of this bill aligns with the Methodist Alliance's vision for a just society in which all people flourish.

The Bill is a courageous significant advance and can provide an opportunity for Government and non-government organisations to work together to reduce the effects of poverty on children and improve New Zealand society as a whole.

3. Scope of the Bill

The Methodist Alliance supports the Bill's definition of a child as a person under 18 years. New Zealand has 1,124,000 children under 18 which make up 23% of our population.¹ We commend the Government for taking a firm stand reducing poverty as the socio-economic status impact on the health of our children. 41,000 children are hospitalised each year for conditions associated with deprivation.² The hospitalisation

¹ <http://www.occ.org.nz/assets/Uploads/AgesEthnicityMarch2018.pdf>

² Ibid

rate for Māori Tamariki is 17% higher than European children and the Pasifika rate is 40% higher than European.³

We encourage Government to ensure that the obligations and rights accorded to all children in Aotearoa under international conventions are met. We note that the Bill does not reference these.

The Bill currently does not make any reference to Te Tiriti O Waitangi. We note the Crown's obligation to respect and protect tamariki Māori as tangata whenua. Māori tamariki are disproportionately represented in child poverty statistics, the Methodist Alliance **recommends** that the Bill references Te Tiriti O Waitangi and the obligations that arise out of this.

The Bill does not make any reference to the non-government sector. Many non-government agencies work with children and families in a wide range of community led development and social services. These organisations have extensive knowledge and expertise in working with children/tamariki and their whānau. They are skilled at listening to the voices of children and their families and hold a wealth of anonymised data which would be useful in determining the measures, targets and reports. We **recommend** the Government consults widely with a range of stakeholders, including the non-government sector, for policy development and expenditure.

4. Part 1 – Preliminary provisions

The Methodist Alliance supports the intention of the Bill to measure poverty and notes that some of the measurements are yet to be defined by the Statistician.

We support the proposed Government strategy for improving the well-being of children. However we note that “well-being” is not defined in the Bill. We have made some **recommendations** about this later in this submission.

5. Part 2 – Measures, targets and reports

The Methodist Alliance supports the primary measure of poverty that incorporating income before and after housing costs as household income is the strongest indicator of poverty. While the OECD uses the measure of 50% of median income, most European Union countries use 60% as the primary measure of poverty. UNICEF measure of whether a child living below the poverty line is when they are living in a

³ Ibid

household where income is less than 60% of the median household income, after housing costs are deducted.⁴

The Methodist Alliance **recommends** that the primary measure should be set at 60% of median household disposable income after housing costs is a more reasonable level to protect children from the impacts of poverty and ensure that New Zealand's obligations on the United Nations Conventions on the Rights of the Child (UNCRC) are able to be met.

Article 27 of the UNCRC states that "every child has the right to a standard of living that is good enough to meet their physical and social needs and support their development. Governments must help families who cannot afford to provide this."

It is therefore essential that the measures are set at the appropriate level to ensure we meet our obligations under this convention. The following obligations on governments to support families who are living in poverty and cannot afford to provide this for their children means that the New Zealand Government will have to back the targets set by this Bill with effective policy to achieve them.

Child poverty is not defined in the bill. UNICEF defines child poverty as being deprived of the material, spiritual and emotional resources needed to survive, develop and thrive.⁵ The effect of living in poverty means children are often missing out on things most New Zealanders take for granted.⁶ Children living in poverty are unable to enjoy their rights, achieve their full potential or participate as full and equal members of society.⁷

New Zealand already has the Child Poverty Monitor which measures child poverty, material hardship, persistent poverty and severe material hardship by using data already collected in New Zealand.⁸ This also measures severe poverty and various other measures relating to child poverty and education, housing and poor health.

We **recommend** that the Government consult with the partners of the Child Poverty Monitor on measurements that would be realistic and pragmatic.

⁴ <https://www.unicef.org.nz/in-new-zealand/child-poverty>

⁵ Ibid

⁶ <http://www.childpoverty.co.nz/>

⁷ <https://www.unicef.org.nz/in-new-zealand/child-poverty>

⁸ <http://www.childpoverty.co.nz/>

We consider that the timeline in the Bill of 1 July 2025 for the Statistician's definition of persistent poverty is too long and we **recommend** that consideration is given to using the definitions used in the Child Poverty Monitor.

We **recommend** that the Government consult with a wide range of stakeholders, including the non-government sector on measurements and targets.

Case Study 1

The Smith family live in a cold, damp two bedroom house with their wider whānau. The 10 and 11 year old share a single bed and the seven year old sleeps in the bed with her father. Their wider whānau often come to stay and they sleep on the couch or the floor. Recently, another whānau has parked their campervan in the driveway as they have been evicted from their home. The house has one bathroom which is shared by at least nine people.

