

September 2009

## OECD report shows New Zealand's care of children lagging behind

A recent report on the wellbeing of children in the OECD (Organisation for Economic Cooperation and Development) has shown New Zealand in a dim light. *Doing Better for Children* is a comprehensive cross-country comparison across the wider OECD, and shows New Zealand continues to lag behind in its care of children. Of the 30 countries studied New Zealand ranked 28th for early childhood (<2 years old) spending, 26th for child care spending, and 29th for spending on children aged 6-11.

The report confirms New Zealand's high rates of child poverty, and generally poor living conditions for children in low-income families. One in six New Zealand children lives in poverty, using the most stringent (50% of median income) poverty measure. Using a more realistic poverty measure of 60% of the median income, one in five New Zealand children live in poverty. Moreover, children are more likely to live in poverty than any other social group. A third of New Zealand children live in overcrowded conditions, and they have the highest rate of youth suicide in the entire OECD.

The report makes it very clear that for reasons of fairness and effectiveness more must be done to improve the lot of vulnerable children, yet the government is cutting or deferring social spending. Increasing funding for wealthy private schools at the expense of special needs children (children from low-income families are over-represented in this group) and decile-based sports funding would appear to be neither effective or fair. On the contrary, ending the blight of child poverty means we must invest more, not less, in vulnerable children and their families.

The report recommends that governments establish targets to monitor children's wellbeing. Child Poverty Action Group has been urging the government to adopt targets for some time because it helps hold policy makers to account and makes it clear when policies are not working. Other policies that would improve the lives of thousands of New Zealand children include:

- Making all caregivers of young children eligible to receive the In-Work Tax Credit regardless of whether they are on a benefit or not.
- Raising core welfare benefits. Too many families on benefits are in hardship.
- Equal geographical access to 20 hours early childhood education from the age of 3. The government has pledged to build three more early childhood centres in South Auckland, but access will remain inadequate, and does not address access in other parts of the country.
- A more equitable share of health funding for under-fives, including free after-hours doctors visits.
- Increased funding for alternative schools for children with high needs, and support for programmes that help overcome the effects of poverty and multiple deprivation.

Failing to deal with child poverty now will cost us in the future. We cannot let the current recession be an excuse to neglect the needs of another generation of children: we must act now.

Donna Wynd  
Researcher  
Child Poverty Action Group (CPAG)

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See also back page news item on the OECD report. You can register for "With our baskets the children will prosper"—a hui to build activism to end child poverty in Aotearoa New Zealand. This will be held on 7-8 October at Manurewa Marae, 81 Finlayson Ave, Manurewa, South Auckland starting with a powhiri at 9:00AM. Email [admin@cpag.org.nz](mailto:admin@cpag.org.nz) or go to: <http://www.cpag.org.nz>

# Parliament

## Announced

### Changes to social services funding

The Government has announced changes to the way it contracts services to social sector groups and the trial of a new “High Trust Model”. The High Trust Model is intended to create a new and simpler way of funding and contracting by funding through a single contract. The Model will be initially trialled with two providers—Waipuna Youth and Community Trust in Christchurch and Ngati Awa Social Services in Whakatane—with the intention that up to 20 providers will join in 2010.

The announcement is supported by social service organisations. Funding through a single contract will give organisations the flexibility to decide on their communities’ priorities and will eliminate the administrative difficulties, including different reporting and compliance requirements, of multiple funding contracts.

### Government and Voluntary Sector agreement

Tariana Turia, Minister for Community and Voluntary Sector, has announced the establishment of an agreement to allow government and sector groups to work together more effectively. The agreement will include a programme of actions to strengthen government engagement with the sector, and could, for example, set a code of practice to guide government agencies when funding community organisations.

The announcement has been welcomed by the voluntary sector, believing that it reinforces the value of the sector. The shape of the agreement will be discussed at a National Community-Government Forum in Wellington November 11, and it is intended that the agreement will be finalised by the end of 2010.

### Terms of Reference for Review of section 59

The Government has released the Terms of Reference for its promised review of the policies and procedures used by the Police and Child, Youth and Family when dealing with the issue of smacking of children. The review will be carried out by the Commissioner of Police, the Chief Executive of the Ministry of Social Development and a clinical psychologist working with children and young people, and will report back to the Prime Minister by 1 December 2009. A copy of the Terms of Reference can be read at [www.beehive.govt.nz](http://www.beehive.govt.nz)

### MMP Referendum

Fulfilling an election campaign promise, the Government has announced it will hold a referendum on our electoral system. It is not yet known what question(s) we will be asked, but the referendum is likely to be binding and most likely to be held at the same time as the 2011 election to ensure as many voters as possible participate.

