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Vaccinations and Beneficiary Bashing May 12 2012, The Hand Mirror

And now the government is considering penalising beneficiaries who don't immunise their children[1].

Just as I believe access to free contraception is a good thing, I think vaccination is a good thing. I believe parents should adhere to the regular vaccinations schedules, except in rare and specific cases.

This has nothing to do with vaccinations.

If the goal was to make sure all children were vaccinated, as well as making it easier for parents and dispelling some of the myths, the government could consider a policy like that in some regions of the US where children are unable to attend school if unvaccinated. I have significant concerns about such a policy. But what it would do is (a) put pressure on parents (*all* parents) to have their children vaccinated, and for those who didn't limit the potential for communication of diseases to other students. That would be the more sensible policy for a government concerned about vaccination rates.

This has nothing to do with vaccinations.

But it is quite clever. On the one hand, it's the usual beneficiary bashing, introduction of nasty punitive measures, and the implied slur that beneficiaries are irresponsible, illogical people who don't care about the health of their children (just like they're apparently all sluts who are popping out one child after another to play the taxpayer, or something).

But I think there's something else going on. There's been an outbreak of whooping cough in my low-income suburb. Obviously lack of vaccination is a significant contributor, as is sheer chance, but it also thrives in crowded conditions[2]. There's a reason it happens in places like this rather than wealthy suburbs, and it ain't because parents are stupid.

Rheumatic fever - for which there is no vaccination - affects young Maori people at vastly disproportionate rates[3]. Preventative measures, however, are well known and documented, including less overcrowding and better quality housing. And that's not even touching asthma rates and severity, depression and repeated contraction of minor illnesses.

But rather than tackling these, the focus seems to be not just on the beneficiary bashing, but on the framing of health issues amongst beneficiaries as issues of personal irresponsibility and ignorance, rather than a public health issue which needs to be tackled on a structural level. And facilitates both the bashing and the sticking-one's-head-in-the-sand.

So yes, parents, it's generally a good idea to vaccinate your children. But to the government, what would be a good idea for you to do is to stop screwing people over, quit the beneficiary bashing and start tackling the fact that (poor, Maori and Pacific Island in particular) families are living in shitty, cold, uninsulated, overcrowded housing, and it's doing no-one's health any good.

This clipping is written from a left-wing perspective, criticising one of the recent welfare reforms proposed by Social Development Minister Paula Bennett, namely that parents receiving a benefit could be punished in some way for not complying with a standard vaccination schedule as part of meeting minimum health standards. ("Benefits may be linked to kids' jabs", NZ Herald, May 12 2012) It discusses some of the context surrounding health issues that effect low-income families (among which beneficiaries are naturally disproportionately represented), including alternatives to vaccinations that would likely reduce incidences of whooping cough and rheumatic fever. The criticism is likely most closely related to a social democratic

1 http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=10805358
2 http://pediatrics.med.nyu.edu/conditions-we-treat/conditions/whooping-cough
3 http://www.scoop.co.nz/stories/GE1203/S00085/rheumatic-fever-rates-causes-of-causes-must-be-addressed.htm

ideology in which the role of government is to ensure the positive rights of citizens - rights to decent housing, education, a level of income support that allows them to participate in society - rather than the negative rights that are espoused by neo-liberals, such as the right to freedom from interference and high tax burdens (rights that apparently do not apply to those requiring income support from the state). Thus the threat that non-compliance would likely result in financial sanctions, whether through a cut in the level of support provided or the management of funds by a third party, are seen as abhorrent due to the implication that the high rate of preventable illnesses is the sole responsibility of the poor, a result of individual choice rather than structural issues caused by a lack of state action. The clipping shows clearly how the framing of an issue can convey very different readings of a situation based on what the writer chooses to focus on.

More ACC clients going on to welfare June 23 2012, NZ Herald

The proportion of long-term ACC clients moving on to benefits has surged since the corporation adopted a tough new stance, which has fuelled allegations that they are being forced off compensation before they are rehabilitated.

Figures supplied by the corporation yesterday also show it has slashed the number of long-term claimants on its books by a quarter since mid-2009.

Concerns about the corporation's tough approach to long-term claims adopted three years ago were stoked this week when Green MP Kevin Hague produced official documents showing ACC managers' pay was linked to the number of long-term claimants they were able to remove from the corporation's books.

Mr Hague also raised concerns, which first emerged during a series of Herald articles, that the corporation was using "handpicked" medical specialists to provide opinions supporting its decisions to deny claimants benefits.

ACC chief executive Ralph Stewart yesterday dismissed allegations that claimants were being denied support before they were ready to re-enter the workforce.

"No-one can leave ACC unless they're rehabilitated first", he told National Radio.

But yesterday's figures show that the proportion of long-term claimants leaving ACC and going on to health-related, unemployment or domestic purposes benefits rose sharply from early 2009.

In the five years to 2008, the proportion going on to benefits was 12.1 per cent, but during 2009 that rose to 16.4. In the first five months of 2010, the most recent data held by ACC, the proportion rose to 19.4 per cent.

