

Income support in the wake of Covid-19: interviews

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Executive Summary

Material wellbeing

- Covid-19 and associated lockdowns have had a significant, negative impact on the ability of main benefit recipients to meet costs, due to higher food prices, panic buying and delivery costs. The supposed \$25 increase to core benefit rates in April 2020 had a negligible effect, sometimes due to substantial payment clawbacks, but the temporary doubling of the Winter Energy Payment (which does not affect other income support) made a much-appreciated, significant difference to the incomes of benefit recipients.
- The financial impacts of Covid-19 simply increased the severity of the *enduring* poverty that most benefit recipients, particularly those with dependent children and high health costs, face on a day-to-day basis to the detriment of their mental wellbeing.

Engagement with Work and Income

- Some minor improvements in Work and Income culture and processes were noted in the wake of Covid-19 but, overall, benefit recipient experiences of engaging with Work and Income are overwhelmingly negative. This is due to: problematic attitudes of Work and Income staff; a lack of privacy at appointments; a lack of transparency regarding entitlements; inconsistent and inefficient system processes; and the inadequacy of supplementary assistance to cover the full costs incurred by benefit recipients.
- These issues all lead to high levels of stress and a situation where benefit recipients feel they need a trained advocate just to engage on a day-to-day basis with Work and Income — or to avoid engaging with Work and Income to protect their mental health.
- Although some minor changes were noted since the Labour-led government was elected in 2017, benefit recipients expressed disappointment that most of the Welfare Expert Advisory Group's recommendations in 2019, which focused on ensuring the social security system treats benefit recipients with dignity and respect, have not yet been implemented.

The impact of the Covid-19 Income Relief Payment on main benefit recipients and on public attitudes

- The introduction of the 12-week Covid-19 Income Relief Payment for those losing their jobs as a result of Covid-19, paid at a higher rate and with easier eligibility conditions than main benefits, had a significant, negative impact on the mental health of main benefit recipients.
- The Covid-19 Income Relief Payment strengthened the social stigma already associated with benefit receipt, which leads benefit recipients to feel ashamed to admit they receive a benefit (with some going as far as to hide this fact from friends and family). While some benefit recipients hoped that Covid-19 would bring greater understanding of the structural causes of unemployment, which might in time improve public attitudes towards benefit recipients, they saw little evidence of this so far.

- Benefit recipients believed that politicians and policy-makers contributed to this social stigma with policies and rhetoric suggesting that the newly unemployed are more 'deserving' than those who received a benefit before the Covid-19 pandemic. This stigma would be strengthened if proposals for unemployment insurance are implemented because these would embed a two-tiered social security system that suggests some are more deserving of assistance than others.

Recommendations

Interview data indicates that the Ministry of Social Development should:

1. Significantly raise core benefit levels immediately, so that people accessing income support are able to live with dignity. This would reduce the need for an unemployment insurance system that pays a higher level of benefit than current core benefit rates.
2. Develop a more enabling system of supplementary support assistance, including:
 - Improved transparency about entitlement and limits;
 - Permanently enabling online applications for hardship and supplementary support (while keeping attending an interview in person as an option); and
 - Paying the full costs of medical treatments and home maintenance, rather than only a percentage of those costs.

Of course, increasing core benefits to a liveable income would reduce pressure on and the need for such supplementary support systems.

3. Make greater structural acknowledgement of the high, ongoing needs for disabled/chronically ill persons.
4. Improve access to public housing.
5. Improve Work and Income culture, including:
 - Reintroducing dedicated Work and Income case workers;
 - Treating people as people not numbers;
 - Improving transparency and staff training around core entitlements;
 - Improving flexibility in Work and Income requirements, particularly obligations and sanctions that impede a benefit recipient's ability to seek work and to access adequate income to live and 'relationship in the nature of marriage' rules that can significantly reduce family income;
 - Better organisational systems.

In summary, benefit recipients call for a major overhaul of benefit income levels and the entire system that administers social security in New Zealand. This would involve implementing and, in some cases, enhancing the recommendations made by the Welfare Expert Advisory Group in 2019.

Introduction

During August-November 2020, Associate Professor Louise Humpage at the University of Auckland collaborated with Child Poverty Action Group, Auckland Action Against Poverty and FIRST Union to conduct a mixed-methods study called 'Income support in the wake of Covid-19'.¹ The research sought to understand the experiences of those on the new Covid-19 Income Relief Payment and those on main benefits in the context of Covid-19-related changes.

Covid-19 provided a unique opportunity to study the effect of increased benefit rates in New Zealand. This is because the pandemic resulted in a two-tiered benefit system operating from June 2020 to February 2021. For those who lost their jobs due to Covid-19 between March and October 2020, the Covid-19 Income Relief Payment was paid at \$490 per week (if previously working full-time — or \$250 per week part-time) for 12 weeks. This support was untaxed and paid at a higher level than the base rate of main benefits. For instance, those on Job Seeker Support received only \$250 per week (after tax) during the Covid-19 Income Relief Payment period.

Moreover, recipients of the Covid-19 Income Relief Payment were not subject to work or other obligations (which can lead to financial sanctions) and had more generous eligibility conditions, such as a partner being able to earn up to \$2,000 a week before the payment is reduced². New employment centres and online employment tools were also available to Covid-19 Income Relief Payment recipients, while main benefit recipients could access only those available through Work and Income.³ Thus, in 2020, the timing and cause of their joblessness resulted in benefit recipients potentially having very different experiences depending on which type of income support they can access.

This mixed-methods study contributes to growing evidence around the adequacy of income support and debate as to whether further increased benefit rates and changes to the benefit system, including introducing an unemployment insurance model, would make a difference to the lived experiences of those receiving a benefit.⁴ This is important for both those who were already receiving a main benefit prior to COVID-19 and those who received the Covid-19 Income Relief Payment and have transitioned to a main benefit because they have not yet found paid work.

¹ This study was approved by the University of Auckland Human Participants Ethics Committee on 17/8/20 for three years. Reference Number UAHPEC2777.

² Work and Income (2020). COVID-19 Income Relief Payment or a benefit. *Work and Income*. Retrieved from <https://www.workandincome.govt.nz/covid-19/income-relief-payment/better-off.html>

³ RNZ (2020). New service to help jobseekers opens. *RNZ*. Retrieved from <https://www.rnz.co.nz/news/business/423233/new-service-to-help-jobseekers-opens>

⁴ Welfare Expert Advisory Group. (2019) *Whakamana Tāngata: Restoring dignity to social security in New Zealand*. Wellington: Welfare Expert Advisory Group; Spencer, K. (2019). *Unemployment insurance: What can it offer New Zealand?* Report for the Technology and the Future of Work Inquiry. Wellington: Productivity Commission; Robertson, G. & Sepuloni, C. (2020). New payment to support Kiwis through COVID. Press release, 25 May. Retrieved from <https://www.beehive.govt.nz/release/new-payment-support-kiwis-through-covid>; Ministry of Business, Innovation and Employment. (2020). *Enhancing support for displaced workers over the medium term: Work stream update for the Tripartite Forum, 27 July*. Retrieved from <https://www.mbie.govt.nz/dmsdocument/12803-officials-discussion-document-support-displaced-workers>

The *first phase* of the research involved an online survey with main benefit recipients and those on the new Covid-19 Income Relief Payment. Findings from this survey can be found [here](#).

The *second phase* of research involved interviews with Supported Living Payment and sole parent participants, the findings of which are discussed in this report.

Current report – methodology

12 semi-structured interviews were conducted in November 2020: six with sole parents (five receiving Sole Parent Support and one receiving Job Seeker Support) and six with individuals receiving Supported Living Payment due to chronic illness or disability. The total number of participants was small and not intended to be representative but the interviews allowed us to explore in depth the more affective experiences of being on a benefit which the survey findings suggested were important. Thus, in addition to discussing the material impact of being on a benefit in the wake of Covid-19, the interviews explored how the social security system generally, and the introduction of the Covid-19 Income Relief Payment specifically, shaped the emotional wellbeing of main benefit recipients. We were also interested in whether they thought the Covid-19 pandemic was changing the way benefit recipients are perceived and treated by the public.

The interviews focused on sole parents and Supported Living Payment recipients because our survey suggested that these groups were particularly at risk of negative outcomes that were sharpened (although certainly not caused) by Covid-19. The focus on these two types of social security claimants is also pertinent given proposals for unemployment insurance would *not* affect these groups, highlighting the need to address the fundamental issues they highlight in the current flat-rate core benefit system. While ideally we would have liked to have interviewed some recipients of the Covid-19 Income Relief Payment to compare experiences, no one in this group came forward to be interviewed (although some did take part in the survey). This likely reflects the public perception that they are not 'benefit recipients' in the same way as those on main benefits because their unemployment is clearly associated with the pandemic, a view endorsed by the unique social security payment they received and by proposals for unemployment insurance.

Recruitment of interview participants occurred in two different ways. First, some of the survey participants volunteered to take part in an interview when responding to a request for interview participants found in the survey advertisement. Second, we also advertised through Auckland Action Against Poverty, Child Poverty Action Group and benefit recipient social media networks to purposively sample for further participants.

All interview participants signed a consent form after they received information about the study and had a chance to ask questions. They were also offered an opportunity to edit any excerpts from their interview to ensure they were accurate and did not identify them inadvertently. Six interviews were conducted face-to-face in Auckland while the remainder were conducted by Zoom. Participants outside of Auckland lived in the Christchurch and Wellington regions. All participants received a \$50 supermarket voucher as koha for the time taken to participate.

The data was analysed thematically, with some key themes emerging from the survey and others being unique to the interview data. Discussion of interview findings is structured around three core themes:

- *Material wellbeing*, starting with the impact of Covid-19 and whether the \$25 increase in core benefit rates in April 2020 and the doubling of the Winter Energy Payment made a difference to participants' lives. This is followed by an analysis of the enduring impact of poverty and how it shapes the emotional wellbeing of benefit recipients.
- *Engagement with Work and Income*, both during Covid-19, when some improvements were noted by participants, and over the long-term where benefit recipients reported they felt like they were often treated as numbers rather than human beings.
- The *impact of the Covid-19 Income Relief Payment* on interview participants and their thoughts on *the pandemic's potential to reshape public attitudes towards those relying on government assistance*.
- *Recommendations* for improving the social security system in New Zealand.

