

# KETE KUPU

## WORD BASKET

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New Zealand Council Of  
Christian Social Services

## Inequality Divides Us and Holds Us Back

*"Growing inequality is dividing us and holding us back as a country. Every day NZCCSS member agencies are trying to support people whose incomes are simply too low to live on, whose housing is sub-standard and whose chances of getting ahead in the employment market are very limited. The growing income divide is a major contributor to their plight."*  
(Pam Waugh, NZCCSS Vice-President)

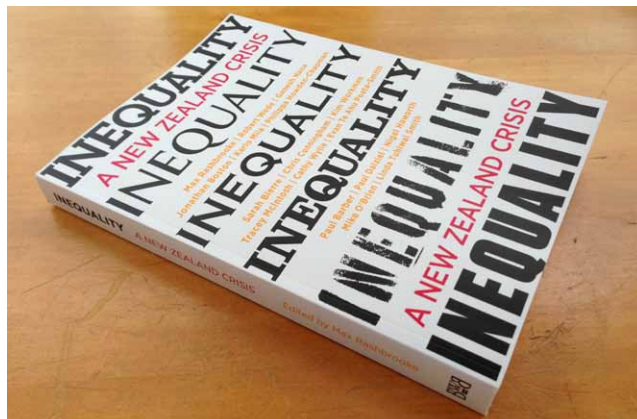
NZCCSS welcomes the publication of *Inequality: A New Zealand Crisis* as a landmark in the debate about income inequality in this country. Inequality affects us all and New Zealand has the opportunity to choose attitudes and social and economic policies that bring us all closer together by narrowing the gap between rich and poor. This book helps us better understand the problem and what can be done about it.

The book has brought together a wide group of contributors with expertise across many fields including education, health, housing, social welfare, economics, and policy.

Alongside those expert contributions stand the stories of everyday people living with our increasing disparities of income and wealth. The stories show the realities of living in a country that is increasingly divided between "the rich and the rest". The book has ideas and proposals for ways to close that divide.

NZCCSS congratulates editor, Max Rashbrooke and publisher Bridget Williams Books on their commitment to an independent and wide ranging analysis of inequality in Aotearoa New Zealand.

Inequality is a moral issue for our nation. It is unjust and deeply unfair that a minority has captured so much of the income and wealth of this country over recent decades, while other incomes have barely risen. Every government agency, every business, every organisation, every individual must ask what action can we take to overcome the divides that hurt our children and our young people the most?



The responsibility to reduce inequality is a shared task. Central and local government, businesses, communities, iwi, and faith groups can all take steps to restrain the growth in disproportionately high incomes and wealth, as well as lift lower incomes, both for those in paid employment and for those who cannot enter the workforce because of family caring roles, disability, illness or unemployment.

The social services of the churches are right in the midst of the suffering that growing inequality is bringing to our communities. The vision of a just and compassionate society is one that can be shared by all people of good will, Christian or non-Christian. We believe this book will help people better understand why it is important to reduce the gap and feel inspired to support actions that will bring us all closer together.

**CLOSER TOGETHER  
WHAKATATA MAI**  
  
**REDUCING INEQUALITIES**

Closer Together Whakatata Mai – reducing inequalities is a programme of the NZ Council of Christian Social Services (NZCCSS) that focuses on the impacts of income inequality in Aotearoa NZ and calls for action to reduce the gap between rich and poor.

More information at [www.closetogether.org.nz](http://www.closetogether.org.nz)

## Contents

<a href="#">Inequality Divides and Holds Us Back</a>	1
<a href="#">Inequality Book Launch &amp; Tour</a>	2
<a href="#">We Must Take Action About the 1%</a>	3
<a href="#">Building Inequality: Shifting the Discourse on Social Housing</a>	4
<a href="#">Invest More Than Just Words – Social Housing at a Crossroads</a>	5
<a href="#">Local Election 2013. Keeping Inequality, Poverty &amp; Wellbeing on the Agenda</a>	6
<a href="#">The Vulnerable Children's Bill</a>	8
<a href="#">Job Training Cuts Hit the Vulnerable</a>	9
<a href="#">ISO – Capacity Funding Available</a>	9
<a href="#">Rest Home Info Goes Online</a>	10
<a href="#">Premium Charging in Rest Homes</a>	10
<a href="#">Legislation &amp; Submissions</a>	11
<a href="#">Five Years After GFC - Vulnerability Report 16</a>	12



Trevor McGlinchey speaks at the book launch

# Inequality in New Zealand

## Inequality Book Launch

Over 200 people turned out on a chilly mid-winter evening to give a warm and supportive launch to the book *Inequality: A New Zealand Crisis*. NZCCSS Executive Officer Trevor McGlinchey opened the evening with a mihi and karakia for the book, musician Brannigan Kaa provided the music and book contributors Karla Milo, Philippa Howden-Chapman, Jonathan Boston, and Kim Workman each spoke briefly about their contributions and their hopes for reducing inequality in Aotearoa New Zealand.

Karla Milo's reading of an excerpt from her chapter was especially moving, capturing her experience as a Pasifika New Zealander living with all the challenges of social and economic inequality. "People with limited resources are forced to 'choose' less than optimum options by default, through lack of knowledge, resources, time, local facilities or power." She goes on to talk about what it means to be "constrained" in your choices:



*"It is what happens when the real banks won't lend you money and the loan sharks are wooing you, cheap bait for bad debt. And when no one you know actually owns their own house, or knows what a PhD is, or has plans for their future. And most of your time is spent making sure that you can get food on the table and that the power won't get cut off; and you know there is no money for extras like Saturday sport for your talented kids because you can't afford boots or fees, no swimming lessons, and no class photos, and no Lucky Book club books; and your children already know that there are things in life that are beyond their reach, that are not for them, and they are already feeling it in ways that make them burn inside."*

The book is widely available in book store or you can order copies of the book at the Bridget Williams Books website [www.bwb.co.nz/books/inequality](http://www.bwb.co.nz/books/inequality)

## Inequality Tour

Max Rashbrooke will be giving talks about inequality around the country during Sept-Oct 2013. Max is the editor of the highly acclaimed new book about inequality – *Inequality: A New Zealand Crisis*. Information will be updated as available: [www.inequality.org.nz](http://www.inequality.org.nz)

### Napier

Thursday 12 September, 5.30pm  
Beattie & Forbes Booksellers  
70 Tennyson St, Napier  
Supported by Beattie & Forbes Booksellers

