

TacklingPovertyNZ

Exploring ways to reduce
poverty in New Zealand

7-9 December 2015



36 participants aged between
18 and 25 share their thoughts
on how to tackle poverty



Kia Ora

When Treasury first asked me to run a workshop addressing poverty, I was concerned on two levels: strategically – in terms of whether poverty was the correct entry point into a discussion of living standards in New Zealand; and operationally – whether I was the right person to host a group of young New Zealanders, many of whom would have been personally affected by poverty. It was important to me that, if the Institute were to be given this opportunity, we would be able to create the right space for participants to be safe and to contribute meaningfully to an important policy topic.

From the outset, it was clear that the participants were a driven, generous and perceptive group of young people ready to bring about change. To see them work together to begin effecting that change has been an amazing experience.

—Wendy McGuinness
Chief Executive
McGuinness Institute

The New Zealand Treasury is committed to achieving higher living standards for all New Zealanders, not just in a material or economic sense, but in terms of the holistic needs of our diverse society. The participants of the *TacklingPovertyNZ* workshop were quick to address the fact that poverty manifests in far more complex ways than just a lack of material wealth.

Their community-minded approach, coupled with impressive attention to detail, has meant that the policy proposals they have developed are thorough and achievable. This group of young people is united by a common desire to enact ethical, equitable and inclusive solutions to the problem of poverty in New Zealand, and this work is – and will continue to be – of immense value to Treasury's Living Standards Framework.

—Girol Karacaoglu
Chief Economist
New Zealand Treasury

Special Thanks

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(Parliamentary Host)

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Complex. Multifaceted. Challenging. These are the kinds of words that come to mind when poverty is raised as a topic of discussion. In December 2015, we came together as a group of 36 young New Zealanders united by the common goal of tackling poverty in our country. The group represented a diverse range of knowledge – some of us having experienced poverty firsthand, some having gained an understanding of it through our line of work or study, and some who simply have a genuine desire to implement positive change.

Our discussions came to focus on four themes central to our vision for New Zealand, which are each represented by one aspect of the healthy home (pictured below). These themes shaped our policy recommendations to address the problem of poverty. Theme one, forming a solid foundation, is community. We recognised that the government is not the only body responsible for empowering people to overcome poverty; we as New Zealanders have a role to play as well. Themes two and three, forming protective walls, are employment and social services respectively. Employment enables choice and therefore self-determination, which is crucial to empowering individuals and whānau struggling with poverty. The social services system, we learnt over the course of the workshop, is failing an increasing amount of people. Theme four is education; we see education as the key that should open the door to a thriving life.

Throughout the workshop we were challenged, inspired and empowered. Our overall observation is that we cannot stop at ideas and recommendations. Taking action is necessary to bring the change that we desire: an end to poverty in New Zealand.

—Participants of the *TacklingPovertyNZ* workshop

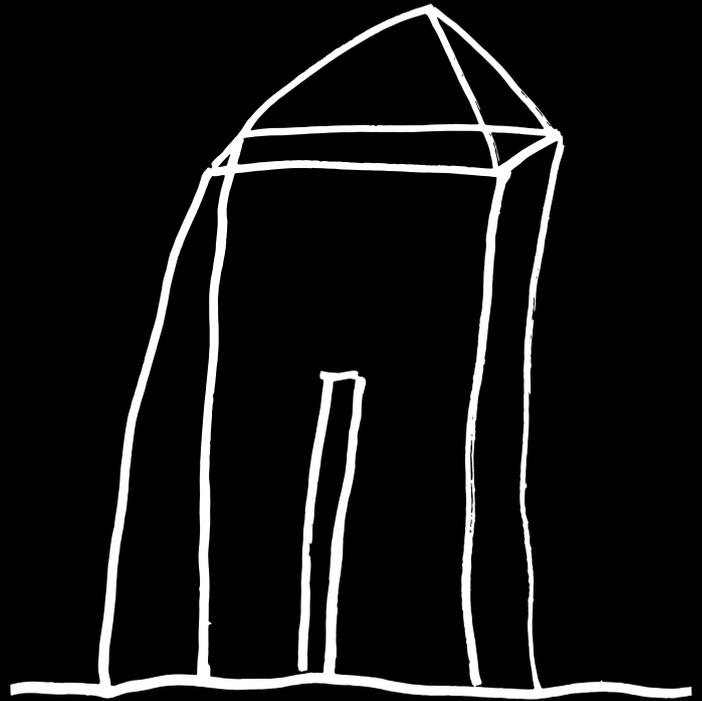


This image is based on Mason Durie's 1982 te whare tapa whā model of health. The house has four dimensions which all contribute to the creation of a thriving society.

