



Presbyterian Support
New Zealand



Position on Poverty

Executive Summary

New Zealand is a “high-income nation”, which means no one here should have to worry about how to afford essentials like healthy food, hot water or the internet. Even our poorest families and whānau should have sufficient income to live their lives with mana and dignity, join in local activities, and feel connected to their community. Everyone should be able to provide for the children in their home, making sure they eat fresh fruit and veges, wear warm clothes and decent shoes, and can join their friends at sport, kapa haka, music and other activities. High income nations like ours can afford a decent life for all, where every whānau can thrive, not just survive.

Unfortunately, this vision is not being realised. Too many whānau have household incomes beneath the poverty line¹ and the young people living in these households are at higher risk of experiencing food insecurity and having to miss out on essentials like educational activities and health/dental appointments. This affects their wellbeing over time. Before Covid 19 there were already over a fifth (22.8%) of New Zealand’s children living in households with incomes lower than half the median household income, after housing costs (16.5% before housing costs)². When New Zealand was struck by the pandemic these tamariki tangata were already worrying about how their caregivers would afford to keep buying the essentials.

At Presbyterian Support we serve more and more families and whānau who receive welfare payments insufficient to meet their costs of living. This restricts their ability to participate in their community, and they are faced with stark choices such as whether to buy food, pay for heating, or seek medical help when needed. Many come to us after struggling to access various services from WINZ, upset and confused by the treatment they receive from the government agency there to serve them³.

Our regions also report many families and whānau that live in poverty are “working poor”, with household members working multiple jobs to meet housing costs and wellbeing measures. They are caught in a cycle of low-skilled, temporary and low paid jobs with incomes that do not meet these everyday household costs and wellbeing expenses. The increased pressure on these whānau to meet basic living needs is severely impacting household members’ mental health, rates of family and sexual violence and suicide.

In Aotearoa New Zealand this is not how it needs to be. It is an outcome of poor policy settings. For decades, government has played a part in concentrating resources among those who are already doing well. Policies drive economic inequality, and there are policies that limit the life chances of those who need the most

¹ The Child Poverty Reduction Act 2018 specifies three primary measures of household poverty: 1. After-housing costs, fixed line measure (AHC50) is thresholded at 50 per cent of the median household income, after housing costs. 2. Before-Housing costs, moving line measure (BHC50) is thresholded at 50 percent of the median household income in the year measured. 3. Material Hardship, the threshold being when there is a lack of six or more out of the 17 items in the material deprivation index (includes 2 pairs of shoes in good conditions, not putting off doctor’s visits, etc)

² Child Poverty Report 20 May 2021. Wellbeing Budget 2021, Securing our Recovery, New Zealand government.
<http://www.budget.govt.nz/budget/2021/welbeing>

³ Black, P. January 2022. The Client Voice: Work & Income Processes. Presbyterian Support Upper South Island.

support. We consider it important to spotlight where and how government policy is the key driver, it exposes how wealth and income inequality is not inevitable or natural - although this may be a popular argument among some New Zealanders, clouding public concern for households fallen below the poverty line.

Government's intent to be fair and achieve equitable outcomes is hollow while poverty is a social determinant of health and wellbeing inequity, and government policy is keeping groups inequitably in poverty. We believe there are enough resources in Aotearoa New Zealand to enable everyone to live with dignity. There should be adequate mechanisms created via policy frameworks to distribute our public resources equitably, so that everyone can experience a standard of living that enables them to develop and flourish.

The New Zealand policy context

New Zealand's longstanding "Fair Go" culture celebrates occasions where all citizens are treated fair and equitably. Early last century New Zealand government reflected this culture when it pioneered the 'welfare state', developing over time a system of policies that might prevent poverty by providing subsidies for the most financially vulnerable in our society. While New Zealanders share an egalitarian-minded culture, however, we live in a society with wealth and income inequality nonetheless.

Early last century government policies championed the egalitarian ethos, so that all members of society could rely on financial support at times of need, such as when starting a family, unemployed, injured or sick, and after retirement. We strongly support a robust tax system that enables government's financing of enough welfare, alongside funding for the broader social sector (not for profit and for profit) so that we can also provide support to New Zealand's most vulnerable, through health and social support services.