ACC figures also showed the corporation had reduced the number of long-term claimants on its books by 3644 or 25 per cent to 10773 in the three years since June 2009. That reduction is well ahead of ACC's targets.

Labour ACC spokesman Andrew Little said the rise in the proportion going on to welfare and the reduction in total long-term claimants were "artificially high".

"It sounds like there is an active programme to manage people off ACC regardless of where they go, which is contrary to ACC's obligation to rehabilitate people back to work.

"Those figures suggest to me they've got their priorities wrong and that's what has to change."

The ACC said "where a client has the capacity to work but does not have employment, ACC is no longer the best government agency to continue to provide financial support".

It also said many clients had significant health issues in addition to their accident-related injury needs.

"Clients in this situation are most appropriately supported by a Ministry of Social Development health-related benefit as their incapacity is no longer as a result of personal injury."

Meanwhile, ACC Minister Judith Collins has agreed to meet Green MP Kevin Hague to discuss his party's "rehabilitation plan" to tackle what he describes as "a sick culture"' at the state-owned accident insurer.

In the wake of the Bronwyn Pullar privacy breach fiasco, Ms Collins has said ACC's culture needs to change, but she has focused on privacy and client-service issues, saying she has seen no evidence that clients are being unfairly denied entitlements.

She has dismissed the Greens' proposal that ACC's funding model return to the "pay as you go" approach abandoned in favour of "future funding" by National in 1998.

However, Mr Hague yesterday said he was heartened that Ms Collins had indicated last week that she was prepared to meet with him to discuss his concerns about the corporation. The pair are to meet on July 18.

The system in which disabled people receive income support from different departments depending on the cause of that disability (whether injury or illness) is a result of the patchwork history of social policy in New Zealand, with policies of very different ideologies being layered on top of each other according to the needs of the day. This clipping highlights the problem, particularly when taken in combination with the concept of "silo" government - where departments and organisations act quite independently from each other and co-operation and communication are minimal - as those with financial needs are shuffled around the system based on the separate goals of various state-associated or -run groups. Within this framework it does not matter whether claimants rejected by ACC return to work or simply move to another form of government assistance; indeed, need itself as a policy concept seems to have been deposed as a consideration of prime importance when assessing whether a claimant is eligible for support in favour of reducing risk to ACC itself and improving its financial position. It is policy related to ideas of welfare as investment, where the money best spent is that which can be recouped by future productivity, rather than welfare as an inherent right of citizenship. However it places this ideology as a higher priority than acknowledgement of the fact that some people simply cannot be rehabilitated for the purposes of paid employment, the most esteemed concept in a market-centered neo-liberal worldview. Risk replaces need as a primary consideration, specifically shifting the burden of that risk from the state to the individual, something characteristic of the modern risk society.

Women being 'driven to abortion' by welfare reform June 30 2012, NZ Herald

A single-parent support group says some women are being driven to abort their babies because they are scared of the Government's new hardline welfare laws.

Julie Whitehouse, of the Auckland Single Parents Trust, says other mothers are going "underground" and trying to hide their babies from authorities rather than go back to work one year after giving birth.

A new law that will stop the clock on work obligations for only a year when women have new babies while on welfare is due to come into force on July 30 for youth benefits and on October 1 for sole parents and other beneficiaries.

It will make sole parents look for work part-time when their youngest child turns 5 and fulltime when that child turns 14. If they have another baby while on welfare their obligations will be deferred for a year, but they will then have to look for part-time work if their youngest previous child is then 5 or over.

A welfare working group led by economist Paula Rebstock said last year the change was needed to deter "a small minority of parents having additional children to avoid work expectations".

Interviews with solo mothers who have become pregnant again while on welfare have found that most plan to respond to the new law as the Government intends - by taking more care not to get pregnant again, and by agreeing to look for work after a year if they do have another baby.

But Ms Whitehouse, whose group organises social activities and support meetings for sole parents, says some of her members fear that any woman who gets pregnant while on welfare will be "in trouble".

"A number of young women who are pregnant don't follow politics. They have been afraid that they are going to be forced to abort their babies," she said. "What I see is that they are going to hide these babies. These beneficiaries are afraid of being pushed into work."

Green MP Jan Logie said she had a written testimony from one woman on the domestic purposes benefit in her 30s who said Work and Income had advised her to have an abortion. However the woman declined to speak to the Weekend Herald.

"There were other women who were saying they had heard that. That is the culture around these changes," Ms Logie said.

At first glance several political ideologies can be seen competing for attention in this clipping. The attention paid to women and mothers speaks to feminist theory, highlighting how these new welfare laws will affect women who are already disproportionately represented in the lower income brackets. Meanwhile the policy itself is a rather transparent attempt to "downsize" welfare provided by the state and force individuals to take responsibility for their own needs and fulfil their duties as citizens by returning to employment. However, the focus on a rise in abortion as a consequence of the reforms could be read as a rather adroit play to the interests of conservatives, particularly social conservatives who are perhaps apt to view single motherhood while drawing a benefit as a lesser evil than abortion. It is interesting in this reading, however, that the clipping makes no mention of the men who would be equally responsible for the conception of the hypothetical fetuses, and who in a social conservative ideal would act as the breadwinner for the mother and child - thus creating a nuclear family that social conservatives consider to be the basic, vital unit of the good society. Omitting this risks playing into the stereotype of the feckless woman on welfare who is willing to

engage in sexually immoral behaviour to avoid having to work, violating her responsibilities as a citizen in the eyes of those who view paid employment as the most vital of those responsibilities. The neo-liberal focus on individual choice erases the context of coercion surrounding condom use particularly in poor urban areas (Teitelman, Tennile, Bohinski, Jemmott, & Jemmott, 2011), presupposing equality in negotiations where such equality does not necessarily exist; this may be linked to the preference for equality of opportunity, rather than equality of outcome, in neo-liberal perspectives.

