



## Submission on The Productivity Commission's Terms of Reference *A Fair Chance for All: Breaking the disadvantage cycle*

### INTRODUCTION

ANZASW wishes to thank the Productivity Commission for consulting on the Terms of Reference for the inquiry into the drivers of persistent disadvantage within people's lifetimes and across generations. We have read your consultation paper, *A fair chance for all: Breaking the disadvantage cycle* and have a number of concerns about the proposed approach to this inquiry.

We are of the view that focusing on equality of opportunity falls short. The State must strive for equality of outcomes. Failure to do so will mean the State does not take enough action in order to ensure good outcomes for all. Whilst the statement that Society cannot *guarantee* equality of outcomes, this should not stop us from striving to achieve this. If the Commission focuses on looking at equality of opportunity, the changes needed will continue to fall short and persistent disadvantage will remain.

ANZASW is extremely concerned about the underlying narrative within *A fair chance for all*. We caution that the document is focused too heavily on the individual and fails to adequately consider the structural and societal factors that result in the perpetuation of persistent disadvantage. The underlying narrative appears to alternate between people being the problem and social structures and government policy settings being the problem. Social workers often draw on systemic models to analyse social problems. It is recommended that an ecological systemic model is drawn on to consider how individuals are affected by various levels of the ecosystem, including at a macrolevel.

A feminist perspective also needs to be adopted within this inquiry. It is well established that women are disadvantaged economically and in their careers (often due to the child rearing role they take on). The impacts on this must be carefully considered and analysed. There is a rising number of single-parent families, with mother's typically keeping primary care of children. This must be carefully considered.

The capitalist notion of productivity is also problematic when considered through an environmental lens. We must also be good guardians of our planet and ensure ongoing environmental sustainability.

Our position is clear: **People are not the problem. The system is the problem.**

### RESPONSE TO QUESTIONS

#### 1. What are the main aspects of disadvantage that should be investigated in this inquiry?

The main aspects of disadvantage that should be investigated in this inquiry are structural forces. These include (and they are discussed in more detail below):

- The current housing crisis resulting in housing inaffordability.
- Economic policy settings that do not redistribute wealth to ensure individuals are lifted out of poverty.
- Poor educational outcomes as a result of inequity and access to education.

## 2. Where should the Commission focus its research effort?

The Commission should focus research efforts on those with lived experience of hardship utilising qualitative methodologies. This will provide direct insight into their experiences and the factors that they perceive as meaning they remain stuck in poverty or hardship. There is also a case to be made that poverty experienced individuals should be involved in the research process design.

Further, depth to this narrative will be added by those who closely work with those who have experienced hardship. There should be qualitative research undertaken with frontline workers that include:

- Social workers in community and iwi organisations.
- Frontline health workers.
- Teachers

Undertaking qualitative research with professionals working with those living in hardship is likely to add a greater depth to the research and is likely to provide insights into the issues that are impacting on those living in poverty.

We also submit that there needs to be a strong focus on analysing policy settings, including their changes over time. Government policy settings have a significant impact on the redistribution of wealth and can mean people remain stuck in a cycle of disadvantage despite their best efforts to get out of poverty. Any analysis that ignores the root structural causes of poverty is extremely problematic. Our reading of *A fair chance for all* leaves us concerned that there will not be a structural analysis of these causes, instead focusing on how the individual can be made more productive.

There must also be robust longitudinal research in this area. Utilising data such as the IDI, Household Labour Survey, and administrative data is one potential area

Furthermore, consideration of differences between tangata-ō te whenua and tauwiwi must be a priority in this research. Understanding how colonisation has and continues to impact on Māori will be essential to this research. It is our view that a partnered approach with iwi and tangata-ō te whenua must be taken in order to undertake culturally sensitive research.

## 3. Where should government focus its effort on finding solutions?

### Housing

ANZASW is of the view the Government should focus on several key areas. The current housing crisis is significantly impacting on individuals' abilities to get themselves out of poverty. As the Commission has noted, the housing crisis is a structural issue which is affecting many New Zealanders, not just those who are already disadvantaged. Housing affordability, both in terms of the ability to purchase housing and to rent, must be a key priority of the Government. Understanding the impact and link between housing affordability and persistent disadvantage should be a key area of focus for the research.