The Smiths are getting their full entitlement from Work and Income but there is little money left for food after the rent and electricity is paid. The father is worried that there will not be enough money to pay for the doctor or prescriptions if his children get sick. The whānau shops at Op Shops to get clothing and footwear. They rely on community groups and the school to provide school uniforms and school camp fees. The children find it hard to concentrate at school as they are often hungry and sometimes have very little for lunch. The children rely on friends to take them to social events as they do not have a car.

The Methodist Alliance supports the Bill's requirement to set long-term and intermediate targets to reduce child poverty. We **recommend** that the targets are focussed on reducing equity gaps and timely access to services for Māori and Pasifika children and children with disabilities, as these groups are disproportionately represented in statistics relating to deprivation.

6. Part 3 – Amendments to Vulnerable Children's Act 2014

The Methodist Alliance supports change in name of the Vulnerable Children Act 2014 to the Children's Act 2014. Not only does this align with the Ministry's name Oranga Tamariki – Ministry for Children but it also removes stigmatising language which labels children and can negatively impact on their wellbeing.

The proposed name change is positive and widens the scope of the ministry to embrace all children, including those who are vulnerable. We **recommend** Government consider the neuroscience behind brain development when making policy that is child-centred.

We **recommend** that Government work closely with the Children's Commissioner to ensure that policy supports children in their development and is child-centred.

We support the proposed Government strategy for improving the well-being of children. However we note that "well-being" is not defined in the Bill. Nor is well-being defined in the Oranga Tamariki Act 1989 – Children's & Young People's Well-being Act 1989, although it is used in the Act when referring to the child's or young person's development, physical, mental or emotional well-being. We **recommend** that the Government uses this Bill to take the opportunity to define well-being.

We note that Treasury has undertaken work on wellbeing frameworks and we support the proposed Treasury Wellbeing Framework. We agree that measurements should include suicide rate as New Zealand has the highest youth suicide rate in all OECD and EU countries.⁹ However we **recommend** that the wellbeing framework also measures depression and anxiety rates in children and youth. We also **recommend** that the wellbeing framework measures medical conditions and injuries, requiring hospitalisation, with a social gradient. New Zealand's rates of assault, neglect and maltreatment of children is high with high hospitalisation rates resulting from non-accidental injuries occurring in the first year of a child's life.¹⁰ Hospitalisation rates for children living in the highest deprivation areas are eight times higher than the rate for their peers living in the lowest deprivation areas.¹¹

We agree that social connection is an important measure of wellbeing. MSD's Social report measures social connectedness however some of these measures are aged related, e.g. Contact with family and friends; trust in others; loneliness; and voluntary work in others are measurements of those 15 years and over, and contact between young people and their parents is limited to secondary school students aged between 12 and 18 years.¹² We **recommend** that there are measures related to children of all ages to get a true measure of child poverty.

We believe that the Government's aim and strategy to improve the well-being of children will increase the scope of the Ministry significantly and we **recommend** that Government consults with the non-government sector in how this work will be undertaken and resourced.

⁹ <http://www.bbc.com/news/world-asia-40284130>

¹⁰ <http://www.nzchildren.co.nz/>

¹¹ Ibid

¹² <http://socialreport.msd.govt.nz/documents/2016/msd-the-social-report-2016.pdf> at p315

We are concerned that currently many children who fall outside the current tariff for Oranga Tamariki struggle to access services and support due to lack of resourcing. The ability to access universal services is essential to reduce child poverty. While there is a need for targeted services and benefits for those with the highest need, there is also the need for a broad range of universal services for all children and their families. Our agencies are seeing more clients who fall below the eligibility for Oranga Tamariki, access to mental health services, and education support services. It is important that there is consideration given to those children/tamariki who are not at risk of harm, but are living in families/whānau with low income and material hardship.

Case Study 2:

Mariana is a 45 year old single mum with an eight year old son. Mariana lost her tenancy when the landlord terminated her lease and moved his family in. Mariana was couch surfing with friends and lived in her car for the next four months before moving into transitional housing. Mariana is getting her full entitlement from Work & Income. Her son is enrolled in a school on the other side of town. To provide consistency in education and social connectedness for her son, Mariana has kept her son enrolled in the same school and she spends \$50 a week in petrol to take him to school. Mariana also pays \$43 per week to keep her furniture in storage. She has been to Work & Income for additional support but has been declined. After her expenses, Mariana has \$55 a week left over for groceries for her and her son. She uses food parcels occasionally to top up the cupboards and occasionally her parents give her meat. Mariana isn't sure how they would eat without this support. Additional costs like school uniforms, stationery, car registration and insurance are hard to save for and Mariana asks for help from community groups and family.

