



Social Service  
Providers  
Aotearoa

# **Submission to the Productivity Commission on Terms of Reference for an inquiry into breaking the cycle of persistent disadvantage**

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## Introduction & Background

1. Social Service Providers Aotearoa (SSPA) welcomes the opportunity to contribute to Te Kōmihana Whai Hua o Aotearoa the Productivity Commission's development of Terms of Reference (ToR) for its Inquiry into breaking the cycle of persistent disadvantage<sup>1</sup>. This submission provides SSPA's views and feedback on the proposed scope and focus of the Inquiry. SSPA believes that this kaupapa is of significance for all people and communities in our country, including children, young people, families and whānau. It is important for the people of Aotearoa New Zealand both now, and intergenerationally into the future.
2. Our submission contributes to the engagement process facilitated by the Productivity Commission by highlighting the importance of this kaupapa for children, young people and their families and whānau. We also take the opportunity in this submission to highlight the crucial role played by NGO social services to support people in their communities out of persistent disadvantage. Aotearoa's NGO social services are essential, working alongside children, rangatahi, families and whānau in some of the toughest situations, so they can chart their own course and thrive, now and into the future. We wish to draw attention to the need to deepen mahi to bring cross-government and government and non-government responses and efforts together in a more aligned and joined-up way, to support communities to thrive holistically, without the barriers of persistent disadvantage.
3. SSPA's submission is based on the input of SSPA members gathered through an online hui facilitated by SSPA on 10 August 2021. During this hui, a range of SSPA's members discussed the nature of persistent disadvantage in Aotearoa New Zealand and what is needed to better understand it. SSPA members are, in the course of their daily mahi, focused on efforts to ensure that persistent disadvantage does not continue to be the daily reality for such a significant number of our children, rangatahi, families and whānau; therefore this focus comes through in the thinking presented in this submission. SSPA's submission sits alongside and complementary to any written submissions/other input that individual SSPA members make through the engagement process. In addition, SSPA is a signatory of the ComVoices submission, together with a number of other membership-based peak-bodies.
4. SSPA supports the view (articulated by the Productivity Commission in its consultation paper for the Inquiry) that work to break the cycle of persistent disadvantage must recognise Aotearoa New Zealand's bicultural foundations and be based on Te Tiriti o Waitangi and its principles, and be grounded in Te Ao Māori approaches. We believe that work together with and informed by the whakaaro and solutions that sit within Iwi, hapū and whānau should be central to the ToR for the Inquiry. SSPA advocates for such an approach across our mahi, including as reflected in the SSPA *Agenda for Change – Big Ideas to Tackle Big Problems*, produced together with SSPA members following the national Alert Level 4 noho rāhui in 2020.<sup>2</sup>

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<sup>1</sup> <https://www.productivity.govt.nz/assets/Inquiries/a-fair-start-for-all/Consultation-paper-A-fair-chance-for-all.pdf?vid=3>

<sup>2</sup> [https://www.sspa.org.nz/images/A3\\_Big\\_Ideas\\_final\\_July\\_2020.pdf](https://www.sspa.org.nz/images/A3_Big_Ideas_final_July_2020.pdf)

5. SSPA's submission calls for the Productivity Commission to place a central focus in the ToR on children, rangatahi and their families and whānau, especially on the early years/first 1000 days of children's and tamariki lives.
6. SSPA's submission also advocates for the Inquiry to be connected into and take account of existing relevant government responses, strategies, obligations and frameworks. We believe that this will help to ensure the Inquiry leads to the Productivity Commission making recommendations to Government that influence a coordinated and collaborative approach within government, and between government and non-government/community-based partners. This includes Aotearoa's duties and obligations under the UN Convention on the Rights of the Child<sup>3</sup> and guided by the Child and Youth Wellbeing Strategy<sup>4</sup>, given its focus on addressing poverty and a range of critical, system-level challenges for children and young people in Aotearoa.