Financial inequality and disparity across New Zealand was exacerbated when in 1984 a Labour government floated the New Zealand dollar, introduced corporatisation of state services, sold off state assets and removed a swathe of regulations and subsidies⁴. There were deep cuts in 1991 to both welfare benefits and funding to the community sector, and as a result there was increased poverty, food insecurity and heightened social distress⁵. There is clear evidence that the poorest households have remained poor over the following 30 years: in fact the Ministry of Social Development provided stark evidence in 2019 that the income of the poorest households, primarily dependant on social welfare benefits, had not increased but declined over 25 years, while median household income had increased⁶.

In May 2018, a new Labour-Green coalition Government committed to overhauling the tax system and the welfare system, in response to evidence the former was outdated and the latter had several issues of accessibility and was no longer regarded as fair by the New Zealanders engaging with it. A Tax Working Group and a Welfare Expert Advisory Group (WEAG) was established to facilitate broad public engagement before reports were published with user-informed recommendations.

In its report⁷ the WEAG concurred that the Welfare system was no longer fit for its original purpose and needed fundamental change. It confirmed that the level of financial supports provided were now so low that many New Zealanders are living in desperate situations. The WEAG's recommendations were to reform the social welfare system so that it enables individuals, families and whānau to thrive, supported employment and training and recognised the value of unpaid work, such as caring and volunteering. Importantly, the WEAG recommended government take a whole of community approach to working with partners⁸.

We strongly support the WEAG premise that most New Zealanders are willing to engage, participate, contribute and do their fair share for their communities, whether they hold a job or not, raise children alone

⁴ Van Meijl T. Culture versus class: towards an understanding of Māori poverty. In Race & Class, Volume 62 Issue 1. First published May 30, 2020 [Culture versus class: towards an understanding of Māori poverty - Toon van Meijl, 2020 \(sagepub.com\)](https://doi.org/10.1177/0021875820938888)

⁵ '1993 Making Choices – Church Leaders' Statement of Intent', 1993

⁶ Ministry of Social Development, 2019. 'Household incomes in New Zealand: Trends in indicators of inequality and hardship 1982–2018.' Bryan Perry

⁷ February 2019

⁸ Ministry of Social Development, Feb 2022. The Foundation for Change.

or have a disability or mental illness. WEAG proposes that the purpose, principles and values for the welfare system respond to and support this reality and aspiration of its clients⁹.

While WEAG's public engagement proceeded, Government also made child poverty reduction a priority and Prime Minister Ardern made herself Minister in a new portfolio for the work. A strategy was progressed with legislation that included an annual reporting standard¹⁰, while Minister of Finance Grant Robertson introduced a Wellbeing Budget with measures monitored by Treasury.

Amidst such demonstrations of leadership on poverty reduction and pioneering a wellbeing economy, government also disestablished the Tax Working Group. After it had released its report in February 2019¹¹, Government swiftly rejected most of its recommendations but did introduce a higher income-tax bracket and lifted taxes for the top three income-tax brackets. The Tax Working Group had also proposed to extend New Zealand's Capital Gains Tax that targets asset-owners. The Tax Working Group was decommissioned within the following year and Prime Minister Ardern asserted Capital Gains tax would not be redressed in her term of office.

Te Tiriti o Waitangi

The Crown has an obligation to protect Māori as a Tiriti partner and a direct role to play in delivering targeted and robust solutions to hauora Māori. This extends in our current pandemic context, to support Māori wellbeing at home in response to the Covid-19 pandemic¹². Throughout New Zealand's colonisation however, Government policy was a driver in the loss of Māori land and erosion of Māori concepts and values which has significantly impacted Mauri Ora, Hauora and Māori financial sovereignty¹³. Policy breaches of te Tiriti o Waitangi has been a driver of more Māori into poverty.