In presenting data, we have chosen to include many quotes from participants so that their experiences and concerns are expressed in their own voices as much as possible. This is not least because many of our participants generally felt unheard and unvalued by Work and Income — and by New Zealand society.

Interview sample

All interview participants quoted in this report have been given a pseudonym and any potentially identifying data removed. In the report, they are simply referred to by pseudonym and benefit type to enhance anonymity. However, Table 1 overviews the broader characteristics of the interview sample.

The high number of women among our participants is not surprising given 91 percent of Sole Parent Support recipients and around half of all Supported Living Payment recipients identified as female. In addition, the ethnic make-up of our sample is not out of kilter with overall demographics, since almost half of all Supported Living Payment recipients are European/Pākehā, while together, Māori and Pasifika peoples make up over half (47 percent and 11 percent respectively) of all Sole Parent Support recipients.⁵ We have noted how many dependent children live in each household because our Phase 1 survey indicated benefit recipients with children were struggling the most with living on a benefit income. It is worth noting, however, that some participants (including those on Supported Living Payment) had children who were no longer living in their household.

⁵ Ministry of Social Development (2020). National level data tables – December 2020). Retrieved from <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/benefit/index.html>

Table 1: Sample characteristics

Name	Benefit type	Number of continuous years on benefit	Ethnicity	Gender	Number of dependent children living at home
Meredith	Supported Living Payment	7	European/Pākeha	Female	0
Karen	Supported Living Payment	20	European/Pākeha	Female	0
Daniel	Supported Living Payment	19	European/Pākeha	Male	0
Pam	Supported Living Payment	13	European/Pākeha	Female	0
Nina	Supported Living Payment	10	European/Pākeha	Female	0
Ryan	Supported Living Payment (Carer)	4.5	European/Pākeha	Male	2
Rebecca	Sole Parent Support	12	Māori	Female	1
Maria	Sole Parent Support	4	Samoan	Female	2
Ngaire	Sole Parent Support	10	Māori	Female	3
Josie	Sole Parent Support	4 months	Niuean	Female	4
Faith	Sole Parent Support	16	Māori	Female	1
Aroha	Job Seeker Support	19	Māori	Female	1

Material wellbeing

This section first considers the unique impact of Covid-19 on the material wellbeing of interview participants. However, they stressed that any recent financial stresses simply sharpened the poverty and emotional exhaustion they already experienced due to receiving a main benefit.

The material impact of Covid-19

All 12 participants reported that the Covid-19 pandemic — and particularly the March-April 2020 lockdown — had made living on a benefit more difficult, for several reasons. First, the cost of groceries increased significantly. ‘Panic buying’ and ‘stocking up’ amongst the general community meant that the cheaper brands that benefit recipients relied upon were often not available. At the same time, supermarkets stopped offering many of the regular sales on particular items that had been available pre-pandemic:

... you can't overstate the impact of other people as well in the lockdown period on beneficiaries. So you had panic buying. Okay. We couldn't panic buy, we couldn't stock up. We have enough money to buy our weekly food and groceries, toilet paper, whatever, and we do that by — certainly in this

household — by going to wherever has got the best deal and the cheapest deal on So with the panic buying that came in the behaviour was buy your weekly shop, stock up on all the cheap stuff. I've probably never felt quite as stressed as I did at that time — even when we were visiting foodbanks — because there was nothing there in budget [food lines]. Literally nothing. You'd go in and, you know, where you'd be used to buying a 70c tin of baked beans from Countdown, the cheapest ones were three times that price. There were no specials on in the beginning of lockdown. [Ryan, Supported Living Payment-Carer]

Ryan further noted that the decrease in spending associated with not using the car or going out during lockdown was “vastly outweighed by the increase in prices at the supermarket.” Rebecca, a Sole Parent Support recipient, noted that \$3 or \$5 extra here or there for toilet paper or school supplies was a big issue when her budget was so tight normally that it could stretch no further.

In addition to the increased cost of groceries, accessing essential goods was difficult for some participants. For someone like Karen, who receives the Supported Living Payment because of chronic illness or disability, standing in queues at supermarkets was not feasible: “I can't go backwards and forwards to the supermarket — it just drains me completely and leaves me exhausted.” Yet having groceries delivered added extra costs and the service was often oversubscribed due to increased demand during lockdown. Karen went on to say:

.... my experience was quite difficult because I didn't have any ready help and going to the supermarket became too difficult for me I can't line up on queues and things like that. I can't stand for very long. All those things were hard. I did my shopping through home delivering with Countdown it was like \$14 to get your groceries delivered A lot of the help that was out there wasn't catering to what I needed. Like there was a Student [Volunteer] Army. They gave you a choice of you can buy, you know, base products like milk, bread, cheese, da, da, da None of those things are ever on my grocery list. I'm gluten-free and dairy-free because of my health.

Sole parents also had difficulties accessing groceries since they were not allowed to take their children with them to the supermarket during lockdown and often had no other adults in their 'bubbles' to care for children while they shopped:

.... [supermarkets] were saying 'don't bring your kids. You can't bring them in'. You know, that was difficult. So I was doing online shopping, you know, to get it delivered. But that was double the price [Ngaire, Sole Parent Support].

Worrying about the health of their children also limited our participants' shopping options:

So when, when we were in the first lockdown and we couldn't get out, my daughter has respiratory issues and I was so — I didn't feel I could go to the

supermarket in case I ended up with [Covid-19] and then I was passing it on to my daughter, which would be terrible. [Maria, Sole Parent Support]

Although the latter issue is not specific to benefit recipients, the lack of flexibility in this group's budget to cover online shopping was specific to those living on low incomes. Faith, a Sole Parent Support recipient, was under Total Money Management whereby the Ministry of Social Development pays her rent and other utilities directly from her benefit and she only receives the remainder of her benefit as cash in her bank account. With little cash available, Faith had to rely on a Special Needs Grant that is paid onto an electronic payment card, which can only be used for essential goods like food at specific shops and within a short time period after issue. This became problematic:

.... it was actually difficult with the pandemic cos we — even though they [the government] were helping through those two times they had lockdowns with food grants and stuff — it was still being able to get to the places or getting in time to the places before the money [on the electronic payment card] actually expired. Which was hard for, especially for me with my son cos the kids weren't allowed to go into the shops so a few times [there was money left on the card] and we were left with nothing.

Faith noted that even when Special Needs Grant time limits were extended, meaning money could be spent within seven rather than three days, it was still very difficult to use all of the grant in time.

These material impacts exacerbated the physical and emotional impacts of isolation that all New Zealanders faced during the March-April lockdown. Ryan, who receives Supported Living Payment to care for his wife full-time because she has health conditions so severe she cannot leave the house, described how having his children home as well for several weeks was extremely stressful:

So we're in this kind of weird position where you know, I was still working for, still doing all the things I would normally have to do [to care for my wife and run the household] plus school my kids and then entertain them. And we had finally found a bit of a happy balance towards the end, where I just kind of schooled them in the morning and said 'right just feed and, you know, plonk yourselves down in front of the Xbox for the afternoon' which, no, I'm not proud of, but it was kind of survival. In the meantime looking at all these wonderful things that all these other families have had the time to do [while in lockdown] there was sort of a sense of failing that came out of that, I probably approached almost a breakdown state I'd laugh and joke about it now, but it was hard. It was really, really hard.

Thus, unlike many New Zealanders who had more time than usual to bake, cycle or take up new hobbies because they were unable to complete paid work, those caring for disabled family members faced a higher workload as well as enhanced financial worries due to Covid-19.

Impact of \$25 increase in benefit rates in April 2020

Despite the significant increase in costs experienced by most participants, the government's decision to permanently increase base main benefit rates by \$25 per week in response to Covid-19 made only a negligible difference to most participants' ability to meet their weekly expenses, sometimes due to significant clawbacks, which meant people received far less than \$25. Couples who both receive a benefit had to share the \$25 increase between them. Karen, who receives Supported Living Payment, was unusual in describing the increase as:

... a gift from heaven we get a \$25 dollar a week increase and a lot of people would say 'oh, that, what's that? That's lunch'. You know, for me, it's kinda — when I go to Pak 'n Save — not stressing out at the checkout.

Indeed, she said that in her time receiving a benefit "I've never felt so looked after. And honestly, it makes a difference, individually, to people when they ... do things like that [increase benefits]."

However, most participants were more circumspect, since the way in which payments are structured meant they received far less than the \$25 per week increase because a portion was 'clawed back'. Daniel, who also receives the Supported Living Payment, described how:

People who get the Temporary Additional Support [TAS] ... when they got the \$25 pay increase, a lot of that disappeared because the [income] tests [for TAS] got booted up because whatever extra income you get gets reduced straight away.

A further complaint was that those living in public housing, where rents are income-related, found that an increase in benefit income also meant a rent increase. For this reason, at least four of our 12 interview participants did not benefit from the full \$25 increase, with two receiving only around \$3 more per week net than prior to the increase in core benefits. Overall, therefore, the impact of the increase on benefit recipient lives was minimal: "Oh, it just meant that my daughter could have a labelled packet of biscuits instead of budget." [Rebecca, Sole Parent Support].

Realising how little difference the benefit rate increase would make caused considerable stress for Nina, who receives income from Supported Living Payment as well as from a few hours a week in paid work:

I was quite looking forward to it [the \$25 increase] because I lost some of my merchandising work because the stores were all shut. And so that money that I relied on I couldn't get and I couldn't apply for [the Covid-19 Income Relief Payment] because it wasn't my main income because my benefit was my main income. So, I had to suck it up. So when they said we were getting 30 bucks a week [\$25 plus the annual inflation increase] I thought 'I'll rejiggle my budget and that's a 120 bucks of my insurance payments that I'd normally work for so I've only got to find an extra 30 bucks a week' [I] thought 'this

is doable' because I won't be going anywhere, I won't be doing anything but then I didn't get 30 dollars a week [laughs]. I got \$2.97. So, it really screwed it up.

This quote illustrates the mental juggling that is associated with the struggle to pay day-to-day bills on a very low income, discussed further in the next section. Daniel, a Supported Living Payment recipient, stressed that in 2019 the Welfare Expert Advisory Group recognised that core benefits were too low and recommended significant increases (an extra \$129 a week for a person in his circumstances, although experts suggest this would still be insufficient to ensure a decent standard of living). In this context:

.... that \$25 didn't really make an iota of difference they need to add that hundred dollars to make it feasible. At the moment, I'm hanging out for the [New Zealand] Super[annuation], I'm nine months away from the superannuation and that's gonna give me a pay rise from \$307 to \$423 and that makes a liveable income for me.