The Glass House

A healthy home represents our vision for New Zealand in the future, but we see poverty in the present as a glass house. Those inside can see out to where they want to be, but are constrained and suppressed by the cold glass. The glass house is fragile and vulnerable to the slightest change. It is very easy to see the frustration of the people inside the glass house, but it is not easy to hear their voices, which means that they are often wrongly stigmatised and blamed.

But the glass house does not have to be a trap. With the right support and opportunities in place, those inside can be empowered to escape. We want to build a better future for New Zealanders – a healthy home that nurtures its inhabitants, allows them to thrive, and spurs them to move outwards and upwards in the world.



Defining Poverty from the Inside Out

The **feeling** of sympathy and judgement from the outside, when all you want is love from the inside. The **feeling** of raindrops on your skin when you can't afford a jacket. The taste of blood from biting your cheek to stop the tears, while explaining to your child why they can't have a birthday party. The **feeling** of not knowing what is going to happen next, whether you will be fed or sheltered. The loss of your childhood when as a 12-year-old you are faced with making the medical decision whether your father either walks OR talks again. **Feeling** as if a rug has been pulled from beneath you, and you are left with a bare floor. **Feeling** as if you are responsible, at 12 years old, for something that is not your fault. The look on Mum's face as she leaves WINZ knowing that there won't be enough for lunchboxes and dinners. The look on your face as your child offers you toast while you insist no, you're not hungry.

Whānau Ora: Breaking Ground

The Whānau Ora model influenced much of our thought process throughout the workshop. Many of our proposals focus on empowering whānau as a whole rather than focusing separately on individuals and their problems, which is a core principle guiding Whānau Ora's inclusive approach.

Whānau Ora is a Māori Party initiative implemented after the 2008 elections by former co-leader Dame Tariana Turia with the assistance of the National-led Government. It is a contemporary indigenous health model that adopts the values of Māori Culture.

The kaupapa behind Whānau Ora is simple and clear: it is the wellbeing of whānau. It is up to each whānau to determine its own process based on its circumstances. The initiative recognises that it is critical that whānau, hapū and iwi have a role and a voice in the services they receive.

The initiative assigns a 'navigator' – a case worker – who helps whānau to map out plans and goals and to engage with agencies, ensuring that whānau are working together to achieve healthy outcomes.

These navigators allow whānau to be able to tell their stories to the service providers that they need to engage with. The initiative also provides funding to

initiate whānau activities; strengthening relationships between service providers and supporting whānau.

We see this initiative as being a groundbreaking step in building the healthy home – its focus on inclusivity is a key driver underpinning the four themes around which we have focused our policy recommendations.



Source: Te Puni Kōkiri, 2015

Theme One: Community

The government is not the only body responsible for helping people out of poverty; we as New Zealanders have a role to play as well. One tactic that will aid in alleviating poverty is the strengthening of our communities, because they are the seams which hold the fabric of society together.

We came to a consensus on three main proposals which we felt would have the greatest impact on communities:

1. **Provide every new baby with a box full of essentials.** This would include a mattress and bedding, while the box itself may be used as a bed for the baby. It would also include outdoor gear, basic clothing, nappies, bathing and hygiene items, as well as a basic parenting skills booklet. This is based on Finland's 'Baby in a Box' model which has been significantly reducing infant mortality rates since it was introduced 75 years ago (Lee, 2013).
2. **When analysing data, take into account a measure of 'community success'.** Community success can be measured using social capital. Social capital may include such indicators as time spent volunteering and participating in social or church groups. This

can be used to track and measure the success of interventions via longitudinal studies. It is important to note that data does not exist solely in the form of numbers. Stories and experiences are needed to put these numbers into context, and to enhance evidence holistically.