Big families mean big welfare dollars July 15 2012, NZ Herald

Taxpayers are forking out $2000-plus a week to a select group of benefit-dependent parents with more than 10 children.

Official figures show that twelve families on welfare have 10 or more kids, receiving a range of top-up payments on top of their average of nearly $1000 a week.

Social Development minister Paula Bennett said she was keeping a close eye on them.

"There's two words we don't use often enough in this country and that's self-responsibility," Bennett told the Herald on Sunday. "The size of someone's family is their business, so long as they don't expect someone else to pay for it."

The data, released by the Ministry of Social Development under the Official Information Act, shows there are 143 parents on Work and Income's payroll who have eight or more children and receive basic payments of $7 million a year, plus supplements.

There are more than 3000 large families with five children or more on the benefit. One-third have been on the benefit for more than five years and 430 for more than 10 years.

Bennett said there were some people, such as grandparents and foster carers, who had taken children into their care who were doing a valuable duty for the community - but others who were taking advantage of the system.

Welfare researcher Lindsay Mitchell said the domestic purposes benefit was seen by many as a "default" lifestyle.

"If you're a young woman with no qualifications, no work skills and no work experience, your income prospects aren't great. The DPB easily surpasses anything she would get with her skills."

Mitchell said there would always be people who found loopholes in the system, despite the effort to get mothers back to work when their child turns 6. "When you start putting pressure on someone to get a job, one option for that person is to have another child [to qualify for the DPB again]. You get more money, it becomes an incentive."

But beneficiary advocate and former Green MP Sue Bradford said everyone would be better off if beneficiaries received more money.

"Do the maths on it and have a bit of compassion. Anyone who calculates how much it costs to feed and clothe those kids will know how hard it is," she said.

She feared what negative effects Bennett's policies could have. "The costs will be exponentially bigger - family violence, justice, prison, police, hospitals. Crime and ill health are natural consequences of poverty."

And Mangere East Family Service Centre chief executive Peter Sykes said it was unwise for any government to shake up the social welfare system without a transition process.

All up, the Government would typically pay around $1150 a week to a parent with eight children, $1215 a week with nine children and $1276 a week with 10 children. Accommodation supplements and special needs grants were examples of extras available which would have some families above $2000 a week. These figures are more than double the national median income for an individual, which is $550 a week ($28,600 a year).

Last year, 3868 women on the DPB - around four per cent - had another child. This excluded women younger than 18 years and those who had been on the DPB for less than 42 weeks when they fell pregnant.

Work and Income's deputy chief executive Debbie Power said most beneficiaries wanted to work. "Generally, larger families will be eligible for more support, but not in every case." .

Woman's daily struggle on $1000 welfare benefits

Catherine has nine children under 15 and a husband who comes and goes. Given her large family, she's entitled to around $1000 a week in social welfare and gets subsidised rent on a five-bedroom state house in

South Auckland.

The law allows her to collect a weekly domestic purposes benefit of $293.58, an accommodation supplement of $225, a family tax credit of more than $600.

She might sometimes claim additional hardship assistance and a temporary benefit top-up of $88 a week.

Some may accuse her of having an easy life, but Catherine faces a daily struggle to feed her family.

The reason she cannot make the books balance, says Mangere Budgeting Services chief executive Daryl Evans, is because she is in hock to predatory money lenders who demand huge repayments each week.

Her debt, inherited from her partner, is upwards of $45,000.

Much of it is representative of high-interest and fees rather than money borrowed.

By the time the rent and bills are paid, little is left for day to day survival and when the money runs out, she is forced to buy groceries from the mobile food trucks that roam poor neighbourhoods.

They charge $7.95 for two litres of milk and $5 for a loaf of bread, but her credit rating means she doesn't have access to credit cards that a supermarket would accept.

"In an ideal world," says Evans, "she would be working but currently there aren't any jobs. They simply don't exist."

As the 11th child born into a poor family, he is familiar with the harsh reality faced by large families on the bottom rung of the social ladder.

He pulled out of the poverty trap and now teaches financial management skills to people like Catherine. But he says there are not enough community groups funded to support those who are struggling. He says: "It's that idea of 'teach a man how to fish and he can feed himself for a lifetime'."