Daniel's living conditions were the most extreme of those interviewed: he was living in his car to afford medication for multiple health conditions and had done so throughout the national lockdown. It has been extremely difficult to find a place to park his car, given camping grounds, friends' sections and the emergency housing he was eventually offered were environments that would have worsened his health conditions. Daniel noted:

... the way I'm living at the moment [in his car], I can live comfortably on the Supported Living Benefit, but it's a ridiculous situation to live in [a car] last time I tried to live on a benefit [in a house] I was running a hundred dollars a week short the compromise I've made to be able to afford the health expenses I have and all that, is I've compromised on having a home.

Overall, participants were almost unanimously disappointed by the purported \$25 per week increase to core benefits. Ryan, a carer on Supported Living Payment, cynically described the \$25 increase as "like being in an abusive relationship where your partner cheats on you consistently and then buys you a box of chocolates from time to time to make up for it [laughs]". It was too little to make a substantive difference to most benefit recipients' lives.

Impact of the doubled Winter Energy Payment in 2020

Despite the limited impact of the announced \$25 per week increase in early April 2020, most participants felt the doubled Winter Energy Payment *did* make a significant difference a month later. For those who received most of the \$25 and were living in a household of two or more people, the combined effect of both payments was around \$80 per week. Ryan, the Supported Living Payment recipient who made the cynical comment above, described the increased Winter Energy Payment as: "fantastic Now if they set it at that. ... every year I'd be able to keep the house warm every winter That was a huge relief and a big help." For his household, the amount increased from \$30 to \$60 per week, so clearly had a bigger financial impact than the core benefit increases. This contrasted with

previous years when his children would “all be bundled together in one room with an electric heater on” and “the house is cold, mouldy.”

Similarly, Maria on Sole Parent Support said: “in winters before, I have not run the heater, at times. So, I actually did run the heater [due to the increased Winter Energy Payment]”. Others found they did not fall behind in paying power bills as in previous years and one was even able to top up her power account to use in the future. Not everyone spent the extra money on heating because they placed higher priority on other bills they often struggled to afford, such as house/contents insurance, or a deposit for a car. Pam, a Support Living Payment recipient, said the extra money meant: “I could actually have a life; now [that the payment has ceased], I am back to living week by week.” Similarly, another Supported Living Payment recipient called Karen reported that: “It was a bit like Christmas, actually. This took all the pressure off brilliantly and I miss it a little bit.” Participants overwhelmingly believed the Winter Energy Payment should be doubled permanently, given the positive impact it had on their lives. Of course, if their core benefits were not woefully inadequate this type of extra financial assistance over winter would be less necessary.

Enduring material poverty on a benefit

Although this research was particularly interested in the impacts of Covid-19, all interview participants indicated that they had struggled financially well before the pandemic began. These continuous financial struggles made their lives very stressful and participants indicated that their stress and anxiety was directly linked to the fact that benefits (and supplementary payments such as the Disability Allowance) have not adequately kept up with the cost of living. There was overwhelming agreement that core benefits needed to increase across the board to significantly reduce financial stress and the health costs associated with this.

The interview data make clear that the struggle to live on benefit incomes was in spite of well-honed budgeting skills, and experience and resourcefulness in making the most of what you have. Some of the participants who chose to take part in the research had received a benefit for long periods of time, so had developed extremely efficient ways to manage available funds so they could make ends meet. A Supported Living Payment recipient, Nina, highlighted the hard work that goes into surviving on a benefit; having managed to get a subsidised heat pump installed through her regional council, which took over seven years to pay off and was now starting to rust, she said:

I can't really afford to run the thing. I don't have the money to do it. I just sit in the dark over wintertime I've got draft stoppers I've got sheets as lining on the curtains. I go to bed, and I sit in the dark, and I watch TV in bed, you know I don't use my oven if I use it, I can watch on the app, my power goes ka-ching like that, so I don't actually use my oven anymore, to keep my power down. Yeah so, I don't, probably eat as well as I should because it's a lot of toast and stuff, you know. But you just find a way to make it work.

These difficulties were in spite of rigorous budgeting, planning and attention to detail:

I write my budget about six weeks in advance. Every spare cent is accounted for. If anything happens, and I try to do everything in advance so I know my rates are coming up, I will do my grocery shop and if I see something on special, that's a really good special I sort of try and formulate my food, knowing that next week my car registration's due and so I've gotta have enough for that. [But] it doesn't always work though and sometimes it has to go on the [credit card].

Similarly, Pam who also receives Support Living Payment, described a complex strategy to ensure bills were paid:

You get very good at robbing Peter to pay Paul. Yeah, because I have it set up so that each week when money goes into my account, [it goes into] different accounts for power, for water. So if I need to I will, because they are due at different times, I will steal from one to pay another.

But even with this strategy, she also often ended up having to put basic goods on her credit card. Indeed, across the sample, our interview participants reported significant levels of debt — often in the tens of thousands of dollars — to credit card or car finance companies, Work and Income, and debt collectors.

Many of the interview participants — including those with children — prioritised bills such as rent and power and then “the last thing that comes out of my money is food” [Faith, Sole Parent Support]. They reported buying low-quality, low-nutrition food because it was cheap and, in some cases, went hungry when their benefit did not stretch far enough. When asked if she ever went without food herself, Faith replied:

Quite often I had that one food parcel available so I had to make that stretch over a month which [meant her child] only missed two days of eating before we got that food parcel he still can't eat half of the food that's in that parcel anyway [because he is on a special diet] or we'll end up in hospital and that's another circumstance I don't wanna be in.

Indeed, the special needs of her child made budgeting even more difficult:

... with a child with special gluten-free, dairy-free [diet] you can't get it in bulk — which I love shopping in bulk, cos its more financially, less stress on me — it's way hard. You're stressing every day, making sure he's trying to get fed but everyone's saying 'you gotta worry about yourself'; I can't feed myself, alright, I'll worry about myself another day. If I have to, I'll try and seek a food parcel but with food parcels you've got limits as well. You can only have a certain amount of food parcels a year. So yeah ... basically it's like really hard.

Other parents worried that their children were missing out on important activities because they could simply not afford participant fees, sports gear or other associated costs. Rebecca, who receives Sole Parent Support, said:

Sometimes it's sad my daughter wants to do something, but it's just not in our budget, and then it's trying to explain to her why she can't do it because there's no money there for her to do it.

Maria, a Sole Parent Support recipient, talked about how lack of money means “you're not actually living life. You're not participating in life Sometimes you can't even send your kids to school with lunches. So, you hold the kids at home, you keep them home because it's embarrassing.” She went on to say that “last Christmas, I remember not even wanting to celebrate Christmas. I didn't, I wished it wasn't happening because it's just a stressful time.”

Table 1 lists some of the strategies that our interview participants used to manage on core benefits that provide insufficient income to meet their needs. Interview participants were often engaged in multiple strategies at the same time, highlighting the time and effort spent on just getting by. Inevitably, that had a long-term impact on their mental health.

Table 1: Strategies to manage on inadequate core benefit rates

Accept assistance from relatives for ...	Apply for assistance from Work and Income for ...	Accept assistance from other organisations for...	Accept assistance from community for ...	Other strategies
Car expenses/ Petrol costs	Food and other essential costs	Special diet needs for children	Firewood	Piggy back on friends' internet/phone bill to reduce costs
Children's school uniform costs	Emergency/ unexpected costs (some recoverable)	Children's sports/activities (by paying fees paid over time rather than upfront)	Food vouchers	Negotiate lower interest loans/mortgage rates with finance companies/banks
Hearing aids/dental/medical bills	Relocation costs		Offers to do shopping during lockdown	Go without – food, holidays, shopping
Holiday costs	Disability-related costs		Food given to pataka cupboards which can be accessed for free	Be savvy consumers - buy at the cheapest shops, pay power bill upfront, get free gift cards by completing consumer surveys
Board/rent paid for room in the same house as the benefit recipient				Use credit cards for daily living costs
				Turn hot water cylinder down/limit shower times/turn lights off/not use oven for cooking

Car repairs, all forms of insurance and bigger costs like hearing aids or dental repairs were named by interview participants as particularly difficult to recover from. Three of the participants owned their homes and they found it difficult to cover house maintenance (including gardening) and repair expenses because the Work and Income system is geared towards those who are renting where such costs are usually borne by landlords, not tenants.

Several of our participants had previously been employed in professional or other well-paid positions, so initially had some financial reserves to draw upon. These were soon diminished, however. Ryan, who receives Supported Living Payment because he cares for his chronically ill wife, previously earned a high income but described his family's financial position now as:

... a constant juggle is the honest answer, I couldn't put my finger on saying yeah this happens every week — it doesn't certainly happen every week, there are weeks where we get by and we think 'that's great, there's an extra 20 bucks for next week. Brilliant'. And those probably come around maybe once every three, four or five weeks. But then you can get a run of bad luck. If you get hit with a big bill then you can know that the next four or five weeks gonna be tricky.

Those with their own homes thus often found that they had to use mortgage facilities to meet unmet costs, but worried about paying this extra debt in the long-term.

Ryan further highlighted the high level of skill and knowledge required to ensure that necessary costs were covered:

.... if something goes wrong with the house, we go cap in hand to Work and Income hoping that they might say 'yes' and it fits the right bucket somewhere. I've become better at finding the right buckets for those things and being able to quote their own policies back to them and, if in doubt, the legislation itself that underpins it.

Others were less familiar with the benefit system or less confident in their abilities to face Work and Income workers and advocate for their rights. Many people seeking financial assistance simply do not have the mental energy to have to actively seek out other advice. For example, Maria applied for Sole Parent Support when she left a violent relationship, at a time that any strength she had remaining was needed to start a new life from absolutely nothing:

They [Work and Income] need to understand what that means. And they need to make things easier for people in that situation. So, you know, they didn't tell me any of these things about I can get a washing machine and all that. I knew nothing about that. Other people told me that, support groups that I found. That's where I found that information Consider it from our perspective — because they're not looking at it from that perspective.

