

Income Support Policy

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Introduction

Many New Zealanders, for reasons of age, impairment, unemployment, underemployment, low wages and domestic circumstances, are either unable to earn anything or unable to earn sufficient income to meet their basic expenses, let alone participate in society in a meaningful way.

Income support is about ensuring that the basic needs of New Zealanders are met so they can live a dignified life. It is also about empowering people who are unable to change their circumstances to take greater responsibility for aspects of their lives over which they have some control.

The Green Party's Income Support policy promotes reforms to New Zealand's income support systems designed to both eliminate poverty among New Zealanders and to permit and encourage all people to participate in a free and fair society to their maximum potential.

Our Income Support policy does not stand alone. It is one part of a holistic Green vision for social and economic justice, and should be read in conjunction with Green Party policies on related areas, such as [Children](#), [Work and Employment](#), [Community and Voluntary Sector](#), [Housing](#), [Education](#), [Health](#), and [Accident Compensation](#).

Definitions

Limited employment location: An area identified by Work and Income as having severely limited availability of work and lack of public transport to take commuters to an area where work is available.

Universal Basic Income (UBI): An unconditional regular income paid by the Government to individuals without means-test or work requirement. For instance, NZ Superannuation is a form of UBI for New Zealanders aged 65 and over.

Work for welfare: A requirement that beneficiaries work, at no wage or at below the statutory minimum wage, as a condition of receipt of a welfare benefit.

Work test: The requirement for beneficiaries to take reasonable steps to obtain suitable employment and to accept any offer of suitable employment.

Vision

The Greens envision an Aotearoa New Zealand in which all people:

1. Have a dignified standard of living that enables them to participate in, and feel part of, their local community.
2. Have sufficient income for their personal and whānau/family's well-being.
3. Are actively involved in meeting their potential and creating a fulfilling life.

Key Principles

1. Basic material security and sufficient income for all, and a fair distribution of the economy's benefits and burdens, will lead to better outcomes for all members of our society, including gender and pay equity.
2. The income support system will support people to make a meaningful contribution to society, including through employment.
3. An essential element of sustainability is knowing when we have "enough". Many people in our society do not yet have "enough"; hence income support is vital to a sustainable society.
4. Provision of income support services will give effect to Te Tiriti o Waitangi.
5. There will be greater emphasis on sufficiency, simplicity and universality within the income support system.
6. Our income support system will place a greater emphasis on social justice and equitable compensation for all people with disabilities, regardless of how that disability is caused.
7. The focus of income support is on meeting people's needs; it should not be used as a behaviour modification tool.

Specific Policy Points

1. Universal Basic Income (UBI)

The Green Party supports a full and wide-ranging public debate on the nature of UBI and the details of a UBI system, and government funding for detailed studies of the impacts of UBI. The Green Party will:

1. Investigate the implementation of a Universal Basic Income for every New Zealander.

2. Reform of the Existing Income Support System

In furthering the principles of sufficiency, simplicity and universality of the income support system, the Green Party will:

1. Set benefit amounts at a level such that beneficiary income is sufficient for all basic needs.
2. Protect welfare benefit levels by indexing rates to a basket of food, energy and housing price indices and legislating for a benefit level floor to ensure main benefits cannot fall below a fixed percentage of the average wage.
3. Ensure supplementary assistance payments keep pace with the cost of living.
4. Legislate to provide for annual adjustments in the minimum wage and to ensure that it eventually equates to no less than 66% of the average wage, to alleviate the unnecessary subsidising of the earnings of low-income workers through targeted income support assistance such as Working for Families Tax Credits and Accommodation Supplement.
5. Repeal the much amended, complex and cumbersome Social Security Act 1964, and replace it with a new and clearly written Social Security Act with a view to:
 - a. Establishing a two-tier benefit system consisting of:
 - i. a universal base rate; and
 - ii. add-ons for specific circumstances or additional needs, such as dependants, disability or chronic illness.
 - b. Providing discretionary third-tier assistance until such time as the needs

