

Oral Submission – Budget Policy Statement

Finance and Expenditure select committee – 31 January 2018, 12.15 pm

Jules

Tēnā koutou katoa. Thank you for the opportunity to share our submission with you today. My name is Julianne Hickey. I am the Director of Caritas Aotearoa New Zealand, the Catholic agency for justice, peace and development. With me is Roger Ellis, our Community Engagement Manager, and Teresa Thorp, our Advocacy & Research Manager.

Our annual submission on the Budget Policy Statement is inspired and informed by:

- Catholic Social Teaching (principles, such as, human dignity, the common good, and a preferential option for the poor);
- We also look to, and hear about, the experiences of communities in New Zealand and throughout the Pacific; and
- The experiences of a range of Catholic agencies, especially those working with local communities.

In this year's submission, we focus on the following four areas:

- The Living Standards Framework & Inter-generational Well-Being;
- The Exclusion of People Living on the Margins & Peripheries;
- Families, Children & Affordable Housing; and
- Environmental & Climate Changes.

At the end of our time, we will summarise our recommendations, and welcome any questions you may have about putting human dignity at the centre of budget policy decisions.

Teresa

I'm going to touch on 2 things. One, our proposals for developing the living standards framework. And, two, whether the budget responds to those living on the margins and peripheries.

First, we are encouraged that government plans to integrate the Budget within a framework for well-being. We support the development of a wider set of wellbeing indicators.

We welcome new child poverty measures. However, we need to ensure that new initiatives are not simply one-off initiatives that fail to address underlying problems and omissions. We want our children to grow up in a safe society (this includes tackling 'soft' and hard

drugs, like 'P' head on). We also need to tackle our shamefully high rates of youth suicide. And we are reminded to give effect to the United Nations Convention on the Rights of the Child (which we ratified back in 1993). As a first step, we ask the government to be courageous by allowing a process of democratic consultation rather than using a process of self-directed Urgency. Second, we ask for the opportunity to give input through a transparent Select Committee process.

In addition,

- We welcome a greater focus on ensuring people receive the assistance to which they are entitled;
- We envisage a nation that welcomes, protects, promotes and integrates migrants as an integral part of our communities; and
- We embrace cultural diversity.

The budget must uphold the dignity of all New Zealanders from the beginning of life to its natural end.

This leads to my second point, which is about the extent to which the Budget Policy Statement excludes other groups living on the margins and peripheries.

In response to our 2017 Budget Policy Statement submission, for instance, we were pleased that the government applied public funding to earthquake recovery – including Kaikōura. From our work on the ground, however, we do not believe that the community is yet back on its feet. Several other local areas are still rebuilding communities after natural disasters, such as earthquakes, and floods.

On disability, we advocate for a thorough review and strengthening of the mental health sector as part of an integrated health system. On prisons, we are deeply disturbed by our growing prison population. We encourage the establishment of pathways of care, guidance, participation, belonging, work and purpose, especially for young people.

On connecting people and economic development, we cannot just look at infrastructure benefiting one region. It should benefit all. This said, we support efforts to bring about affordable housing and effective regional and provincial economic development policies that promote jobs. We welcome provincial outreach. The provincial growth fund allocation of \$1 billion per year (\$3.6 billion in total) is an opportunity for regional and provincial economic development, social inclusion, participation and sustainable job creation. Mechanisms should be put in place to ensure these funds reach the most vulnerable, and regions where unemployment, intergenerational poverty and social challenges are particularly high. Similarly, we remind the Select Committee that new initiatives must involve local communities, in particular, mana whenua, in decision-making.

In brief, we ask you to reflect, discuss and debate these issues within the context of

developing a living standards framework, based on consultation, and that upholds the common good of all in our nation.

Roger

I'm going to discuss the families package, children and our environment. As a matter of urgency, we ask the government to: prioritise investing in more secure, affordable and good quality housing to ensure that all children have a place they can call home.

We are encouraged that:

- The Families Package aims to make families with children better off by 2020/21;¹
- A number of children will be lifted out of poverty in the same time period;²
- The Winter Energy Payment will assist low-income families; and
- The KiwiBuild initiative aims to deliver 100,000 affordable houses over 10 years for first-home buyers.

These are great initiatives and we welcome them. But we are also particularly interested in how the success of these policies will be monitored – how they will be reported on and how they will be evaluated.

As Caritas has stated many times, the adverse impact of climate change is the ultimate intergenerational issue. We therefore welcome the setting up of an independent Climate Commission. We welcome the process for setting a net zero carbon emissions goal and achieving New Zealand's commitments under the Paris Agreement.

Caritas has issued a report on the State of the Environment in Oceania each year over the last four years. These reports share the stories of the real-life impacts of climate change on the peoples of the Pacific region. Last year, we found more and more people needing to move because of climate change. Our October report identified more communities in Papua New Guinea and Samoa being forced to move further inland and elsewhere to find places to live. There is no room for complacency. We need to continue to accelerate progress towards a resilient low carbon future.

We urge the government to commit to an integrated approach. An integrated approach for climate finance (mitigation and adaptation), should uphold social and cultural integrity; advance livelihoods; and provide for long-term preparedness.

Climate finance projects funded by New Zealanders must ensure authentic outreach and face to face engagement so that local communities are fully aware and involved in decision-making. Our neighbours, especially those in the Pacific, are facing the brunt of adverse climate impacts. More funding is needed for disaster resilience, recovery and adaptation

¹ We are encouraged that the Families Package aims to make around 384,000 families with children better off by an average of \$75 a week by 2020/21.

² 88,000 – note this was an error in Treasury reporting. Budget Policy Statement 2018; published, 14 December 2017; Government of New Zealand; pages (2), 20; Parl. No: B1; ISBN: 978-1-98-853449-7 (Online); ISBN: 978-1-98-853448-0 (Print); Pub. type: Budget 2018; © Crown Copyright; pages 4 & 6, B1.

projects at home, in the Pacific region in particular.

Jules

We believe human dignity is inherent in every human being. Human dignity is inalienable and independent of the state. Advancing human dignity is also a bedrock of Caritas's work.

In economic matters, respect for human dignity requires the practice of justice, to preserve our neighbour's rights; and the practice of solidarity. Kotahitanga enhances unity, togetherness, social justice, peace and sustainable development.

All too often though we see the dignity of the human person, and human life, being compromised in the rising tide of relativism, consumerism and individualism.

We urge the committee to put a living standards framework that upholds the common good of our nation at the centre of all budget decisions. We also call on the committee to ensure that publicly funded interventions aimed at improving social wellbeing are evaluated to ensure that desperately needed transformation becomes a reality for local communities. Whether rich, poor, male, female, brown, white, young or old, we ask that human dignity and inter-generational well-being be at the centre of all Budget considerations.

To close I would like to share with you a whakataukī, "He waka eke noa" .

We must remember that we all share the same waka. As such, we lay before you our hopes for the success of our collective waka.

Thank you for hearing our submission today. Nō reira, tēā koutou, tēnā koutou, tēnā tātou katoa.