The Prime Minister has been quoted as saying that he is comfortable that MMP is working and doesn’t believe that there is a mood for change, but is also known to favour the Supplementary Member (SM) system—a proportional system that sees most MP’s elected under First Past the Post, with a small number elected through their party list. In practice SM is not really very proportional at all. Had the last election been held under SM rather than MMP, National would have won 67 seats, giving it a clear and absolute majority with just 45% of the vote. Sound familiar?

## Introduced

### Crimes (Reasonable Parental Control and Correction) Amendment Bill

Just a week after the recent referendum on section 59 of the Crimes Act—and just as the dust was starting to settle—Act MP John Boscawen’s Members Bill was drawn from the ballot. Boscawen’s Bill proposes an amendment to the Crimes Act to allow parents to use a “light smack” to correct their children. In a widely criticised move, the Prime Minister announced almost immediately that National would not support the Bill at its first reading, meaning that it is unlikely to proceed to select committee.

### Remuneration Authority Amendment Bill

A Government Bill, this would require the Remuneration Authority to consider “adverse economic conditions” (using independent advice from Treasury) when determining the salaries and allowances of MPs, the Judiciary, Mayors, the Governor-General and other statutory positions. Earlier this year MPs passed a unanimous motion asking the Authority to freeze MPs salaries this year, but as the Authority has statutory independence from Parliament, the Government believed a law change was necessary to give the Authority more flexibility when setting salaries.

## Submissions requested

### Legal Aid Discussion Paper

A discussion paper *Improving the Legal Aid System* has been released for public comment. This is the first part of an extensive review of the legal aid system (which itself is part of this Government’s reforms to improve the efficiency and effectiveness of the justice system). Unsurprisingly, with ballooning legal aid costs, one of the Government’s stated aims for the review is to consider how the legal aid system can best deliver effective services to those that need them the most, in a way that is both cost-effective and sustainable. But the report does consider issues other than cost, by, for example, suggesting that problems cannot just be resolved by increasing the legal aid budget, and that governments may need to provide right mix of social services to address underlying causes. A copy of the paper can be read at [www.justice.govt.nz/policy-and-consultation/legal-aid-review](http://www.justice.govt.nz/policy-and-consultation/legal-aid-review)  
*Submissions close 9 October.*

## Reported back

### Legal Services Amendment Bill

The Justice and Electoral committee have reported back on this Bill and recommend that it be passed. The Bill removes financial eligibility testing and repayment conditions for victims of crime attending parole or coronial hearings, and gives the Legal Services Agency the discretion to not recover legal aid debt.

Some submissions to select committee thought the Bill did not do enough to assist victims of crime, but this was beyond the scope of this Bill and the Government hopes to address these concerns through its current review of legal aid (see above) and Victims Rights Act.

### Education Amendment Bill

The Education and Science committee have recommended this Bill, which introduces matching of information between the Teachers’ Council and the Ministry of Education to identify unregistered teachers in schools, and sets requirements for police vetting of adults in schools and early childhood centres, be passed.