### Gisborne

Friday 13 September, 5.30pm  
Muir's Bookshop  
62 Gladstone Rd, Gisborne  
Supported by Muir's Bookshop

### Rotorua

Monday 16 September, 5.30pm  
Bainbridge Centre  
187 Old Taupo Road, Rotorua  
Supported by McLeods Books

### Hamilton

Panel discussion with Linda Tuhiwai Smith, Bill Cochrane, and Max Rashbrooke  
Wednesday 18 September, 6pm  
PWC lecture theatre, University of Waikato  
Hillcrest Road, Hamilton  
Supported by Wrights Booksellers

### Whanganui

Thursday 19 September, 5.30pm  
Alexander Heritage and Research Library  
Queen's Park, Corner Campbell and Cameron Terrace, Whanganui  
Supported by Paige's Book Gallery

### New Plymouth

Friday 20 September, 5.30pm  
Hatherly Hall  
37 Vivian Street, New Plymouth  
Supported by Benny's Books

### Blenheim

Wednesday 25 September, 7pm  
Marlborough District Library

### Motueka

Thursday 26 September, 7pm  
Community House  
Decks Reserve, Motueka  
Supported by Take Note Motueka

### Nelson

Friday 27 September, 7.30pm  
Victory Community Centre  
2 Totara Street, Nelson  
Supported by Page & Blackmore Booksellers



# Inequality in New Zealand

## We Must Take Action About the 1%



Professor Robert Wade from the London School of Economics certainly made an impact during his time in New Zealand to accompany the launch of *Inequality: A New Zealand Crisis*. He spoke to packed out lectures in Auckland, Wellington, Dunedin and Christchurch as well as giving a number of TV and radio interviews. He also spoke with MPs in two Parliament events and was a keynote speaker at a major symposium on inequality hosted by the Institute for Governance and Policy Studies.

Do not ignore the impact that the runaway growth of incomes and wealth of the top 1% is having on everyone else – that was one of the central messages he gave in this tour. After a well-publicised off-screen encounter with Deputy Prime Minister Bill English, who told him not to go around saying that the top 1% run New Zealand, Professor Wade made a point of telling everyone who would listen that the top 1% are a problem in this country and the huge increase in inequality that the last 30 years has seen is a threat to democracy and to economic efficiency.

“Income concentration” towards the top 1% of incomes is happening all around the world, he says, but there are enough examples among the wealthy, non-Anglo-Saxon countries like the Norway, Denmark, Germany or Japan, to show that it is not inevitable. He emphasised taking a wider view of the impact of income concentration beyond the simple question of whether a certain individual “deserves” his or her high pay package. Professor Wade points to the political costs of high income and wealth inequality. The establishment elites transform themselves from conservatives to “oligarchic” or “plutocratic” elites who are able to easily buy political influence, through dominance of the media and funding of political parties.

He also spoke about the “money-empathy gap” that research by social psychologists has identified. In more unequal societies, those living high on socioeconomic ladder tend to be more selfish, less empathetic, less moral, and tend to see most others as aids or obstacles to their ambitions. They also develop stereotypes about the poor (they are lazy, degenerate) in order to justify their lack of empathy.

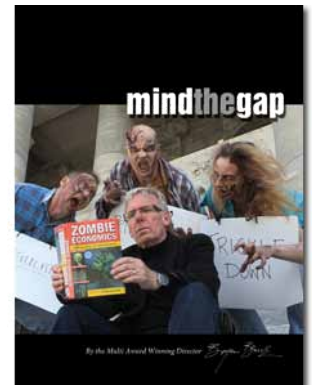
Professor Wade promotes a wide progressive agenda to reduce inequality. He particularly urged paying attention to the wide range of factors that influence the “pre-distribution” of incomes, (that is incomes before tax and welfare transfers.) Things such as corporate governance law, trade union rights and laws, intellectual property law and exchange rate policy are examples of areas that modify the tendency to income concentration towards the top.

**Professor Wade’s presentation slides and others from the Inequality seminar are online at [igps.victoria.ac.nz/events/previous\\_events-2013.html#jul](http://igps.victoria.ac.nz/events/previous_events-2013.html#jul)**

## Inequality in Film

A series of documentaries exploring the international local effects of inequality are becoming available. In August TV3 featured Bryan Bruce’s latest documentary *Mind The Gap*. His skill as a film maker and story teller conveyed a powerful message about the havoc wrought to New Zealand by the “zombie economics” of neo-liberalism that have held sway in New economic policy since the mid-1980s. Weaving the stories of ordinary New Zealanders amongst interviews with international economics experts, he makes the case for central government action to close the gap between rich and poor.

The *Mind The Gap* documentary on income inequality is online on YouTube or DVD copies of the film are for sale online at [filmshop.co.nz/products-page/sociology/mind-the-gap/](http://filmshop.co.nz/products-page/sociology/mind-the-gap/) (proceeds go to Child Poverty Action Group)



### Inequality For All

“We make the rules of the economy – and we have the power to change those rules.” – Robert Reich  
American economist Robert Reich has made a film about inequality in the USA that is set for release this month. Reich a colourful character, an academic who speaks the language of the people and he has come up with a six-point plan to reduce inequality in the USA: raise the minimum wage, strengthen workers’ voices, invest in education, reform Wall St, fix the tax system, and get money out of politics.

**Find out more at the film website: [inequalityforall.com](http://inequalityforall.com)**

### The Spirit Level Documentary

Meanwhile the UK Spirit Level Documentary is now scheduled to be released in mid-2014. Based on the best-selling book, *The Spirit Level*, the film makers have been following the evidence around the world to tell the story of inequality as a documentary film, what they call an “intellectual detective story”.

**Find out more at the film’s website: [thespiritleveldocumentary.com](http://thespiritleveldocumentary.com)**



# Inequality in New Zealand

## Inequality the Most Important Problem Facing New Zealand

Calls to leaders in our communities to do something about the large and growing inequalities of income and wealth in this country are increasing. Public concern about inequality and poverty has grown considerably over the past two years to the point that poverty and the gap between rich and poor is now identified by people in a recent poll as the most important problem facing New Zealanders, ahead of other economic issues like the economy or unemployment and job security. The Roy Morgan polling company has

been asking people “what is the most important problem facing New Zealand?” In May 2011, 4% of New Zealanders identified poverty and inequality as most important but by July 2013, this has grown to 15% making it the now most frequently identified issue.