This clipping is a bald example of using the bogey(wo)man of the career beneficiary as a scare tactic to stir up middle class sentiment against those who are worse off. The numbers discussed (twelve families with ten or more children, 4% of DPB beneficiaries becoming pregnant again) are so negligible so as to be of little consequence, particularly in comparison to, for example, the high number of family trusts in New Zealand - 1 for every 17 people, according to Professor Nicola Peart (2012) - which are often used to lower tax burdens faced by high income families. While no theoretical perspectives traditionally own up to this disproportionate focus on the poor, the "beneficiary-bashing" agenda of this clipping is one frequently seen among neo-liberals who seem to believe that drawing on government assistance is a worse crime than dodging citizenship responsibilities such as paying a fair tax rate, the latter being a hallmark of the progressive tax system favoured by social democrats. In this sense neo-liberals and social democrats have rather contradictory views of both citizenship and justice; when two groups cannot agree on the principles of where our responsibilities ought to lie, it is difficult to reconcile the notion of what constitutes crime, and thus what the appropriate punishments and rewards should be.

Community-led development scheme achieves key milestone August 6 2012, Scoop Independent News

The five communities in the community-led development scheme are now ready to start implementing their community plans, Community and Voluntary Sector Minister Jo Goodhew announced today.

“The initial stages of the scheme involved each community deciding to take part, establishing a leadership group and agreeing on a community plan,” said Mrs Goodhew.

“All five communities have now signed funding agreements with the Department of Internal Affairs which means they can begin work on their local projects. This marks a significant milestone for the scheme.”

Mrs Goodhew today visited Mangakino and met with the community leadership group and members of the local community to discuss their experiences of the scheme and the vision set out in their community plan.

“It is very inspiring to see these communities taking on the challenges and opportunities of a new approach to community funding,” she said.

“This is a change in the way we work with communities. This Government wants to support communities to identify their own priorities and develop their own solutions.

“Under the community-led development scheme the people of these communities are able to participate fully. The scheme is not just a way of providing Government support for community projects – it is also about building leadership skills and community independence.”

Though brief, this clipping can be linked to a number of ideas and concepts in social policy. The framework of state government providing funding to local organisations, rather than providing services itself, is something of a throwback to the nineteenth century when the Liberal government believed that the state's role ought to be a "hands off" one and that the best solutions were local ones, and when social policy was largely designed to facilitate pro-active approaches to bettering one's position in society. In this sense it is not so much a '*new* approach to community funding' as an old one, repurposed for the modern era. It also draws on the social democratic ideal of community responsibility, where citizens are not only individuals but parts of a society who are to some extent responsible for the welfare of their neighbours as well as for their own. It is likely that the scheme discussed in this clipping is one of those few things that a typical representative of all main theoretical perspectives could agree on as a good thing, each seeing different benefits, whether that be the absence of the "nanny-state", the promotion of self-reliance, or a sharper focus on alleviating the specific concerns that affect the disadvantaged in a particular area, rather than a one-size-fits-all mainstream approach that ignores the special needs of ethnic minorities, the disabled, or women.

Pensioners cutting back on the basics August 17 2012, Scoop Independent News

Results of the Retirement Expenditure Survey (Fin Ed Centre, Massey University) revealing what older people are spending on and how much may come as a shock to some but not Age Concern.

"We know that most older people are trying to live on the pension and a little extra," said Ann Martin, CEO of Age Concern New Zealand today. "Those who have to live on *the pension only*, can really struggle to make ends meet."

Age Concern is of the view that $348 per week (New Zealand Super) is not enough to buy the basics: electricity, telephone, rates, food, non-food eg shoes, soap, transport, cultural and medical.

Older people in this group are particularly vulnerable to hardship, especially if their health costs are high and / or they are faced with unexpected one-off expenses like a house repair, a trip to the dentist, a new pair of glasses, or an airfare to get to a tangi. These are the kinds of expenses that can tip people from hardship into poverty.

"What happens is the pensioner cuts back on these necessities. They don't turn heating on, some reduce their grocery spend. Buckets end up being a long term fix for a leaking roof. They pull back on social activities, medications and doctor visits. Unfortunately this often leads to their having greater susceptibility to illness, hospitalisation and rest home admission," Martin says, "and this in turn may be a significant cost to Government."

Government has been advised by Age Concern that what is needed is: a pension which meets the cost of the basics, more regular CPI adjustments and a community services card with scope to reduce the cost of electricity / gas; general dental care, eye care and visits to GPs for holders aged 65+.

Though this clipping would seem to be ironic in that the old age pension was the very first welfare provision to be passed into New Zealand law, in 1898, the original form was in fact far more limited than the universal benefit we have today. The justification for that original bill was, at least in part, that the pension would be a partial repayment of the work that the elderly have put into society over their working years; however in practice, it was often expected that one's family would be responsible for supporting the elderly once they could no longer work. This is often still the case today, a situation which can impact heavily on a carer both financially and in their family relationships (Carers New Zealand, n.d.), something which is seldom acknowledged by social conservatives who believe that financial and physical support should largely come from within the family unit. Further, many elderly do not have living family members able to assist them, forming a group that is 'invisible' in this conservative world view in much the same way as solo parents and same-sex couples were invisible during the welfare state era of the 1950s, and it is these people whose dilemma is highlighted by this clipping as they struggle to make ends meet.

