Household Livelihoods Policy

Vision
Every individual and household has enough income and resources to live a fulfilling life with dignity and participate fully in society.

Values and Principles
Income support and other related policy decisions must be consistent with the following values and principles:

- **Honour Te Tiriti o Waitangi**: The Māori economy should be thriving and dynamic and be achieved through equitable practices and the rangatiratanga of hapū and iwi made visible.
- **Ecological Wisdom**: An essential element of sustainability is knowing when we have "enough". Many people in our society do not yet have "enough"; hence income support is vital to a sustainable society.
- **Social Responsibility**: Basic material security and sufficient income for all, and a fair distribution of the economy's benefits and burdens, will lead to better outcomes for all members of our society, including gender and pay equity.
- **Appropriate Decision-Making**: Marginalised communities should have meaningful input into our income support system.
- **Non-Violence**: The focus of income support is on meeting people's needs: it should not be used as a behaviour modification tool, should avoid discrimination, and should be culturally responsive.
- **Simplicity and Universality**: Income support should be accessible, easily navigable, and incur minimal administrative costs and delays.

Summary
The Green Party will take a Tiriti-based approach to income equity and security. We will ensure that workers’ wages are sufficient and - while working towards a universal basic income - simplify the income support system, ensure that its levels are sufficient and that transition to work is non-punitive. We will support and value unpaid work and participation in our communities, including that done by parents, volunteers, and seniors.

Strategic Priorities
The Green Party's strategic goals include:

“Poverty will be eliminated, everyone will have enough income and wealth will be held more equally.”

Actions in this policy that will help achieve this include:
● Remove Work and Income's "limited employment location" policy, in recognition of tangata whenua rights to live within and/or return to their rohe where they have whakapapa and whānau. (1.3)
● Introduce a tax-free threshold at the bottom end of the income scale as part of wider tax reform. (2.10)
● Reform the Social Security Act 2018 to implement the principles of this policy and, as a minimum, give effect to the recommendations of the Welfare Expert Advisory Group in 2019. (3.1)
● Ensure that those with a health condition or disability continue to receive a benefit regardless of relationship status, recognising the importance of this independent income for wellbeing. (3.14)
● Provide a participation allowance in addition to other benefits to all beneficiaries who carry out a minimum number of hours of voluntary work per week with organisations providing value to the community or the environment. (4.12.4)
● Identify ways to allow flexibility in the age a person may receive New Zealand Superannuation (...) (4.16)

Connected Policies
Household livelihoods are strongly connected to policies that affect the Workforce, including Tertiary Education. The income support system is part of and dependent on the wider Government Economic system. The livelihoods of some groups need additional support - see our Disability, Women's, Youth, Kaupapa Māori, and Tagata Moana Policies, for example.

Policy Positions

1. Te Tiriti o Waitangi

Issues
Colonisation and systemic racism continue to undermine economic wellbeing for tangata whenua. This includes the income support system which, for example, does not recognise tangata whenua rights to live within and/or return to their rohe where they have whakapapa and whānau. As a result, Māori populations experience more socio-economic deprivation than other ethnic groups in New Zealand (as measured by joblessness, educational attainment and average income).

Actions

1.1. Ensure all benefits are proactively provided without discrimination to Māori.
1.2. Evaluate, with whānau, hapū, and iwi, the livelihood-related services the Government delivers to ensure they are fully accessible, effective in improving outcomes for Māori, and provide alternative systems of support according to need.
1.3. Remove Work and Income's "limited employment location" policy, in recognition of tangata whenua rights to live within and/or return to their rohe where they have whakapapa and whānau.
1.4. Ensure all Work and Income staff have Te Tiriti education, can pronounce Te Reo names, are aware of the hapū and iwi in the area where they work, and embed competencies to achieve greater equity for Māori in job descriptions and performance targets and reviews.

1.5. Ensure all redesign of welfare policies and practices is informed by the Crown’s responsibilities under Te Tiriti o Waitangi.

