



Te Ope Whakāora

Reveal: Ancient Questions & Welfare Futures

salvationarmy.org.nz/socialpolicy

Theological perspectives on current issues in the public domain | A publication from the Social Policy Unit

In this issue **Malcolm Irwin** explores the present welfare debate and the theology of social welfare

Debating Welfare

The Government has once again put questions of welfare into the spotlight. In April 2010, it established the **Welfare Working Group** with the primary task of identifying how to reduce long-term welfare dependency. Their recommendations will be out early next year.

More specifically, the group were asked to consider how to achieve a welfare system that:

- reduces long-term benefit dependence and gets better work outcomes;
- is fair to both recipients and taxpayers;
- reduces the future liability of the State; and
- is sustainable over the long-term.¹

These directives, while driven by real socioeconomic concerns, clearly demonstrate that the welfare debate is being framed by little more than ‘populist, political pragmatism’.²

There is a lot within this debate for the New Zealand public, including The Salvation Army, to reflect on:

An individual problem?

The Welfare Working Group is concerned to maximise personal ‘independence’ and minimise dependency on the state. This, of course, is easy to agree with. No one could genuinely argue that having some 325,000 people dependent long-term on a minimal welfare payment is a good thing—either for beneficiaries or for the nation. What is easy to overlook in this argument, is how the welfare debate is being individualised. Welfare is being re-defined as a personal issue and a personal responsibility.

The welfare police

The emphasis of the Welfare Working Group on ‘independence’ and personal responsibility is coupled

with a weightier stressing on the policing and disciplinary ‘reform’ of welfare recipients. Deeply embedded within the individualising prose of the Welfare Working Group is a stereotype of beneficiaries as somehow ‘choosing’ to be on welfare.

The **Alternative Welfare Working Group**, a group commissioned by the Anglican Social Justice Commission, Caritas and the Beneficiary Advocacy Federation, disputes this stigmatising of welfare recipients and notes that most people have come to be “...supported by a social security benefit...as a consequence of something horrible happening...”³ and not as a personal choice.

Some commentators have sensed that the Welfare Working Group seems to be more troubled with how to contain and manage what Edgar C. Cahn, a political activist in the States, evocatively calls “throw-away-people” – those people who we ‘right-off’ and declare to be ‘use-less’.⁴ If this is the case, then it is a limited and self-defeating policy direction.

Where is the work?

The Welfare Working Group is concerned that welfare should produce “better work outcomes”. There is no doubt that having people in meaningful, paid work is critical for both personal development and the continuing socioeconomic productivity of our nation. However, where is the work?

The Chair of the Welfare Working Group, Paula Rebstock, on ‘Q+A’⁵ asserted that our economy has created some 500,000 jobs since 1986 and to question whether or not there is work is a “cop-out”. But Tim Watkin, a political commentator with ‘Pundit’, challenges this and notes that:

“The New Zealand economy creates and destroys hundreds of thousands of jobs every year... In 2006, at the peak of our recent economic growth, we had a net gain of roughly 30,000 jobs. In much tougher times, 2008, the net gain was barely 9,000 jobs. If you can figure out how 325,000 goes into 9,000 you’re better at maths than I am.”⁶

→ This paper does not necessarily represent the official views of The Salvation Army.

We welcome your feedback → **Social Policy and Parliamentary Unit** | New Zealand, Fiji and Tonga Territory | **Auckland Office:** PO Box 76249, Manukau City, e: social_policy@nzf.salvationarmy.org, p: (09) 261 0883, m: 027 450 6944, f: (09) 262 4103 | **Wellington Office:** p: (04) 802 6269

A tutor of a 'Back-to-Work' programme, a collaborative employment project between The Salvation Army and Work and Income, spoke with me of how difficult it is to get people back to work:

'I deal with the most vulnerable, people with criminal offences... recovering from addictions and with those who have been out of the work force for a long time. These days, these people face a long line of competition at every job interview ... And they're up against it every time... They're up against prejudice ... they're up against experience ... they're up against reality.

'What employer is going to choose a convicted criminal, a recovering addict or a person who has been out of the workforce for a long time over someone who has a clean record and recent job experience? There's always hope; but it's rare ...'

More than economics

The Welfare Working Group is contending that social welfare is a financial drain on the public coffers, a "liability" to the state, and extending this logic, to taxpayers (which ignores the fact that even welfare beneficiaries pay taxes). The Welfare Working Group contends that by 2050 the future "benefit liability" of providing welfare recipients with a lifetime of welfare could cost the public purse more than NZ\$50 billion.⁸ However, this is a highly inflated and politicised figure that has already been widely disputed. John Armstrong, a political journalist with *The Herald*, comments:

"[The] \$50 billion figure is rather meaningless. You could add up the lifetime costs of paying someone state-funded superannuation, but that would not be a reason on its own for no longer paying it. Beneficiaries are in a different political category to pensioners, however. The \$50 billion figure has been concocted to paint the benefit system as an intolerable financial burden."⁹

Regrettably, the Welfare Working Group is not considering the adequacy of welfare benefits. As Paul Dalziel laments:

"...it is hard to defend the decision to exclude adequacy of benefit levels from the Welfare Working Group's terms of reference. If income support is inadequate, then the resulting stress can create anxiety or depressive disorders (including among the recipient's wider household), which slows the return to employment and lengthens the time spent on a benefit. Paradoxically, inadequate income support can be a more expensive option for the social security budget."¹⁰

These directives of the Welfare Working Group capture some of the intense divisiveness and electioneering that is currently dominating the welfare debate; political framings that hold the potential to shape the future of welfare (and, of course, the likely future of welfare recipients) in New Zealand.