Shearer – excellent education speech September 9 2012, The Standard

David Shearer's education speech[4] today was excellent in every way. Core Labour values, a sound understanding of the issues, significant concrete policy, and the promise of more to come.

This is the kind of speech that I as a Labour Party supporter want to hear more of. After watching National mess up education at every level, this is the kind of speech that I as a teacher needed to hear. Here it is in a nutshell:

"Under Labour, the world's best education will be available at your local school."

It's a big goal, and it will take time to get there, but it is the right goal. Education isn't the short term answer to anything – but it is the long term answer to everything. By every measure better educated countries are more successful countries. Hey Labour – we could do worse than to look to Finland[5] for direction…

Shearer set out a big policy promise, targeting one of the huge disadvantages that kids from poor families have in education:

"Labour will be more hands-on, partnering with communities and voluntary organizations to put free food in all decile 1 to 3 schools that want and need it."

Excellent. Given the massive link between poverty and educational achievement[6] this one programme alone will do far more to improve outcomes than the Nats' misguided and discredited "national standards". Here's a few more highlights from the speech, including a commitment[7] to reading recovery in all schools:

"National is systematically undermining the very values that make our education system great. They are peddling tired ideas that don't work, copied from countries that rank far below us."

"We won't agree to National's plan to set up Charter Schools – funded with taxpayer dollars – whether they're run by Brian Tamaki the Maharishi yogi, or whoever."

"Reading recovery has an 80% success rate. It's the gold standard. Devised by Marie Clay it's been exported all over the world. Yet it's not universally available here. So the starting point should be to extend Reading Recovery to every school in the country. … We also need to devise a similar maths recovery intervention."

"There are ways to lift our education system and I will make it happen. We start by valuing what we have."
"Listening to those who know. Education is an investment in our future. It is not a cost. And in the Labour Party we take that to heart."

A good day for Labour.

Education is a particular hot topic when it comes to social policy, affecting the majority of the population in some way, whether they be children or teens themselves, or parents or relatives of same. This clipping discussing a recent speech on education from Labour leader David Shearer acknowledges the positive aspects of the system we already have in polar relief to National's recent attacks and proposed reforms -

4 http://www.labour.org.nz/news/speech-education-a-lifetime-of-opportunities
5 http://www.theatlantic.com/national/archive/2011/12/what-americans-keep-ignoring-about-finlands-school-success/250564/
6 http://thestandard.org.nz/education-and-poverty/
7 http://www.labour.org.nz/news/reading-recovery-for-all-schools

charter schools, national standards, school closures and mergers, etc. It frames education as a basic right of citizenship (in the sense of belonging to the community, rather than legal citizenship) as well as a means to the end of poverty relief and, accordingly, economic growth. There are few political perspectives that do not consider education to be within the purview of the government, though the proposal to introduce charter schools, run by private institutions with injections of public funding, show that some of the few exceptions are currently enjoying mainstream attention - though with, if this clipping is anything to go by, little support from the community. Instead it seems popular opinion is in favour of a more socialist education system, state-run, with programs targeted towards those in need of extra aid in an attempt to bring about *equality of outcome* in the education sector. Programs such as school breakfasts and reading recovery, both referenced in this clipping, enjoy strong support in the more leftwing political parties such as Labour and the Greens, and the importance of education in the minds of many New Zealanders is perhaps best shown by the reversal of Prime Minister John Key's position on the school breakfast program, which he first brushed off but which the last day or two has seen Deputy PM Bill English announce that the government would be open to adopting the idea (Brown, 2012).

From Each According To His Need: How Our Tax System Punishes the Poor September 10 2012, The Pantograph Punch

We've got a pretty broad consensus that taxing the rich and feeding the poor is a good idea in New Zealand. While communism is now a dirty word, Marx's maxim, "from each according to his ability; to each according to his need," has survived Douglas and Thatcher.

And it has survived for pretty simple reasons. Capitalism denies those without cash access to food, shelter, education, and healthcare. Since leaving people to die isn't morally palatable for most of us, people of most political persuasions agree that we should intervene to correct this basic injustice. (There is the notable exception of the ACT Party, whose members either believe charities will solve all poverty or that bootstraps nourish the underprivileged.)

Except we don't, really. Although we implement programmes to redress some of the harm from being born into a poor family, we snatch much of it back with taxes. Our tax system is biased *against* the poor; it punishes those who can't make ends meet and rewards the middle-class consumer.

Tax is important. The impact of taxing is just as important as the impact of spending. Most of us would be unhappy with a welfare system that gave money to Paul Holmes and John Banks. Our tax system misses the mark just as badly, yet no- one seems to know about it.

We Giveth, and We Taketh Away

New Zealand is pretty good relative to most of the world at spending to relieve poverty. Our welfare, healthcare, and superannuation systems are laudable for what they say about our compassion and what they accomplish in mitigating the worst of human hardship. Relative to the rest of the world, we established certain 'from cradle to grave' commitments early and we meant to go on. Suggesting any of this be dismantled is a call limited to a few out on the lunatic fringe, while in the middle there's an (occasionally grudging) acceptance that these systems are a must for a civilised society. We do shirk our obligations in some key ways, of course, and a lot of these involve targeting demographics that might otherwise benefit from these systems for the sake of populism. Think forcing solo mothers back to work when their youngest child starts primary school, or cutting off their allowance to go into higher education. Or giving the young unemployed pre-pay cards rather than actual money and budgeting assistance.