2. Income Equity and Security

Issues

The disparities between the very rich and very poor in Aotearoa New Zealand has now reached the stage where small numbers of wealthy people live extravagantly, while increasing numbers of New Zealanders (especially Māori and Pasifika and other marginalised groups) are struggling to get their basic needs met on very low incomes. Work insecurity and the large proportion of tax that needs to be paid that exist for people on low incomes pose a risk to New Zealanders of entering a “poverty trap”. This includes: workers in seasonal, declining or automating industries, emerging small business owners and innovators, parents of young children, carers, students, and jobseekers.

Actions

2.1. Encourage organisations to pay a ‘living wage’ and limit the ratio of highest to lowest pay rates within the organisation, and to only use suppliers doing likewise.

2.2. Progressively increase the minimum wage to a level that enables people to cover their costs (see our Workforce Policy).

2.3. Encourage firms to share profitability with employees including through ownership stakes in companies, such as a cooperative ownership structure.

2.4. Facilitate employee participation in ways appropriate to the organisation (e.g. through representation on boards in larger corporations).

2.5. Ensure that government spending on social services enables the government’s critical, long-term contributions to wellbeing to be fulfilled.

2.6. Ensure that economic policy supports diversity and social cohesion in work places.

2.7. Introduce work and employment policies that support dignity and equity and that facilitate work in sustainable industries that provide a secure livelihood (see our Workforce Policy).

2.8. Strengthen implementation of core labour rights, including union organising and collective bargaining (see our Workforce Policy).

2.9. Introduce a guaranteed minimum income for all people.

2.10. Introduce a tax-free threshold at the bottom end of the income scale as part of wider tax reform (see our Economic Policy).

2.11. Implement a Universal Basic Income (UBI) underpinned by the following principles:

2.11.1. Universality: All New Zealand citizens and permanent residents who are resident in New Zealand for tax purposes receive the UBI, regardless of age, circumstances or other factors;
2.11.2. **Sufficiency**: When fully implemented, the UBI is set at a level that enables people to meet their basic needs, as a minimum. This level is determined in conjunction with the level of universal public services and levels of benefits (some of which are fully or partly replaced by a UBI);

2.11.3. **Equity**: To maximise equity, the UBI is funded, at least in part, by a more progressive tax system, which could include new wealth and environmental taxes;

2.11.4. **Simplicity**: Any gradual implementation plan gives priority to the universality (and therefore simplicity) of a UBI. The UBI is fully implemented as quickly as practicable to maximise the reduction in welfare compliance costs; and

2.11.5. **Economic Sustainability**: The design and amount of the UBI, and a reflexive and responsive implementation plan, is determined through modelling and testing for long-term economic sustainability and a Just Transition to a resilient economy. This will ensure it remains affordable in the long term, not just taking into account costs in the short term but also potential reductions in public spending in the long term.

2.12. Measure the success of a UBI as follows:

2.12.1. As the UBI is implemented, a reduction in relative poverty levels and inequality is seen and no welfare beneficiary is financially worse off; and

2.12.2. Implementation of the UBI does not adversely impact on Aotearoa New Zealand’s progress as measured using its wellbeing and sustainable development indicators.

3. **Welfare Reform**

*Issues*

Our current targeted, conditional welfare system, leads to social stigma, systemic discrimination, and inconsistency of access. There are also significant administrative costs associated with its complexity. Benefit abatement for those moving into employment can create a poverty trap.

*Actions*

3.1. Reform the Social Security Act 2018 to implement the principles of this policy and, as a minimum, give effect to the recommendations of the Welfare Expert Advisory Group in 2019.

3.2. Simplify the benefit system to establish:

3.2.1. a universal base rate;

3.2.2. add-ons for specific circumstances or additional needs, such as dependants, disability or chronic illness, and review such the circumstances and needs regularly to ensure these are adequate for the needs to be met; and

3.2.3. Provide discretionary additional assistance sufficient to meet the needs of beneficiaries for urgent costs.

3.3. Ensure that benefit levels provide an income that is sufficient for all basic needs, including by:
3.3.1. Indexing rates to the actual costs of essential items;
3.3.2. Establishing a floor to ensure main benefits cannot fall below a fixed percentage of the average wage; and
3.3.3. Ensuring supplementary assistance payments keep pace with the cost of living and are sufficient to enable a decent standard of living for people not in full-time paid work or facing additional costs of living.