- of all beneficiaries can be met through the proposed two-tier system, including restoring a discretionary Special Benefit in place of the highly regulated Temporary Additional Support.
- c. Introduce a Consumer Price Index-adjusted Universal Child Benefit. This non-income tested payment to the primary caregiver would be similar to the Family Benefit that was abolished in 1991 and will be able to be capitalised towards the purchase of a first home by the child's family.
 - d. Reintroducing a benefit for unsupported unemployed or sick young people aged 16 and 17 without requiring them to establish family breakdown.
 - e. Abolishing pre-benefit stand-down periods, and reducing non-entitlement periods for work-test failure by work-tested beneficiaries from the current 13 weeks to the actual period of work-test non-compliance.
 - f. Reforming the work test for work-tested beneficiaries to take into account the valuable contribution to society made by people doing voluntary work and parenting.
 - g. Treating people aged 18 and over as adults for income support purposes.
 - h. Increasing emphasis on treating all adults as individuals for income support purposes.
 - i. Making all unemployed students eligible for the relevant benefit over the summer holiday, irrespective of parental income.
 - j. Address the problem of benefit abatement for those moving into employment, and the removal of the poverty trap created by high marginal tax rates that exist for people on low incomes.
 - k. Abolish the current dollar for dollar abatement of income tested benefits when weekly compensation under ACC is payable, and in its place implement a regime under which weekly compensation is treated no differently from other income for benefit abatement purposes.
 - l. Restrict the dollar for dollar abatement regime on overseas pensions to apply only if the overseas pension is paid from overseas government schemes funded through taxation (similar to New Zealand benefits); and treat income from contributory overseas pension, superannuation and savings schemes no differently from other income for benefit abatement purposes.
 - m. Repeal section 70A of the Social Security Act, which penalises single parents who refuse, or fail, to identify in law the non-custodial parent of their child or who refuse, or fail, to make a child support formula assessment application. While we believe that that non-custodial parents should be required to take financial responsibility for their children, we believe this would be more effectively achieved through a review of the Child Support Act, together with more effective education of children and young people about the responsibilities of parenting, rather than by financially penalising some of the most vulnerable families in our society.
 - n. Remove social obligations, warrant for arrest rules, drug testing and sanctions.
 - o. Review the sickness and impairment related assessment and appeal system.
6. Introduce a tax-free zone at the bottom end of the income scale as part of ecological tax reform, which will help reduce problems with abatement rates.
 7. Assist motivated people with entrepreneurial talent on income support to set up their own small business by:
 - a. Increasing access to the Enterprise Allowance at adequate levels and in

- all geographic localities.
 - b. Supporting and expanding the availability of employment resource centres, small business support groups and similar organisations which work to train, mentor and support people going into self-employment, small business, cooperative and community owned enterprise.
 - c. Increasing funding for the current business support scheme so it is available to anyone starting a business for the first time and new migrants, rather than just those who have been unemployed for 6 months or more.
8. Reinstate the Training Incentive allowance for degree-level courses, and extend its availability to long-term sickness beneficiaries.
 9. Ensure that the Ministry of Social Development, including its Work and Income Service, (MSD/WI) works to:
 - a. Ensure that all people using their services are treated respectfully and heard, by implementing an effective complaint process.
 - b. Ensure that people who are dissatisfied with decisions of MSD/WI re their entitlements have access to a speedy and independent review and appeal process that operates in accordance with the principles of natural justice.
 - c. Ensure staff training, instructions and incentives encourage staff to engage in active listening and make positive efforts to inform individuals of their full entitlements and provide them.
 - d. Improve outreach efforts to minority groups through their community organisations, including training of MSD/WI staff.
 - e. Expand vocational guidance services so that unemployed people can be given proper, individually tailored assistance in finding appropriate employment and training opportunities from the time they first register as a jobseeker.
 10. Ensure quality support and advocacy services for people dealing with Work and Income and other relevant Government departments by:
 - a. Significantly increasing MSD funding and infrastructure support to community organisations that provide beneficiary advocacy and support services.
 - b. Supporting and enabling training and information sharing in and among advocacy groups.
 - c. Providing proper accountability mechanisms for MSD/WI to all key stakeholders.
 - d. Further developing appropriate ways for community organisations to provide feedback to the MSD/WI on the effectiveness of its services in each of its regions.
 - e. Developing the capacity for community organisations to carry out research and contribute to policy development.
 - f. Enabling community advocacy and support organisations to have access to appropriate MSD/WI information with proper informed consent and security processes and within the limits of the Privacy Act.
 11. Review and regularly update the maximum level of all categories of special needs grants paid by MSD/WI to ensure they are adequate to meet their respective purposes.
 12. Enable MSD/WI to make a provisional assessment of eligibility on the spot and award a non-recoverable temporary benefit while it does its checking. Waiting a couple of weeks while MSD/WI gathers the information to make a decision can

be very detrimental to families.