The extra personal and bureaucratic effort involved in applying for and assessing these forms of discretionary assistance seemed punitive to participants, particularly when Daniel, on Supported Living Payment, highlighted that:

.... a right-wing think tank recently came up with a report looking for the most, looking for ways to stimulate the economy the most effectively and, contrary to what they wanted to hear, they found that if people on low incomes got additional financial support, that'll really make a huge difference to the economy they'll spend it in their own environment, you know. They're not buying imported cars and that sort of thing. They're spending it on buying fruit and vegetables and all that sort of stuff so the money stays in circulation in the economy.

In sum, participants felt current benefit rates were simply unrealistic; when asked if she could survive on her benefit payment, Maria — a Sole Parent Support recipient — said:

I guess ... [pause] if nothing happens like, if no one has birthdays and there's no Christmas and there's no change of season when my kids are growing out of the clothes and things like that. Like everything stayed static, maybe but [in] life, that doesn't happen. And even when you try and put money aside, you end up having to eat into it then it runs out and then that's when you end up with the food grants. So, you're always running short, even when you budget well.

Given that life *does* happen, our participants felt that core benefit rates should allow them to participate fully in society without the considerable emotional stress described in the next section.

Emotional impact of poverty

Interview participants described living on the low income provided by core benefits as a “daily grind” that is “soul destroying” (Maria, Sole Parent Support) and makes them “feel like shit” (Karen, Supported Living Payment). The latter participant said this had significantly impacted her self-esteem: “I've been living in ... below the poverty line for such a long period of time, and it really changes your life and your confidence and just everything.” Karen had a well-established career before she became sick and couldn't help but compare herself to those in paid work:

.... my peer group all have houses, they all have rental houses. They have good jobs. They have superannuation. They have income protection, they have private health insurance sometimes you do feel like you're kind of ... living a much less enabled life.

Such comparisons, while inevitable, create a sense of disgruntlement that encourages social division, with one participant specifically naming those who migrated to New Zealand as appearing to get “more assistance than our New Zealand people that are actually from, born and bred here” (Faith, Sole Parent Support). Feeling they are not valued within New

Zealand society contributed to significant mental health issues amongst participants. When asked how it made her feel to always be struggling with costs, Maria — a Sole Parent Support recipient — burst into tears then said:

You feel quite alone. And I think it does affect your self-worth, you know I think you feel sometimes that you're failing in so many other areas. Like, even with your kids, you know, sometimes you don't feel like you're giving them the upbringing you wanted to give them. Or just maybe you don't have the patience that you would like to have with them that day and it's not their fault And then you end up being upset with yourself because you didn't handle a situation the way you wanted. And at the end of the day, it always just comes back because you're always thinking about how you gonna — about managing money.

This sense of loneliness is exacerbated for some participants because they cannot engage with family or contribute to family costs as they would like. Aroha, a Māori participant on Job Seeker Support said that tangi (funerals) and other unexpected costs created great financial stress. But even day-to-day “with our family, there's no such thing as a cousin or, or auntie or uncle, or — they're all, all same. We're like, they're like people that used to bring us up.” If they ask for help, Aroha was expected and wanted to offer assistance. Ngaire, another Sole Parent Support recipient, received assistance from a non-government organisation because:

I don't like to ask my family. I know they're not well off, you know, even the working people struggle to meet everyday needs. So I'll never ask, you know, them to support me and my children when I know they're trying to support their own families because I mean their rent, you know, with my rent compared to theirs [because she can access public housing with income-related rent] I can only imagine their struggles. Got to be 1000 times worse.

Later she admitted “it's embarrassing to even ask people [I don't know] for help.”

For some, the emotional impact was far more significant than loneliness or disconnection from family/community. When asked how living on benefit felt, a Sole Parent Support recipient called Josie said:

Ah. I'm gonna get emotional, [Laughter, then a pause] I try and take each day as it is [crying] only because if I didn't, I don't even know if I'd be here still, just cos it's real draining, mentally [crying]. Like, I look at my kids and I'm like, I didn't bring them into this world for them to see this

Ngaire, who receives Sole Parent Support, said that struggling all the time made her feel:

.... hopeless. Yeah it's hopelessness and it's just really hard because you've got to choose, you know, sometimes your mental health over your physical wellbeing, you know, like eating and sleeping and all that — you don't sleep, you know, because you're too busy worrying about what your kids are going to

eat the next day so yeah, my mental health has declined over the years, if I've had to deal with my children — you know, self-harm or the police or the school — then yeah, then money worries just add on top of that. So I have had to take anti-depressants over the years just to cope and get by and [Work and Income] doesn't understand that.

Two other participants articulated how extreme the emotional impact of struggling on a benefit could be. Nina, who receives the Supported Living Payment, said:

... they call it a lifestyle, the beneficiary lifestyle. Honey, there ain't much style in it [laughs]. It's a life and sometimes I actually — you know, when I'm down — I wish it would end. I really, I'm over it, you know, the constant — it's not that I've got, don't get me wrong, it's not that I actually wanna kill myself or anything — I just don't want to live anymore because I'm not even living [wipes tears]. You know, I can't afford a haircut because it's a luxury, you know. I can't even take my car and go for a walk on the beach because I can't afford the gas. I don't go out for dinner or to the pub or anything like that.

Daniel, who receives Supported Living Payment, commented:

.... it's hard to say to a stranger but it's like, you know, I'd be quite happy to contract it [Covid-19] and die from it. It sort of solves the situation I'm in at the moment. It's like the team of five million — Jacinda [Ardern, Prime Minister of New Zealand] always goes on about the team of five million — well, I don't feel like I'm part of team of five million.

Overall, this section on the material impact of living on a benefit has highlighted the struggles interview participants faced, even though they acknowledged that the Winter Energy Payment made some difference, and the impact this had on their mental health. For these reasons, all interview participants believed that core benefits should be increased immediately.

Engagement with Work and Income

This section focuses on day-to-day dealing with New Zealand's social security agency, Work and Income. It begins with experiences during Covid-19, when some improvements were evident, but once again highlights many ongoing issues that not only make it difficult for benefit recipients to receive their legal entitlements but further contribute to the mental health problems described in the last section.

Engagement in the wake of Covid-19

All interview participants appreciated the financial assistance they received. This was particularly the case for Josie, a new applicant for Sole Parent Support when she returned to New Zealand after the March/April lockdown because she was unable to access income support in Australia. She was also grateful that, when her plan to live with her mother fell through, she was able to access emergency housing with the help of Work and Income.

Other participants also noted some improvements in their interactions with Work and Income during the lockdown and, to a lesser extent, in the months following. In part, this was because Work and Income case managers had actually called *them* during the pandemic to check they were okay: “It was good having my case manager ring to see if I needed help, not ‘where’s my paperwork’, or ‘have I been looking for work’ or, you know, part of my obligation.” [Rebecca, Sole Parent Support]

More specifically, those subject to work obligations found that these requirements were relaxed during and immediately following the national lockdown. Aroha, a sole parent receiving Job Seeker Support, is ordinarily subject to part-time work obligations. But the temporary suspension of these allowed her the mental space to really think about the future: “It was mind-setting It’s got me thinking about what I can do. What’s better to do than looking for a job. Was even starting ... like doing business planning.”

Nina, who receives Supported Living Payment, described the temporary suspension of medical reviews during the lockdown as:

.... bloody wonderful [laughs] ... I was due for a review, and I’d actually just been to the doctor, and paid for the doctor to do my disability review and my whatever else it was, I think he signed everything, and I was going to send it in and then Covid hit, and they suspended all the reviews, and part of me was like ‘bugger, there’s 25 bucks down the drain’, and the other part was like ‘hallelujah, no [Work and Income]’. And it took a big relief off my shoulders actually. It was like ‘yeeeeaaaaaaah!’ Because I didn’t have to face them and I haven’t been back, so I’m dreading going back.

Meredith, another participant on Supported Living Payment, similarly noted that she was unclear why she had not had a medical review for ages but she had learned not to ask, because dealing with Work and Income was so stressful that she did not want to remind anyone she existed.

Further interview participants much appreciated a new policy that emerged during the March-April lockdown, which meant that many benefit recipients could apply online for Special Needs Grants (for assistance with emergency costs) without having to go into a Work and Income office much:

I’ve done that once so far ... and that’s so much better because you don’t have to talk to someone there. Yeah. So, there have been times where I’ve just, you know, gone without because I just didn’t want to talk someone there when I’d called them in the past, it was just out of desperation, really. But if I could avoid it at all costs, then we would just make do. So that means skipping meals I’ve done that many times. [Maria, Sole Parent Support]

Some participants highlighted the significance of so-called *one-off* or *emergency* assistance, such as Special Needs Grants, by indicating that they have to directly calculate such grants in their budgets, because without them they could not survive.

Ngaire, a Sole Parent Support recipient, however noted the irony that she was told by Work and Income that it cannot reimburse wifi costs; this was frustrating given reliable internet was necessary during lockdown to manage home schooling and stay sane, but also since many aspects of Work and Income's service had to be accessed online. Overall, the improvements evident as a result of Covid-19 were minimal when compared to the longstanding problems they faced when engaging with Work and Income, as the next section indicates.

Ongoing issues when engaging with Work and Income

Interview participants indicated several long-standing issues with Work and Income, ranging from the attitudes and allocation of case managers to more processual issues stemming from Work and Income procedures. These are dealt with in turn.

Poor attitudes amongst case managers

Although there were occasional references to individual case managers who "basically saved my life" (Daniel, Supported Living Payment), all interview participants without exception reported having predominantly negative experiences when dealing with Work and Income staff whom they described as unsupportive and, at times, directly obstructive. For instance, Maria approached Work and Income to apply for Sole Parent Support after leaving an abusive relationship. She spoke about the lack of empathy and understanding about the dynamics of family violence demonstrated by Work and Income staff:

The first meeting I ever had with [Work and Income], which was when Women's Refuge went into the office with me and we were explaining why I was applying for it. It was difficult for me to talk then because it was really a stressful time. But I remember even through that, sitting there and feeling like the worst human in the world for applying for it, and the lack of empathy from the woman who was doing the paperwork was unbelievable I was shocked that, firstly, someone would be treated that way when they're doing the right thing, which is leaving domestic violence for the sake of your kids and consistent with all the public messaging around that. To then be treated like I was some sort of loser And then secondly, just the general treatment that you would just treat a person in a vulnerable situation in that way. And, I guess coming from never having been on a benefit before, it was a real eye opener for me that people were being treated like this every day.