While te Tiriti breaches alienated Māori from more land and their language, until the 1950s the rest of New Zealand enjoyed one of the highest living standards in the world, with a strong economy based on high wool prices and secure markets. In 1967, however, the export price for wool fell dramatically, which was the beginning of a long-term upheaval in New Zealand's economic foundation. The country's main export market was reduced drastically when the United Kingdom joined the European Union in 1973, which resulted in high inflation and high unemployment. The poorest New Zealanders and prominently among them Māori, bore the brunt of this economic crisis¹⁴.

By the end of last century, despite a cultural revolution and the establishment of a Waitangi Tribunal to address all Tiriti breaches, the economic policies of New Zealand had left many Māori, over several generations, lost from a connection to their culture and language and experiencing social, political and physical consequences of poverty¹⁵. According to urban Māori scholars¹⁶, poor urban Māori internalized their negative experience and their identity as Māori became tied up with their experiences of poverty. It is important that we challenge this identity-association and point out Māori do not have any monopoly on social and economic disadvantage in our society.

⁹ One year was hardly enough for a Ministry to implement all 42 recommendations of the WEAG report, and then since March 2020 Government has had to prioritise its response to Covid. In particular New Zealand's welfare agency, Work and Income have had to introduce sweeping new subsidies for a wave of new recipients caused by lockdown.

¹⁰ This annual report accompanies the Budget each year and part of the report is to document the impact new fiscal measures will have on child poverty rates. The Child Poverty Reduction Act 2018 amended the Public Finance Act 1989, introducing section 15EA that requires the supporting information for the main Appropriation Bill (the Budget) to include a report on child poverty. The report must: a discuss any progress made, in the most recent completed financial year, in reducing child poverty consistent with the targets under the Child Poverty Reduction Act 2018, and b indicate whether and, if so, to what extent, measures in or related to that Bill will affect child poverty.

¹¹ Tax Working Group, February 2019: [Future of Tax: Final Report | The Tax Working Group](#).

¹² King P, Cormack D, McLeod M, Harris R, Gurney J. **COVID-19 and Māori Health – when equity is more than a word**. Public health expert. 2020 December. <https://blogs.otago.ac.nz/pubhealthexpert/?p=4012>

¹³ Moewaka-Barnes H, McCreanor T. **Colonisation, Hauora and Whenua in Aotearoa**. Journal of the Royal Society of New Zealand. 2019. 49(Sup1):19–33.

¹⁴ Van Meijl T. Culture versus class: towards an understanding of Māori poverty. In Race & Class, Volume 62 Issue 1. First published May 30, 2020 [Culture versus class: towards an understanding of Māori poverty - Toon van Meijl, 2020 \(sagepub.com\)](#)

¹⁵ Ministerial Advisory Committee on a Maori Perspective for the Dept of Social Welfare, September 1988. Puaote-Ata-Tu (day-break).

¹⁶ George, Lili. Expressions of Māori multiplicity in (re)connection to Ngā Taonga Tuku Iho', Social Identities 18, no. 4 (2012), pp. 435–50, p. 435 <https://journals.sagepub.com/doi/full/10.1177/0306396820923482#>

In the year ended June 2020¹⁷, nevertheless, 17.1 percent of Māori children (49,500) lived in households with less than 50 percent of the median equivalised disposable household income, before housing costs. The rate was slightly higher for Pacific children (19.1 percent or 28,000). These rates compare with 13.8 percent for New Zealand overall¹⁸.

In this same period, almost 1 in 5 Māori children (19.5 percent) lived in households that reported going without 6 or more of the 17 basic needs. The rate was higher for Pacific children at 26.1 percent. These rates compared with 11.3 percent for all New Zealand children. While children from all ethnic groups live in households with relative low income and in material hardship, the rates for Māori and Pacific children in the year ended June 2020 were higher across all measures compared with New Zealand overall¹⁹.

The WEAG was proactive in showing understanding of Māori's colonial relationship with social welfare, during its public engagement and in its report²⁰. It found that disproportionate to its size in the national population, Māori make up 36% of all working-age people receiving a benefit. Over 50% of Māori children are growing up in households receiving a main benefit. It also noted that in June 2014, employment-focused case managers engaged proactively with 50% of their clients every month to support them into employment. This had fallen to an all-time low of 19%, and, over the last year, continued to drop by an average of one percentage point per month.

