

CHiLD
POVERTY
ACTION
GROUP

Commemoration of the 10th anniversary of the Hikoi of Hope.
Sunday 21st September at Holy Trinity Cathedral
5pm

Tena Koutou Tena Koutou Tena koutou Katoa

Thank you for asking me to speak today as a representative of CPAG. I acknowledge the value of the Hikoi and the important message it brought 10 years ago to the nation.

In 1998 we were still reeling from the fallout of the 1991 budget and the welfare and tax changes that had produced the fastest growth in inequality in the OECD. The Hikoi called for income and benefit levels sufficient to move people out of poverty and for the elimination of the intolerable distress so evident at the end of the 1990s.

We did not expect that 10 years later, and after strong economic growth, many of the issues of poverty would be the same; that we in CPAG would be busier than ever trying to raise issues of social justice for the poorest children who have been left behind. We did not expect that the Paediatricians who work with us would still be reporting a very high incidence of 3rd world diseases among our children, with all their costly implications. Nor did we expect that the Auckland City Missioner would be supplying us with data on foodbank use in Auckland that shows an ever up wards trend, and that she would even say on national radio that what they are seeing at the ACM is probably reminiscent of the Great Depression.

Of course it is not all bad news. As we look back over the past ten years there is much that is positive: better access to healthcare; a universal and adequate state pension; a people's bank; more jobs; attention to the minimum wage; and attention to family assistance, are among many gains. And yes, various poverty measures show that the numbers in poverty have fallen. But 20% of children are still under the poverty line, and of these 220,000 children, 150,000 or 15% of all children remain in severe and significant hardship. Worryingly, we may be entrenching a system that itself is unable to address the structural issues associated with the remaining poverty.

Unhelpfully, through the last ten years the wealthy have been all too quick to judge the poor and demonise them as the cause of their own and the nation's problems. A typical example is in this weekend's paper: the richest New Zealander, a billionaire critical of New Zealand's economic performance, is reported to have pontificated on what needed to be done. He says: "we have had a lot of government involvement in many aspects of our lives. We have a very comprehensive and very generous welfare system and in my view excessive welfare system. That is an obvious place to start."

This billionaire referred to the "boot in the bum" that New Zealanders needed, reflecting the populist idea that beneficiaries, being lazy, must have the incentive provided by poverty to get off a benefit. And if they remain on a benefit then that is proof that benefits must be too high.

A completely different view is found in a report this week from the Catholic organisation Caritas entitled “The unravelling of the welfare safety net”. It outlines the systematic dismantling of the benefit system under both national and labour governments. The report documents how core benefits are no longer even remotely adequate and how the supplementary top-ups have become much less generous and harder to access. Church groups are left to pick up the pieces after these changes are wrought in the name of an ideology that claims that paid work is the way out of poverty and by implication anyone on a benefit is a failure whose problems will be cured by getting a job.

CPAG is aligned with the values of the Hikoi of Hope. Our organisation believes that we will not make progress until we rediscover the fundamental principles that used to guide our welfare system. Making beneficiaries thoroughly miserable and marginalising their children is a recipe for disaster. We may discover this is even more so as the economy turns down and the holes in the safety net become even larger and more visible.

Another of the really worrying trends over the past ten years is the increasing emphasis on paid work as the best if not the only source of value or worth in society. We no longer appear to value the work done by mothers of young children in looking after their own children, no matter how young those children are. Caring for children only becomes work, and therefore of value, if a stranger is paid to do it. The incomes policies we have seen are driven by the imperative of work rather than children’s needs.

CPAG has been particularly concerned that recent policies are increasingly tying social provision to attachment to the work place. A good example of this is KiwiSaver. KiwiSaver is a policy whose generous tax incentives will significantly advantage the well-paid over the low-paid and the un-paid, and add to inequality in old age.

However, the policies most pertinent to CPAG are the Working for Families reforms.

Prior to these “reforms”, the family benefit went to each child on the same basis. Now Working for Family’s tax credits are paid on the basis that some families are deserving and others are not. The parents must meet work-based criteria to gain the significant income boost that was so sorely needed by all low income families.

In the early post-war period, on the whole there was adequate housing, and a meaningful family benefit for every child. Most mothers had sufficient time in hospital to regain their strength and to establish breast feeding with support from Karitane and Plunket nurses. In the 1970s, sole parents were recognised with the DPB, and benefits were set at levels to ensure participation and belonging. It was not all rose tinted, but there was not the income and wealth divide we see today, and **every child did count**, at least as far as government policy was concerned.

Not only have we abandoned the principle that all mothers with young children should be financially secure and thus able to stay out of the workforce if they choose to, we have failed to honour our obligations as a signatory to the international convention on the rights of the child designed to protect children. Today our *policies*

scream 'every child **does not** count', and child advocates find they must exhaust all avenues to get justice for the poorest and most marginalised children in society.

After years of writing about this injustice, CPAG saw no answer except to challenge in law the prevailing ideology that divides poor children into two groups: the deserving and the undeserving.

We have been embroiled in fighting the expensive and time-consuming case now before the Human Rights Tribunal. The case is on behalf of over 200,000 children representing about 20 % of all children under the age of 18. It is very complex, involving many, many months of work, with detailed statements of evidence and cross examination in a full hearing of 4 weeks in the Human Right Tribunal.

CPAG have argued, convincingly I believe, that because of the failure to respect Human Rights obligations in developing child-related policies, 150,000 children in which Maori and Pacific Islands are disproportionately represented, have been consigned to living in severe and significant hardship. In an unacceptable situation with high social and economic costs, these children have been deliberately and even callously left behind.

Here is an analogy: if 250,000 children were drowning, we would not say to the 150,000 furthest from the life raft: "Tell your parents to get a job and then we will think about helping you while we save the other 100,000." A different analogy: if 250,000 children were afflicted with a severe but treatable disease, we would not say to the very sickest 150,000 children: "Tell your parents to get a job and then we will think about helping you while we treat the other 100,000." This is what our policies have done.

The nub of the case is the persistence of child poverty in our land of plenty. In developed countries, the old and the young are the most vulnerable to poverty and exclusion, but neither form of poverty is inevitable. We can see this by looking at the way we treat the older age group where few are in poverty and we can claim some real successes.

The key for those over 65 has been to provide an adequate basic income floor for all through a universal pension; and to tie that pension to the average wage, not just to prices. We don't agonise over what the feckless over-65s spend their pension on, we trust them to spend the money on looking after themselves, before gambling or drinking or smoking it away. If a few of the superannuitants do gamble or drink or smoke, we don't deny them the pension.

.Even if they are perfectly capable of working, we don't insist that they work: they are free to get their sense of social inclusion and well-being from unpaid work. We don't reduce their pensions and argue that their poverty is inevitable because we are no longer a rich country; or that globalisation has put us into a different ball park and tied our hands. New Zealand Superannuation is regularly adjusted and will actually be significantly enhanced next month because of the link to the net wage that goes up with the tax cuts.

In contrast to this respectful treatment of those over 65, the poorest children in New Zealand continue to miss out if their parents are on benefits. Neither do those parents gain anything from the tax cuts next month as benefits are not linked to average wages and remain unaffected.

Those who can't work, or are doing unpaid work, for what ever reason, are left outside the walls of this society where social inclusion can be obtained only from participation in the market place. Our challenge ten years on from the Hikoi is to stand up to the ideology that has glorified work, any kind of work, so long as it is work for money. I am afraid it is an ongoing struggle we must not give up. For the sake of those 150,000 children who are being left behind, we must keep reminding the politicians forcibly of the issues raised by the Hikoi ten years ago.