Ngaire, who also receives Sole Parent Support because she left a violent relationship, described her difficulties getting a relocation grant paid after she moved out of a Women's Refuge; having exited the relationship with no furniture or income to pay for it and having been allocated public housing that was infested with cockroaches and where previous tenants had stolen the curtains and oven, she was crying on the phone to Work and Income but:

.... there was no care, no compassion for what I was trying to say I told my story of just [having] moved out a Women's Refuge [but the Work and Income caseworker] said: 'oh why do you need it?' And I was like 'oh my god, it should be all in my files' to me it just felt like I was a number. I wasn't human.

Nina, who receives Supported Living Payment, described the attitudes of Work and Income staff as patronising — or worse:

You know, I rang up for a food grant once, and the first thing [the case manager] said to me was 'have you asked your parents?' And I just straight away went 'my parents are dead'. She didn't even skip a beat, she didn't even say 'I'm sorry' or anything. She just said 'well, what about other relatives?' And I said 'I haven't got any other relatives' and she said 'have you got children? Ask your children.' I said 'I'm not gonna ask my children for food.' She said 'what about your friends?' I said 'they've gotta feed their own kids.' You know, for 50 dollars, for 50 fucking dollars, you know? I'd rather not go there [crying] I find it offensive that as a 55-year old ringing up for a food grant, that I'm supposedly entitled to, that ... some staff member somewhere says to me 'have you asked your parents?' I'm not a 17-year old solo mum who's got parental support and who doesn't know how to budget.

Nina described dealing with another case manager who:

.... didn't look at me the whole time I was there. So I'm sitting there and I'm nervous as hell and this woman, she didn't say hello, she just went 'papers'. It was like I was in Nazi Germany: 'papers'. And so I put them down. She looked out the window, she looked at her feet, she looked at her desk, she looked over the room, she never even made eye contact with [me], she didn't even acknowledge that I was sitting there. And she just went through and typed things in and that, and I'm sort of sitting there and I was really, really — I thought I was gonna die — I was sitting there and tears started coming and I'm sitting there and tears started running down my face, but I didn't wanna make a scene because I didn't want anyone looking, cos it's all *open*. Everyone can see you. And there's people behind me, and I don't know who it is, and I'm freaking about that, and there's people over there and there's kids over there. And I'm sitting there, hoping the ground would open up and swallow me, while this woman was just tap tap tap tap tap [typing gesture] tap tap tap.

And then she went 'well, that's it', and she didn't look at me, she just said 'you can go' I'm sitting there in tears, and she went 'oh, for God's sake, stop blubbering' and I sat there and she said 'you can go now'. And I got up and I went out and I sat in the car [crying] and I have never felt like such a piece of shit in my entire life I got in the car and I remember driving down the road and I wanted to drive into a power pole [crying] I went to find a friend and I had a big hug and ... I sorta told her what had happened; she knew who it was instantly, before I even said who it was. She was well known [and when she

reported the incident on Facebook] everybody, *everybody*, knew who it was ... Yeah, [if] she's still working there, have a bit of respect for people. I didn't choose this, my life was not meant to be like this, you know, I work when I can. I don't ask for anything much.

Josie, who receives Sole Parent Support, also described dealing with Work and Income as "intimidating. They're very rude I try and look at it like maybe they've had a bad day. Maybe they've had bad clients coming. Maybe they've just, I don't know, woke up on the wrong side of the bed". Overall, she felt:

They make you feel small and it's not a nice feeling. And I always think, 'if I was your family, would you be treating me like this? Or your friend, you know?' So just real blunt and hard and sharp with their words, just to cut you off.

Reflecting on her experiences accessing Sole Parent Support described earlier, Maria commented that nothing had changed in terms of interactions with Work and Income staff following the election of a government in 2017, despite both the Labour and Green parties promising to fix the 'toxic culture' within Work and Income:

It's totally the same when I have asked for food grants — and it surprised me that I can feel this way when I've come from a privileged background — but I actually get stressed about it beforehand and I have to, you know, make notes of what I'm gonna say when they ask me these questions, which are often irrelevant. ... There's just a general reluctance to help I remember the very first [food grant] I applied for — I needed \$150 and [the Work and Income staff member] said, after the grilling ... 'I'll give you \$100.' And so I took it because that was better than nothing [but] why are you only giving me \$100 when I've just shown you that, actually, I need \$150?

She summed up "despite all the *rhetoric* around kindness and compassion, it doesn't exist." Similarly, Ryan who is a carer on Supported Living Payment, said:

.... treating people with dignity again, that was supposed to have happened when the Labour government came in, and there was a change in the frontline for six to eight months until probably government actually realised that, you know, they still have to run to a budget and that then gets pushed down by the finance parts of the organisation to local managers, who have budgets that they have to stay within, regardless of whether they're trying to make sure people get all their entitlements. And so you then return to the same type of behaviour you had with the previous government. People are just getting shut down.

Rebecca, who receives Sole Parent Support, also believed the toxic culture found amongst Work and Income case managers was shaped by the broader political context:

I have applied for a case manager's job. I've applied for call centre's job with Work and Income. I'm a yes person. Which [they have said] 'oh you can't do that. You know, that is not part of legislation', 'oh, well, that's not me then' ...

[Laughter] I'd rather help people than see them suffer It's not our fault that we're in a pandemic. It wasn't caused by people on the benefits.

Lack of dedicated case managers

Participants found it particularly frustrating that the lack of dedicated case managers meant it was impossible to build more constructive relationships between Work and Income staff and clients. This was particularly an issue for survivors of sexual assault or domestic violence because it meant they not only had to repeatedly tell their traumatic stories, but they also often had to tell them to male case managers. Nina, who receives Supported Living Payment said:

I went to [Work and Income] and I had my nurse with me and I had a male case worker. And it did not go well. I was just like a nervous wreck. He didn't do anything wrong, of course was just doing his job, but I had to go back through a lot of history because he didn't know me and know my case and I had to bring all this stuff up. It was really horrible.

Ngairé, who receives Sole Parent Support, went further, arguing that Work and Income case managers were *not* doing their job properly:

.... having to tell that story [of domestic violence] to a man, when you've been working with a woman for in the last six months you know, that's not okay so I do try and request the same lady who I've had to tell my story to ... [but] I just get told 'you won't get her. You'll get whoever is available at that time.' I would rather wait for someone who gives a shit than go to someone who I have to repeat that my son's been arrested three times, you know, in the last two years Like, it hurts enough saying it once, let alone having to go 'Is it written down in the notes? Why don't you read in the notes? Why do I have to tell you all over again? You should be reading up on your clients before they come in.'

Other interview participants also indicated the value of seeing the same case manager, to avoid the shame and inefficiency of having to repeatedly explain why they needed assistance.

Lack of privacy

Interview participants said the open plan spaces in which they were forced to engage with case managers were a further source of discomfort and anxiety, due to the lack of privacy when discussing sensitive personal information. Nina's comments earlier indicated how disempowering it can be, knowing that others are listening to private information being discussed with a case manager. Pam, who receives Supported Living Payment because of significant disabilities, including those that affect her hearing, spoke of a further difficulty:

.... every time I have been to [Work and Income] it has been open plan. And [because of hearing issues] I just can't understand them, I have to have

someone with me And she's a carer — she can sign things but she doesn't know [Work and Income]. And I have asked 'can we go into an office?' and the answer is 'no'. Open plan — everyone can hear your business, and they don't care at all. They don't care.

Participants indicated these problems continued even after the government elected in 2017 reportedly revamped many Work and Income offices.⁶

Lack of transparency about entitlements

Interview participants further indicated that they often only found out about social security entitlements through word-and-mouth, not from their case managers. A surprising number of participants had experienced being placed on the wrong benefit or knew of others who experienced this problem because case managers offered incorrect advice.

Ngaire, who now receives Sole Parent Support, was originally placed on Job Seeker Support with part-time work obligations until she found out she was able to provide documentation about the special health needs of one of her children. While on Job Seeker Support, she had tried a number of jobs but would no sooner start working when her child would become extremely sick, meaning she had to leave and restart the process of applying for her benefit with Work and Income with a two-week stand down. This process was so stressful alongside dealing with her other children, who were self-harming or getting into trouble with the police, that she needed to go onto anti-depressants. Aroha, who was similarly placed on Job Seeker Support, said she is also possibly on the wrong benefit but whenever she raises this with Work and Income “they veer me off somewhere else.”

Meredith, who receives Supported Living Payment, has a son with intellectual disabilities who was also initially placed on Job Seeker Support, although this was clearly not appropriate. It took considerable effort on her part to have this initial decision changed. She summarised:

.... it was certainly a culture of [Work and Income] not telling you what you're entitled to. Of doing their best to make sure they give you the least possible money having to fight for what you might be entitled to.

She said that dealing with Work and Income was so stressful that she worried a lot about whether she was accidentally getting paid too much, so might be asked to pay it back at any moment, a fear that led her to not approach Work and Income about other entitlements: “I could probably qualify for some Accommodation Supplement as well, but let's just not rock the boat.”

Maria, who receives Sole Parent Support, only found out from a support group that it was possible to have exemption from her part-time work obligations because she was home-schooling her children:

⁶ Sepuloni, C. (2018). Changing face of Work and Income launched today. *Scoop*. Retrieved from: <https://www.scoop.co.nz/stories/PA1806/S00264/changing-face-of-work-and-income-launched-today.htm>

.... then I actually had to go and look up the regulations and find that part in the regulations that said that and then I took that back to [Work and Income] and said, actually, 'I'm not supposed to have work obligations according to your regulations. And after that they said 'Oh, okay. Yeah. All right. You don't have to have work obligations.'

Later she commented that speaking with others:

.... has shown me the incredible inconsistency with the decision making and, you know, there's this general feeling that 'oh, it depends on who you get on the day as to what the outcome will be.' And I think it's shocking.

Similarly, Faith receives Sole Parent Support and was frustrated by inconsistent or changing limits to supplementary assistance, which made it difficult to plan. She would prefer a system where, if:

.... you are entitled to certain stuff, just for example we get \$300 just for dental but that's only once a year and once that runs out you have to wait for the next year to roll over till you're entitled to that again. So, something like that letting us know what we're entitled to but have those stipulated amounts so we're not going overboard with it, unless it's for a proper reason to go over it.