3.4. Ensure that the Ministry of Social Development, including its Work and Income Service, works to:
3.4.1. Ensure that all people using their services are treated respectfully and heard and all staff are trained to listen, provide support, and help people access their full entitlement;
3.4.2. Implement an effective complaint process;
3.4.3. Ensure that people who are dissatisfied with decisions in relation to their income support entitlements have access to a speedy and independent review and appeal process that operates in accordance with the principles of natural justice; and
3.4.4. Improve outreach efforts to minority groups through their community organisations, including training of staff.

3.5. Ensure Work and Income services, sites and information are accessible to disabled people (see our Disability Policy).

3.6. Abolish pre-benefit stand-down periods.

3.7. Enable on-the-spot assistance through a non-recoverable grant while eligibility for a benefit is assessed.

3.8. Remove social obligations, warrant for arrest rules, drug testing and sanctions from the welfare system.

3.9. Remove age discrimination in working-age benefits, by:
3.9.1. Ensuring working people aged under 18 have at least the same entitlements as those over 18;
3.9.2. Reintroducing a benefit for unsupported unemployed or sick young people aged 16 and 17 without requiring them to establish family breakdown;
3.9.3. Ensuring unemployed students in full-time tertiary education are eligible for the jobseeker benefit over the summer holiday, irrespective of parental income;
3.9.4. Removing the lower payment rates for people under 25 years on main benefits; and
3.9.5. Removing additional obligations, money management and sanctions targeted at young people and ensuring employment, educational or social support is consistent with a positive youth development focus.

3.10. Treat all adults as individuals for income support purposes.

3.11. Oppose any requirement on benefit entitlement that would require beneficiaries to relocate from rural communities or prevent beneficiaries from relocating to rural communities.
3.12. Ensure the sickness and impairment related assessment and appeal system aligns with the values and principles of this policy.

3.13. Ensure assessment and support systems are sensitive to the needs of people who are unable to do paid work permanently or can only work for short periods, and prevent over-assessment of people with disabilities and chronic health conditions.

3.14. Ensure that those with a health condition or disability continue to receive a benefit regardless of relationship status, recognising the importance of this independent income for wellbeing.

3.15. Ensure income support for people with disabilities and injuries is equitably provided based on need, through a simplified income support system such as ACC.

3.16. Ensure that those caring for adults with a disability are able to receive adequate financial support and are not subject to a work test.

3.17. Ensure quality support and advocacy services for people dealing with Work and Income and other relevant Government departments by:

3.17.1. Significantly increasing funding and infrastructure support to community organisations that provide beneficiary advocacy and support services;

3.17.2. Strengthening Ministry of Social Development redundancy support policies to better support displaced workers;

3.17.3. Supporting and enabling training and information sharing (where this is consistent with protecting the privacy of individuals) in and among advocacy groups;

3.17.4. Further developing appropriate ways for community organisations to provide feedback on the effectiveness of the income support services in its regions;

3.17.5. Working supportively with community organisations with relevant experience when carrying out research and developing policy; and

3.17.6. Enabling informed, consenting individuals to share their state-held income support information with community advocacy and support organisations, within the limits of privacy regulations.

3.18. Pursue reciprocal welfare arrangements with other countries.

3.19. Allow New Zealanders living overseas to claim a one-off emergency loan payment in the event they have to leave their country of residence due to hardship or other circumstances.

A. Transitioning into work

3.20. Reform benefit abatement policies, including ensuring that:

3.20.1. Weekly compensation under ACC is treated no differently from other income for benefit abatement purposes;

3.20.2. Income from contributory overseas pension, superannuation and savings schemes is treated no differently from other income for benefit abatement purposes; and
3.20.3. Savings towards a home mortgage deposit are excluded from being treated as assets for benefit abatement (see our Housing and Sustainable Communities Policy)

3.21. Assist motivated people on income support to set up their own small business by:

3.21.1. Increasing access to start up finance at adequate levels and in all geographic localities;

3.21.2. Supporting and expanding the availability of employment resource centres, small business support groups and similar organisations which work to train, mentor and support people going into self-employment, small business, cooperative and community owned enterprise; and

3.21.3. Increasing funding for start up business support schemes and ensuring it is available to anyone starting a business for the first time including new migrants, rather than just those who have been unemployed for six months or more.