**Read the poll results online on the Roy Morgan website:**

[www.roymorgan.com/findings/5111-new-zealand-issues-august-2013-201308200005](http://www.roymorgan.com/findings/5111-new-zealand-issues-august-2013-201308200005)

## Building Inequality. Shifting the discourse on Social Housing: One book at a time

By Stephen Olsen

Housing inequality is a central theme in two new books just published. The first book, published in July 2013, *Inequality: A New Zealand Crisis*, examines the widening divide between New Zealand’s poorest and wealthiest inhabitants.

Across 15 compelling chapters, seventeen contributors explore why inequality matters, its cost, its consequences and options for reducing inequality.

As emphasised in the book’s preface all of its contributors share a common concern – if not a single, unified philosophical approach - about the societal risks posed by severe income disparities, and a desire for the issue and policy options to be properly debated.

In keeping with the book’s construction the ‘housing’ chapter is short (13 pages), neatly book-ended by two of the brief unrelated viewpoints interspersed between chapters: one advocating for major investment in public transport links to counter the isolation of poorer populations in Auckland, and one expressing fears that the rebuild of Christchurch seems bound to “exacerbate pre-existing inequalities”.

Titled ‘Building Inequality’, the housing chapter opens by suggesting that New Zealand “seems to have lost sight of the principle that housing is a key part of our social and physical infrastructure, with important public, as well as private, benefits”.

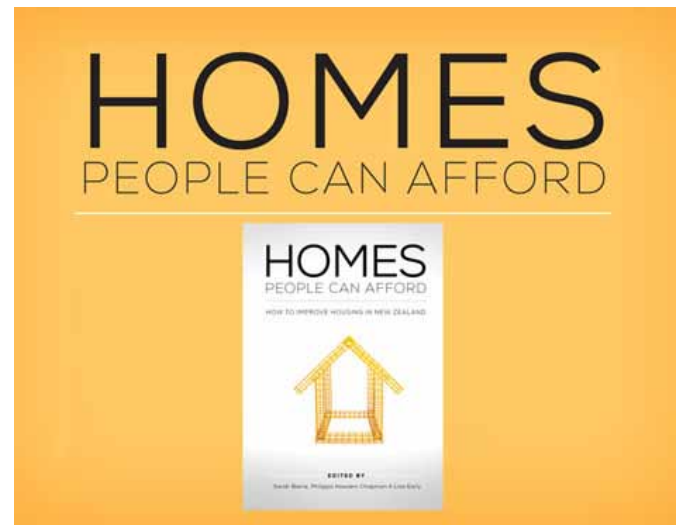
In consequence, the authors state, “differences in housing are a huge part of inequality in New Zealand, in terms of both wealth and health”.

Housing and health is a particular area of expertise for Philippa Howden-Chapman and Sarah Bierre via Otago University in Wellington, and for Chris Cunningham as director of the Research Centre for Maori Health and Development at Massey University’s Wellington campus.

Their straightforward conclusion is that improving the quality of housing is “one of the best and simplest ways to prevent disease, especially among children”. It’s a message that resonates even more when considered against New Zealand’s “appalling rates of what are normally considered third World diseases, especially among children: meningococcal disease, rheumatic fever, cellulitis, bronchielectesis and childhood pneumonia”.

Following close on the heels of this book is another featured collaboration between Howden-Chapman, Bierre et al: *Homes People Can Afford*.

The motivation for such a book - the fourth now in a series that includes *Growth Misconduct? Avoiding sprawl and improving urban intensification in New Zealand* – is the fact that the need for affordable and social housing is not about to diminish any time soon!



This has left much room for analysing the causes for this recurrent problem.

This book’s structure is to begin with four chapters that describe the history of housing market failure and governments’ responses, including the idea of policy ‘drift’ arising from inaction.

Later in the book the case is made for social and affordable housing to be part of national infrastructure – with content on partnerships for affordable housing that draws in part from the work of visiting scholar Christian T. Stearns, earlier published by Fulbright New Zealand.

A chapter by key people at the Wellington Housing Trust / Dwell, gives some insight into the vagaries of policy implementation that have done so little to seriously help community housing organisations in New Zealand. One vagary being that levels of indebtedness resulting from



# Inequality in New Zealand

previous lending models had meant some organisations could not qualify for on-going government funding.

There is an acceptance that private and community sector investors alone can't fill the shortfalls in houses to rent and buy, and that government must move on from strategies of limited scope and sustainability to making greater investment a higher priority, if only because "any government that does not invest actively in social housing is unlikely to solve the social housing crisis".

It is refreshing to read an acknowledgement that the single dwelling on a quarter acre section is no longer an affordable model of housing "and has not been for a long time". Equally refreshing is a concluding call for a change in attitudes: away from labelling all those who live in social housing as "dependent", and away from assumptions that everyone is able to, and should, aspire to home ownership.

It's encouraging also to see a book on social and community housing that includes a nod towards innovative examples of housing designs. In this case, architect Rau Hoskin's nano whare (small house) project, along with the work of the Living Ark Trust for customised modular housing.

It's very timely then that *Architecture NZ*, the journal of the

NZ Institute of Architects, has just decided to embark on a series of feature articles on housing issues, leading off with a reappraisal of the 'classic' period of state housing, next to a thoughtful piece on how to achieve quality low-cost housing by Unitec head of architecture Tony van Raat.

In the space of two pages van Raat makes a robust case to his fellow architects that they should view social housing as a "social programme" deserving of some great architecture.

To get the ball rolling he challenges architects in New Zealand to do their bit to lead progressive incremental improvements in housing by proposing a programme of 'case-study houses' not dissimilar to the approach taken by the USA's well-known Rural Studio.

He also makes two vital points. First, to make affordable housing, cost reductions and efficiencies must be made at all points of a housing project. Second, social housing is nothing without a genuine understanding of what's important to the people who live in the place where the houses are built.

**Find out more and buy the book at:**  
[www.healthyhousing.org.nz](http://www.healthyhousing.org.nz)

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## Invest More Than Just Words - Social Housing at a Crossroads

In August the Minister of Housing Nick Smith reiterated his ambition for the community housing sector to grow to be 20% of New Zealand's social housing over the next five years. Achieving this would require the current community housing sector to triple its current size estimated at around 5,000 units to more like 15,000. That means adding another 2,000 community housing units per year for five years. In other words, massive investment is required.