The reach of Māori Tiriti claims far exceeds the alienation of land and other natural resources, to include a whole way of life²¹. In order to reshape New Zealand into a country in which Māori hold equal resources to that of Pakeha, their different cultural values and traditions must be accepted alongside their rights to the resources initially taken from them. Given the historical *mamae* that has driven Māori in greater numbers to require social and financial supports, compounded by increasing living costs and the fall in accountability and service to clients in general by government's welfare agency, the indication is that this is not occurring and *te Tiriti o Waitangi* continues to be breached by government and against Aotearoa's most vulnerable and particularly vulnerable *tangata whenua*.

Then Covid: Government's response was not fair to the poorest New Zealanders.

New Zealand government showed truly outstanding strategic leadership, for our population to outdo most other nations to date in preventing Covid's outbreaks, preventing deaths from Covid and then mobilising to get 90% vaccinated. Economically, a majority of New Zealanders benefitted from government's pandemic response, but Covid-19 also exposed government's inequitable approach for those living on welfare payments and highlighted the inequalities of our market-based economy.

Generally New Zealanders agree the government has done a lot to soften the blow of Covid 19 for the economy. But NZ's economic distribution statistics reveal a disparate picture in their measures of what is the net worth of households, businesses and the govt, and how this has transformed over the last few years since Covid outbreak. While government's leaders have been appealing to the public value of fairness as a principle of their policy-making and decision-making during the Covid period, the shifting wealth and heightened financial inequality documented by Stats NZ reveal anything but fair outcomes from their economic policies. We purport that the inconsistent nature by which government treats its business-end subsidy recipients

¹⁷ Stats NZ February 2021, [Latest release of child poverty statistics – corrected | Stats NZ](#)

¹⁸ *Ibid.* After housing costs, the difference is even worse: about 1 in 5 (61,000 or 21.1 percent) Māori children lived in households with less than 50 percent of the median equivalised disposable household income after deducting housing costs and compared to the median income from the baseline year. The rate is about the same for children in Pacific peoples' households (30,700 or 21.0 percent). This is higher than for all New Zealand children at 18.4 percent.

¹⁹ *Ibid.* Stats NZ only began producing child poverty statistics by ethnic group a few years ago, as a result of government's new prioritisation of child poverty reduction. This new reporting standard will finally make it possible to see how poverty rates for different groups can change over time and we commend the Government for embedding these measures. However late in doing so, measuring poverty by ethnic group shines a light on the residual economic impact that consistent breaches of *te Tiriti o Waitangi* throughout the colonisation period has had on Māori. To move into an era of decolonisation, more than adequate statistical measurement is needed.

²⁰ Whakamana Tāngata Key Facts, Feb 2019. [Whakamana-Tangata-Key-Facts-v2.pdf \(weag.govt.nz\)](#)

²¹ Van Meijl T. Culture versus class: towards an understanding of Māori poverty. In *Race & Class*, Volume 62 Issue 1. First published May 30, 2020 [Culture versus class: towards an understanding of Māori poverty - Toon van Meijl, 2020 \(sagepub.com\)](#)

compared to its most vulnerable ones with proven material hardships, exposes where the kindness stops, and true meanness comes into play.

Since the onset of Covid 19, Government has presided over policies that have engineered a massive transfer of wealth, from current and future renters to asset owners²². An analysis of official figures from Stats NZ showed an “explosion” in income inequality since the onset of Covid, as the Government’s interventions helped make asset and business owners (more likely to be one and the same) \$952b richer since December 2019. Renters missed out on that asset growth and have been hammered with real wage deflation and rents rising faster than incomes. The poorest are now \$400m more in debt (to government itself) and need more than twice as many food parcels as before Covid.

The Government’s Wage subsidy scheme ensured that not many people lost their jobs. But while jobs were maintained, the scheme poured money into the business employers’ accounts - by January 2022 almost \$20billion²³ - in the form of wage subsidy payments and resurgence payments. This policy was created in a hurry, to prevent a mass exit of workers from the workforce, as businesses were forced to close their doors in lockdown.