Is there more to welfare reform than economic concerns and populist politics? Is this a fair and full interpretation of what is social welfare?

Buy A Fur Coat Or Light A Fire?

The Social Policy and Parliamentary Unit (SPPU) has made submissions to the Welfare Working Group and a presentation to the Alternative Welfare Working Group. Our position is that at stake within the welfare debate:

"... are more fundamental questions around our welfare system than that of the reduction of benefit dependency. The Salvation Army accepts that benefit dependency is a problem in some communities and amongst some groups of New Zealanders but we know, through our own experiences in working with tens of thousands of poor and needy New Zealanders each year, that this problem of dependency is not as widespread or corrosive as some people would have the New Zealand public believe. We believe the emphasis on benefit dependency builds a sense of resentment toward New Zealander's living on benefits from working New Zealanders and that this is not helpful in any discussion where big long-term questions are being considered and where we hope to arrive at some new consensus around the way forward."¹¹

Am I my brother's keeper?

'The Welfare Debate We Should Be Having', a discussion paper by Alan Johnson, Senior Policy Analyst at SPPU, extends the welfare debate by considering the ancient biblical question, 'Am I my brother's keeper?'¹². He outlines the concepts of risk, reciprocity, responsibility and rationality, as a way of shaping social welfare into the future.

The public debates that encircle welfare have always been, and will always be, essentially about answering this ancient (and timeless) moral question of whether or not we consider ourselves to be our 'brother's and sister's keeper'. Any review or reform of our welfare system should not be confined to merely 'benefit dependency', cost-cutting economics or rational instrumental calculations.

Welfare is a complex moral and ethical debate that includes the concerns of equity and the demands of justice, a debate about our shared responsibilities and what it means to live together. As sociologist Zygmunt Bauman observes:

'... there is, let us be frank, no 'good reason' why we should be our brother's keeper, why we should care, why we should be moral - and in the utility-oriented society the function-less poor and indolent cannot count on rational proofs of their right to happiness... Morality has only itself to support it: it is better to care than to wash one's hands, better to be in solidarity with the unhappiness of the other than indifferent, and altogether better to be moral, even if this does not make people wealthier and the companies more profitable.'¹³

If left to dominate the public welfare debate, issues of 'dependency' and 'funding'—while critically important—will, in the end, individualise the problem and 'demonise' individuals. In the imagery of Zygmunt Bauman, we're facing the haunting, immoral possibility of entire groups of people becoming 'disposable'.

What does Noah have to do with it?

There is, lurking within the individualising spin of the Welfare Working Group, the echo of a different biblical event—the 'failure' of Noah. Although the Bible states three times that Noah obeyed God and got on with the construction of the ark, there is a contentious twist to this story, argues Jonathan Sacks, Chief Rabbi of the Commonwealth. We should heed the story and let it inform what we make of welfare. Rabbi Sacks comments:

'Throughout the whole of the narrative – the warning of the deluge, the building of the ark, the gathering of the animals, the beginning of the rain—Noah says nothing. The silence, in contrast with the dialogue ... is unmistakable.

'Noah's failure, is that righteous in himself, he has no impact on his contemporaries... In Jewish folklore Noah became a tzaffik im peltz, 'a righteous man in a fur coat'. There are two ways of keeping warm on a cold night: buying a fur coat or lighting a fire. Buy a coat and you keep yourself warm. Light a fire and you keep others warm also. Noah, the righteous man, fails to exercise collective responsibility.'¹⁴

The Welfare Working Group, by prioritising and 'promoting personal responsibility' in how welfare is delivered, is in essence advocating for people to 'buy a fur coat'—to see

the provision of welfare as a personal problem and a personal responsibility. While this is a plausible stance (though maybe it is a stretch to imagine that by changing a policy lever to switch on and off money, the state will generate personally responsible citizens), a fair and sustainable practice of social welfare demands a collective response, a practical recognition of rights and reciprocal responsibilities. Welfare is (and will always be) our shared responsibility, a remembrance of something of the 'sacred value' of each other. The collective provision of social welfare is a 'sacred trust'. As Richard Harries argues in 'Is there a Gospel for the Rich?', publicly funded welfare and "taxes exist to bridge the gap between what we want in our best moments and the much lower standards that we habitually observe".¹⁵

The timeless lesson of Noah is that:

"...responsibility extends beyond the self. 'It is not good for man to be alone'. We are part of society, sharing its rewards when it does well, its guilt when it does wrong."¹⁶

As SPPU stated in its submission to the Welfare Working Group:

"A broader review of welfare is required and in our view this review should address the serious questions of inequality in New Zealand including questions of inequality of opportunity, inequality of incomes and wealth and even the inequality in what New Zealanders aspire to. We believe that the Welfare Working Group has not set its sights high enough in its attempt to consider the question of the future of welfare and we urge it to do so during the remainder of its task."¹⁷



The Future of Welfare: What's in it For Us?