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# Legislation Update

| Legislation   | Stage and Progress   | Impact  |
|---|--|---|
| Children, Young Persons & Their Families Amendment Bill (No.6)                              | Labour Government Bill. Reported back from select committee. Reinstated.                                   | Increases the age of young people covered by the Bill to 17 years.  |
| Children, Young Persons & Their Families (Youth Court Jurisdiction & Orders) Amendment Bill | Government Bill. Submissions closed. Report now due 27 November.   | Introduces measures aimed at reducing violent and repeat offending by children and young people.  |
| Corrections (Contract Management of Prisons) Amendment Bill                                 | Government Bill. Report due 26 September.  | Allows for competitive tendering for the management of prisons.   |
| Crimes (Reasonable Parental Control and Correction) Amendment Bill                          | <b>Members Bill (John Boscawen - Act). Introduced 26 August (see page 2)</b>                               | <b>Amends section 59 Crimes Act to allow parents to use a “light smack” to correct their children</b>   |
| Criminal Investigations (Bodily Samples) Amendment Bill                                     | Government Bill. Submissions closed. Reported back (see page 4).   | Gives Police wide powers to collect DNA samples from people before they are charged or convicted.   |
| Domestic Violence (Enhancing Safety) Bill   | Government Bill. Submissions closed. Reported back.  | Introduces “on the spot” orders issued by Police to protect victims of domestic violence.   |
| Education Amendment Bill  | Government Bill. Reported back (see page 2).   | Bill to help identify unregistered teachers and reduce compliance costs of Police vetting.  |
| Gambling Amendment Bill (No.2)  | Labour Bill. Reported back. Second Reading 12 May.   | Contains technical amendments to allow original Act (2003) to operate as intended.  |
| Gangs and Organised Crime Bill  | Government Bill. Submissions closed. Reported back. Second Reading 10 September.                           | Increased penalties for participation in organised criminal groups.   |
| Immigration Bill  | Labour Government Bill. Reinstated. Second Reading March 2009  | Rewrites and consolidates immigration legislation, introduces new visas.  |
| Judicial Matters Bill   | Labour Government Bill. Reported back.   | Establishes Office of Judicial Conduct Commissioner to receive complaints about conduct of Judges.  |
| Legal Services Amendment Bill   | Labour Government Bill. Picked up by National. Reported back (see page 2).                                 | Simplifies legal aid process for victims of crime at Parole Board hearings and coronial inquests.   |
| Local Government (Auckland Council) Bill  | Government Bill. Submissions closed. Passed (see page 4).  | One of three Bills provide for the proposed new local government structure for Auckland.  |
| Patents Bill  | Government Bill. Submissions closed. Report due 5 November.  | Updates New Zealand’s patents regime.   |
| Public Health Bill  | Labour Government Bill. Reported back from select committee. Reinstated.                                   | Revises public health legislation including border protection and quarantine provisions.  |
| Remuneration Authority Amendment Bill   | <b>Government Bill. Introduced 14 September (see page 2).</b>  | <b>Will require Remuneration Authority to consider economic conditions when determining salaries and allowances.</b>                              |
| Residential Tenancies Amendment Bill  | Government Bill. Submissions closed. Report due 5 October.   | Reflects significant changes in the rental market since the 1986 Act.   |
| Sale and Supply of Liquor and Liquor Enforcement Bill                                       | Labour Government Bill. Reinstated. Submissions closed. Report was due 10 September, now due 30 June 2010. | Gives communities greater say in liquor licensing decisions, makes it an offence for adults to supply alcohol to minors without parental consent. |
| Sale of Liquor (Objections to Applications) Amendment Bill                                  | Member’s Bill (George Hawkins). Submissions closed. Report now due 30 June 2010.                           | Restricts the number of liquor outlets and makes wider provisions for objections to licenses.   |
| Search and Surveillance Bill  | Government Bill. Submissions close 18 September. Report due 4 February 2010.                               | Widens ranges of offences for which communications can be intercepted, allows electronic applications for search warrants.                        |
| Sentencing (Offender Levy) Amendment Bill   | Government Bill. Submissions closed. Reported back.  | Imposes a \$50 levy on offenders at a time of sentencing.   |
| Sentencing and Parole Reform Bill   | Government Bill. Submissions closed. Report now due 30 September.  | Introduces tougher parole laws. Bill also introduces “three strikes” policy for serious offences.   |
| Taxation (International Taxation, Life Insurance and Remedial Matters) Bill                 | Labour Government Bill. Reinstated. Submissions closed. Reported back. In committee stages.                | Introduces business tax reforms and payroll giving system for charitable donations.   |
| Waka Umanga (Maori Corporations) Bill   | Labour Government Bill. Reported back from select committee. Reinstated.                                   | Provides for the establishment of new legal entities by tribal groups or Maori associations.  |

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## Criminal Investigations (Bodily Samples) Amendment Bill

The Justice and Electoral committee have reported back on this Bill and recommend that it be passed. The Bill gives the police power to collect “bodily samples” from a person they intend to charge with a criminal offence (before the person is in fact charged) and establishes a DNA profile databank.

A major concern of people making submissions to the Bill was the lack of independent judicial oversight of this new Police power. National believe there are sufficient safeguards in the Bill of Rights, and in new Police Operation Guidelines being developed by the Police and the Ministry of Justice, but Labour intend to table an amendment when the Bill returns to the House providing for some form of judicial approval before a DNA sample can be taken. In their minority report that Greens supported the Privacy Commissioner’s recommendation for an independent oversight body to monitor the taking of DNA samples.