While we agree that the outcome of the alternative scenario - a surging unemployment rate with spiralling impacts that risked a national economic depression - needed to be prevented²⁴, our services worked with many beneficiaries who were appalled to hear their payments were much less than the lockdown payments for Covid-impacted employees. Their own benefit payments leave them subsistence-buying on more frequent occasions, so government’s message to stay home and ‘shop only when you have to’ remains hard to comprehend. While the majority of us rushed to buy bulk on goods we needed to get by at home during lockdown, we drained

The recent transference of wealth in New Zealand

In the previous 21 months before Covid, government paid \$1.1billion to businesses through various pre-Covid grants and subsidies. Businesses stored \$71.4billion accumulatively within their cash balances at December 2019. According to Stats NZ figures, in the initial 21 months of Covid, government paid at least \$19.952billion to businesses through the subsidy scheme. Since Covid, with government’s increased payments to the business sector by roughly \$18.1billion, the sector’s accumulative cash accounts have increased to \$97.9billion. It is fair to conclude government’s scheme has not provided for the subsistence of the business sector, but its continued growth, shown in increased profits year on year.

Equity holdings have grown also: since the onset of Covid for more than 60% of New Zealand who own homes and assets. Government allowed the Reserve Bank to keep interest rates down and print \$58billion to fund government bonds and lower long-term interest rates. This increased the value of household and business assets by almost \$1trillion in less than two years. The value of commercial property assets collectively rose from \$1.1trillion to \$1.42trillion, and business and household cash holdings combined rose more than \$51billion. Household prices have risen dramatically also.

By contrast, New Zealanders who rent and who don’t own any assets or have no reserve cash in the bank have not benefitted in this same period. Government did provide new subsidies and increase their provision to beneficiary applicants for cash grants from \$3.1billion in the 19 months prior to Covid, to \$3.23billion the months following Covid’s outbreak. This increase of around \$13million is a fraction compared to the \$18.1billion increase in subsidies to businesses.

Furthermore government continued to apply its principles of beneficiary support to their regular clients, and as a result many beneficiaries found themselves with increasing debt to government, as the pandemic’s conditions left them with more need for grants, and less capability to pay these back, let alone the interest accruing on them. Through the Covid period beneficiary debt to government has risen by at least \$400million to \$1billion.

²² Bernard Hickey, Covid’s Winners and Losers revealed, The Kākā podcast, January 25th 2021. [Covid's big winners and losers revealed \(substack.com\)](https://www.substack.com/p/covid-big-winners-and-losers-revealed)

²³ Ibid.

²⁴ (and we note the same tactic was deployed around the world by many western nations)

supplies and left this already vulnerable minority of beneficiaries going without these goods during long periods. Not only were they exposed more often to Covid 19 from subsistence buying practices, the material hardship was pronounced and unfairly distributed²⁵.

The speed at which government's business subsidy scheme was developed and implemented left it with many omissions of regulatory standards. Businesses small and large were provided the payments, without any means-testing for need and regardless of some businesses' large shareholdings and reserves, which government should have encouraged all businesses to deploy. We understand that the swiftness of implementing the measure provided a great boost in business confidence to many at a time where there was wide-scale panic. However once the initial period of panic was over and the economy showed it had rebounded well, government failed to evaluate and redress the scheme's regulations, most notably failing to consider charging businesses back for the payments, at least those businesses showing a profit in this same period.

All beneficiaries understand, New Zealand's benefit system is based on the principle that if government provides a grant to a recipient in need, it expects for it to be paid back, with interest. It is also based on a principle that government does not provide such grants to anyone but those in need. Government never included pay-back clauses to the business subsidies however, and most businesses took government's wage subsidies and resurgence payments and never paid it back²⁶. Government has not demanded for them to since, and we purport this exposes an inequity in the treatment of government's business recipients and its regular population of beneficiaries. This inequity of treatment has caused greater wealth inequity in New Zealand as a result.

Access to payments were based on an initial declaration from business applicants that their revenue was down more than 30% than the previous period. Over periods since March 2020 however, we have seen many businesses recover and many even report profits to their shareholders at the end of their financial years²⁷.