3. **Offer extended paid parental leave to both parents.** This would enable parents to create a safe and predictable world for their child, which contributes directly to brain growth (Perry, 2004). By enabling parents to focus on caring for their children in this crucial development period, children will grow up to be more thoughtful and productive members of society.

Fulfilling community needs is done best by speaking to people within their communities and asking them what they value. The values held by communities are at the core of cultural identity, and should therefore be at the core of policy-making decisions. Lack of agency is a crippling part of poverty, and fostering a sense of solidarity and empowerment in the community is a way to ease that pain.

Theme Two: Employment

Employment was a key component in our discussions surrounding poverty, as successful employment creates scope for choice, thus restoring self-determination – one of the key rights that poverty breaches. With employment, people are able to provide for themselves and maintain long-term stability.

We propose three ways that policy could address significant areas of potential employment distress.

1. **Offer a workforce entrance package.** When entering the labour force for the first time, lack of experience can inhibit people from getting work as they are frequently overlooked in favour of candidates with greater experience. We therefore propose a workforce entrance package that would teach skills around conduct in the workplace, expectations from employers and navigation of a new job. Additionally, we propose making better drug rehabilitation programmes available and accessible where necessary. These programmes would aim to ensure that all individuals are employable and ready to enter the workforce, rather than potentially having their choices limited by circumstance.
2. **Offer a tailored mentorship package.** Employees without extensive experience and considerable skills are often unable to transition from entry-level employment to higher positions. Our proposal is

to provide a tailored mentorship package, where employees are linked with a business mentor in order to upskill in their career. This package would be designed to motivate and educate employees to the point where they are able to move up the employment ladder.

3. **Offer a broad retraining package.** In situations where an employed person is made redundant, there is a clear mismatch between the skills sought by the market and what the person can provide. Our proposed policy option is a broad retraining package, where individuals who have lost jobs are given the ability to retrain. The package would include a training qualifications framework to build on previous skills and work towards new roles.

These proposals address issues around the employability of individuals, so that they can retain their agency and access opportunities. It's important to note that these scenarios could occur for anyone, not just for those in poverty.

Critical to these ideas and to the overall scope of the employment process is the need for an experimental approach, accompanied by an appetite for appropriate risk. Trials could explore the best forms of these policy options in practice before scaling them up.



Five Myths about poverty in New Zealand

POVERTY DOESN'T
EXIST
IN
NEW ZEALAND

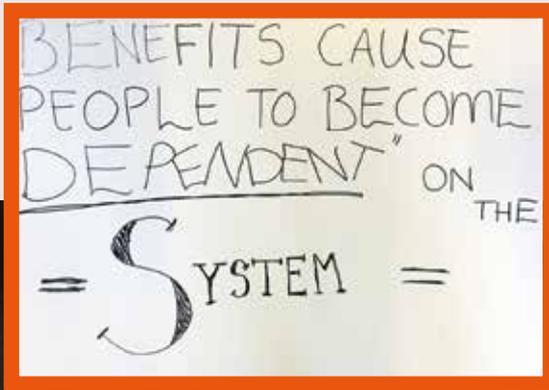
Those on a
BENEFIT
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Participants:

Matthew Bastion, Ali Bunge, Te Wai Coulston, Mitchell Denham, Felix Drissner-Devine, Adena Emanuel, Monique Francois, Sophie Goulter, Rangi (Emilou) Hohaia, Lydia Hollister-Jones, Rayden Horton, Eden Iati, Lisa Jagoe, Alexander Jones, Apurva Kasture, Anna-Marie Kurei, Elaina Lauaki-Vea, Karina Liddicoat, Maddie Little, Shannon Macmillan, Elizabeth Maddison, Brooke Merrick, Tara Officer, Brad Olsen, Caitlin Papuni-McLellan, Tiria Pehi, Zoe Pushon, Caroline Simmonds, Caitlin Smart, Regan Thwaites, Morgan Watkins, Callum Webb, Nathan Williams, Rongorito Wirihana Te Rei, Sam Yoon, Xindi Zhang.