More broadly, how we pay for these expenses undermines these achievements. We say that our tax system is "progressive", meaning the rate of tax is lower on the first dollar of income each person earns than it is on the millionth. This makes sense, because if $1000 is all you earn in a year, it's probably all going to go on food and rent. If you earn a million dollars, you can feed and shelter a few dozen people and still have money left over to buy yourself a new TV.

Tax systems that are progressive are better at ensuring that we aren't depriving the poor of the very basic needs in terms of food, shelter and clothing for their survival. But progressive taxation also provides other benefits. It slows the growth of income inequality — which is correlated with higher prison populations, low maths and literacy scores, and social mobility. If you're tired of reading and don't mind the minor tangent, check out an excellent talk on this below by Richard Wilkinson[8].

Progressivity is good. The other options are not so great. **Flat tax systems** — where each person pays the same percentage of tax no matter how much he or she earns — operate in a number of tax havens (small and stable territories that specifically make themselves into attractive places for rich people and big companies to relocate and retain money that would otherwise be taxed fair and square – think Luxembourg, the Cayman Islands – even the Cook Islands). It could be said that the tax systems of countries like Russia or Hong Kong also come close to the horizontal ideal, too. Not coincidentally, they each lack a modern welfare state of the kind we do in New Zealand, and income and wealth inequality runs rampant.

The only option worse than a flat tax system is a **regressive tax system**. Tax systems are "regressive" where the rate of tax decreases for those who earn more. Under this system, poor people pay *more* tax per dollar than rich people. Regressive tax systems abound in the history books alongside slavery and feudalism. They were repugnant to the notions of equality that flourished as democratic institutions flexed and asserted themselves. A regressive tax system represented a less visible but equally offensive way of denying social

8 http://www.youtube.com/watch?v=cZ7LzE3u7Bw

mobility, of ensuring a static régime of master and servant where the latter had no way of becoming the former. To that hoary old classical liberal cliché of 'equality of opportunity' (everything, anywhere – having the same chance to succeed) it was unthinkable. Outrageous.

And, surprisingly, modern New Zealand may have one.

You've got Progress, You've got Congress

Most liberals are passingly conversant with the expenditure side of this obligation. Yes, the New Zealander will say, let us provide a safety net for those who "fall on hard times". (The euphemistic phrasing makes it sound as though no one is born into poverty.) We can probably all name half a dozen welfare schemes. But fewer of us could explain our tax system.

New Zealand has two main taxes: income tax and goods and services tax. Income tax is the tax most people are aware of. People pay income tax on money they earn, irrespective of what they do with it after that.

Here is our progressive income tax system in a nutshell: the first dollar of income everyone in New Zealand earns is taxed at 10.5 cents. So is the next, up to and including the fourteen-thousandth dollar. From dollar number 14,001 to dollar number 48,000, it is 17.5 cents. Above $48,000, the rate is 30 cents in the dollar, and we hit the maximum of 33 cents in the dollar at $70,000.

These numbers are misleading, because people often quote the highest income tax rate that applies to them, even though the majority of their income is taxed at a lower rate. A successful lawyer or New Zealand Herald columnist earning $100,000 a year pays income tax of only $25,000. Though she will quite happily tell you her marginal tax rate is 33%, she is only paying 25% of their income in tax.

But so far so good. Poor people pay 10.5%, rich people pay 25%. We're still fulfilling our end of the social contract, right? Everything looks fair.

Not quite: the problematic part of our tax system is GST. As a "consumption tax", everyone pays GST on things they buy to consume in New Zealand. Most countries (the United States excepted) have GSTs, but New Zealand's is the harshest in the OECD.

Unlike virtually all other rich Western nations aside from Denmark and the Slovak Republic, our GST applies to basic food from the supermarket. Unlike Australia and Canada, our GST applies to transport. Australia's GST is at 10%, and Canada's is 5% — ours is 15%.

Why does it matter that our GST is particularly aggressive? It matters because GST is a regressive tax: poor people pay a higher rate of GST per dollar of income they earn than the rich do. Since our GST is especially harsh and especially high, it hurts poor people more than equivalent taxes do in other countries.

At first glance it might not seem right that a tax charged at a single rate — 15% — can affect the poor more than the rich. The same rate applies to everyone. But since people pay GST on goods and services they consume, and since poor people consume more of their income in a year than rich people do, GST ends up taking more of a poor person's total income.

The figures are startling. The poorest decile of New Zealanders spends 105% of their income on goods and services that have GST. (The figure is more than 100% because the average person in the lowest decile borrows money to make ends meet.) The total tax bill for the poorest decile, if we take into account both income tax and GST, is a staggering 26%.