### **About Social Service Providers Aotearoa**

7. SSPA is a national membership-based organisation, representing some 200 non-profit organisations from around Aotearoa, based in regional and urban locations.<sup>5</sup>
8. SSPA members are funded by government to deliver social services in our communities every day, with a predominant focus on children, rangatahi, families and whānau. Our affiliate members are organisations that deliver social services for these people, and organisations and individuals who work in areas aligned to the interests of children, young people, whānau or communities.
9. SSPA's vision is that Aotearoa's NGO social services are sustainable, making a positive impact every day in our communities, supporting children, young people and whānau to thrive now and into the future. SSPA works to strengthen Aotearoa's social sector through advocacy and engagement, learning and development, relationships and sector leadership.

### **What are the main dimensions of persistent disadvantage that should be included in the Terms of Reference as areas to be investigated?**

#### **Children, rangatahi and the early years of life**

10. SSPA agrees with the Productivity Commission that disadvantage is complex and multi-dimensional and that a Te Ao Māori wellbeing framework should be a key underpinning to frame this Inquiry. We believe that taking this view when investigating and making recommendations on addressing persistent disadvantage will help to ensure Aotearoa's children, rangatahi, families and whānau thrive and their wellbeing is supported. We believe that by grounding the Inquiry in a framework such as He Ara

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<sup>3</sup> <https://www.ohchr.org/en/professionalinterest/pages/crc.aspx>

<sup>4</sup> <https://childyouthwellbeing.govt.nz/resources/child-and-youth-wellbeing-strategy>

<sup>5</sup> Find out more about SSPA at [www.sspa.org.nz](http://www.sspa.org.nz) Our Strategic Plan 2021-23 can be found at [https://www.sspa.org.nz/images/SSPA\\_Strategic\\_Plan\\_2021-23\\_Final\\_version\\_for\\_web.pdf](https://www.sspa.org.nz/images/SSPA_Strategic_Plan_2021-23_Final_version_for_web.pdf)

Waiora, a holistic view of persistent disadvantage will be enabled, taking into account the multidimensional nature of disadvantage.

11. While SSPA recognises that persistent disadvantage is comprised of a multitude of factors, we are calling on the Productivity Commission to place a significant emphasis in its ToR on persistent disadvantage in the lives of children, rangatahi, their families and whānau and in particular, the period of early childhood (the child's first 1000 days). We are calling for an emphasis on the first 1000 days of children's lives, given the significant shaping role that this time has on a person's lifetime outcomes and trajectory<sup>6</sup>. By placing a focus on the early years of children's lives in relation to persistent disadvantage, we believe the Productivity Commission should be able to highlight (drawing on the existing body of evidence and research in this sphere, as well as its own qualitative and quantitative investigatory mahi) what is needed to be present for every child (and their family and whānau) on an equal basis in the early years of life to afford them the best possible chance to thrive in childhood and beyond, rather than to experience disadvantage.
12. We note the recent Cabinet paper "Delivering on the Child and Youth Wellbeing Strategy: Update on implementation and next steps"<sup>7</sup> observes that many children and young people are not experiencing a good life, with the paper noting that New Zealand performs poorly in areas such as child poverty, child safety, bullying, youth suicide and a sense of belonging for rangatahi. The paper again emphasises the significant inequities being experienced by tamariki and rangatahi, and Pasifika children and young people, in relation to their wellbeing. The paper highlights that while progress is being made in areas of disadvantage relating to children and young people, significant system shifts are still needed, so that every child grows up able to thrive.<sup>8</sup>
13. Children and rangatahi themselves have also already been clear that belonging and inclusion, and living in a society free of discrimination, violence and racism is essential to their ability to experience lives where they can enjoy all of their rights under the UN Convention on the Rights of the Child, for tamariki and rangatahi to experience their rights as tangata whenua under Te Tiriti o Waitangi, and to experience holistic wellbeing and hauora.<sup>9</sup> Children are taonga, and whānau-centred policy and delivery is the way forward for progress on child and whānau wellbeing in Aotearoa<sup>10</sup>. By placing a focus on children and their families and whānau from their early years in the Inquiry ToR, SSPA believes the Productivity Commission will be able to best contribute to informing system-level change that will embed a focus on addressing persistent

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<sup>6</sup> E.g. the Dunedin Longitudinal Study has produced a wealth of information on early childhood experiences and subsequent adult outcomes <https://dunedinstudy.otago.ac.nz/>

