

**● Oral Submission on the Social Security (Benefit Categories and Work Focus) Amendment Bill S12.31
made to the Social Services Select Committee on 3 Dec 2012**

Chair: Peseta Sam Lotu-liga (N) **Deputy Chair:** Melissa Lee (N), Jacinda Adern, (L), Simon Bridges (N), Jan Logie (G), Asenati Lole-Taylor, (NZ First), Tim Macindoe (N), Alfred Ngaro (N), Rajen Prasad (L), Mike Sabin (N), Su'a William Sio (L),

Introduction

Good morning. My name is Helen Reilly and my colleague is Paddy Byrne. We are both members of the Parliamentary Watch Committee of the National Council of Women of New Zealand. Our submission on this Bill has been prepared by the Public Issues Standing Committee of NCWNZ from a background of policy decisions and after consultation with our members.

As you are aware, NCW has a long history of promoting legislation that improves the quality of life for women and their families. We agree that all job seekers should be helped to find meaningful employment and that long term beneficiaries should be managed back into constructive engagement in their communities.

Our concerns today are that the approach this Bill takes is punitive, rather than encouraging, and that the proposed conditions for receiving a benefit are too stringent, and, in many cases, likely to cause more harm and stress to New Zealand's most vulnerable people – that is the sick, the old, disabled, mentally ill and sole parents. Having fewer categories of beneficiaries may make the system less expensive to administer, but it is not going to reduce the numbers of people who are sick and unable to work, or the people who cannot find work, because there are just not enough jobs to go around.

I intend to address some specific aspects of this Bill and then offer some suggestions.

1. The effect on those who are experiencing extreme financial hardship or sickness of having to meet the new requirements to receive or remain on a benefit.

The fear of not finding work can be crippling to people who are already very stressed about being unemployed. In the current economic climate, there are many more applicants than there are jobs.

The stigma and sense of personal failure at being constantly turned down can have a major psychological impact. This can turn into a vicious cycle, and the consequences are very likely to lead to an increase in the numbers of people going into debt, and, possibly, into crime.

NCW would like to see more positive initiatives to counteract this, rather than suspensions and punishments.

2. We are very concerned about **Clause 9, subsection 11H, that is the obligation placed on partners or spouses of benefit applicants**. This requirement could well lead to coercion, and, indirectly to domestic violence. NCW feels a more positive and personal approach should be taken towards helping an applicant comply with the pre-benefit obligations.
3. Several members brought up **the new obligations for sole parents**. The issues they raised concern difficulties beneficiaries would face if, for example, they failed to attend a job interview or the pre-benefit activities, because they have a sick primary school child. School hours (9-3 pm) and school holidays are another concern. There are not many employers around who are able, or willing, to allow a sole parent flexibility to deal with these parenting issues.
4. The **13 week stand-down period** for refusing to accept a job is a related issue which could impact badly on children. NCW members feel strongly that provision must be made for the welfare of the children if this happens. It is vital that a situation like this is managed so that children do not become victims.
5. **Replacing the current Invalid Benefit Category with a Support living payment, Clause 16**
 Many NCW members believe that the current category of invalid benefit should remain, because people with chronic illnesses require additional support, not increased surveillance, work testing and work-ability assessments. The impact on specific needs of people living with impairment, mental illness and chronic conditions such as MS, could be extremely harmful, especially if WINZ is trying to

change their category, and to move them from a 'supported living payment' to a jobseeker support payment.

One member who practised as a consultant psychiatrist in Christchurch for some years [and who has been widely recognised for her work - QSM] described what could happen. She said, "Over-whelming anxiety is a known trigger of a psychotic relapse of schizophrenia, bipolarity and of depression."

While it is admitted that many people suffering from these disorders would benefit from appropriate work, they also need professional clinical support and training to learn new skills and to avoid too much anxiety. There are many others with mental illness who, as a result of their chronic illness, lack the cognitive and emotional skills to take up regular employment. Mental illness affects about 20% of the population.

6. **The new Social Obligations** drew significant comment from NCW members, and we believe, they reflect the views of many New Zealanders. There are 2 points to make:

1) **Clause 25, section 60RA, 3a (i) about enrolling a dependent child in formal early childhood education.** This, members felt, should be a personal decision, not a legal condition. Consideration should be given to those who have different beliefs about the value of institutionalised pre-school education. As long as the children from such families are not neglected or abused, then their parents' beliefs should be respected.