Workshop Finale, 9 December 2015, Parliament, New Zealand

Five Poverty Myths Debunked

Myth 1. Poverty doesn't exist in New Zealand

The Millennium Development Goals (MDGs) defined extreme poverty as living at or under USD\$1.25 a day (United Nations, 2015). It is often argued that the benefit system in New Zealand means that no one is living in poverty. However, this myth can be busted by acknowledging the relative poverty felt by New Zealanders. According to the *Child Poverty Monitor 2015 Technical Report*, 29% of dependent New Zealanders aged between 0 and 17 were living in relative poverty in 2014 (Simpson et al., 2015). Poverty in New Zealand is not the child with the bloated belly caused by malnutrition. Relative poverty is more complicated than a lack of material resources; it refers also to the inequalities of access to opportunities that a large portion of New Zealand society takes for granted. These opportunities can contribute to achieving the life that meets an individual's aspirations.

Myth 2. People on a benefit have it easy

Consider the day-to-day life of a beneficiary. You are a solo parent and live where rent is cheapest: a significant distance from town. After paying for rent, utilities and school fees you are left with \$20 that is expected to cover food, clothing and transport. But when something unexpected such as a death in the family occurs – an event that you haven't mentally or financially 'budgeted for' – the only ones willing to help you are the loan sharks. Now you are faced with unsustainable debt. Does this life sound easy?

Myth 3. Benefits cause people to become dependent on the system

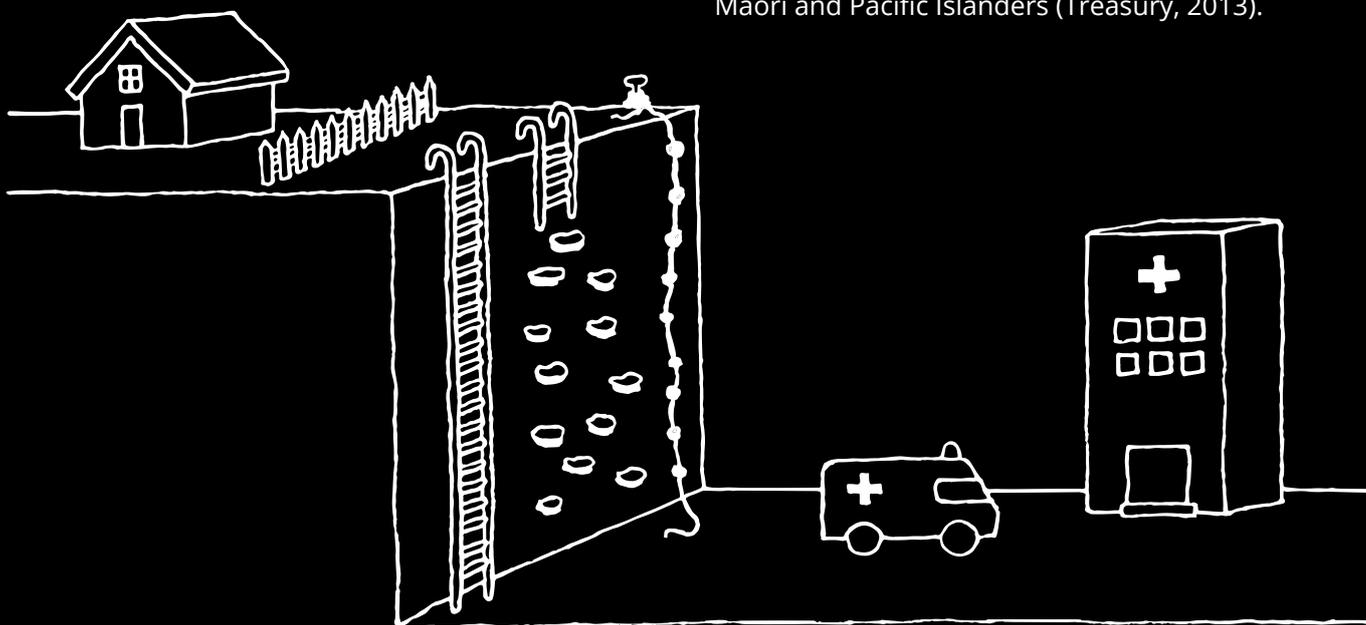
It is not the benefits causing people to become dependent on the system, but the system causing people to become dependent on benefits. Our current social welfare system is designed on the metaphor of a fence (employment) to stop people falling off a cliff, and an ambulance to respond to people who fall over the edge (social services). What is missing from this picture is a ladder (opportunity) to allow people to rise and overcome the challenges of poverty and to empower them to reach their goals and aspirations. Unemployment can erode a person's self-worth, trapping them in a cycle of poverty that is difficult to break out of.