Daniel, who relies on Supported Living Payment, reflected the feelings of many participants when summarising that:

Work and Income are only concerned with saving money instead of spending money. They're not concerned about trying to help us get better, trying to help us get back into society again. That's just, it's such a defeatist attitude. It's ... horrible I call it [Work and Income] abuse.

In this context, interview participants noted that the support of welfare advocates and informal benefit recipient networks was critical for navigating the complex welfare system. Faith, who receives Sole Parent Support, found that Work and Income will cover more of her costs with the help of an advocate. Having someone alongside to support her also enabled her to control her anger when frustrated by a lack of assistance, which can sometimes result in Work and Income staff refusing to serve her. She found dealing with the call centre even more frustrating than in-person meetings and that often new staff knew far less than her about entitlements:

.... you have to have someone that either works behind the scenes, which I don't, or someone that is — like the AAAP [Auckland Action Against Poverty, a benefit advocacy and empowerment organisation] person that tells you that you're entitled to all these things.

Daniel, with several years' experience on Supported Living Payment, similarly said:

Anybody with, with health conditions, chronic or whatever, they need advocates ... it's a no-brainer for me ... it's not just your mate as an advocate, it's gotta be somebody who has done the training, who knows the regulations.

Inadequate and inflexible processes

Our interview participants reported they were also not able to access the help they needed in a timely fashion due to inadequate processes within Work and Income. Ngaire, who receives Sole Parent Support, put it bluntly when saying of Work and Income:

.... for starters, their phone line's shit when you request a callback, they've hung up and I know I'm not the first one that's said that — you know, you've held on for two hours and then all of a sudden it just hangs up on you. So I don't know how many times I've been in dire need of support [and].... that they've hung up on me like three times or, you know, said I never answered.

Josie, also on Sole Parent Support, experienced the same problem with the call centre not returning calls, while Nina — who receives Supported Living Payment — reported having her benefit suspended because of processual mistakes made by Work and Income. She had photocopied all her documents and dropped them off to her local Work and Income office in good time for her six-monthly review but then got:

.... the thing saying my benefit is not going to be renewed because it's being cut because my documents aren't being there, so then I ring up [Work and Income] and they say well 'no, we've sent them up to Auckland' but nobody in Auckland seems to know anything about it. Then ... I don't know if I'm gonna have money to pay my mortgage coming because I've got the letters telling me it's being cancelled. And then they do some magic review all of a sudden and the money comes through, so obviously they have found the documents ...

This experience was extremely stressful and is, unfortunately, not uncommon according to our interview participants. Daniel said:

I've had a really hard time getting on to the Supported Living Payment. I've had my benefit cancelled several times. I've had calculations mucked up to my disadvantage, always to my disadvantage. I've had ... disability supports terminated, and that's an ongoing battle. And that's one of the reasons I'm living in the car, because I don't have the stress of having to deal with [Work and Income].

Nina, who receives Supported Living Payment but is able to work a small number of hours per week, described how Work and Income reporting systems cannot easily accommodate earnings that are not paid at a standard hourly rate. She works on a contract basis where she is paid per visit to a retailer but that figure must cover petrol as well as her time; Work and Income had difficulty grasping this fact. Nina was also frustrated by fluctuations in Accommodation Supplement as a result of the frequent changes in her earnings, which meant that she was never sure of how much income she would receive in her benefit. This

made it even tougher to budget. As a 'solution' to this, Work and Income case managers repeatedly encouraged her to take boarders because she lives alone in her own house. They had difficulties understanding this was not practical for people with health issues, especially when the people who want to board are often not reliable:

I've had boarders in the past and I've had my house trashed, I've had my things stolen, I've found them smoking methamphetamine in the rooms, I've had people banging on the doors and I've been knocked over by somebody once, you know, and I'm 57 years old and I don't really want people ... because the only people who really want to rent it, who wanna board in the house, are people who've got nothing and they're normally really young and ... when I'm not well, I wanna be able to pad down my hallway in my undies and my T-shirt and get a cup of tea. [Yet] I have this big guilt that I live in a house and I've got a spare two bedrooms.

Others talked of pressure to take jobs that were not appropriate. Ngaire, on Sole Parent Support, said:

I'd love to go back to work, but the jobs that they're offering me were just like impossible, four o'clock in the morning till six o'clock at night or with wages so low they did not cover childcare costs: they don't get that part of things.

Pam, who receives Supported Living Payment, indicated that requirements for face-to-face meetings also did not account for the hurdles this involves for some disabled persons. While she said the Work and Income office was accessible for her wheelchair: "Getting to the office was hard. Until I got the van through Lotteries it was hard. And I used to live up a hill – so I was stuck." In addition, while she favoured the move to online applications for Temporary Additional Support, "they have a 20-minute time limit, which worried me because I am not that quick." She acknowledged that "you can fill in the forms and drop them in and all that, but last time when I did that they lost [the forms]. And they stopped the payment so I had to reapply." Overall, our interview participants had little faith that Work and Income processes were fair, consistent or well-organised.

Failure to cover full costs incurred

A further ongoing frustration was the discrepancy between real costs and what Work and Income is willing to reimburse for things like medical treatments and house/garden maintenance. While other interview participants reported similar issues, Nina, who is on Support Living Payment, provided multiple examples of this problem. She reported that her doctor said she should no longer mow her lawn and Work and Income agreed to pay a percentage of a set price per week:

They might give you say 15 dollars and you pay the 20. But the public thinks that beneficiaries are getting Mr Green around to mow their lawn and that *they* are paying for it. And so that's fine, and then as petrol prices go up, and Mr Green starts putting his charges up ... At one stage, it got to 55 dollars to

mow my lawn, but I wasn't getting 55 dollars, I was still only getting about 20 or so from [Work and Income], and I couldn't afford the other 30.

An acquaintance offered to do it for \$20 but she did not tell Work and Income because:

... they wouldn't have given me the subsidy because he wasn't a registered lawnmower but by doing that, I'm committing fraud. So, I panic all the time ... Everything I do, I think 'I'm gonna go to jail', you know, for this. But there's no other way to do it.

Although Nina was no longer using the acquaintance for lawnmowing at the time of interview, she remained fearful because she believed that Work and Income, despite being unable to provide her with a sufficient income, often used help provided by others against benefit recipients. She said:

... they say everything is income they ask you if you've been given food assistance from your family. You know, 'has your mother dropped off a leg of lamb to you?' Well that's actually income It's a state of fear. People who have got anxiety [laughs], I think that dealing with the [Work and Income] system actually is more of a hinderance. You go to the doctor to get extra drugs just so you can go to [Work and Income].

Other participants indicated similar problems when trying to claim acupuncture or other health treatments that aimed to improve their health condition.

A place to avoid

As a result of the above negative experiences, many participants stated that they avoided interacting with Work and Income whenever possible. As the following quotes indicate, this was even if such avoidance meant not accessing support when it was needed or not finding out whether they were receiving their full entitlements:

Yeah, it's a horrible experience. I hate having to ring them up for anything I'll even not do a shopping, you know, if I'd rather not ask for food and try and eat everything in the cupboard and give my kids everything I'll just eat whatever's left over. Instead of having to ring them because they just — it's quite invasive, you know, like 'why, why do you need money?' [Ngaire, Sole Parent Support]

.... when I'd called them in the past, it was just out of desperation, really. But if I could avoid it at all costs, then we would just make do. So that means skipping meals I've done that many times. [Maria, Sole Parent Support]

I guess, mostly, I just leave everything alone. I don't go to them for anything the only thing I have actually had [is] a couple of loans for dental work ... I've had enough struggles with them in the past and going and sitting at a desk and

being lectured to it's not good for my mental health. I stay away [Karen, Supported Living Payment]

So I don't like going to Work and Income for anything. If I struggle, I just make ends meet [Rebecca, Sole Parent Support]

I wouldn't want anybody to have to deal with [Work and Income] in their life. I don't think, by any stretch of imagination, I've had a bad time with [Work and Income] compared to lots and lots of people and certainly, since Labour's been in, I haven't had any, you know, face-to-face interaction with [Work and Income], so I don't know how much that culture might have changed in that time. But it was certainly a culture of, don't tell, not telling you what you're entitled to. Of doing their best to make sure they give you the least possible money. [Meredith, Supported Living Payment]

[Living on a benefit] it sucks. I don't like it. I don't even want to be on it I don't like the way that they treat me. And talk. And portray me as somebody that doesn't need help. [Laughs] It's harassing. Feels like they're intimidating [Aroha, Job Seeker Support]

We include so many quotes above to stress the point that many benefit recipients may be missing out on their legal entitlements because they find engaging with Work and Income so onerous and so detrimental to their mental health that avoidance becomes a strategy for protecting their wellbeing.

Some participants were aware of the current government's attempts to address some of these issues but questioned whether the government had the right priorities when making recent changes. Meredith on Supported Living Payment stated:

.... you go into the office in Albany and they've re-done it all. And there are 20 photocopiers spread around the place. All brand new [Work and Income] fancy signs with the name of the room above the door and proper, huge, wonderful photographs And you're looking at that money that they've spent and [thinking] how much that could have gone towards beneficiaries rather than making their offices look pretty?

Daniel, who receives Supported Living Payment, agreed the "revamp" seen since the Labour-led government took power is "ridiculous" because it has ignored most of the Welfare Expert Advisory Group recommendations. He likened recent changes to those implemented in 2014 when two case managers were killed in an Ashburton Work and Income office; government officials just said:

.... 'we'll just put in two to three security guards in every Work and Income office' [instead of dealing with] 'hey why is this person so disgruntled why do we have hundreds of people lining up outside of Work and Income offices for assistance why are we seeing the same people over and over again, you know, for food grants and everything?'

His comments reflect the growing frustration with the lack of government progress addressing the ongoing issues highlighted by the Welfare Expert Advisory Group.

The impact of the Covid-19 Income Relief Payment on main benefit recipients and on public attitudes

This section explores how the Covid-19 Income Relief Payment impacted how participants felt about their status as a benefit recipient in a context where there is already considerable social stigma associated with benefit receipt. Our interview participants were not yet convinced that more frequent experiences of unemployment due to Covid-19 had made the general public more understanding of the causes and experience of being on a benefit.