By way of contrast, someone comparatively well- off — earning, say, $50,000 a year — will actually pay less of her income in tax than someone in the poorest 10%. In fact, people earning $50,000 pay an average of 22% tax, the lowest rate across all earners in New Zealand. (After $50k, the percentage of her income a person pays in tax increases again.)

These figures show that New Zealand's tax system is truly regressive. Those in poverty pay the most tax, but each dollar more a person earns is taxed at a lower rate. In some ways, this reflects neoliberal capitalist

views on the social worth of taxpayers: poor welfare recipients are punished, while middle-class consumers are rewarded.

The Worst of a Bad Lot

We are alone in our regressivity, and we should be ashamed of it. Effective tax rates for the very poor in Australia, Canada, and the United Kingdom are all much lower than ours. They all increase for higher incomes, whereas ours decrease.

They tax the rich more, too. The highest tax rates in all three countries are over 45%, and they tax capital gains (the gain from the increase in value of assets like property and shares) too. New Zealand's highest rate is 33%, and we exempt most capital gains. Even the United States, not exactly a bastion of progressivity, has a more progressive tax system than we do. The poorest Americans pay about 18% federal tax, while the richest pay 30% or so.

Our tax system is shockingly unfair. This might be the result of New Zealand's aggressive neoliberal reforms in the 1980s. Douglas reduced the tax rates for the rich and introduced GST, which disproportionately affects the poor.

The 2010 National budget compounded the problem. It increased the GST rate and simultaneously dropped the top income tax rate. While Key and English said the tax switch was "revenue neutral" (the same amount of money would come into the Treasury's coffers each year), they did not mention the distributional and social effects of their cuts.

Proposals to address poverty in New Zealand, and policy questions about welfare, need to start with a consideration of the tax burdens poor New Zealanders face. A New Zealander moving from unemployment to employment faces one of the highest tax barriers in the OECD. When we hear stories about cleaners who have to work two or three jobs to keep their families fed, we should remember that one of the reasons this occurs is because New Zealand cleaners take home less pay, after tax, than cleaners in other Western countries.

There is a strong moral case that we should not tax the very poor at all. Labour made some tentative steps towards it in their 2011 campaign[9] (by making the first $5,000 a person earns tax-free and removing GST on fresh produce, though it appears they will abandon both), and it has been a key plank of the Greens' tax policy. But at the very least, we should all agree that we should not be punishing them.

We boast in New Zealand that everyone "gets a fair shake". But the poor don't. We tax them relentlessly, and don't ease up until they've made it to the middle class — our tax system is a pretty big hurdle in the way of social mobility and genuine equality of opportunity. We're not fulfilling our end of the social contract. It's time we changed that.

This clipping combines discussion of recent policy proposals as well as an explanation of the status quo of the tax system to provide an in-depth picture of how policy can negatively effect the poor in hidden ways, that often require a sound understanding of economics and legislation to uncover. Each individual policy may not have a tremendous impact, but when taken together they can seriously effect the proportion of a person's income that goes to the government and how much they are left with 'in hand'. Though it is rather lengthy, it is extremely comprehensive, designed to show its working in such a way as to leave the reader quite clear on the matter, and likely preferably shocked and outraged. As it notes the majority of New

9 http://www.stuff.co.nz/dominion-post/news/politics/election-2011/issues/6010703/The-policies-Economy

Zealanders agree with the concept of income redistribution and financial justice at least begrudgingly, and many are proud of the relatively left-wing bent of the country in comparison to other English-speaking Western economies such as the USA and UK. Given recent news reports that income inequality in New Zealand has reached the highest levels ever (for example Donnell, 2012), this clipping is very timely in showing how governmental policy only helps to increase this gap between the rich and the poor, particularly through tax as well as welfare legislation such as those mentioned at the end of paragraph five. When it comes to such concepts as need, justice and equality, then, the scenario described in this clipping would fail on all counts by most people's understanding of the terms - as well as by quite a few other definitions, such as equality of both outcome and opportunity, as the poor can hardly have the same opportunities as the middle class if their tax burdens weigh much more heavily on their shoulders.

Breakfast is not too much to ask September 11 2012, NZ Herald

Publicly funded school meals should be controlled by local agencies.

It is hard to believe any child in this country has to go to school hungry yet some do. Teachers in low-income areas attest that pupils regularly turn up having had no breakfast.

It is hard to believe because a bowl of cereal and slice of toast do not cost very much - and for that same reason a political solution seems cheap. The Labour Party estimates it would cost between $3 million and $19 million a year to ensure every child in deciles 1 to 3 had one good meal a day.

The lack of precision in that estimate, however, is a warning. The cost might be as low as $3 million if, as party leader David Shearer believes, not every child in its favoured deciles would want or need the free meal. A government could not safely budget on that assumption.

Once parents realised that the school was providing breakfast, more would take advantage of it. In some cases their children might prefer the food at school, or line up there for a second breakfast. Parents of children at other schools, with slightly higher deciles, would begin to ask why they were missing out.

If school meals are introduced as a national education programme it will be difficult to contain the cost. Quite apart from the pressure to make it available for children of all taxpayers, there would be constant demands to improve it.