The dictates of the Welfare Working Group will most likely find some traction within the legislative and policy circles of government. The future pool of public money invested in social welfare will inevitably shrink and stronger sanctions will no doubt be exerted on welfare beneficiaries.

These changes, without a solid fiscal recovery and with the increasing social needs of our aging population, will inevitably flow onto The Salvation Army (and other NGOs providing frontline welfare services) and increase the demand placed on our Aged Care Services, our Community Ministries (food bank, budgeting, counselling, social work, life skills). With the almost certain escalations in anxiety and frustration that the penal flavour of these changes will generate, we can expect a greater demand on our addiction and courts and prison services.

The directive to expand the 'work-testing of beneficiaries', will mean that Employment Plus and Back-to-Work, our vocational and pre-employment training programmes, will become even more pressured to help people find and keep paid employment. The distancing of the state from social welfare will make it more critical for corps and communities of faith to experiment with alternative economic practices of generosity and sharing resources that strengthen interdependence and mutual responsibility within our local neighbourhoods.

Corps-based groups like M&M, Story-Times and our Early Education Centres will predictably face more pressure from solo parents demanding child-care and learning opportunities. If the welfare benefit continues to be 'inadequate', our frontline children, family and youth workers will most certainly face increases in demand from even more kids living in poverty and from teens who fail to 'fit' into school and into the labour market.

There will be a growing need for The Salvation Army to invest in programmes of alternative schooling and in the training and up-skilling of youth. And lastly, with a shrinking pot of public money to spend on social welfare, The Salvation Army will most probably have to depend more on the private sector and on our own sacrificial giving for new funding sources.

The dismantling of the welfare state will continue and The Salvation Army will be left to juggle the demands of 'crisis' encounters and the longer-term demands of reciprocity and solidarity that lead to the development of new community.

These meetings of need and projects of new community have always been (and will always be) the starting point and the promise of social welfare.

What can we do?

There is, of course, within these challenges, something of a critical responsibility for the Christian community to embrace: Stay informed with how the debate is progressing. Sit down with someone on a benefit and see how they experience welfare. Volunteer at a food bank to and see the incredible demand that there is for welfare support. Advocate, through the submission process of the Welfare Working Group or by communicating with your local MP, for a public welfare system that is fair and responsive to the needs of the marginalised and vulnerable. And, at the same time, exercise the imagination and get involved with others in actively creating alternative practices of welfare within neighbourhoods. Experiment with projects that bring both the poor and the rich into close proximity and that strengthen a sense of collective responsibility and togetherness. Share with others what works.

1 See Welfare Working Group Cabinet Paper, Office of Minister for Social Development and Employment, 2010.

2 See Sue Bradford, "Subtle Dangers in Paula Rebstock's Sugar Coated Poison", The Pundit, November 30, 2010; Tim Watkin, "Do we get tough or take the 'corduroy option'", The Pundit, November 30, 2010.

3 Alternative Working Group, 2010, "Welfare Justice", pg. 7.

4 See Edgar C. Cahn, 2004, "No More Throwaway People." Google Sue Bradstock, Tim Watkin, John Armstrong and Tapu Misa for commentaries on the penal flavour of the Welfare Working Group.

5 "Q+A", November 14 2010, cited in Tim Watkin, *ibid*.

6 Tim Watkin, *ibid*.

7 Transcript of interview with "Back-to-Work" supervisor of The Salvation Army, 2/12/10.

8 Welfare Working Group, *ibid*, pg. 20

9 John Armstrong, "Huge Numbers Only Part of the Benefit Story", The Herald, August 14, 2010.

10 Paul Dalziel, *ibid*, p. 31, emphasis in original.

11 From the submission of The Salvation Army to the Welfare Working Groups Issues Paper on Long-Term Benefit Dependency. The submission can be found online at <http://www.salvationarmy.org.nz/research-media/social-research/social-policy-and-parliamentary-unit/>.

12 See Genesis 4, The Bible. Alan Johnson's "The Welfare Debate we should be having" can be found online at <http://www.salvationarmy.org.nz/research-media/social-research/social-policy-and-parliamentary-unit/>.

13 Zygmunt Bauman, 2000, "Am I My Brother's Keeper?", European Journal of Social Work Vol. 3, No.1, pg.11.

14 Jonathan Sacks, 2005, To Heal a fractured World – The Ethics of Responsibility, pg.141, emphasis in original.

15 Cited in "The Gospel and the Rich: theological views of tax", a Christian Aid Report, June, 2009.

16 Sacks, *ibid*, pg. 142.

17 From the submission of The Salvation Army to the Welfare Working Groups Issues Paper on Long-Term Benefit Dependency.