<sup>7</sup> Delivering on the Child and Youth Wellbeing Strategy: Update on implementation and next steps <https://dpmc.govt.nz/sites/default/files/2021-05/delivering-cywb-strategy-update.pdf>

<sup>8</sup> Delivering on the Child and Youth Wellbeing Strategy: Update on implementation and next steps <https://dpmc.govt.nz/sites/default/files/2021-05/delivering-cywb-strategy-update.pdf>

<sup>9</sup> E.g. see: Child and Youth Wellbeing Strategy <https://childyouthwellbeing.govt.nz/resources/child-and-youth-wellbeing-strategy>, What Makes a Good Life? Children and young people's views on wellbeing <https://www.occ.org.nz/assets/Uploads/What-makes-a-good-life-report-OCC-OT-2019-WEB2.pdf> and Education Matters to Me <https://www.occ.org.nz/assets/Uploads/OCC-STA-Education-Matters-to-Me-Key-Insights-24Jan2018.pdf>

<sup>10</sup> View the SSPA Agenda for Change which sets out the transformational change SSPA is advocating for in relation to Aotearoa's social service sector and for children, rangatahi, families and whānau outcomes: [https://www.sspa.org.nz/images/A3\\_Big\\_Ideas\\_final\\_July\\_2020.pdf](https://www.sspa.org.nz/images/A3_Big_Ideas_final_July_2020.pdf)

disadvantage, so all children and tamariki can experience all of their rights and a true sense of wellbeing as they grow up. By placing this focus on children and whānau in the ToR, SSPA further envisages that the Inquiry will be better able to take an intergenerational approach to investigating persistent disadvantage in Aotearoa.

## Cycles of disadvantage

14. The Productivity Commission's consultation paper emphasises some broad trends of persistent disadvantage unique to Aotearoa, which through our consultation hui with SSPA member social service providers were confirmed as factors that contribute to a cycle of disadvantage for the people they work with.
15. As highlighted in *The Productivity Commission report - More effective social services* there is an increasing number of people with multiple and inter-dependent needs<sup>11</sup>. Social and economic conditions such as a lack of financial wellbeing often permeate into all areas of a person's, family and whānau life, as does disadvantage when manifested in lived experiences such as: inadequate and unaffordable housing, food insecurity, inadequate benefits, poor mental health systems, lack of qualifications and/or access to stable employment that pays a living wage. Experiencing multiple of these kinds of lived experiences reinforces disadvantage and marginalisation, disempowering children, rangatahi and whānau, driving cycles of persistent disadvantage.
16. Moreover, building on our suggested focus above on children, families and whānau to be a feature of the ToR, we encourage that the ToR should include a focus on understanding the influence of Adverse Childhood Experiences (ACEs) on children's experiences of persistent disadvantage (and cycles of disadvantage throughout childhood and over the life-course). Such a focus can helpfully be grounded in the comprehensive body of international research into ACEs, as well as New Zealand-specific emerging evidence about the impact of ACEs in children's lives.<sup>12</sup>
17. We further note that the Covid-19 pandemic has and is continuing to exacerbate pre-existing inequities within our communities, with economic and social impacts extending across all dimensions of wellbeing. Cycles of persistent disadvantage – including those exacerbated and triggered by the contemporary factor of Covid-19 – need to be a focus of the ToR, so that they can be addressed through Inquiry investigation and subsequent recommendations focused on reducing the risks to rights and wellbeing in

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<sup>11</sup> The Productivity Commission Inquiry into more effective social services  
<https://www.productivity.govt.nz/inquiries/more-effective-social-services/>

<sup>12</sup> E.g. see the recent research on the prevalence of ACEs in New Zealand, published based on the 2019 NZ Family Violence Study: Fanslow, Janet L, L. Hashemi, P. Gulliver and T. McIntosh, *Adverse childhood experiences in New Zealand and subsequent victimization in adulthood : findings from a population-based study*, Child Abuse & Neglect, 2021, 117: 105067 (<https://library.nzfvc.org.nz/cgi-bin/koha/opac-detail.pl?biblionumber=7129>) Also see: Center on the Developing Child at Harvard University, *Three principles to improve outcomes for children and families*, 2021, available at: <https://developingchild.harvard.edu/resources/three-early-childhood-development-principles-improve-child-family-outcomes/>

the lives of children and rangatahi, and ensuring families and whānau are safe and can thrive.