Impact of the Covid-19 Income Relief Payment

Interview participants were asked directly how they felt about the government's decision to introduce different support payments for those newly unemployed as a result of the Covid-19 pandemic. For most participants, this move exacerbated the emotional turmoil they already experienced from being on a benefit:

It was a kick in the gut. It — I think I'm gonna cry — it was a huge kick in the gut ... I don't *not* want them to get what they're getting. I recognise the pain of not being able to work, of not having a job I very much recognise all that and I wouldn't begrudge them, but that was just a total kick in the gut that we were just devalued, as people. As human beings. And I really, really felt that. [Karen, Supported Living Payment]

I can remember being really enraged when the two-tier benefit system got introduced. That was really a slap in the face. The government is essentially prepared to help people [so] they can get them back into work and creating taxes for them [the government]. For people like us, it's so much harder and we seem to not qualify for any assistance because there's no chance of us to provide taxes to the government. It's shocking. There's still obligations, there's still moral obligations, I feel they should comply with, and there's also obligations under the Convention on the Rights of People with Disabilities. They're breaching several of their regulations there as well. [Daniel, Supported Living Payment]

I felt shafted by the government. You know, this was the [Labour-led] government that came in and said you know, 'equality for all'. And it was — excuse my language — but it was just shit I don't know if that was cynical vote buying or — that's the only thing I can see it as, because no one in the position of the ministers running that were, none of them are stupid, none of them are ignorant. So, it only leaves you one place to go with why that was done. [Ryan, Supported Living Payment -Carer]

This last participant was particularly angry that main benefit recipients have long had to pay tax on their benefit while Covid-19 Income Relief Payment recipients do not. Meredith, who receives Supported Living Payment, described differences between the Covid-19 Income Relief Payment and main benefit as an “insult”, “shocking” and “bizarre”. She went on to say it was:

.... brilliant to give that much money [to the newly unemployed], but what about the rest of us? You know? How is it different for them? They put them into a separate category that’s said that [pause] they deserved more because of, you know, they deserved more than me. Because somehow they’re better than me. I feel like that [the government is saying] ... you don’t *deserve* to have that money because you somehow brought this upon yourself. Or you, you know, you’re not trying hard enough I was unimpressed.

Other participants were more sympathetic to the challenges that people who had previously never been unemployed would face relying on state support:

.... my brother, so he went from a \$1200 dollar job to \$485 dollars I seen that struggle. And I thought, well, you know, ‘you’re one out of a million people that are now having to deal with this situation when I’m used to living on that. I know how to budget’ That would have been hard for workers, you know, having to — most of them would have lived lives of luxury and then they were now living life of poverty. This is reality. [Laughs] So I did, I felt for a lot of people ... they’d lost their jobs and had to go on to lower rates because of something that was out of our control. [Rebecca, Sole Parent Support]

.... there are a number of people who used to look down their noses and now they are on benefits and they are finding it very tough with the rules and I feel sorry [for them] actually. If you are used to earning and then suddenly you just run out I know how tough it is. And, of course, they have husbands, wives, partners, yeah. And it negatively affects them until it happens to you, you don’t understand. [Pam, Supported Living Payment]

Similarly, Nina, who also receives Supported Living Payment, said of the Covid-19 Income Relief Payment:

I thought it was unfair but, in a way, I sort of understood it because as a long-term beneficiary I’ve had this time to adapt and I’ve learnt lots of little tricks, you know — not all of them great [laughs] — to survive and I accept now and I’m grateful for the fact that I get money. I could be living in a country where I don’t have anything, you know, and I am a hundred percent better off than so many other people, people who suddenly lost their jobs [who] didn’t see it coming and they didn’t have a time to adapt Somebody who is used to that big income coming out and perhaps people with children too who have big commitments as well, it was a short sharp shock for them. They wouldn’t have coped on the normal benefit. They woulda been screwed. I just accepted it. Because you’ve got no choice but to accept it. But it is unfair, you know,

because I don't think people realise, I don't think people look at the big picture of beneficiaries. They just think they're a group over there who are bludgers on the country.

Other participants, however, were simply confused by the Covid-19 Income Relief Payment. Maria, who receives Sole Parent Support, said she:

.... had no idea that there would be a different payment for people who had lost their job [as a result of Covid-19] and I don't understand the rationale for that. Is there a rationale? I just don't get it. I mean, when I went on Sole Parent Support after I left my relationship, they didn't think about the life I was living before. They didn't say 'how much money did I get before and what were my bills before and We're going to pay you in accordance with that lifestyle'. It was just 'this is what it is.' And so, you know, I went from a middle class lifestyle to totally scraping by.

Overall, the introduction of the Covid-19 Income Relief Payment had a negative impact on the mental health of our interview participants, a fact that is associated with the existing stigma they already face.

Living with the social stigma of being on a benefit

Most interview participants felt that receiving a benefit brought with it considerable social stigma within New Zealand society, with some noting that they were labelled 'bludgers':

.... people are so judgmental that they actually, they [think] you're in a different class to them and you don't deserve any help [and] 'why should my taxpayer dollars pay for you to live?'. And it's just totally mean and it's frustrating and I can get above that most of the time, but every now and again it just makes me really, really angry that the perception people have of people that do need welfare help because also I've come to understand a lot of people in my position and why they're in that position. Nobody, *nobody* chooses it I mean, there's so many cliches and they're just thoughtless. Nobody actually chooses to not have enough money to live on. It's not a better life. There's nothing better about it. [Karen, Supported Living Payment]

... you get blasted on social media, you know, if you're on a community page and someone's asking for food, people will be like 'Oh, you're on a benefit you shouldn't be drinking, you shouldn't, you know, whatever. If you say you're a solo parent, you're naturally [assumed to be] on the benefit which is, it's degrading especially when you do have to go and get a food parcel [Ngaire, Sole Parent Support]

Oh, I've heard a lot. I've seen a lot. That we need to get jobs, that we're bludgers, and all this stuff. I've heard yeah, I've been called a 'money hungry [racial epithet]' what I do for my family is to get, make sure my children are okay, not just to sit there and bludge off people. And I don't like bludging and if

you ask my other organisation [from which she receives assistance] it has to be the last straw before I even attempt to ask for anything, so yeah. It's hard to hear those type of things. [Aroha, Job Seeker Support]

The last two quotes above highlight how stigma associated with benefit receipt can intersect with gender and ethnic discrimination.

Only two of the participants explicitly discussed how the actions of some members of society helped to mediate the stigma they faced. Ryan, who receives Supported Living Payment because of his wife's illness, noted that he felt supported in his local community, although this might at least be partly because he said he had educated them about what life was really like on a benefit. But, even then:

... you start venturing into sort of online forums and things like that, especially ones that are on a more of a political bent than anything else, there are people that don't wanna be educated. They've got their opinion and they don't give a shit about the facts, so that can be a bit frustrating but you kind of give up on them.

He talked about how angry he got when politicians on the political right complained about the percentage of benefit recipients who had been on a benefit for longer than one year, which included sole parents and Supported Living Payment recipients who have specific health needs. He felt there was a 'looseness with truth' that was being used for political gain.

Similarly, Meredith, who also receives Supported Living Payment, was frustrated by situations where: "somebody may actually may be slagging off the people on a benefit to you and if you remind them, 'I'm actually on one', then ... they say 'Oh, yeah, but you're different'." This common response maintains the overall stereotype of the 'bludger' associated with benefit receipt by framing an individual who does not fit the stereotype as an anomaly.

As a result of the stigma associated with benefit receipt, our interview participants were often reluctant — or explicitly hid — their source of income from others. Nina, who is on Supported Living Payment, said:

.... the general public just think that money's being handed out left, right and centre to [benefit recipients] ... It's just incredible. It's like that 30 dollars [\$25 plus the annual inflation increase] round the Covid thing, well beneficiaries got 30 dollars, and I don't tell people, I've got a cousin — she's a like manager and her husband works and everything and they've got a dual income and a nice house what I call the 'beautiful people', their friends — and so I pop around and see her occasionally and they all think that I'm a sales rep [laughs] because I work for [a telecommunications company] and I go out and do merchandising. I mean I'm just a poster putter-upper, you know. But I don't tell them any different and when [Prime Minister] Jacinda Ardern said that they're giving beneficiaries, right at the start of Covid, the 30 dollars a week [This

immediately led to complaints from the cousin]: ‘Bloody beneficiaries, they take this, they take that, they don’t do anything’ and the really unfair part about it was, I got \$2.97 [laughs] you know? And I’m yet to hear of anybody [getting the full amount] ...

Given that she hid her benefit receipt, Nina noted that the Covid-19 lockdown had a kind of equalising effect:

I wasn’t going out and doing anything. And in a way it [lockdown] was really great because neither was anybody else and I felt normal. I felt normal because everybody was at home, nobody was working — well people were working at home I suppose. But the house next door got sold and they said ‘well, what do you do?’ and I was like ‘I work for [a telecommunications company] as a rep’ I said ‘I do a lot of work from home’. You know, because they’re equal, we’re all equal there’s no like, ‘how come we’re at work and but you’re not?’ It was actually quite liberating.

Will Covid-19 shift attitudes towards benefit recipients?

A small number of participants thought that the Covid-19 pandemic, which impacted the world and led to many people becoming unemployed, might improve public attitudes towards benefit recipients in New Zealand. For instance, Faith, who receives Sole Parent Support, said:

I think [the public] they’re more aware now ... everyone else has gone through it now, especially the ones with, I’ve seen with really good paying jobs, had to to rely on Work and Income just to help them get by. It’s humbled them a little bit I should say, towards people that have been on benefits a bit longer than them.

This had been the experience for Josie, who was new to Sole Parent Support and said she had thought negatively of people on benefits in the past. She had learned: “don’t talk about people unless you’ve been in their shoes, or you’ve been through that journey [then] say your piece.”

However, overall, our participants had not really noted any marked differences in public perceptions. Although Karen, who receives Supported Living Payment, expressed hope that the “government can [lead]... from the top, [we can] change that culture of beneficiaries being [perceived as] dole bludgers”, when asked directly if attitudes had changed as a result of Covid-19, she said:

Perhaps a little, but I don’t think it will take long for it to revert back to where it was. I think we need to keep walking forward and keep working on the image of people that need help and just publicly changing that perception.