## Passed

### Local Government (Auckland Council) Bill

Consistent with the hectic pace that has characterised the introduction of the new local government structure for Auckland so far, this Bill was passed under urgency last week. The Bill outlines the broad structure for the new Council and how it will be elected.

The Auckland Governance Legislation Committee received 2,538 submissions on the Bill, but by far the greatest and most public issue associated with this Bill has been Maori representation. In its original report, the Royal Commission recommended a 23 member council to include three Maori seats—two to be elected by voters on the Maori roll and one to be appointed by iwi. This was never supported by the Government (opting, when the Bill was first drafted, for a 20 seat council with no Maori seats), but such was the support for this issue that special subcommittee was established to hear submissions on Maori representation. This process was made redundant when Local Government Minister Rodney Hide made it clear he would resign if the Bill moved forward with provision for Maori seats on the council, and the Government agreed. While not surprising (as it is National Party policy to abolish Maori seats), to confirm this while the Bill was still before select committee is not a good look. Other contentious issues include boundaries for the new Council, that although electing the new council by STV (single transferable vote—a proportional voting system) was popular with submitters, the election of the new council will be by First Past the Post, and Len Brown, a SuperCity mayoral candidate, expressed concern that the Bill has no provisions preventing the sale of Auckland assets. The third Bill to finalise transition arrangements for the new Council will be introduced near the end of the year.

## News

### Update: Vulnerability Report

The New Zealand Council for Christian Social Services has released its second Vulnerability Report—a series of reports on economic and social hardship in New Zealand. The report found that the number of children living in poverty has increased for the first time in eight years—as with unemployment rising, 20,000 more children have become dependent on welfare in the past year. These findings were confirmed at the Summit on Children and the Recession held earlier this month which reported that children are the group most severely affected by the current recession.

The report also highlighted that many of social agencies are reporting unprecedented numbers of people needing help—and that agencies are struggling to cope. The reports can be read at [www.justiceandcompassion.org.nz](http://www.justiceandcompassion.org.nz)

### Update: Community Response Fund

After the first round of applications to the Community response Fund, \$8.8 million was distributed to 164 groups providing critical social services. The average amount granted in this round was \$40,995, but four national organisations (including Women’s Refuge) received large grants. Applications for the second round of funding close 25 September, and organisations who missed out in the first round are encouraged to reapply. For more information see [www.familyservices.govt.nz](http://www.familyservices.govt.nz)

### Update: opportunity for state house tenants

From 15 September, Housing New Zealand will contact about 3,800 state house tenants paying market rents to make tenants aware they have the opportunity to buy their house or flat. Tenants are under no obligation to buy and not all state houses are available for sale, but it is hoped that this will enable some tenants to become home owners. To address concerns that houses may be on sold to property developers, tenants who purchase their state house will not be able to re-let for a state house for three years from the date of purchase. Tenants wanting more information can call 0800 801 601 or email [saleofstatehouse@hnzc.co.nz](mailto:saleofstatehouse@hnzc.co.nz)

### OECD Report on Children

The OECD (Organisation for Economic Co-operation and Development) has just released its report on child well-being in its 30 member countries. Called *Doing Better for Children*, this is the first time the OECD has reported on children, and it finds that the outcomes for New Zealand children are weak in several important areas. The report identified, for example, that we have—

- limited spending on children 5 and under (less than half the OECD average);
- above average child mortality rate;
- the highest youth suicide rate;
- low average family incomes and high child poverty rates;
- annual student spending is below the OECD average at primary, secondary and tertiary level;
- 26.9% of 15-19 year olds are not in education (only Turkey has a higher percentage) and 17.6% of 15-19 year olds are in employment (more than double the OECD average).

For me what was most surprising about the report was how little we have heard about it. A copy of the report can be read at [www.oecd.org/els/social/childwellbeing](http://www.oecd.org/els/social/childwellbeing) and also see front page commentary from the Child Poverty Action Group.

## New Zealand Federation of Voluntary Welfare Organisations

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Working jointly with the Office for the Community & Voluntary Sector, we have also produced **Keeping it Legal E Ai Ki Te Ture**—a resource designed to meet a continuing need for all not-for-profit organisations to have simple and accurate information about their legal obligations. You can find it now online at: [www.keepingitlegal.net.nz](http://www.keepingitlegal.net.nz)