



NEW ZEALAND

Incorporated  
And empowerment

Affiliated with the International Federation of Business & Professional Women

**BPW**  
NEW ZEALAND

New Zealand Federation of Business  
and Professional Women

P O Box 28 326, Remuera, Auckland 1136, New Zealand

[www.bpwnz.org.nz](http://www.bpwnz.org.nz)

8 July 2015

To the Committee Secretariat, Social Services Committee  
Parliament Buildings  
Wellington

Online:

**Re: Submission on Support for Children in Hardship Bill**

**Submission:**

This submission is from the NZ Federation of Business and Professional Women (BPW NZ) Inc.

**Our interest in this Bill is because we are committed to advocating for the well-being and empowerment of women and their families. When the New Zealand Government ratified The United Nations Convention on the Rights of the Child (UNCROC) in 1993 they agreed the best interests of the child must come first in decisions, laws or services that involve the children. In addition the Government agreed to bring our current Legislation into line with the Convention.**

**During the past decade child poverty in New Zealand has been on a roller coaster ride. Research suggests the single biggest impact on child poverty rates is central government policy settings, this was concluded by UNICEF Innocenti Centre in Italy (Measuring Child Poverty, Report Card 10,2012).**

**In the Budget 2015, the Government introduced a number of initiatives to further assist children in more severe material hardship. The package encourages employment for parents on a benefit, provides more childcare support for low income working families and increases financial support for both beneficiary parents and working parents on low incomes.**

**1.0 General Comments:**

**1.1** BPW NZ congratulates the Social Services Select Committee on introducing this Bill which recognises the seriousness of Child Poverty in New Zealand. We support the Bill in principle but would like to see the government do more. We see this as the ambulance at the bottom of the cliff not an investment in a national plan to genuinely eradicate child poverty.

6/07/2015

***“BPW NZ – Empowering Women”  
Submission on Support for Children Hardship Bill***

Page 1 of 6

- 1.2** The Budget package has looked at a number of issues to address child poverty but we don't believe it reaches far enough. The proposed changes to the Social Security Act, Inland Revenue Acts and the Education Act do not address the problem in its entirety, a piece meal approach at best.
- 1.3** New Zealand's children in hardship are there because their caregivers are in hardship. And not all of these caregivers are beneficiaries. A significant number are in work (low-income work and often insecure work) and there is little in this Bill that addresses their plight.
- 1.4** If the Government were serious about child poverty we would have a more feathered approach which would include:
- Housing and its effects on child poverty
  - Health – causes and effects
  - A complete overhaul of the Social Securities Act with regards to adjusting all beneficiary payments so they are linked to CPI and current economic climate trends on child poverty and an ability for legislation to support negative changes in the economy.

## **2.0 Effect on the Beneficiary**

- 2.1** BPW NZ supports the main aim of this bill to strengthen low income families and those people on beneficiary support by the introduction of the extra payment of \$25 to these families
- 2.2** BPW NZ would like to see this payment be for each child in the targeted families. A payment of \$25 for an entire family is insufficient when that family has more than one child to support.
- 2.3** BPW NZ welcomes the amendments to the Education Act that also allows an adult parent continuing their education, who is also classified as low income to be eligible for this payment of \$25.
- 2.4** BPW NZ would also like to see this group of New Zealanders entitled to the same work tax credits as those not choosing to further their education.
- 2.5** BPW NZ would like to acknowledge the changes in the abatement thresholds from 21.25 cents to 22.5 cents in the dollar which aims to incentivize the return to the workforce for those in the low income bracket.
- 2.6** BPW NZ believes these measures should be included in legislation in such a way that keeps pace with CPI.

We quote the BPW NZ Policy 14.5.3 **Allowable Income**

*“Urge the Government to raise the allowable earned income to a level sufficient to encourage beneficiaries to work towards independent employment.”* **(2003)**

- 2.7 We also see in the bill that it introduces a regulation - making power that will sit in the Social Security Act to allow for the payment of financial assistance to beneficiaries in exceptional circumstances who are financially disadvantaged. It is not clear whether this is a one off payment or a permanent adjustment to their entitlements – clarification would be useful:-

We quote an excerpt from The Convention on the Rights of the Child

*Article 3: Best interests of the child:*

*The best interests of children must be the primary concern in making decisions that may affect them. All adults should do what is best for children. When adults make decisions, they should think about how their decisions will affect children. This particularly applies to budget, policy and lawmakers.*

- 2.8 BPW NZ is also concerned with the implementation of the proposed part-time work seeking and availability obligations in this bill which would take effect when the youngest child turns 3. We do not support the drop in age from 5 to 3 years of age.
- 2.9 We believe that government has made a wide sweeping assumption here, that all children being brought up in a low income family are also vulnerable family units, this is simply not true. Sole Parents and low income families are doing the job of caring for their families and this should be recognized as unpaid work.

