



## Social Security Legislation Rewrite Bill Social Services Select Committee

### Supplementary submission by The Salvation Army New Zealand Fiji and Tonga Territory

1. We would like to thank the Committee for taking the time to read our submission and for giving us time to hear this, our short supplementary submission. This supplementary submission will not introduce new material but look to emphasise our main point in our original submission. This main point is that New Zealand needs a welfare system which is appropriate for the 21<sup>st</sup> century and in particular for labour markets in the 21<sup>st</sup> century. It is The Salvation Army's view that the Social Security Legislation Rewrite Bill does not do this and that it should.
2. In her speech on 5<sup>th</sup> April 2016 to the Superu conference themed as 'evidence to action' the Associate Minister of Social Development the Honourable Jo Goodhew said *that 'each vulnerable family and individual matters to us and evidence is the missing link'*. Earlier in her speech Ms Goodhew had said that *'it is no coincidence that 42,000 fewer people are living in benefit dependent households than three years ago, that the number of sole parents on a benefit is the lowest in 30 years, that immunisation rates for Maori are almost the same for a time as the rest of the population and that youth crime has dropped by 48% since 2011'* in defence of her Government's so-called 'investment approach' Ms Goodhew then went on to say *'the best decisions are made with robust and relevant evidence'*.
3. Despite the fact that the numbers around benefits which Ms Goodhew offered in her speech were just plain incorrect, there is in The Salvation Army's opinion something quite wrong with the claim that reducing the numbers of people receiving a welfare benefit is somehow responsible for rising immunisation rates for Maori and with falling youth crime rates. Not only is there no evidence to support such an association but there is in fact no evidence to indicate what has happened to the over 100,000 fewer people receiving a benefit – a working age means tested benefits that it is.
4. This absence of evidence of the social and economic effects of the Government's recent welfare reforms is disappointing. More disappointing is the lack of any interest by any credible Government agency in gathering this evidence. Essentially then the success in these welfare reforms is an article of faith.
5. While it would probably not count as the sort of *'robust and reliable evidence'* which Ms Goodhew places so much trust in, the reality for The Salvation Army is that we continue to offer around 1000 to 1100 food parcels nationwide each week to individuals and families who have no food. This has been a consistent effort since 2011. It is more than twice as many as were distributed prior to the GFC. This is perhaps the new normal and it increasingly appears to include the working poor as well as the benefit poor.

6. The Salvation Army's main concerns with the Social Security Legislation Rewrite Bill are threefold. Firstly at a conceptual level the Bill is misnamed. It is not about social security but about the administration of barely adequate income support programmes in ways which are complicated, conditional and cautious. It appears to us that the over-arching intent of the Bill, and the somewhat mutated legislation which it is replacing, is not to ensure that all citizens are socially secure but to limit access to basic income support.
7. Secondly, the Bill and the current overall approach to welfare taken by the Government, pays no regard to the lived experiences of those on the margins of the labour market. We estimate this to consistently be around 10% of the working age population or around 350,000 to 370,000 people. Their lives are blighted by poorly paid, piecemeal and often unreliable employment which means that they not only struggle to pay the bills each week but have little or no sense of a future. In our view incomes policies in the 21<sup>st</sup> century should aspire to do more than this yet there is no such aspiration in this Bill or around any current thinking about welfare policy.
8. The third concern of The Salvation Army is around how this Bill effectively erases history. Missing from the Bill is any sense of what a decent, generous hearted social security system might achieve for our society. Simple things like ensuring that no one lives in poverty, destitution or material hardship or that everyone, and especially our children, have every opportunity to reach their potential. There is no hope offered in the five principles contained in section 4 of the Bill just a singular focus on work backed by a grudging acceptance that some people may need the financial support of taxpayers. Such an approach is hardly worthy of us as nation. It has no vision for what we might achieve if we ensure that nobody is left behind.
9. In conclusion it is The Salvation Army's view that this Bill offers New Zealanders very little and as such it should be abandoned. We accept that the one of the purposes of the Bill is to simplify and modernise current welfare legislation which has been subject to continual and frequent amendment over the past 52 years. But the Bill makes no more sense than the legislation it replaces to those who might receive benefits or to the more general public. The changes offered in the Bill are a convenience solely for the bureaucrats who administer welfare programmes. While no doubt such an improvement is important for the people who advise you there is in fact so much more to be gained from a rewrite of our social security legislation. We ask members of the Committee and all our members of Parliament to cast their minds to these greater possibilities.

**THANK YOU ALL FOR YOUR TIME**