Meanwhile, the working classes of New Zealand without assets such as their own home or shares, have experienced a deflation on their income as the cost of living has risen rapidly during the Covid period. Wages are rising on average about 2% while inflation is rising at a higher average rate around 6%²⁸. As a result, more New Zealanders are living hand to mouth even if they work, are increasingly experiencing food insecurity and needing social support from services like ours to cope with the stress impacting their households.

The solutions to poverty lie in policies to reduce wealth and income inequalities

Government must play a major role in policy development and implementation to combat the country's poverty, particularly its persistent food insecurity rates. We applaud the measures taken in the Covid-19 Recovery Budget in 2020, for MSD to invest \$32 million over two years to provide support for foodbanks, food rescue and community organisations like us who are distributing food to vulnerable people and building community-led solutions for food security.

As a member of the New Zealand Christian Council of Social Services we support the Kore Hiakai Zero Hunger Collective formed in 2019 to eliminate food insecurity in Aotearoa. Kore Hiakai has a partnership with MSD and is connected to over 300 foodbanks and community food organisations across the country, with a vision for a 'Food Secure Aotearoa'. Kore Hiakai has three areas of focus: generating systemic change through collaboration, mana to mana practice of community food distribution and building relationships. We strongly support government's continued commitment to working with Kore Hiakai and the New Zealand Food Network¹ and the Aotearoa Food Rescue Alliance¹. But this is not enough, families should not have to rely on food parcels in Aotearoa today, given we export more than we consume.

²⁵ Hickey, B. The Real Impact of New Zealand's economic response to Covid 19 in The Spinoff. [The real impact of New Zealand's economic response to Covid-19 | The Spinoff](#)

²⁶ See <https://www.newsroom.co.nz/timely-wage-subsidy-review-due-in-2022>

²⁷ Bernard Hickey, Covid's Winners and Losers revealed, The Kākā podcast, January 25th 2021. [Covid's big winners and losers revealed \(substack.com\)](#)

²⁸ Ibid.

In recent years, particularly with Covid-19, there have been major policy developments tackling food insecurity²⁹. But these measures are generally considered “ambulance at the bottom of the cliff” measures, while we wish for government to think preventively about the drivers of poverty in all policy settings. For example, the WEAG’s 42 recommendations to Government’s welfare agency Work & Income are not only practical means of ensuring lower income households stay above the poverty line, but also address the service-culture within this public-facing agency so that it treats its clients with respect. For government’s welfare system to be fair and kind, in keeping with both the kiwi culture and the Prime Minister’s principles of pandemic response, those who engage with it should trust they will have mana-enhancing experiences, especially because it will be at times they are most vulnerable.

Presbyterian Support NZ urges government to make rapid progress on all WEAG recommendations, as well as to continue implementing its Child Poverty Reduction strategy.

To prevent poverty, government must first assure a decent income for all. We applaud the government’s commitment to becoming a Living Wage Employer, but this commitment must extend to its contracts, funding organisations such as ours that also manage workforces. While in many regions Presbyterian Support has managed to provide the Living Wage to some or all its staff through private donations and bequests, our hopes of becoming a consistent Living Wage Employer across the country is stunted by our funding levels from our national and local government contracts.

Alongside many who make a proportion of the clients we serve, we do not accept that New Zealand’s beneficiaries already receiving financial support from government deserve any lower rate of income than

Demand for food parcels continues to rise.

The impact of Covid 19 has exacerbated food insecurity among New Zealand’s poorest: it was reported 130% increase in demand for food parcels in the period of the 6months before end of June 2021 compared to the 6months before end of June 2019¹. There were also dramatic increases in the hardship assistance given by the Ministry of Social Development. The number of hardship assistance grants was steadily increasing each June quarter by around 20,000 per annum until June 2018, then jumped by almost 100,000 the following year to 229,131¹. The following June (2020) this figure more than doubled again, to 566,646, costing the Ministry \$64million in just one quarter. The June 2021 figure has dropped back to 290,721, still far higher than in years preceding the pandemic, and costing the Ministry an estimated \$27million.