Myth 4. One size fits all

In terms of addressing poverty, there is currently a narrow focus on the individual: if you are in poverty, then it's your own fault. However, other models such as those that are central to indigenous communities (e.g. Whānau Ora) focus on the collective. These models work through the community to empower whānau as a whole. Assuming that one solution will work for everyone indicates a failure to address cultural disparities and injustices, and an ignorance of the diversity of our population.

Myth 5. Just get a job

Getting a job isn't as easy as it sounds when you are starting at the bottom. Without a suit, without work experience and without transport to a job interview – how do you rate your chances? Even if you are successful, you may not earn enough to provide adequately for your family. 45% of the workforce do not earn a living wage, which especially affects women, Māori and Pacific Islanders (Treasury, 2013).



Theme Three: Social Services

The social services system is designed to support those in poverty, but often actually prevents them from moving forward (Garden, 2014). Those whom we are failing feel that current service providers are operating more as 'agencies of repression' than of care (Hodgetts et al., 2013: 14). People in need are spending unsustainable amounts of time and effort trying to get benefits and assistance from agencies that often only respond to them as 'problems' to be managed, rather than as fellow human beings to be supported and embraced.

We propose rectifying this through the creation of social hubs. Social hubs would integrate social service providers, making referrals from agency to agency a thing of the past. All of the client's relevant information would be stored in the hub's database, alleviating some of the pressure on providers. This system would also save clients from repeating their story each time they engage with a service. Spaces in community centres and schools would be allocated to these hubs, taking the services to those in need. The hubs can be as simple as a whānau room in schools where services are available, along with internet access and a cup of tea. Based on the Whānau Ora initiative, the hubs would have a client-centred focus and would provide a safe space for positive interactions between people and service providers.

The problem is that we don't always know what works or who needs help, but with better data collection we can address our community's needs. In New Zealand, the government holds the largest data sets. With integrated access to these massive data sets we can determine which services are needed in the social hubs to adequately meet the needs of the community.

Big data is already being used to help solve complicated issues in health, justice and education. We have the capacity to build up lifetime histories of poverty using health records, agency referrals, internet searches and more – but we aren't utilising it.

If we are to truly integrate data-driven solutions to poverty in New Zealand, we need to do the following:

1. Standardise data collection and ensure that people working with poverty are confident in working with data;
2. Invest in data mining systems to gain insights from the large amounts of data at our disposal; and
3. Utilise data within government agencies to ensure better-informed decision making.

Working with data often involves a short-term investment, but the benefits outweigh the costs in the long-term.

Ultimately, these proposals of integration aim to deliver a more efficient social services system to empower our most vulnerable, enabling people in poverty to climb their way out.



Theme Four: Education

Education ought to be the doorway to upward mobility. However, there is a continuous cycle of people in poverty being negatively impacted by inequalities within the education system, which prevents them from achieving their full potential. This causes an intergenerational effect that obstructs progress towards a fairer society. Improving our education system will result in greater success not only for individuals but for the whole of New Zealand.

The process of learning happens both formally within educational institutions and informally within homes and communities. The latter, more organic process of learning is fluid and dependent on whānau relationships, whereas our proposals are aimed at formal education providers. They must be implemented if education is to be the door to a thriving life.

While discussing our proposals we considered three important functions of education: '(1) imparting knowledge, (2) socialising children, and (3) transmitting family advantage or disadvantage' (Hannum & Xie, 2013: 4).