Agencies within the NZCSS networks such as Vision West and The Salvation Army are consistently named as among the community housing organisations that the Minister wishes to see grow to achieve this goal. Right now, there is no community housing agency in New Zealand that owns or operates more than 300 - 400 units.

The key obstacle to getting anywhere near increasing the size of the community housing sector is the tiny amount of money that the Government is willing to invest in growing the sector. The Government's Social Housing Unit has been given three years of funding amounting to around \$40million per year, which at the very most might generate 200- 300 additional community housing units per year. While a number of fantastic projects are being funded through the Unit, there is clearly a serious disconnect between the Minister's ambition and the reality of his Government's willingness actually invest in community housing.

NZCCSS is looking to the Government match words with deeds, and deliver a funding and regulatory package that is developed in full consultation with the sector with the aim of making the dream of a growing, vibrant and sustainable community housing sector a reality.

The government's Social Housing Reform Bill is before Select Committee and is intended to contribute to the changes needed to achieve Nick Smith's ambitions. NZCCSS was among many housing, social services and community groups that submitted on the Bill. The Bill encapsulates some of the contradictions and difficulties of change in social and community housing. The sector has not been meaningfully consulted about the Bill's development before it appeared in Parliament and the provisions of the Bill tend towards overly stringent regulatory control while offering only limited prospect of financial support.

NZCCSS supports the principles of the Bill in extending income-related rents to community housing organisations, but the Bill offers them only to new tenants and not existing tenants. The Bill sets up a regulatory framework governing community housing but leaves the private sector regulation untouched. The worst quality housing is in the private sector and yet the Bill also proposes making all HNZ tenancies "reviewable" and potentially 3,000 HNZ tenants face being 'moved on' into the truly dysfunctional private rental market in the next three years.

This year is a wonderful opportunity for government to share with the community sector in designing a framework for social housing that could serve the country well for decades to come. At present there are too many gaps and there is too little investment.

**Read the NZCCSS submission on our website**  
[www.nzccss.org.nz](http://www.nzccss.org.nz) under Publications.



<http://www.closetogether.org.nz/home/local-elections-2013/>

## Keeping Inequality, Poverty and Wellbeing on Local Government Agenda

Local authorities - councils and district health boards – have a huge impact on our day-to-day lives. The services councils organise and the public amenities they operate can have a big influence to bring communities together or to increase the divides between rich and poor. Local Elections 2013 are no time for apathy and we urge everyone to ask the questions of councillors and candidates for regional councils, city and district councils and district health boards how they will take action to reduce inequality and poverty and improve health and wellbeing.

### Get enrolled to Vote

If you are not yet enrolled, you can still do this before 12th October and be able to vote but you have to request special voting papers from your local council electoral officer.

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

### Get informed - Local Government NZ

A pre-election report is prepared by the Chief Executive of each local authority. It provides financial and general

information about the issues facing the local authority to promote discussion leading up to the local elections. Each council's pre-election report is online at the Local Government NZ website: [www.lgnz.co.nz](http://www.lgnz.co.nz)

### More equal communities - questions for local body candidates

Every candidate can upload their profile and information about their campaigns to the [www.vote.co.nz](http://www.vote.co.nz) website. See below for some questions that you can put to candidates who are standing for local and regional councils and district health boards.

### Tick For Kids



See which candidates have confirmed their commitment to children and have given their support to the Tick for Kids campaign. There are also excellent tips about how to advocate with political candidates on behalf of kids.

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

## The 4 Wellbeings in Local Elections

The Public Health Association has a very good **Local Body Elections Portal**.

That includes their excellent fact sheets on **housing, gambling, alcohol, and water fluoridation**.

Despite the recent changes to the legislation covering local authorities that has taken the so-called "four well-beings" (social, economic, cultural and environmental wellbeing) out of the purpose of the **Local Government Act**, there is still sufficient legislative basis to hold local government representatives and candidates accountable for how they will ensure the health and wellbeing of their communities and reduce inequalities.

The Auckland Council and its 21 local boards under its own special legislation, the **Local Government (Auckland Council) Act 2009**, still has reference to the four wellbeings. In addition, the amended Local Government Act still requires local authorities to act in accord with the principles of sustainable development approach that takes into account the social, economic and cultural interests of people and communities (Section 14 (h)).

**The Health Act 1956** requires that every local authority "improve, promote, and protect public health within its district" (Section 23) and the **Resource Management Act 1991** Section 5 sets out to enable "people and communities to provide for their social, economic, and cultural wellbeing and for their health and safety".

Read more about the relationship between local authorities and public health in the excellent thinkpiece from Dr Tara Kessaram [www.pha.org.nz/elections-portal.html](http://www.pha.org.nz/elections-portal.html)

## District Health Boards



There are 381 people standing for places on the 20 District Health Boards (DHBs) throughout New Zealand. DHBs supply or fund most of the hospitals and health services that we receive in this country and they decide over the use of billions of health dollars. As Health Minister Tony Ryall has pointed out, "DHBs are significant tax payer funded organisations and they account for most of the day-to-day

business of the public health service. They employ nearly 60,000 staff nationwide. In many parts of New Zealand the local DHB is the biggest employer with the biggest revenue."

It is vital that these organisations have elected members who are committed to meeting the health needs of all people and overcoming the inequalities, the barriers to good health and wider participation in society that especially the poorest and most marginalised groups face.

Most of the 140 incumbent Board members are standing again (85%) meaning that there is a real choice of people and you can check their profiles and information about their campaigns at [www.vote.co.nz](http://www.vote.co.nz)



## INEQUALITY

### A NEW ZEALAND CONVERSATION

#### More equal communities – questions for local body candidates

*(These are some questions that you can put to candidates who are standing for local and regional councils and district health boards. See [www.closetogether.org.nz/localections2013](http://www.closetogether.org.nz/localections2013))*

#### Income inequality

Do you agree that reducing income inequality, by creating more trusting, less divided communities, would improve everyone's quality of life?

If elected, what would you do to reduce income inequality in your town or city?

#### Living Wage

Do you support, in principle, the idea that people should be paid a Living Wage of \$18.40 an hour?

Would you vote to pay a Living Wage to all council staff, including those working for contractors and council-controlled organisations?

#### Pay ratios

If elected, would you vote for your council to publish the pay ratio between a) its highest and lowest paid staff, and b) its highest paid and the median staff member?