Pre-Covid figures from the New Zealand Health Survey showed that 20% of children aged 0-15 years already lived in households reporting that food ran out ‘often’ or ‘sometimes’¹. In 2020 the Growing Up in New Zealand survey¹ found that almost half (49.3%) New Zealand’s mothers at the nine-month interview stage reported they were forced to buy cheaper food so that they could pay for other things. One in eight (12.2%) said they made use of special food grants or foodbanks in the past year and a similar proportion (11.5%) had gone without fresh fruit and vegetables to pay for other things. One in four Māori nine-month olds and almost one in every three Pasifika nine-month olds lived in households that reported use of a foodbank or special food grant.

Food Insecure homes have higher rates of asthma, obesity, impaired learning and development/behaviour concerns, than Food Secure homes¹. Food Insecure homes have lower rates of meeting guidelines for fruit and vegetable consumption, than Food Secure homes. 16% of Food Insecure homes had concerning scores on the “Strengths and Difficulties Questionnaire” which screens for social, emotional and behavioural difficulties, compared to just 6% in Food Secure homes.

²⁹ An interim evaluation of the 2019 pilot programme was released which focussed on the Hawke’s Bay and Bay of Plenty schools involved in the pilot (see https://assets.education.govt.nz/public/Ka-Ora-Ka-Ako-Evaluation_ImpactFinal_20210517_revisedFINAL.pdf). This evaluation concluded that in the first two to three months of the pilot, the programme ‘often achieved more than what was expected ... excellent progress towards making nutritious food available and significantly improving lunchtime diets’. While the findings are encouraging, some caution is needed. First, this interim report is only for two New Zealand regions and is based on the 2019 pilot. Secondly, it does not include Covid-19-related information from 2020. Finally, there have been some problems with the rollout of the programme, including hundreds of uneaten lunches, (see <https://www.stuff.co.nz/national/125079039/thousands-of-taxpayerfunded-school-lunches-left-uneaten-bystudents>) students either declining or missing out on the lunches²⁵ and schools and parents not supporting the programme (see <https://www.tvnz.co.nz/one-news/new-zealand/hundreds-govt-funded-school-lunches-being-turned-downhamilton-students-while-others-miss>). Teething problems are to be expected with these kinds of programmes and these media reports indicate continued robust and comprehensive evaluation and analysis is critical for this policy.

those employees, forced to stop work during the lockdowns. All households in New Zealand should be granted incomes that can afford hauora and escape material hardship. We do not accept that New Zealand's businesses, when receiving subsidies from government, be treated with impunity while Work & Income's regular clients - New Zealand's most financially vulnerable - are placed further and further in debt due to business as usual policy.

There are numerous community ideas that are more innovative in disrupting the inequalities of the market-driven economy, that require partnership by way of resourcing from government, including the community-led Pataka Kai³⁰ movement, the development of mana-enhancing models for foodbanks from Kore Hiakai to all the community gardens, food rescue, community meals and other grassroots initiatives operating around the country, led largely by volunteers.

An essential innovation from government would be to take proper account of childcare, caregiving and volunteer work, particularly in our not-for-profit sector, and the value added to our economy by this labour that enables households and communities to thrive. We note these labour forces - particularly in early childhood education, caregiving for people with disabilities and mental illnesses and the community work of so many volunteers, such as our own 1556 volunteers³¹, who supported either Enliven, Family Works, Shine or Lifeline services across the country - are predominantly female labour-forces. Many of our volunteers joined us as vulnerable whanau in need, and many remain in material hardship even as they volunteer to serve others. This unpaid labour should be accounted for properly within our social welfare system and our wider economy.

Finally, to cover the costs of funding all poverty prevention measures, such as higher welfare levels and more support to innovative community-led initiatives combatting poverty locally, we fully support adequate tax increases for those in our society with the highest incomes and assets.