3. Supporting Parents and Children

The Green Party, while supporting incentives to encourage beneficiaries to engage in employment, opposes discriminatory and punitive regimes that fail to recognise the role of caring for children as legitimate work. The Green Party will:

1. Support the abolition of discriminatory tax credit regimes such as the In Work Tax Credit component of Working for Families.
2. Incorporate such tax credits at an income-tested secondary level into the Universal Child Benefit regime proposed above.
3. Oppose the introduction of any provision that financially or materially penalises single parents who give birth while in receipt of benefit.
4. Support the provision, without the imposition of a work test, of benefits to single parents, partners of beneficiaries whose primary responsibility is caring for dependants, and to those who care for adults with disabilities.
5. Extend the period of paid parental leave to 13 months and increase the level of payments to 100% of the average male wage.

4. Supporting Older People

The Green Party will:

1. Maintain universal New Zealand Superannuation for all New Zealanders 65 years and older, adjusted annually in accordance with movement in the Consumer Price Index, and within the constraints that:
 - a. The rate for a couple cannot fall below 65% of the average ordinary time weekly earnings (after the deduction of standard tax and the earner premium payable on those earnings) as determined by the Department of Statistics.
 - b. The rate for a couple cannot exceed 72.5 % of the average ordinary time weekly earnings (after the deduction of standard tax and the earner premium payable on those earnings) as determined by the Department of Statistics.
 - c. The rate for a single person living alone is 65% of the rate for a couple.
 - d. The rate for a single person not living alone is 60% of that for a couple.
2. Identify ways to allow flexibility in the age a person may receive New Zealand Superannuation.
3. Oppose compulsory retirement savings.

5. Supporting Volunteers

The Green Party supports the valuable role of those on income support who participate in voluntary work. However, the Green Party believes that work for welfare schemes are both degrading to beneficiaries and counter-productive in that they negate genuine employment creation and destroy real jobs. The Greens will:

1. Support the provision of a participation allowance, the level of which will be reviewed annually, to all beneficiaries who carry out a minimum number of hours of voluntary work per week with organisations undertaking work of value to the community or the environment.
2. Oppose any moves to introduce work for welfare schemes into the income support system.

6. Supporting Rural Communities

In accordance with the principles of the Green Party's Community Economic Development policy, we support rural and isolated communities maintaining and developing their economic, social and cultural viability. The Green Party will:

1. Support community economic development initiatives designed to nurture the maintenance and development of infrastructure and employment in such communities.
2. Oppose any requirement on benefit entitlement that would require beneficiaries to relocate from such communities or prevent beneficiaries from relocating to such communities.

7. Supporting People Living with Disability

The Green party will:

1. Ensure Work and Income services, sites and information are accessible.
2. Work to remove barriers to employment for people with disabilities.
3. Increase funding for workplace adaptations to enable employment of people with disabilities.
4. Support campaigns that promote positive attitudes towards disability and reduce discrimination.
5. Broker work opportunities for marginalised groups who are able to work.
6. Ensure the assessment and support systems are sensitive to the needs of people who are unable to do paid work permanently or can only work for short periods.

8. Te Tiriti o Waitangi

Te Tiriti o Waitangi guarantees Māori the same State entitlements as non-Māori as well as the right to maintain tino rangatiratanga. The Green Party will:

1. Work with hapū and iwi to audit income support policy and its implementation to ensure these guarantees are met.
2. Remove Work and Income's "limited employment location" policy in recognition of tangata whenua rights to live within and/or return to their rohe where they have whakapapa and whānau.
3. Work with hapū and iwi to consider alternative mechanisms for income support.
4. Ensure all Work and Income staff have Te Tiriti education, can pronounce Te Reo names and are aware of the iwi and hapū in the area where they work.
5. Recognise that colonisation has undermined tangata whenua economic opportunity for whānau and therefore work with them to access all entitlements as well as work opportunities.