3.22. Reinstate the Training Incentive allowance for degree-level courses, and extend its availability to long-term sickness beneficiaries.

3.23. Establish an effective employment service and strengthen active labour market, labour market and employment training policies across local and central government.

3.24. Work to remove barriers to employment for people with disabilities, including increasing funding for workplace adaptations to enable employment of people with disabilities.

3.25. Support campaigns that promote positive attitudes towards disability and reduce discrimination.

3.26. Enable the Ministry of Social Development to broker work opportunities for marginalised groups who are able to work.

4. Unwaged Work and Participation

Issues

Essential unwaged participation in our communities is not currently fully enabled and valued.

Actions

4.1. Reform the work test for work-tested beneficiaries to take into account the valuable contribution to society made by people doing voluntary work and parenting.

A. Supporting Parents and Children

4.2. Introduce a Universal Child Benefit – a non-income-tested payment to the primary caregiver – and ensure it is adjusted to reflect the cost of living and able to be capitalised towards the purchase of a first home by the child's family.

4.3. Abolish tax credit regimes such as the In Work Tax Credit component of Working for Families that discriminate against at-home parents. Until they are abolished, incorporate such tax credits at an income-tested secondary level into the Universal Child Benefit regime proposed above.
4.4. Remove provisions that financially or materially penalise single parents who give birth while in receipt of benefit.

4.5. Support provision of benefits to sole parents without a work test, regardless of the age of the dependent children.

4.6. Increase the joint benefit rate for two-parent families in which neither parent is in paid work, and ensure that obligations to seek or train for paid work accommodate:
   4.6.1. the primary importance of caring for children; and
   4.6.2. any health conditions or disability of the parents or children.

4.7. Ensure that single parents who do not name the non-custodial parent or do not apply for child support receive their full entitlements.

4.8. Remove work tests from people whose primary activity is caring for children.

4.9. Extend the period of paid parental leave to 15 months, allow leave to be used concurrently by parents and guardians in the first three months, and increase the level of payments to 100% of men's average wage.

B. Supporting Volunteers

4.10. Ensure Government policy across all departments recognises the contribution of volunteers, and foster a culture that promotes and supports volunteering as a key part of community life.

4.11. Recognise cultural differences in definitions of 'volunteer'.

4.12. Ensure that voluntary work is not used to replace paid work, and that those participating in voluntary work are valued in their role by:
   4.12.1. Acknowledging that people doing voluntary work are contributing to the community;
   4.12.2. Supporting people to participate in voluntary work;
   4.12.3. Opposing 'workfare' or compulsory schemes as these can reduce paid work opportunities; and
   4.12.4. Provide a participation allowance in addition to other benefits to all beneficiaries who carry out a minimum number of hours of voluntary work per week with organisations providing value to the community or the environment.

4.13. Increase and sustain funding to local and national organisations which support and promote volunteering.

4.14. Oppose any moves to introduce work for welfare schemes into the income support system.

C. Supporting Older People


4.16. Identify ways to allow flexibility in the age a person may receive New Zealand Superannuation, for example to allow early entry for people with a permanent health condition or disability, lower life expectancy (e.g. Māori), or as part of a Just Transition.
4.17. Support retaining KiwiSaver as a voluntary retirement savings scheme, and oppose a move to mandatory retirement savings.

4.18. Ensure that people who leave Aotearoa New Zealand intending to return within six months, but are unable to do so for exceptional reasons, remain eligible for superannuation;

4.19. Ensure that assessment of applications to be paid superannuation while overseas for more than 26 weeks takes full account of financial position, family obligations, and cultural considerations;

4.20. Restore the ten-year eligibility threshold for time spent in Aotearoa New Zealand to be eligible for a full or partial superannuation.