



# Mending the Safety Net

For a fairer society

No one in New Zealand should live in poverty, whether they are working, studying, or on a benefit. Everyone has different life circumstances and is entitled to support for as long as they need it.

The Green Party will repair the holes that have been torn in New Zealand's social safety net by making major changes to income support – changes that will bring people out of poverty and provide independence, dignity, and choices. We will:

1. Increase all core benefits by 20 percent
2. Increase the amount people can earn before their benefit is cut
3. Increase the value of Working For Families for all families who receive tax credits
4. Create a non-discriminatory Working For Families Children's Credit
5. Remove financial penalties and excessive sanctions for people receiving benefits
6. Reduce the bottom tax rate from 10.5 percent to 9 percent on income under \$14,000
7. Raise the top tax rate to 40 percent on income over \$150,000 per year
8. Raise the minimum wage to \$17.75 in the first year and keep raising it annually until it is 66 percent of the average wage.

Our welfare system should provide effective support for people who need it, while they need it. The social safety net should stop families from falling into poverty and guarantee a basic, liveable income. That's what it means to live in a decent, compassionate society.

Punishing people through benefit sanctions, cuts, and investigations has not worked. Rather than giving people 'incentives', it traps them in a cycle of poverty and puts children's wellbeing at risk.

Today, 212,000 children live in poverty. Children suffer when the welfare system punishes their parents, and in the long term, so does society. In contrast, the Green Party will implement a simple and stable incomes system to provide parents with the support they need to raise their kids and improve their lives.

The Green Party's plan will ensure the people on the highest incomes pay their fair share and those New Zealanders who need help are treated with respect and dignity.

The total cost of fixing benefits and Working for Families is \$1.468 billion, while the tax reform will increase revenue by \$163.4 million.

## **Increasing benefits**

All families should have enough money to afford housing, food, and bills, as a bare minimum. But benefits are far too low, particularly for parents trying to raise happy, healthy children. We will start by increasing rates for all core benefits by 20 percent.

People on benefits often end up worse off if they work part time. Abatement rates mean people lose 40 percent of their earnings after just 5-8 hours of weekly work on the minimum wage. This does not help people get back into the workforce, and leaves them exposed if they don't have reliable income. We will increase the amount beneficiaries can earn to \$200 a week before reductions happen, with a 30 percent abatement rate for income between \$200 and \$400 and a 70 percent abatement rate above \$400.

## **Ending benefit sanctions**

People should get the support they are entitled to without excessive obligations. Forcing people to repeatedly prove their disability prevents them from working causes significant hardship, as does cutting someone's benefit because they miss an appointment. We will remove all the obligations and sanctions that create an excessive burden on beneficiaries. First to go will be the sexist, punitive section 70A sanctions which cut benefits to punish women who don't name the father of their child.

## **Support for single parents**

Single parents should not be penalised for seeking stable relationships, like they are now. Single parents are the most likely of any family group to be living in hardship. Finding a new partner is a good thing, financially and emotionally. Yet people receiving sole parent support suffer intrusive personal investigations when developing new relationships. We will change the way WINZ decides if people are in a relationship, and therefore what benefits they're entitled to, to end unjustifiable invasions of people's privacy.

## **Fixing Working for Families**

Working for Families (WFF) has become less effective at helping low-income families over the past decade. National has frozen many of the payment rates while the cost of living continues to rise. We will adjust WFF annually for inflation. To make sure all families get the help they need, we will turn the In Work Tax Credit into a Children's Credit which will give all low income families at least an extra \$72 a week, and lift the abatement threshold.

## **Fairer income tax**

People who earn the highest incomes should pay their fair share of tax to help those most in need. We will create a new top tax rate of 40 percent on incomes over \$150,000 and lower the bottom tax rate from 10.5 percent to 9 percent on incomes under \$14,000. Everyone who earns less than \$150,000 will be better off.

[www.greens.org.nz/  
families-package](http://www.greens.org.nz/families-package)

The logo for the Green Party, featuring a stylized green leaf above the word "Green" in a white, serif font.

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