When Nina, who receives Supported Living Payment, was asked whether she thought Covid-19 had changed public attitudes she was more certain:

No, I don't think it did because people who were able to work from home still worked from home and still got that income. People who weren't able to work got the [Covid-19 Income Relief Payment], which everyone moaned about cos it wasn't that high, but it was still more than beneficiaries got so they still seemed to have in their heads that beneficiaries, even though they get less money, get more.

Nina was pessimistic that attitudes would change because:

.... it's not just the [benefit] system, its people's perception and for years and years and years people have been led to believe, and they hear all the horror stories about beneficiaries, you know, the gang members down in Christchurch who got mag wheels paid for by [Work and Income] to go on their bloody hot rod and who had the swimming pool relined and what have you. You know, they hear all that sort of thing and how beneficiaries are getting a blanket increase of 30 dollars a week [\$25 plus the annual inflation increase], while everyone else is suffering under Covid They just don't know and I think it's a lie or a misconception that's been allowed to perpetuate because beneficiaries are an easy target. Trouble is, that any one of us could be a beneficiary any day, you know. I wasn't born to be a beneficiary We're not an enemy we're not all sitting there living this fancy lifestyle, you know, drinking sparkling wine on the deck, while they're paying for my lawns to be mowed, you know?

She was also angry at the lack of political will to change attitudes: "I mean the government bashes beneficiaries, so no wonder the general public thinks we're all a bunch of losers." Similarly, Maria — who receives Sole Parent Support — said that: "I think people still separate ordinary, [laughs] ordinary beneficiaries from people who are accessing state support because of Covid. I think you're still seen the same way that you were seen before."

Ryan, who receives Support Living Payment to care for his wife, said he did not think Covid-19 had greatly changed attitudes yet but was more hopeful that:

.... I think it will. I actually, I do think that people probably have overall, without them realising it, or subconsciously almost, there is a subconscious change in the mass psyche happening. It's not gonna take everyone with it and, in fact, it will send some people in polar opposite direction at turbo speed, and I think we can see that happening now but, on the whole, I think people are probably a little bit more understanding [He described hearing someone on the radio saying] she kind of had this realisation that, actually what Covid-19 had taught her was that what was so awful about it was having your choices removed and that she could finally actually understand something about people living in poverty, and how they had those lack of choices, and how that affected your sense of self. And how trapped you feel [pause] without having that.

Ryan believed this attitude reflected the fact that:

.... anyone can be in the situation our family are in. You just gotta get one person go sick and the other one having to care for them full-time And very quickly, if you've got money saved or invested or whatever else, that will get — you know, if it's not enough to actually live off and you have to move to a benefit — you will start to lose any wealth you've accumulated very quickly I just think that generally government politicians as a whole [could] in a sort of a bipartisan unifying effort could actually point out to the general public that this is the money that you're paying in taxes, it is here for good reasons and one of those is that [is] your insurance package for if things really do turn to shit. Cos I don't think people get that. So if there was another big change, apart from [increasing the amount of] money, it would be actually selling it to people that this is a really good idea to improve our system. Because if we — this is owned by all of us, you know, this welfare system doesn't just belong to the people that currently benefit from it. It belongs to all the people that *might* benefit from it in the future. And we don't do future thinking particularly well in New Zealand.

The findings in this section stress that if we wish benefit recipients to feel they have dignity and belonging in New Zealand they need not only more money but also messaging from politicians and policy-makers that ensures the general public understands the complexities of living on a benefit and — as quotes above indicate — how anyone is vulnerable to the life risks that can lead to reliance on government income support. A two-tiered income support system that offers one group more support than others would therefore be unjust.

Improving the benefit system: Recommendations

This section summarises key recommendations either explicitly articulated by our interview participants or emerging from the problems they identified with the current social security system.

Raise core benefit levels

Our interview data demonstrate that core benefit rates are currently too low to provide a basic standard of life, meaning benefit recipients go without basic necessities (such as skipping meals) and spend a lot of time and mental energy trying to make ends meet. Table 2 showed that this often meant relying on supplementary support from Work and Income, non-government organisations, communities, families and friends, while further discussion indicated how this increased stigma, stress and isolation amongst benefit recipients.

Several participants referenced the Welfare Expert Advisory Group's recommendations about significant increases to core benefits; although the increases recommended in 2019 are unlikely to be sufficient in 2021, participants similarly argued that adequate income was the key to improving their ability to participate and belong in New Zealand society. Karen, who receives Supported Living Payment, said: "I don't think anybody deserves to live below the poverty level we should be treated with dignity and it also puts money

back into the economy because we'll spend it. Yeah. It just, it just totally makes sense", while Maria on Sole Parent Support believed that "if benefit levels were raised, then those people would be able to participate in society properly."

As noted, many of our participants indicated that the higher Winter Energy Payment offered in response to Covid-19 allowed them to heat their homes properly for the first time, reducing sickness. Having a little extra money that they could rely on for three months also provided them with greater flexibility for juggling bills and other expenses. However, they need this all year, not just over winter, through adequate core benefit rates.

Develop a more enabling system of supplementary support assistance

Given the inadequate levels of core benefits, most of our interview participants were reliant on supplementary assistance to make ends meet. While some forms of assistance — such as Disability Allowance and Accommodation Supplement — are regularised so benefit recipients generally can know what income to expect, Temporary Additional Support (for essential costs) and Special Needs Grants (for emergency costs) need to be applied for on a case-by-case basis and discretionary decisions are made as to how much is received. Several participants indicated that they *relied* on these irregular forms of support, even though applying for it caused considerable stress. This added to the challenges they already faced as sole parents and/or disabled persons. Moreover, Pam on the Supported Living Payment highlighted how having to constantly apply for discretionary funds was "demoralising" because "I don't want to have my hand stuck out all of the time."

Our interview participants, like other benefit recipients, called for a less complicated system including:

- Improved transparency about entitlement and limits.
- Permanently enabling online applications for hardship and supplementary support, rather than having to attend an interview in person.
- Paying the full costs of medical treatments and home maintenance, rather than only a percentage of those costs.

Of course, if core benefit levels were significantly increased to cover real living costs, then the need for supplementary assistance would diminish.

Make greater structural acknowledgement of the high, ongoing needs for disabled/ chronically ill persons

Our research highlights the greater needs and higher costs associated with living with a disability or chronic illness. Depending on the cause of their illness or disability, individuals can either access earnings-related payments through the Accident Compensation Corporation or flat-rate benefits through the social security system. All of our Supported Living Payment recipients received assistance through the latter, which deals with this group similar to the unemployed, including the use of the same case managers for different types of benefits. Complex and enduring health issues are often not fully understood by Work and Income case managers (especially if they are not physically visible). To acknowledge how society, including institutions such as Work and Income, *create* disability

by failing to sufficiently meet the needs of those with chronic illness or disability, Daniel argued that Supported Living Payment recipients:

.... shouldn't be seen by the same people who are dealing with people who are looking for jobs. It's kind of a completely different set of skills required for that. It's like people who are on the superannuation, they have a separate department for those. There should be a separate department for people who are ill and not able to work.

He also suggested a higher, regularised payment that acknowledged a disabled person's higher health expenses. It was noted that the Disability Allowance is meant to compensate for some of these but this payment is discretionary and capped at \$65.36 a week, which is insufficient to cover many people's health costs.

Improve access to public housing

Our interview data present strong evidence that being able to access government-subsidised public housing makes a big difference to those who described themselves as lucky enough to get it. The benefits of public housing are not just associated with lower rent, although that is extremely important; interview participants also appreciated that they did not have to also pay for water bills and, if there was a maintenance issue, they knew they could have this fixed without extra expense (while in theory this was true for private renters, the evidence would suggest this did not always occur). Recent tenancy law changes may make a difference for private renters, but participants in permanent public housing were also less concerned about the *security* of tenure. At least two participants were living in accessible housing, which also meant they worried less about having their physical needs met within their home.

While housing issues for those unable to access public housing contributed to the already high levels of stress associated with being on a benefit (and the poverty it entails), Josie — a Sole Parent Support recipient who had been provided emergency housing — lived in fear of being forced into the private rental market: “cos I've seen the prices, I don't know how it matches with how much [money] people get. Cos, it's not even realistic. I don't know how I would survive.” Pam, a Supported Living Payment recipient, also felt that private landlords “seem to think [Work and Income] will pay the rent And if [the landlords] increase the rent they seem to think that I will get more money”, leading to ever-increasing rent hikes that were well beyond what core benefits can cover.

Improve Work and Income culture

Participants proposed key improvements in the culture of Work and Income, including:

- *Reintroducing dedicated Work and Income case workers.* Those who had experienced having a dedicated case manager thought this was useful because it avoided them having to repeat their often painful life stories multiple times and would encourage trust and empathy amongst both parties.

- *Treating people as people not numbers.* Many of our participants felt devalued and unheard by Work and Income workers. Nina, who receives Supported Living Payment, said: “People are people, they’re individuals. They’re not client numbers. I’m not [says client number] — I know it off by heart, you know — that’s my client number but that’s not me.” She acknowledged that no one system can meet an individual’s needs all the time but “I’d like to think there’s a certain amount of flexibility which there isn’t now.”
- *Greater transparency around core benefit entitlements.* A common complaint is that Work and Income staff are reluctant to disclose information, forcing benefit recipients to rely on support groups or welfare advocates to provide accurate and comprehensive advice about their rights.
- *Greater flexibility in Work and Income requirements,* including:
 - Reducing or eliminating work obligations and sanctions. Although this is particularly necessary in the current labour market context, when more people are searching for work than in the past due to Covid-19, overall those participants who had been subject to obligations/sanctions felt they impeded, rather than enhanced, their ability to take up paid work; sanctions also made it even more difficult to survive financially.
 - Ensuring courses that benefit recipients are required to take are actually appropriate for their circumstances (for example, do not send benefit recipients on budgeting courses when the problem is that their income is insufficient, not that they have poor spending behaviours).
 - Although not specifically mentioned by sole parents we interviewed, ensuring any relationship eligibility criteria are appropriate and always reflect current multiple understandings of relationships would make it more likely sole parents and families affected by job losses could ensure they have adequate income for their family’s needs.
- *Better organisational systems,* so benefit recipients are not inconvenienced (especially financially, by not receiving their full entitlement) when paperwork is lost or Work and Income staff make mistakes in their decision-making.

In summary, interview participants called for a major overhaul of benefit income levels and the entire system that administers social security in New Zealand.