We quote the BPW NZ Policy 14.6 **Unpaid Work**

14.6.1 *“BPW urge the Minister for Social Development to include the value of unpaid work performed in New Zealand as a separate item.” (1994)*

- 2.10 BPW NZ believes that empowering women who are in this situation is important and wishes to highlight unintended consequences of this legislation – such as provision of affordable childcare, transport costs (commuting and child(ren) to and from care), tax break (often better off on benefit – because tax makes income too low and then we have working poor) etc....
- 2.11 BPW NZ would like to highlight another unintended consequence – the prevalence of the trend of employers moving away from part-time contracts to zero hour contracts. Whilst this issue has made headlines earlier this year it is still being practiced by employers and we know through anecdotal evidence that women are the most effected. We would request that the Government start collecting this data and segregating by gender to have an appreciation of how serious this problem is.

We quote the BPW NZ Policy ..... **Zero Hour Contracts**

*“BPW NZ urges the Government to recognize the increasing number of workers in precarious working arrangements which provide no security of hours of work and implement appropriate policy and legislative responses:*

- *Enact legislation to ban “Zero hour contracts” with (i) exclusivity rights of employment and (ii) those that require people to work any hours offered.*
- *Develop a best practice code of conduct aimed at employers who wish to use flexible hours contracts*
- *Provide clear information for employees working insecure hours on their rights to social welfare top-ups as needed and how to apply*

- *Keep gender – based statistics at the Ministry of Social Welfare on the number of workers needing intermittent top-ups because of fluctuating hours* **(2015)**

### **3.0 Effects on Low Income Workers**

- 3.1** Workers on low income or fluctuating insecure wages are under pressure to find child-care and after-school care that fit the hours of work they are offered. Increasingly available work does not fit within school or pre-school hours.
- 3.2** Difficulties of finding sufficient quality child-care – and women leaving work because of this and going back to beneficiary status (or can be because hours of work are changed and can no longer find child care)
- 3.3** BPW NZ is concerned that there is no provision in this bill for the special needs of care-givers with children with disabilities. Requiring employment in these cases is often counter-productive to the good of the child and society.
- 3.4** BPW NZ would like to congratulate the NZ Parliament on addressing the Working For Families tax credits by increasing the base rate of the in work tax credit to \$12.50 a week.
- 3.5** BPW NZ wishes to see the incentive to move off the benefit and into work through the In Work Tax Credit increase further to cover the high costs that are associated with employment while caring for children.

### **4.0 Comments specific to human rights issues**

- 4.1** BPW NZ is concerned the current Bill is inconsistent with the New Zealand treaty agreement to be a part of United Nations Convention on the Rights of the Child. (UNCROC) In particular BPW NZ urges the Government to fully meet the requirements of Articles 26 and 27 of UNCROC.

**Article 26 (Social Security):** *Children – either through their guardians or directly – have the right to help from the government if they are poor or in need.*

**Article 27 (Adequate standard of living):** *Children have the right to a standard of living that is good enough to meet their physical and mental needs. Government should help families and guardians who cannot afford to provide this, particularly with regards to food, clothing and housing.*

- 4.2** BPW NZ is concerned the current Bill is also inconsistent to The Convention of the Elimination of all forms of Discrimination Against Women (CEDAW)

## 5.0 Summary

- 5.1 BPW NZ would like to see the Government address the issues of Child Hardship but feel that the measures recommended in the Budget for 2015 does not go far enough. Child Poverty is becoming more of an issue in New Zealand. We would like to see a review of these measures being implemented in 2 years' time to see if it is addressing the child poverty issues and if not why not.
- 5.2 BPW NZ would recommend that this government when tracking the progress of this bill collect data by gender, ethnicity and income. We feel this bill will have the biggest impact on women and their ability to be good parents.
- 5.3 BPW NZ urges the government to carry out a gender impact analysis of this bill, according to CEDAW recommendations, and to make the outcome of the analysis public.
- 5.4 BPW NZ would like to congratulate this government for tabling this piece of legislation, as it is the responsibility of this government to protect the rights of the child under our obligation to UNCROC.

### Our Organisation

Our organisation's aims are to link professional and business women throughout the world, to provide support, to lobby for change and to promote the ongoing advancement of women. We work for equal opportunities and status for all women in economic, civil and political life and the removal of discrimination in all countries. We promote our aims and organise our operating structure without distinction as to race, language or religion.

Our structure is comprised of a National Executive, 14 branches and a number of individual members in areas where there is no branch. We are an apolitical organization.

### International Status:

BPW NZ is affiliated to BPW International which has General Consultative Status at the United Nations through the UN Economic & Social Council (ECOSOC). This enables BPW International to appoint official representatives to UN agencies worldwide and to accredit members to attend specific UN meetings.

BPW International endorses the Convention for the Elimination of All Forms of Discrimination Against Women (CEDAW) Committee and its Optional Protocol at state party level. BPW International upholds the outcome documents of the annual UN Commission on the Status of Women (CSW) which evaluates progress, identifies challenges, sets global standards and formulates policies to promote gender equality and women's empowerment worldwide. BPW International endorses the Beijing Platform for Action.

We wish that the following also appear in support of our submission:

*Hellen Swales, Vice President Issues BPW NZ*

Daytime contact number (04) 939 2811, mobile 027 528 6799 and email in [svp@bpwnz.org.nz](mailto:svp@bpwnz.org.nz)

Thank you for the opportunity to speak to our submission and we hope that our comments are of use to you.

*On behalf of*  
**New Zealand Federation of Business and Professional Women Inc.**



**Vicky Mee**  
President



**Hellen Swales**  
Vice President, Issues