



**National Council of
Women of New Zealand**

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Wahine O Aotearoa

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**Submission to the Social Services Select Committee on the
Social Security (Social Assistance) Amendment Bill**

Introduction

The National Council of Women of New Zealand (NCWNZ) is an umbrella organisation representing 42 nationally organised societies. It has 33 branches throughout the country attended by representatives of those societies and some 150 other societies. The Council's function is to serve women, the family and the community at local, national and international levels through research, study, discussion and action. NCWNZ has a longstanding history of encouraging the promotion of social and health issues, particularly as they affect women.

With the establishment of the Families Commission, members of NCWNZ anticipated early initiatives to relieve child poverty in New Zealand, and therefore were disappointed that the NCWNZ call for a universal child benefit was not considered within the context of this Bill.

Comments on the Bill

Part 1, Amendments to Social Security Act 1964

C.14 Interpretation

Cl 4 (2) (i) Members expressed reservations as to the eligibility criteria relating to cash assets. Although subsection (2) (i) of Clause 4 is intended to clarify the definition of cash assets in the Social Security Act 1964 61E, it still appears that people who are thrifty with their money stand to be penalised while the less thrifty benefit.

Cl 4 (3) (ba) NCWNZ supports the extension of the accommodation supplement to retirement village residents who have a 'licence to occupy'.

Cl 7 Reduction of rates for sole parents

This is the clause of most concern to NCWNZ. Instead of the negative, punitive approach embodied in this clause, members believe it would be better to offer rewards or incentives to those who co-operate on parental support issues. It is appreciated that the Ministry of Social Development is aiming to protect the tax dollar but clause 7, as it stands, has the potential to increase expensive bureaucratic administration.

It would seem, too, that parents who threaten violence become exempt from paying their share of support.

Added to this is the possible increase of child poverty if sole parents lose substantial portions of their benefits. This could be interpreted as contravening the *United Nations Convention on the Rights of the Child* to which the NZ Government is a signatory.





NCWNZ considers that a universal child benefit would provide a better way of assisting sole parents than requiring mothers to be responsible for the failure of fathers to contribute to their offspring. Universal provision places the child at the centre of policy and overcomes the reluctance of mothers to expose themselves and their children to shame and, in some cases, danger. Targeted assistance exaggerates the gap between those who are beneficiaries and those who are not, while universal provision fosters a sense of common identity and shared citizenship. Moreover the universal child benefit involves lower transaction costs than a targeting regime that includes administration costs, compliance costs, monitoring costs and enforcement costs.

CI 10 Calculation of stand down

CI 10 (1) (1A) The ability of a beneficiary to have his/her average income calculated over a 52 week period, is another long overdue reform. This is of particular interest to rural women who regard this amendment as facilitating the hire of casual labour during the harvest periods.

Conclusion

Although this Amendment Bill contains some progressive changes, there are some negative aspects which concern our members. NCWNZ must reiterate its disappointment that there has been no serious consideration of the NCWNZ policy calling for a universal child benefit.

Having stated our position on the issues arising from this Bill, we wish to express our appreciation for the opportunity to make this submission.

Christine Low
National president

Heather M Smith
Convener, Economics Standing Committee