Nutritionists would be forever urging additions and improvements to the fare and they would quite likely come to see the meal as an opportunity to ban less wholesome lunch snacks that many pupils are inclined to bring to school.

Before long, the school meal could cease to be an option for all and become the only food permitted in the name of early intervention against obesity. Possibly that would be a good purpose but it is one that ought to be made clear at the outset, alongside the likely costs.

If school meals are proposed for the more limited purpose of poverty relief, Labour should also suggest a way to ensure the scope and costs of the programme can be contained.

One way of doing this was illustrated in the Far North last summer when Social Development Minister Paula Bennett went around promoting discussion of child abuse.

A worker from the Te Aupori Maori Trust Board told her it had been providing lunch for 15 to 20 children at five schools in its district. But it had been ordered to stop because food was not among the social services it had been contracted to provide for local schools.

Clearly the board's social workers had found that feeding those pupils was the best use of the money. We can be confident they could have put the grant to many other good uses and would have spent no more on providing school meals than was strictly necessary.

Those are exactly the judgments that people on the spot can make, and have to make when their funding depends on results.

Quite a number of undernourished children are already provided with meals in schools.

Last month, an advisory group to the Children's Commissioner praised a scheme being run by the KidsCan charity providing three food items daily in 223 low-decile schools.

Some other schools have raised private sponsorship to provide hungry pupils with some sustenance.

A simple breakfast is not much to ask and it should be provided for all children who need it. But if it is to be fully public funded, the food should be distributed by agencies that know a community and know who really needs help.

Similarly to clipping #5, this clipping shows a preference for community-led directives to improve local outcomes. It praises such initiatives as Te Aupori Maori Trust Board which best understand the exact

conditions surrounding the disadvantages low income children face, while speculating about ways in which a national program of school breakfasts may backfire. Some of this speculation may be valid, while other parts seem rather less likely, such as the possibility that school meals will become compulsory as a result of offering breakfast to decile 1-3 students. This could indicate a social conservative position which elevates the knowledge of the community over government meddling and which has a particular aversion to the erosion of parental rights (such as the decision over what food to supply their children with). From a social conservative perspective many of the more intrusive social democratic schemes are seen as restricting the freedoms of families to make the best decisions for themselves. This perspective is also one that considers private charity to often be a better option than government funding, often for many of the same reasons as the preference for community-led direction.

Public Submissions Sought On New Family Carers Policy September 19 2012, Scoop Independent News

People can now make submissions on how the Ministry of Health funds home and community support to disabled adults in the future.

The consultation follows the Government's decision not to appeal the Court of Appeal ruling in the family carers' case (Ministry of Health v Atkinson) in June 2012.

This means that the current policy of not paying certain family members for providing home and community support to disabled adults needs to change.

"Getting it right is going to be challenging, as we need to balance the interests of those who are being cared for, those doing the caring, and taxpayers," Mr Ryall says.

A series of consultation meetings is planned and a discussion document is being released today.

"The Ministry is aware that individuals in the disability and carers communities have different views about whether family members should be paid for providing support and what form any payment should take," Mr Ryall says.

"Some people say any approach that involves paying family caregivers – where they may become financially dependent on their adult children - will undermine family relationships and a disabled person's ability to live an everyday life.

"Others say the family carers know the needs of family best.

"The Government is keenly interested in hearing the views of people in the disability and carer communities, as well as in society more broadly. Changing the policy is a complex task and this input is vital.

"Whatever the final policy, it has to be affordable. There is increasing pressure on health and disability expenditure in a tight financial environment. Increased costs associated with paying family carers might result in a need to reprioritise other government expenditure. Trade-offs will need to be made," Mr Ryall says.

The new policy is expected to be announced next year.

This clipping refers to one of the latest stages in a debate that has been going on for a decade: the clash over the conservative position that family members have a duty of care to each other and the ideals of equality and non-discrimination that led to the Court of Appeals ruling. The Appeals ruling states that previous legislation, including the Human Rights Act 1992, means that carers cannot be paid less due to a familial relationship. However, exactly how the situation will be rectified has yet to be decided, and the quotation from Hon. Ryall that the interests of the taxpayer need to be balanced against those of the carer and caree suggests that the decision may not necessarily be full payment in all circumstances. While that solution would seem to be the logical one when considering the importance of ideals of equality and justice (if receiving due compensation for services provided falls under justice), it is true that it could constitute a significant increase in income support payments - in the 2006 Census, over 400,000 people reported providing support for an individual with a disability or illness in the previous four weeks (Statistics New Zealand, as cited by Ministry of Social

Development, 2007). Many of these would not qualify for carer support payments but the number who would is potentially larger than some might expect, with many disabled or elderly people unable to afford professional, possibly full-time, care. This, also, is likely to be an area of particular interest for feminist theory, with much of the burden of unpaid care traditionally falling onto women - even in the paid care sector, 92% of caregivers for the elderly in 2006 were women (Badkar & Manning, 2009). The number of caregivers needed is only likely to increase, with an unarguably ageing population and a strong link between disability and age - in the 2006 Disability Survey, 45% of people with disabilities were in the 65 and over age group (Office for Disability Issues & Statistics New Zealand, 2007).

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