We need truly innovative solutions to disrupt the status quo on poverty

New Zealand's Government joined with 193 others in New York in September 2015 to endorse the United Nations 17 ambitious sustainable development goals, including the first: End poverty everywhere in all its forms by 2030. However much we support this pledge, it is difficult to have faith in the Government's endorsement when Aotearoa New Zealand is failing to honour the rights and pledges set out in other treaties and human rights instruments since 1840, including the Treaty of Waitangi, the United Nations Convention on the Rights of the Child (UNCROC), and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

New Zealand's government should sustain its early-formed tradition of an innovative approach to poverty that provides a dignified system of welfare and policy measures that not only give financial support to vulnerable New Zealanders directly, but also an adequate platform of resources for community-led innovations in social supports to the same New Zealanders. Solutions must include a strengths-based, kaupapa Māori approach to building the capability of whānau to design and implement solutions to ensure the wellbeing of their tamariki³².

There are innovations to sustain projects or systems, and there are innovations to disrupt or overhaul them. Most government innovations are sustaining ones because they maintain the current systems and provide some improvements to government's system as a whole, especially with technological innovation. They work towards better functionality for customers or clients and refine or revitalise their current offerings. In the context of preventing poverty, government must also sustain robust research into food insecurity in Aotearoa and organise the food security sector better, ensure its supply and delivery lines are strong, and develop mana-enhancing frameworks to help everyone engage with people and whānau using foodbanks. Foodbanks need funding, staff and energy into making them more effective, streamlined and prepared for times of crisis. These initiatives are sustaining innovations, clearly helpful in the immediate term for people in poverty.

Truly disruptive innovation seeks to change or disrupt the status quo of poverty in New Zealand, with good enough solutions to address or even eliminate their social determinants. For example, Ronji Tanielu puts forward the idea of a National network of Social Enterprise Supermarkets³³. Presbyterian Support Otago has

³⁰ See <https://www.patakai.co.nz/>

³¹ figures for 2021

³² Māori Affairs Select Committee Recommendations to Improve and Ensure the Wellbeing of Tamariki Māori. Māori Affairs Committee, 2013.

³³ Tanielu, R. Social Policy and Parliamentary Unit: Food for Thought – Disrupting Food Insecurity in Aotearoa

moved from a Food Parcel to a Social Supermarket model. This is becoming a popular model used by many social service agencies and foodbanks around the world. Social enterprise models are also operating in Aotearoa, with companies such as Reduced to Clear, Bin Inn and Why Knot Outlet Shop. There are lots of variations of social supermarkets operating locally and globally. There is great potential then for a legitimate social enterprise supermarket model for Aotearoa and Presbyterian Support is well-placed to partner with government in piloting truly disruptive innovations like these.

Specifically, Presbyterian Support NZ will advocate for:

- Government to speedily implement all recommendations of the Welfare Expert Advisory Group, most importantly:
 - Embedding te Tiriti o Waitangi in the Social Security Act 2018
 - Reforming Social Welfare to give value to unpaid work like caring and volunteering
- To be an integral Living Wage Employer, Government must increase social and health service contract funding sufficiently to ensure those partnering with Government to support people in poverty, such as Presbyterian Support, can sustainably commit to becoming Living Wage Employers as well.
- Revisit the Tax Expert Advisory Group's recommendations to government and establish a tax system that takes enough from those who don't need it - increasing higher income tax rates and/or taxing wealth either annually and/or when assets are sold - to pay for all welfare, public health and social supports for those who are slipping into poverty, before they do.
- Government continuing to play a major role in combatting the country's persistent food insecurity rates by providing various food insecurity funding streams for those of us providing food parcels and other community-led innovations, and committing to partner with Kore Hiakai and other food networks.
- Evaluate the Covid 19 Wage Subsidy Scheme and enforce payback from all businesses who show they are now in financial recovery, or in the spirit of equity suspend all activities undertaken by Work & Income to enforce payback from all beneficiaries their debt in the same period. Or both.
- In a few of New Zealand's most poverty-ridden regions, with a view to scaling it nationally if successful, pilot the development of Community-led Social Enterprise Supermarkets and Community Gardens, and other truly disruptive innovations.
- Strong monitoring of the discourse on poverty within government departments and the media, to expose, disrupt and counter the demonising of the poor, including beneficiaries
- More housing specific measures, see PSNZ's position on Housing.