### **Transition points in the lives of children and rangatahi**

18. SSPA also calls on the Productivity Commission to include a focus in its ToR on investigating how transition points in a child and young person's life can influence persistent disadvantage. We note that even if a child or rangatahi does not experience persistent disadvantage in their early years, this can emerge later in childhood and/or adolescence and that transition points in life can be times where vulnerability to disadvantage can be triggered or emerge. Looking into the potential correlation between transition points in life and persistent disadvantage would be a value-add from the Inquiry that could helpfully be focused on in the ToR.

### **Building in a strengths-based approach**

19. SSPA would like to see a focus in the ToR on looking into what works in terms of breaking cycles of persistent disadvantage, and preventing children, rangatahi, families and whānau from ending up back in cycles of disadvantage. That is, what factors need to be in place to enable holistic wellbeing in a sustainable manner over time and intergenerationally? All children, rangatahi, families and whānau start from a position of having strengths, and the systems and organisations – including, crucially, community-based approaches – that currently seek to address disadvantage are also grounded in various strengths. Therefore, building on pre-existing strengths should, SSPA believes, be a key starting point for the ToR and the Productivity Commission's mahi on persistent disadvantage. Focusing on a strengths-based approach to understanding what currently works in addressing persistent disadvantage will help to inform recommendations for change, and to identify what mahi, supports and interventions already exist that may be able to be scaled-up and built on in the future.

### **Taking a systems-view**

20. SSPA urges that the Productivity Commission includes in the ToR a focus on looking into how systems currently work together or don't work together to enable wellbeing and/or to (directly or indirectly) reinforce disadvantage, including persistent disadvantage for children, young people, families and whānau.
21. For example, how does New Zealand's system of taxation influence wealth inequality and inequality more broadly? How does the welfare system give effect to wellbeing and what needs to change in this regard? How are systems interacting with one another and contributing to wellbeing and/or cycles of disadvantage, how could they work together better, and in what areas is overhaul needed? We note the pre-existing work and recommendations of expert groups such as the Welfare Expert Advisory Group<sup>13</sup>, and believe that the ToR could helpfully refer to such pre-existing work at the systems level, too, as key points of reference for the Inquiry.

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<sup>13</sup> <http://www.weag.govt.nz/>

## **Where should the Commission focus its research effort?**

### **Understanding mitigation and protective factors**

22. SSPA believes that in conjunction with investigating life-course and cycles of intergenerational persistent disadvantage, it is equally important to better understand the positive factors that mitigate and protect against the social and economic deprivation which can lead to persistent disadvantage.

### **Learning from the maatauranga and experience of community-based social service providers**

23. SSPA further emphasises the essential role that NGO and Iwi social service organisations play around Aotearoa every day to build more socially cohesive, resilient and thriving communities. There is innovative and transformative work happening within communities by social service providers working alongside families and whānau, and with children and young people who are unable to be with their family or whānau for a time and who therefore have to enter the state care system, and with children and rangatahi who lack a sense of belonging in their family, whānau, or community. In some instances, community-based social service providers work with families and whānau across generations, and in doing so have a window into the nature of persistent disadvantage and its cycles in Aotearoa.
24. SSPA encourages the Commission to undertake research working with our member organisations, who are community-based social service providers operating around the motu in cities, regionally and rurally. These social service provider organisations are uniquely placed to provide insights and understand the drivers of persistent disadvantage in their communities. SSPA will be happy to work with the Productivity Commission to facilitate engagement with SSPA members through the investigatory phases of the Inquiry.