Would you support moves towards making companies

publish their own pay ratios, perhaps as a condition of getting council contracts?

#### Health

What would you do to improve access to health services for all, regardless of their income?

#### Housing

If elected, will you work to ensure everyone in your town or city has affordable and healthy housing?

In particular, would you consider implementing a Warrant of Fitness for local housing stock?

#### Children's issues

Will you, as the 'Tick for Kids' campaign has suggested, increase equitable spending on children, and advocate that your city become an accredited 'Child Friendly City' ([www.childfriendlycities.org.nz](http://www.childfriendlycities.org.nz))?

#### Education

If elected, will you build support for high-quality education for everyone in your community, including advocating for the right of every child to have a qualified and registered teacher?

#### Democracy

If elected, what would you do to support local community-led planning and policy development and make it easier for people to get genuinely involved in local democracy?

## Housing Warrant of Fitness Comes Closer to Being a Reality

NZCCSS has been among many groups that have been advocating for a housing warrant of fitness for a number of years and it seems that it is now on the verge of becoming a reality. The poor quality of the rental housing stock has a huge impact on the health and wellbeing of hundreds of thousands of children and older people.

The Government announced in the May Budget that it would develop a housing warrant of fitness that would be focused on the state housing stock. No further announcements have been made since then so it is not clear how this is intended to be implemented.

Meanwhile, housing experts from the university, commercial and research sectors are collaborating to develop a WoF for housing that will be ready by the end of the year.

The project aims to merge two current research-based housing rating systems, the Homestar rating system run by the Green Building Council and BRANZ and the Healthy Housing Index (HHI) developed by the Housing and Health Research Programme/He Kainga Oranga of the University of Otago. The WoF assessment tool would be made available to local councils, central government as well as landlords, tenants and homeowners.

The WoF would establish a minimum standard for rental accommodation and encourage improved housing quality over time. The basic WoF would confirm whether a home meets 'fit for purpose' health and safety standards. These would cover categories such as insulation, heating, moisture and ventilation, sanitation, electricity and safety. Then

the full HHI or Homestar assessments could be applied to identify the priorities and options to improve the home's health, comfort, safety, water use and energy efficiency.

Dunedin City Council is one local authority taking the initiative to develop a WoF for housing, hosting a master class event recently that involved NZCCSS member agency Presbyterian Support. It is intended that the WoF be developed and piloted over the next few months with a view to have it ready for wider implementation by December 2013.

There are many practical hurdles to overcome in implementing a housing WoF, such as how to incentivise landlords to use the WoF, the timeframe for implementation and the legislation that might be needed. But the Green Star commercial building standard is well accepted and a similar approach could be used in the private housing market.

#### Housing WoF a Local Elections Issue

Make a housing WoF an election issue in your region. For example, Wellington Mayor Celia Wade-Brown has made a housing WoF part her re-election campaign and the other main Wellington mayoral candidates have indicated they would support this. It is to be hoped other regions will also follow the example of Dunedin and Wellington.

**Find out more about the Homestar system at the website: [www.homestar.org.nz](http://www.homestar.org.nz)**

**A background paper about the housing WoF and the Healthy Housing Index is available on the He Kainga Oranga website: [www.healthyhousing.org.nz](http://www.healthyhousing.org.nz)**



## The Vulnerable Children's Bill: Opportunity Knocks But Once But Did We Open the Door Wide Enough To Make A Difference?



An opportunity knocked when Minister Paula Bennett made a personal commitment to reduce New Zealand's rate of child abuse. Official statistics on substantiated child protection notifications make sombre reading. In 2012 there were - 10,883 [Emotional Abuse]; 3,108 [Physical], 4,450 [Neglect] and 1,355 [Sexual] substantiated cases: 19,796 in total. The Vulnerable Children's Bill is now pending and the government has put child abusers both convicted and 'probable' on notice. The parental care of our vulnerable children is now firmly on the political landscape and there's a Better Public Service (BPS) target least we forget. *BPS Result 4: Reduce the number of assaults on children By 2017, halt the rise in children experiencing physical abuse and reduce current numbers by 5 percent.*

### Official Silence on Child Poverty

Sitting around all of this is New Zealand's equally distressing rate of child poverty but, unlike official statistics on child abuse, there is no official definition or measure of child poverty or indeed a strategy to reduce its impact on child health and wellbeing. There is no joint accountability for child poverty across Chief Executives of Social Welfare, Health and Education. No legislative ability to move vote funding to where it is needed. There is no Child Poverty Bill to set out what the state's obligation is to children who are born into families who are simply unable to provide for the child/ren in their care. The Expert Advisor Group (EAG) on Solutions to Child Poverty, commissioned by the Children's Commissioner, attempted to address many of these gaps and in so doing identified 270,000 children living in poverty (this figure is based on household incomes after housing costs).

### Public Policy Stands or Falls by Its Scope

This opportunity accorded by Minister Bennett to make a difference to the lives of New Zealand's most vulnerable children has both political will and public support (10,000 New Zealanders made submissions on the consultation paper). What it did not have from the start was a sufficiently broad scope to cope with the complexity of child abuse and child poverty; a truly wicked policy problem to address. Public policy stands or falls by its scope, and herein lies the issue. The blueprint for the pending Vulnerable Children's Bill (The White Paper and Children's Action Plan) excluded child poverty, and overlooked the vast majority of struggling parents who love their kids, are doing the best they can, and just need some extra support from the state.

The focus of the Vulnerable Children's Bill is primarily adults at a high risk of offending against children, and children's workforce training and education of government paid employees. There is merit in all of this work, but where is the support for children who live in poverty, and for

their parents and whānau who want a better life for their children? Where is the conversation about the cross-over between child abuse and poverty? CPAG recent publications *Child Abuse: What Role does Poverty Play*, and *Child Abuse: An analysis of Child Youth and Family Data* identifies substantive research over twenty-five years on the link between child abuse and poverty but concludes much of this research is ignored in favour of 'reporting, monitoring and risk assessment'. (CPAG, 2013).