The social workers in schools service provides social work support for five to 12 year olds at selected primary, intermediate and Kura Kaupapa Māori. This service is based on need in the school community. However the reality is that there are children/tamariki and their families/whānau in all school that would have their safety, wellbeing and educational outcomes improved with support from a social worker.

At present New Zealand's only universal benefit is for superannuation and available to all New Zealand citizens over 65 years regardless of income. Timely access to universal services for children/tamariki at minimal or low cost will ensure the health and wellbeing of all New Zealanders. Universal services can be scaled and the intensity reflecting the needs of the individuals. Universal services can also be used to identify and refer children/tamariki and their whānau to targeted services. We **recommend** that

policy to support wellbeing takes into consideration universal services and funding allocated for this.

Māori and Pasifika are disproportionately represented in poverty and deprivation statistics. They also face barriers in the welfare system are also disproportionately represented in welfare benefits

Current Government policies prioritise work and undermine parenting as a valuable contribution to society. Many parents choose to balance the time spent at work with the time spent with their children, so they work part time when their children are younger. Parents of disabled children often give up their work to look after their child full time. This work is often not recognised or valued by Government and not adequately resourced.

Children with disabilities are more likely to live in poverty and children with a disabled parent are also more likely to experience poverty.¹³ We understand that currently there is no data collected on the child-related benefits. We **recommend** that data is collected on the rates of all benefits which are related to children and families. We also **recommend** that Work and Income and Inland Revenue are tasked with ensuring that all families are receiving all their income support and tax entitlements.

We support the preparation of an oranga tamariki action plan. We **recommend** that there is wider consultation with stakeholders including the non-government sector to develop and implement the plan. We support the Bill's consultation with children as set out in clause 6, to ensure voices of children/tamariki are heard and taken into consideration. We also support the Bill's consultation with iwi representatives and Māori organisation before the strategy is adopted or changed.

We support the Bill's consideration of participation of any contracted or related service providers in the assessment, planning and decision making in relation to those identified in s9 (1)(b) however we **recommend** that this consultation is not limited to those children, but the consultation with the social service sector widened to the children in subsections (1)(a) and (1)(c) also.

We also **recommend** that there is consultation with the wider social service sector when reviewing, amending or replacing the oranga tamariki plan under section 10A.

¹³ <http://www.occ.org.nz/assets/Uploads/EAG/Final-report/Final-report-Solutions-to-child-poverty-evidence-for-action.pdf> at p8

We support the Bill's intention to make the reports publically available, free of charge and accurate translations in official New Zealand languages.

7. Summary of recommendations

The Methodist Alliance commends the Government on the Child Poverty Reduction Bill and makes the following recommendations to the Select Committee:

1. The Bill makes specific reference to Te Tiriti O Waitangi and the obligations that arise out of this.
2. The Government consults widely with a range of stakeholders, including the non-government sector, for policy development and expenditure.
3. The primary measure for poverty is set at 60% of median household disposable income after housing costs.
4. The Government consult with the partners of the Child Poverty Monitor on measurements for child poverty, material hardship, persistent poverty and severe material hardship, to agree on measures that would be realistic and pragmatic.
5. Consideration is given to using the definition of persistent used by the Child Poverty Monitor to enable a shorter timeline than 2025 for the Statistician's definition to be finalised.
6. The Government consults with a wide range of stakeholders including the non-government sector on measurements and targets.
7. Targets are focussed on reducing equity gaps and timely access for Māori and Pasifika children and children with disabilities.
8. The Government consider the neuroscience behind brain development when making policy that is child-centred.
9. The Government work closely with the Children's Commissioner to ensure that policy supports children in their development and is child centred.
10. The Government defines "well-being."

11. The well-being framework measures depression and anxiety rates in children and youth.
12. The well-being framework measures medical conditions and injuries, requiring hospitalisation, with a social gradient.
13. Measures relate to children of all ages to ensure a true measure of child poverty is obtained.
14. The Government consults with the non-government sector in how the increase in the scope of the Ministry of Children will be undertaken and resourced.
15. Policy to support well-being takes into consideration universal services and funding allocated for these.
16. Data is collected on the rates of all benefits which are related to children and families.
17. Work and Income and Inland Revenue are tasked with ensuring that all families are receiving all their income support and tax entitlements.
18. There is wider consultation with stakeholders including the non-government sector to develop and implement the oranga tamariki plan.
19. Consultation with contracted or related service providers is widen to include the social service sector and to the children defined in subsections (1)(a) and (1)(c)of section 9.
20. The wider social service sector is consulted when reviewing, amending or replacing the oranga tamariki plan under section 10A.

8. This submission is from:

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9. Request to Speak to Submission

The Methodist Alliance would like the opportunity to present an oral submission.

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