### **Lived experience and views of families and whānau, children and rangatahi**

25. It will also be important to learn directly from families and whānau in persistent disadvantage what factors they identify as impacting on their wellbeing and ability to chart their own course and thrive. Equally, for those who have experienced persistent disadvantage but who are now thriving or are living in less insecure situations, understanding what worked/enabled this shift will be important as part of the investigation by the Productivity Commission.
26. SSPA urges that the views of children, rangatahi, families and whānau must be central to this mahi and the approach to growing wellbeing in Aotearoa. They will benefit from wellbeing and its desired outcomes, and therefore their views must be taken into account in research. We encourage the Productivity Commission to draw on existing bodies of knowledge and research which highlight the views of children, rangatahi, families and whānau. Where undertaking supplementary research, we recommend that the Productivity Commission should undertake its research in a child and whānau centred manner, and to give full effect to children's rights to participate in matters affecting them, as established under Article 12 of the UN Convention on the Rights of

the Child. We emphasise that direct engagement with whānau Māori and with Iwi and hapū should form a central part of the Commission's research, to inform gaps in existing bodies of knowledge and research (rather than replicating what already exists).

### **Transitions for children and rangatahi out of the Oranga Tamariki care and protection system**

27. Building on our earlier suggestions at paragraph 18 of this submission regarding transition points in children and young people's lives, we note that transition out of the Oranga Tamariki system can leave rangatahi and young people disconnected from their known support and care systems, and without a sense of belonging within communities. To be able to make recommendations for how to guard against this disconnection and to enable children and rangatahi to thrive when they leave care, it is important from a research point to understand what is currently working and what is not working. The Commission could usefully include this as part of its research efforts.

### **Real-time data**

28. There is a wealth of qualitative and quantitative research on child poverty, economic stressors, child and youth wellbeing that has already been undertaken by organisations throughout the motu.<sup>14</sup> However, SSPA emphasises that there needs to be data collection in real time to track progress and to ensure that initiatives such as the child poverty reduction targets and child wellbeing outcomes are being met and delivered on, and so that policies can be calibrated to respond to trends promptly.

### **Where should government focus its effort on finding solutions?**

#### **Service delivery and child, rangatahi, family and whānau wellbeing**

29. Factors such as poor mental health, transitory living arrangements, income poverty, family violence and sexual violence, inequalities in housing, parenting support access, health access, employment and education are triggers and barriers to people achieving their potential.

30. SSPA believes that wrapping services around children, tamariki and their whānau in early childhood in ways that are integrated with social wellbeing supports will assist to address factors of persistent disadvantage.

31. Services need to recognise and be delivered in ways that meet the needs of families and whānau to assist them to thrive, to empower them and build resilience, building on strengths and providing protective factors in their lives. By providing services in whānau and family-centred ways, Aotearoa New Zealand should see improvements in the holistic wellbeing outcomes of children and tamariki. The Well Child Tamariki Ora Review Report, for example, sums up that there is a need to establish a joined-up,

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<sup>14</sup> See the ComVoices submission for a list of existing research, evidence and knowledge.

culturally responsive system that is connected to the community, as well as services that are funded and commissioned to respond flexibly to deliver the right level of support.<sup>15</sup>

32. Working together with and as communities in a collective, community-driven approach is, in SSPA's view, essential to making significant progress on persistent disadvantage in Aotearoa, now and into the future. The opportunity exists right now to make some systemic shifts that are embedded and which can result in tangible positive differences in the lives of children, young people, families and whānau. An overarching aim should be for our communities to have equal opportunity to access the resources, services and capabilities they require in order to thrive, grounded in Te Tiriti o Waitangi, and where children and young people feel a true sense of belonging, no matter their identity. SSPA is ready to support and contribute to these shifts to support and strengthen thriving families and whānau in communities throughout the motu.

### **A more interconnected, united approach across government**

33. We urge the Productivity Commission to make recommendations to Government to take a more joined-up and consistent approach across government agencies to ensure formal measures, definitions, data and analysis relating to persistent disadvantage is more aligned and joined-up. This should underpin a more coherent government response to disadvantage, that will in turn support NGO community social service providers who work within their communities assisting people to access resources and support, and to build enduring capabilities to enable thriving lives.<sup>16</sup>
34. Much like the approach New Zealand has taken to eliminating COVID-19 from our motu, it will take all of us to address persistent disadvantage in Aotearoa. It needs to be a collective effort, with collective ownership. This needs to start in communities, Iwi, hapū, whānau and families, and be enabled and supported by Government, NGOs, private businesses and organisations. It is vital that the input of communities is heard and incorporated in any Government-led approach to breaking the cycle of persistent disadvantage, to ensure the success of the development and implementation of policies and programmes of work in this regard.