### The Conditions are Right, so What Are We Waiting For?

Minister Bennett is to be credited for putting vulnerable children on the political landscape and for providing an opportunity for public sector agencies and community groups to collectively work together to make a difference to the lives of this group of children. There is no doubt that the lives of some children at the high end of the at-risk continuum may be saved. The challenge ahead is to push the door wider enough to expand our conversations to include : a definition and measure of child poverty, a set of Child Poverty Reduction Targets, implemented as BPS targets, with Chief Executives across Social Welfare, Health and Education jointly accountable, all embedded into legislation, with cross party support. There is a lot of work to do. That said, the EAG on Solution to Child Poverty Recommendations has already prepared much of the groundwork to achieve this vision. The moral rationalé for trying to improve the living conditions of 270,000 New Zealand children is clear, the economic justification and evidence-based data is there, and public sector agencies and community groups are working collaboratively together.

*Child Poverty involves material deprivation and hardship. It means for instance, a much higher chance of having insufficient nutritious food, going to school hungry, wearing worn-out shoes or going barefoot, having inadequate clothing, living in a cold, damp house and sleeping in a shared bed. It often means missing out on activities that most New Zealanders take for granted, like playing sport and having a birthday party. It can also mean much narrower horizons - such as rarely traveling far from home.... This is not the kind of country most New Zealanders experience or know much about. But it is the harsh reality for many of our children. (EAG, 2012a,p.1)*

**The Bill is due to be debated in Parliament on 17th September. Read the text of the Bill and background papers on the MSD website: [www.msd.govt.nz/about-msd-and-our-work/publications-resources/regulatory-impact-statements/vulnerable-childrenbill.html](http://www.msd.govt.nz/about-msd-and-our-work/publications-resources/regulatory-impact-statements/vulnerable-childrenbill.html)**





## Job Training Cuts Will Hit Vulnerable People Hard

Providers of the Government-funded foundation-focused training opportunities (FFTO) programme, including NZCCSS members, are dumbfounded by the sudden cutting of their training and education courses. The government said it was cutting the programmes because they did not achieve the required employment outcomes. However, in many communities it is the lack of jobs, not the lack of quality training and education that is the biggest hindrance to gaining employment.

The Dunedin Methodist Mission is one of the organisations hard hit by this decision. They are concerned for the fate of those who they have served in the delivery of their services. The government has said they plan to replace FFTO training with some other type of training programme. There is little detail in their proposals and Dunedin Methodist Mission along with other Dunedin training and education providers are concerned that the change in programmes will mean the funding currently going into Otago will be lost to other places.

A spokesperson for the Minister of Tertiary Education is reported as saying, "We are not expecting big fluctuations

in the amount of total provision in each region through these changes, because the number of people on benefits is not suddenly increasing or decreasing in each region." In the meantime the programmes' trainees, the providers' staff and management are all struggling under a cloud of uncertainty, unable to plan for the future and are becoming more vulnerable.

NZCCSS believes the way these funding decisions are made in isolation is indicative of rushed and thoughtless service purchasing. Such decisions should only be made after looking at overall needs of the community and what is required to have strong and capable NGOs supporting their communities. Better practice will be achieved when government agencies actively work with each other, with communities and with service agencies to ensure strong, well supported organisations can deliver quality services to their communities. The current arrangements are ad hoc, disjointed and weaken the abilities of communities and community organisations to make real and sustainable changes for the common good.

## Investing in Services for Outcomes – Capacity Funding Available

The Investing in Services for Outcomes (ISO) work stream of the Ministry of Social Development (MSD) continues to gain momentum.

The internal reorganisation of MSD, to better reflect their joined-up approach and single outward face, is being slowed to ensure the best results are achieved. In an organisation comprising of the very different branches of Work and Income, Child Youth and Family, Family and Community Services and Ministry of Youth Development this was never going to be an easy task. However progress is being made and work is continuing on a single audit system and an ISO contracting process. For MSD staff the good news is the internal restructure has been slowed down with no major changes planned for this year.

The new processes to consider the strategic relevance of the services being contracted by MSD are under development. A Strategic Investment Framework (SIF) is being developed to guide future purchasing decisions. This framework will set out some principles on which purchase decisions will be based, with the intent that these decisions will be made consistently across the country, will address the areas of greatest need, and will ensure that the desired

outcomes will be achieved. It will also map these outcomes to the Better Public Services Targets. Once available, NZCCSS will ensure members are fully aware of the implications of the framework and have the opportunity to provide critique.

NZCCSS has received positive feedback from a number of members on the implementation of the Capability Investment Resource (CIR). Those who have funding for stages one and two of the process have reported the real value they see from utilising the Assessment Tool provided as part of CIR. Others have received funding for the implementation of their capability development plans. NZCCSS is aware this is a time bound fund with funding only available for another 3 years, - with a large component of that funding due to be expended in this financial year. Given this, along with the positive reports received on the capability development to date, we believe all MSD funded organisations should be seriously considering making applications to the fund.

**More details are available on the MSD website:**

[www.msd.govt.nz/about-msd-and-our-work/work-programmes/investing-in-services-for-outcomes/capability-investment-resource.html](http://www.msd.govt.nz/about-msd-and-our-work/work-programmes/investing-in-services-for-outcomes/capability-investment-resource.html)

## Making an Impact for the Poor and Vulnerable

**Lisa Beech from Caritas has written several moving blogs posts about her time with the Benefit Impact organised by Auckland Action Against Poverty. On day one she wrote:**

*"It is hard to be poor anywhere in New Zealand, but I don't know how these Auckland beneficiaries survive. Only one person I saw today had accommodation costs that were less than her base benefit rate. Everyone else was paying more than 100 percent of their main benefit rate on rent. That means supplementary benefits such as the accommodation supplement, disability allowance or temporary additional support are being used to cover basic costs such as food and power. These are the layers of support that are increasingly complex to administer and to apply for, and substantial advocacy is often required to achieve them. Many problems would be solved and much time saved if the base benefit rate was set at a liveable rate."*

**Read more at: [www.caritas.org.nz/newsroom/stories/making-impact-poor-and-vulnerable](http://www.caritas.org.nz/newsroom/stories/making-impact-poor-and-vulnerable)**



## More Rest Home Information Goes Online

Prebyterian Support NZ (PSNZ), member of the NZCCSS networks and among the leading aged care providers in New Zealand, and Age Concern have both welcomed the latest moves by the Government to publish more information about rest home audits. Associate Health Minister Jo Goodhew announced a series of changes to the Ministry of Health website to be implemented by November 2013 that will make it easier for the public to find out more about rest homes.