The government must take urgent steps to improve the supply of quality housing to those on low incomes. The provision of quality housing options that are affordable should not be left to the private market as is currently the dominant model. Ensuring children and families have healthy and secure homes relies on housing policy settings, not individual efforts. Ensuring access to safe, affordable housing, preferable that

is owned by those who live in it, will make a significant inroad to addressing the issue of persistent disadvantage.

### **Redistribution of wealth**

There is an ever-growing gap between the rich and poor within Aotearoa. A priority must be on developing bold policy settings that see a redistribution of wealth to ensure those who are currently in disadvantage are lifted out of this disadvantage. *A fair chance for all* commented that “New Zealand has higher rates of poverty among households without work, although this may change with recent benefit increases” (p. 8). This indicates there is a need to carefully consider how New Zealand’s current welfare settings are contributing to the persistent disadvantage cycle. Similarly, the statement “families with *working parents* tend to have far better outcomes than those without work” (p. 12) has a premise that employment is what results in the better outcomes. We would contend this statement should be reassessed to consider whether employment results in a higher level of income and if better outcomes are instead linked to employment or income. Careful attention should be paid to whether this is an issue of correlation or indeed causation.

The significant increases in inequality in the 1980s has never been recovered from. Consideration should be paid to the reasons behind this and what can be done to reduce these inequalities. Our current policy settings continue to perpetuate poverty and will continue to do so unless they are fundamentally altered.

The focus of this inquiry must, therefore, be about reviewing and exploring the economic policy settings the government would need to adopt to raise incomes in Aotearoa with a goal of eliminating poverty. This would require a socially redistributive agenda.

### **Education offerings**

Aotearoa New Zealand’s educational outcomes are poor compared to the rest of the world. It would be important to ensure that our educational offerings are meeting the needs of tamariki, whānau, and communities throughout the motu. Anecdotally, we would submit that this may be due to inequity and access to education. Identification of reasons why our educational outcomes are not as good as other countries should be a focus.

An additional note in relation to education, there needs to be a focus on broadening approaches to educational provision to ensure that it is not solely reliant on a tauwiwi and Western worldview of education. Greater exploration and support of indigenous approaches to education should be prioritised.

### **A rights-based approach**

A rights-based approach must be taken as a priority in order to give effect to Aotearoa New Zealand’s commitment to UNCROC. It is fundamental that the child’s right to care and protection is prioritised over parents’ engagement in the labour market. We are unsure about what the Commission means by the statement, “interventions to support pregnancy, parenting and childcare can also be effective, although there can be trade-offs between what is best for the child and what is best for the labour market outcomes of the parents” (p. 12). A careful balance must also be struck with the right of families to be free from unnecessary State intervention.

## **CONCLUSION**

In summary, the inquiry cannot focus on the behaviours of individuals. If there is to be meaningful change to truly understand and address the drivers of persistent disadvantage, then the structural and societal factors at play must be analysed and considered.

This inquiry must consider how government policy settings have impacted on persistent disadvantage and therefore must be done in order to address. We argue this must be through an economic redistributive approach.

## ABOUT ANZASW

The Aotearoa New Zealand Association of Social Workers (ANZASW) is the professional association for social work in Aotearoa New Zealand. We have over 3,500 members who work throughout the community in both statutory social work and community social work settings. We advocate on behalf of members for social change and justice.

### **Definition of Social Work**

Social work is a practice-based profession and an academic discipline that promotes social change and development, social cohesion, and the empowerment and liberation of people. Principles of social justice, human rights, collective responsibility and respect for diversities are central to social work. Underpinned by theories of social work, social sciences, humanities and indigenous knowledges, social work engages people and structures to address life challenges and enhance wellbeing.<sup>1</sup>

### **Contact details**

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<sup>1</sup> Global Definition of Social Work - International Federation of Social Workers and International Association of Schools of Social Work