### **Connecting up frameworks and work programmes**

35. SSPA observes that the outcomes of the Inquiry will have relevance to a range of government priorities. It will be mutually reinforcing if Government's approach to addressing persistent disadvantage aligns with and is connected to existing strategies, priorities, strategic planning and funding decisions across government agencies. This work needs to align with the Child and Youth Wellbeing Strategy, the Well Child Tamariki Ora Review findings, the Welfare Expert Advisory Group recommendations,

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<sup>15</sup> Well Child Tamariki Ora Review Report

<https://www.health.govt.nz/system/files/documents/publications/well-child-tamariki-ora-review-report-2020-jul21.pdf>

<sup>16</sup> Expressed within He Kāhui Waiora: Living Standards Framework and He Ara Waiora COVID-19: Impacts on Wellbeing <https://www.treasury.govt.nz/sites/default/files/2020-08/dp20-02-covid-19-impacts-on-wellbeing-v2.pdf>

the Productivity Commission report – More effect social services, and should also align with further existing national approaches that contribute to addressing underlying drivers of persistent disadvantage, such as Whānau Ora, for example.

### **A fairly funded and sustainable NGO social service sector, and a collective approach**

36. As discussed above, NGO social service providers are well placed to contribute to the Inquiry's efforts in charting pathways out of persistent disadvantage. However, the long-standing challenges for the NGO and Iwi social service sector must be addressed. This includes addressing the approximately \$630 million annual funding gap between what government funds NGO social service providers to provide, and the actual costs of delivery<sup>17</sup>. Although there have been some positive changes to funding levels and contracting approaches since 2019, these have not been systematised and the significant funding gap still exists. Other issues that must be addressed for NGO social services to continue to effectively contribute to addressing persistent disadvantage in Aotearoa include addressing pay equity for NGO social service kaimahi, addressing silo-ing of funding and the lack of a joined-up approach from government.
37. In this regard, SSPA notes that there is currently progressive work underway commissioned by the Minister for Social Development and Employment and led by the Ministry of Social Development Te Manatū Whakahiato Ora, to improve the commissioning of social services across Aotearoa.<sup>18</sup> This work, is seeking to address current concerns about pressure points such as funding, procurement, monitoring and evaluation, among others. SSPA is a member of the Project Board for this mahi and advocates for any changes in the way social sector commissioning is undertaken must ensure that NGO social services are better enabled to contribute to wellbeing in Aotearoa through mahi with children, rangatahi, families and whānau.
38. Finally, SSPA notes that bringing government and community-based responses increasingly together grounded in a community-based, collective and relational ways of working needs to be a focus of Government when it comes to addressing persistent disadvantage. This approach should focus on delivering outcomes that are genuinely responsive to family and whānau need, and which enable solutions to address persistent disadvantage that are locally-grounded and encourage collaboration between service providers. People and whānau are best supported by integrated community services grounded in local communities and which are informed by the aspirations and needs of the whānau, hapū, Iwi, families, children and young people that they serve. This underscores what SSPA sees as central to the question of where Government should focus its attention on when finding solutions to persistent disadvantage in Aotearoa New Zealand: a collective approach, drawing on strengths that exist, focusing on children and tamariki as taonga, and on strengthening the ability of families, whānau and communities to thrive in a state of intergenerational wellbeing.

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<sup>17</sup> [https://www.sspa.org.nz/images/Social\\_Service\\_System - The Funding Gap and How to Bridge It - FULL REPORT FINAL.pdf](https://www.sspa.org.nz/images/Social_Service_System_-_The_Funding_Gap_and_How_to_Bridge_It_-_FULL_REPORT_FINAL.pdf)

<sup>18</sup> <https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/planning-strategy/social-sector-commissioning/msd-social-sector-commissioning.pdf>