Among the changes planned are:

- Full audit reports on every aged care facility will be online, in addition to the audit summaries currently available.
- Audit summaries going back to 2009 will also be published.
- Current problems and what is being done to fix them will be able to be seen.
- An interactive map will be used to help people find information on facilities in the area of interest for them, instead of having to search through a list of 633 certified rest homes and aged care hospitals.

Audit summaries of public hospitals will also be published

on the Ministry of Health My DHB website from November.

Gillian Bremner, spokesperson for PSNZ, welcomes the changes as an “excellent reference point for older people and their families. They are naturally concerned to identify high quality providers of residential care and to be sure their rest homes are being kept up to the mark. This should bring them greater peace of mind in making their choices.”

She also points to the pressures on the aged residential sector with rising costs and limited government funding while striving to provide quality care. “We would always encourage people to check rest homes out in person, prior to making a decision. They will want to ensure there’s a caring and welcoming atmosphere to match the systems and quality checks that the website confirms are in place.”

Age Concern President Anne Weir likens the decision about a rest home to that of buying a home “It’s like buying a home, you want to have a good look through and get a real feel for the place and its elements - what’s important for you.” She also points out that “you can never have too much information” – some people will not want to read the full 100 page audit reports, but for others this will be of interest.

**Links to rest home audit information and My DHB website: [www.health.govt.nz](http://www.health.govt.nz)**

## Premium Charging in Rest Homes

Earlier this year the Ministry of Health ran a public consultation on a proposal to allow “premium-only” aged residential care homes. These would be rest homes and hospitals that would be permitted to charge all residents an additional charge for their care over and above the government subsidy the residents receive.

NZCCSS submitted comment on the proposals opposing the “premium-only” idea and looking for a fair and more equitable way to share the growing costs of aged care and to manage the practice of charging residents additional or premium fees.

In late June the Minister Jo Goodhew announced that as a result of the feedback received, most of which opposed such premium-only facilities, she would not be proceeding with the proposal. She noted that common concerns across many submissions were that having premium-only facilities would create a divide between those living in standard and premium facilities, and that the supply of beds without an extra charge would reduce. She has asked DHBs and officials to work with the sector to look at premium charging and how it is applied across the country and try to achieve more clarity about what is currently a confusing area for residents, families, DHBs and operators.

Work continues in the sector on clarifying issues such as under what circumstances does a facility with only premium rooms vacant have to take in a resident who will not be paying an additional charge? Another issue is notice periods for residents who wish to cease paying an additional charge.

There is considerable concern that most of the new capacity being built in the sector involves building facilities in which all rooms would carry premium charges, which would make aged residential care unaffordable to many older people without additional income or assets. The Ministry

of Health is of the view that sufficient standard rooms (i.e. without additional charges) are being made available but they recognise there is a need to balance between providers making a return on their investment and sufficient standard rooms being available.

NZCCSS is seeking to actively engage in contributing to a fair and equitable outcome that recognises the significant commitment of many of our member agencies to avoid or minimise any additional charges, because many of their residents and families often simply do not have the means to pay “premium fees”. But it is also true that some older people and their families, while able to qualify for full government subsidy, have sufficient income through family trusts or other means to pay additional charges and are willing to do so.

Our member agencies also face the reality that the current government subsidy is insufficient to meet the real cost of building, maintaining and operating aged residential care. As not-for-profit operators, all the income received for their services remains in the sector and is reinvested in staff, services and facilities. In contrast, for-profit operators are required to achieve a rate of return to shareholders and distribute profits as dividends. The Government by holding the consultation, has admitted that it does not want to pay to full costs of aged care and is looking for a politically acceptable way for aged providers to recover the difference between real costs and government subsidy. There are other options for sharing the costs of aged care more fairly that are not currently on the table. Resolving the premium charging dilemma might reduce a major political “risk” for the government but it does not resolve the core issue of how to fairly fund the sector to insure quality services and fair wages for staff.



# Legislation and Submissions

The *Keeping It Legal* website closed in July 2013 after 7 years of great service to community organisations and with it the monthly Legal Update that monitored legislation in Parliament affecting the community sector. *Community Law o Aotearoa* is now a key resource to help community organisations to get comprehensive information on their legal responsibilities. See their Community Law Manual "*Community Organisations and the Law*."

The *Law Reform Pipeline* includes updates on some key legislation affecting our sector: [www.communitylaw.org.nz/resources/articles/law-reform-pipeline/](http://www.communitylaw.org.nz/resources/articles/law-reform-pipeline/).

## NZCCSS SUBMISSIONS COMPLETED:

- New Zealand International Convention Centre Bill
- Social Housing Reform Bill (see article page 5)
- Employment Relations Amendment Bill -

NZCCSS submissions are online at [www.nzccss.org.nz](http://www.nzccss.org.nz)

## UPCOMING SUBMISSIONS:

### United Nations Universal Periodic Review of Human Rights in New Zealand (comment due 19th September)

The government's draft Universal Periodic Review report is available for public consultation. The report will be available online until 19 September 2013. Public submissions will be considered before submitting the final report to Cabinet. Find out more about the UPR process, read the submissions from the Human Rights Commission and other organisations here:

[www.hrc.co.nz/international-human-rights-new/upr-1314-nzs-second-universal-periodic-review](http://www.hrc.co.nz/international-human-rights-new/upr-1314-nzs-second-universal-periodic-review)

### Vulnerable Children's Bill

Due for First Reading in Parliament on 17th September (see article page 8)

### Sky City Legislation – Choosing the Most Harmful Option a Poor Choice

There was a sense of bitter irony lacing the air when NZCCSS appeared before the Parliament Select Committee

considering the New Zealand International Conventional Centre Bill. It was the morning after Parliament had finally passed Te Ururoa Flavell's Gambling Harm Reduction Bill, which even in its hugely altered form, purports to seek to minimise gambling harm in our communities. In 2012 NZCCSS submitted strongly in support of Flavell's Bill in its original form but one year later we find ourselves opposing new legislation that will do the complete opposite and will certainly increase gambling harm.

NZCCSS told the Select Committee that we do not need choose the most harmful option to fund an international convention centre for Auckland when there are other options available that would deliver the same benefits without inflicting the amount of harm that will certainly result from this legislation being implemented. The economic benefits that a convention centre offers could have been funded by the government or private companies through other forms of finance. The attempt to "save" taxpayer dollars will actually result in taxpayer dollars being spent to deal with the wide-reaching health and social costs of increased gambling.