We came to a consensus on four main suggestions for the education system that we believe would make the greatest impact on improving educational outcomes:

1. We suggest having voluntary bonding for trainee teachers – these teachers would work in low decile schools in exchange for the cost of their training being paid, or in exchange for ongoing opportunities to advance up the education career pathway. This suggestion came about due to the current discrepancies across the country in the quality of teaching services. This bonding programme would allow for multiple pathways into the teaching career.
2. We suggest a more rigorous entry system for teacher training: a competitive first-year that doesn't simply take into account grade point average (GPA), but also extracurricular activities and cultural knowledge. This would make teaching an esteemed career. Teachers are currently undervalued, and by increasing their prestige we aim to remove the stigma of teachers being people who are unable to do anything else ('Those who can, do. Those who can't, teach'). This model would be similar to the Finnish teaching pathway, where only the 'best and brightest' become teachers, giving the career 'high social prestige' (Sahlberg, 2010: 2).

3. We propose a change in the 'Practising Teacher Criteria' to reflect the evolving face of New Zealand. This would require teachers to show evidence that they understand the community that their school serves. Education must meet the needs of diverse communities, and the rift between what goes on inside the classroom and what happens outside needs to be repaired. This would allow for more connections between community and school, resulting in wider investment in educational outcomes for our young people.
4. We propose the idea of expanding the Education Review Office (ERO) audit reports to consider the links that primary and secondary education services have with the community. We also want to enhance the accessibility of these reports for the public. We see this as a way of creating accountability, which will compel teachers to engage with the community, to ask parents 'What do you want to see me teaching?', and to identify and remedy flaws in their teaching style as well as the ways they engage with students. By giving parents and the community more input, we expect higher confidence in the education system.

We acknowledge that improving the education system, much the same as our other three policy themes, is not a 'one size fits all' solution. Each community has different requirements of their learning environments. These communities need to feel connected to the education services so that they are more inclined to encourage children to continue into further education.

During the *TacklingPovertyNZ* workshop, we focused on the need to provide services that were not only tailored to the community, but also available to that community. This focus emerged from a discussion with experts on the positive effects of community cohesiveness and strong teacher support for youth wellbeing and ongoing education.

We see our four suggestions as being able to make a positive impact on individuals, on communities, and on society as a whole. We acknowledge that it may take a long time to change attitudes towards education and teaching, but these suggestions are the logical steps towards that end. We want to make teaching a career for individuals who recognise the value they can have on a young person's life.

The reference list for this booklet is published as a separate document and is available from the McGuinness Institute website under Publications: Workshop Booklets.



Next Steps: Continuing the National Conversation

Our vision is nothing short of a cultural shift. Instead of a problem-focused government, let's have a people-focused government. Instead of clients revolving around an agency, we want agencies revolving around clients. And most importantly, instead of giving credence to myths, let's look at what will actually help people lead better, healthier lives.

The workshop itself was the first step, initiating a national conversation around how to address poverty. Each participant, upon registration, made a commitment to complete ten hours of voluntary service in the year following the workshop. From our various locations throughout the country, we are preparing to take these next steps.

The Baby Box

We are currently preparing to trial a New Zealand Baby Box initiative as per our policy proposal for Theme One: Community (see page 3). The box can function as the frame of a crib, and will include a mattress and blankets. It will also contain hygiene items, outdoor clothing and a booklet with information about raising a child. The goal of this initiative is to support all new-borns to have a fair start in life.

The Baby Box will receive \$1000 start-up funding from the McGuinness Institute, and we will source aid from other benefactors to reach our \$10,000 goal.

This funding will be used to make a prototype Baby Box to send to new parents in New Zealand's most deprived areas. We will present the findings from this trial in the hope that the government will implement the initiative on a national scale.

0800 4 SOCIAL HUB

The McGuinness Institute has purchased the number 0800 4 SOCIAL HUB (0800 4 76242). At the end of the line, a recorded message explains our proposal for Theme Three: Social Services (see page 8). The Social Hub would integrate the social services system, easing the burden on both users and providers.

TacklingPovertyNZ Workshop Tour

Given that one of the biggest themes of the December workshop was community, *TacklingPovertyNZ* is aiming to tour the country in a series of one-day, locally focused workshops to engage with different New Zealand communities on their own soil. For each of these tour workshops, speakers and participants from the December workshop will make presentations to a local cohort, who will then develop solutions to tackle poverty in their communities. A discussion paper will be produced after each local workshop and will be presented to Treasury.

We hope that these steps will contribute momentum to the national conversation.