Other points raised by members were:

- The lack of sufficient numbers of Early Childhood Education centres
- The difficulty of transporting children to such centres
- The cost of transporting children to them

2) **NCW members support the proposed enrollment of every dependent child with a primary health care provider** but raised some important considerations.

- Some beneficiaries could experience difficulties in getting to a medical centre, especially in rural areas.
- In some places, the GP practices are full and cannot accept more patients.
- Some beneficiaries have run up debts with their local GPs and are afraid to take their children to see the doctor.

- Difficulties can occur with fitting GP appointments around employer-time and during school holidays.

There is another point about the proposed Social Obligations.

NCW members are well aware that there are many beneficiaries who do have the same sense of social obligation as defined by the Bill. They will want to enroll their children in Early Childhood Education and with a medical centre. However, for all sorts of reasons – some of which I’ve mentioned – they are unable to comply. It would be unjust for them to be penalised.

7. NCW disagrees with the new section 75B which allows for someone’s benefit to be stopped if they are issued with a warrant for arrest and do not comply with certain regulations.

According to Clause 25 (c) of the New Zealand Bill of Rights, “Everyone who is charged with an offence has the right to be presumed innocent until proved guilty according to the law.” This new section would seem be an infringement against the basic rights of New Zealanders.

Conclusion

Among all the responses from NCW members, there were several suggestions for positive initiatives.

1. The state should fund a regional beneficiary advocacy group to negotiate on behalf of beneficiaries who disagree with their WINZ assessment.
2. WINZ should facilitate the creation of beneficiary groups to help develop mutual support, and to undertake positive activities in local communities eg; exercise, community gardening, cultural activities.
3. More emphasis should be placed on the welfare of the children of beneficiaries.
4. Transitioning a person from one category to another must be managed with sensitivity. WINZ staff should be specifically trained for this process
5. Finally, more emphasis should be placed country-wide on creating new jobs and encouraging employers to implement flexible working hours.

Thank you for the opportunity to speak to our submission.

NOTES TAKEN AT ABOVE ORAL PRESENTATION.

There were 11 members present with Peseta Sam Lotu-liga in the chair. He thanked NCW for submissions. Helen presented the above oral and some questions were put to her.

Q: Jacinda Arden: Were you suggesting a need for more advocacy groups and should we reinstate funding?

A: Yes.

Q: Your remarks about sole parents having to return to work when youngest child is 14 – does this apply also to those who have another child having to return when infant is one year?

A: I have no information from our members on this.

Q: Jan Logie: Explain the need to differentiate between men and women.

A: NCWNZ always looks for a gender impact statement as legislation can have quite a different effects on women and men.

Q: Asenate Lole-Taylor: What did you mean by ‘WINZ workers’? Do they need special qualifications? - Can you be specific?

A: There are cases where people have felt discriminated against by WINZ workers. Members did not supply specifics.

Q: By special training, do you mean counseling?

A: That would be one of the implications, yes.

Q: Tim Macindoe: On early childhood education – some may have other choices. Primary focus is to protect children who are neglected of any training in the home. Tim Macindoe said he had heard pleas from teachers for 100% ECE.

A: Many parents do lots of activities with their children, but don't wish to put them into formal ECE.

This ended our appearance before the Select committee as our allocated time of 15 minutes had run out. Thanks were expressed for a good submission by NCW.

Next up were the Catholic Church's Justice, Peace and Development Commission.

They had two speakers who went overtime leaving no time for questions.

They stated that the Bill would undermine the family unit. It does nothing to mitigate the problems of families and will lead to a significant systems failure to the common good.

Employment and unemployment figures at March 2012 were quoted at 53,000 unemployed. Most people receiving the unemployment benefit stayed on it for less than one year. Only a very small percentage were on it long term. They accused the Government of trying to load onto the unemployment, people who were unfit to work. Work is not a cure for illness – a person needs to regain health (if possible) before having to prepare for work.

The Bill also reflects the view that the only worthwhile work is paid work, and that voluntary work and family caring have no value. It does not recognize the importance of parenting - but parenting must be regarded as valuable work for the good of society. It is very heavy handed to cut sole parents' benefits because they are not ready to go to work. They were also strongly opposed to compulsory attendance at ECE.

Sickness beneficiaries cannot be sent to work. When they are well, they will seek employment.

We did not stay for any further submissions, but had met someone who was presenting on behalf of B.E.S.T. (advocacy group for beneficiaries).