The harm that the expected 8,000 or more problem gamblers and their families and wider communities is totally avoidable and it will also be unequally distributed, as the evidence shows that while gambling harm reaches across the whole socio-economic spectrum its impacts are hardest on lower income communities.

We also reminded the Committee of Parliament's moral duty to serve the common good and wellbeing of all New Zealanders. This Bill will increase harm and entrench existing inequalities and these harms are not outweighed or cancelled out by the economic and employment benefits of the convention centre, precisely because those benefits could be available without harming our community's wellbeing through increased gambling harm.

The Select Committee listened attentively and asked a number of careful questions in response to the points we raised. It is clearly a challenging issue for the conscience of MPs who are deciding to support a Bill they know will hurt vulnerable people. We urge them to listen to their consciences on this issue and not proceed with the legislation.

## 2013 Events, Training and Conferences

**Inequality: A New Zealand Crisis – book tour (for details see page 2)**

### Public Health Association Conference 2013

"Partnership or Collaboration: is there a difference?"  
17-19 September, Devon Hotel, New Plymouth  
[www.pha.org.nz/phaconference.html](http://www.pha.org.nz/phaconference.html)

### Just Action 2013, 'Rebuilding Justice Together'

18-19 September 2013, Vodafone Events Centre, Manukau, Auckland.  
[www.salvationarmy.org.nz](http://www.salvationarmy.org.nz)

### "Shared Baskets – Social Equality in Aotearoa NZ" NZ Film Archive Exhibition Opening

27th September 6.30pm, Spectrum Theatre, NZ Film Archive, Wellington.  
Features "Mind the Gap" documentary and commentary from film maker Bryan Bruce. Child Poverty Action Group Wellington fundraising event.

### United Community Action Network - PEACE Train

5th October 10-am – 4.30pm  
Walking from Wellington Railway Station to the Forum at Loaves and Fishes Hall, Wellington Cathedral of St Paul, Molesworth St, Wellington  
Contact & RSVP: [debbie@ucannz.org.nz](mailto:debbie@ucannz.org.nz)



*'Come, you who are blessed by my Father; take your inheritance, the kingdom prepared for you since the creation of the world. For I was hungry and you gave me something to eat, I was thirsty and you gave me something to drink, I was a stranger and you invited me in, I needed clothes and you clothed me, I was sick and you looked after me, I was in prison and you came to visit me.'*

*'Lord, when did we see you hungry and feed you, or thirsty and give you something to drink? When did we see you a stranger and invite you in, or needing clothes and clothe you? When did we see you sick or in prison and go to visit you?'*

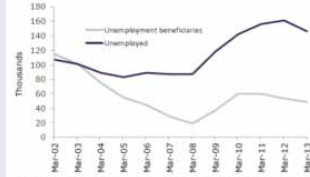
*'Truly I tell you, whatever you did for one of the least of these brothers and sisters of mine, you did for me.'*

Matthew 25:31-46

#### Introduction

This is the 4th Anniversary addition of the Vulnerability Report first published in July 2009. Our first report used government data

Figure 1.1: Unemployment beneficiaries and unemployed



Source: Ministry of Social Development, Ministry of Business, Innovation and Employment

There are some significant price increases for life's necessities over this quarter (fruit and vegetables, electricity, rentals, medical services). Housing continues to be elusive for some people regardless of whether they want to buy their first home or find an affordable and quality rental.

## Five Years after the GFC and Vulnerability Remains Too High

"New Zealand needs to share its resources more evenly or we will have a greater entrenchment of income inequality and poverty and all of the negative outcomes associated with these conditions. The latest Vulnerability Report shows children, young people, women and those without work and in low paid employment continue to be the New Zealand citizens who are paying the price for the progress being made on balancing the national budget. It's time we spread the load more evenly" said NZCCSS Executive Officer, Trevor McGlinchey, commenting on the release of the 16th Vulnerability Report in August.

The Vulnerability Report tracks the level of vulnerability experienced by New Zealanders and was first published in July 2009. It looks at official statistics such as the level of unemployment, access to housing, special grants for food and other needs and compares this with the experiences of NZCCSS social service agency members. While there have been some small improvements in government statistics the reality at a social agency level is one of ongoing high demand for services and practical support. Low income households, including low paid workers and beneficiaries, don't have enough regular income to survive successfully. They rely on social service agencies to support them through the multiple 'difficult patches' they must endure.

While some New Zealanders have experienced a return to normality and even enjoyed the low mortgage interest rates and high New Zealand dollar, enabling them to pay off their mortgage and purchase imported goods, the reality for many is much grimmer. There are queues and rationing at food banks. The waiting lists to get access to emergency housing continue to grow. The demand for family counselling, social worker support and for budget advice has outstripped many of our members' ability to respond.

Many parts of our society that are experiencing no benefit from New Zealand's slow economic growth. It's been five years since the Global Financial Crisis and the level of vulnerability remains too high. Children, young people, women, Pasifika and Maori are all bearing the brunt of paying for the excesses that caused the GFC.

**The Vulnerability Report 16 is available at [www.nzccss.org.nz](http://www.nzccss.org.nz)**

## RELIGIOUS ORGANISATIONS NOW ELIGIBLE FOR MICROSOFT DONATIONS

Techsoup advises that Microsoft have just announced they have expanded their donation program to include religious organisations! From operating systems to office software, religious organisations now have access to the entire donated Microsoft software range. More information is on the Techsoup website:

[www.techsoup.net.nz/microsoft-donated-software](http://www.techsoup.net.nz/microsoft-donated-software)



## Unitec Graduate Diploma in Not for Profit Management

*The Unitec Not-for-Profit course has provided a wonderful and unique place to help me develop the special range of skills needed to be effective when working in the social services and community sector. I recommend their courses to anyone working in leadership roles in our sector – be it on boards, trusts or in CEO or management roles.*

(Paul Barber, Policy Advisor, NZCCSS)

Our work in the NFP sector is all-consuming, exciting, challenging. Yet, if we are going to keep our passion alive and keep growing our own leadership effectiveness, time out for reflecting, refuelling and learning is a necessity, not a luxury. The Graduate Diploma in Not-For-Profit Management supports not-for-profit leaders and their organisations in achieving effective quality management and leadership.

**Find out more at: [www.unitec.ac.nz](http://www.unitec.ac.nz)**

## KETE KUPU WORD BASKET

**Designer:** Tessa Hansen Cane

**KETE KUPU - Word Basket**

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