

## **Oral submission – Budget Policy Statement**

**Finance and Expenditure select committee – 8 February 2017, 9.05am**

### **Jules**

Tēnā koutou katoa. Thank you for the opportunity to speak to you today. My name is Julianne Hickey and I am the Director of Caritas Aotearoa New Zealand, the Catholic agency for justice, peace and development. With me is Cathy Bi-Riley, our Advocacy and Research Analyst.

Caritas undertakes humanitarian, development and advocacy work in Aotearoa New Zealand and overseas. We respond to disasters and emergencies here and around the world. We advocate for the wellbeing of impacted communities. Our work is inspired by Catholic social teaching, and we have regularly submitted on the Budget Policy Statement.

In considering budget priorities, we believe it is essential to keep in mind the people our economy is meant to serve. Good economic development should bring long term benefits to all New Zealanders. No one should go without the basics. Healthy people, thriving families and flourishing communities will provide the best foundation for a productive and efficient economy.

In our written submission, we have highlighted some groups of people we believe need to be considered in this year's budget priorities, these include;

- the local Kaikōura community who have been affected by the 2016 earthquake;
- people in New Zealand and the Pacific who will be most affected by climate change;
- low-income people who are missing out on stable, decent and affordable homes;
- and vulnerable migrant workers.

In this oral submission, we will focus a couple of these areas, and we will leave you to read the others in our written submission. At the end of our time, we welcome any questions you may have.

First of all, we support that the government is making responding to the Kaikōura earthquakes, a priority. The budget policy statement was released less than a month after the earthquake occurred and we fully support the sentiment that responding to this earthquake is a higher priority than lowering taxes.

Good earthquake recovery is about ensuring the wellbeing of the local people. Restoring access and infrastructure is a part of this, but it's too easy to focus recovery investments mainly on bricks and mortar.

Caritas has responded to emergencies and natural disasters in places like Christchurch and in the Pacific and around the world. Here we have witnessed children and families who are affected by the ongoing stress, insecurities and uncertainties created by the earthquake. We have seen and heard that the psycho-social impacts of a severe earthquake can continue for up to ten years after an event. The response to the Kaikōura earthquake must address the impact on the health and psycho-social well-being of people and their communities.

Caritas has a long relationship with the hapu of Ngāti Kuri in Kaikoura. In the 1980s, several Catholics from the Hapu attended cultural structural analysis workshops with Fr John Curnow, director of the precursor organisation to Caritas. These interactions planted seeds that later led to the establishment of Whale Watch and Te Tai o te Marokura Health and Social Service.

After the earthquakes, Caritas, together with other Archdiocese of Wellington organisations have worked together to support Te Tai o te Marokura and the local school and parish in the earthquake response and recovery.

(In early December, I travelled with Cardinal John Dew, by small plane from Wellington to Kaikoura. We saw the massive, almost incomprehensible landslides and devastation. We also listened to the experiences of the children – how they thought they were going to die, and of the people and families who had struggled to get water or were living in tents in their back yards. We also heard how they helped each other through those first few hours and days. We heard the concern for some of the members of the farming community and for the vulnerable people who had also experienced the Christchurch earthquakes)

Right now, our staff are in Kaikoura with Te tai o te Marokura looking at how the earthquake has impacted kai moana in the area, and how this has in turn impacted whanau health.

We have heard from local tangata whenua, that they are concerned the iwi voice is missing in the decisions made in the earthquake recovery. Environmental impact is important and is inter-connected with the economic and social impacts of the earthquake. Here is a community with a deep relationship with the ocean that provides them kai moana, and livelihoods, ensuring the proper kaatiakitanga of this resource cannot be overlooked as a priority in the immediate and long-term recovery effort.

We understand that you will be hearing from the Archdiocese of Wellington and Te Tai o te Marokura later today. We emphasise the importance of working closely with different parts of the local community in the ongoing recovery efforts. It is when local communities are well resourced and deeply involved in the process of recovery that resources are used effectively to bring the best outcomes.

## **Cathy**

In this submission, we would also like to bring to your attention the communities and people who are affected by Climate Change in New Zealand and in the Pacific. First, we are pleased that New Zealand has ratified the 2015 Paris Agreement. But we are again disappointed that climate change and its impact on our economy and communities has not been mentioned or considered in the budget priorities.

Last year, this select committee heard from Dr Jan Wright, the Parliamentary Commissioner for the Environment about the fiscal implications of sea level rise. She discussed the leadership role the central government needs to play in adaptation efforts as this is too complex for local councils to work on individually.

While climate change has not hit us with the same immediate impact like a 7.5 earthquake, its impact will be experienced like a series of increasingly severe weather phenomenon and natural disasters. Therefore we see that it is inconsistent to prioritise paying down debt in order to increase our resilience to economic shocks and natural disasters, and then to not prioritise mitigating and adapting to climate change.

It is crucial that we move towards a low-carbon economy with urgency and start planning now for climate change adaptation.

If we fail to take actions now, it is low-income communities, in low-lying regions who will struggle the most. To give an example, as part of our State of the Environment in Oceania report 2016, we spoke with a South Dunedin parish following the severe storm in mid-2015 where many families were displaced for months. The impact was most intensely felt by families with low-waged jobs, where the cost of relocation and being separated from their community weighed heavily. In fact, some were still living in temporary accommodation a year after the floods.

So, South Dunedin is a region with a naturally high water table. Many in the community are concerned that similar flooding will happen more frequently with changing weather patterns and sea-level rise.

Prioritising our mitigation and adaptation efforts is vital on so many levels; we need to act now for the resilience of our economy, for vulnerable communities in New Zealand, and in honouring our role as good neighbours to Pacific nations who have already lost land and livelihoods as a result of climate change.

## **Jules**

When looking at budget priorities, we ask this select committee to hold in tension; fiscal considerations and ensuring that we are looking to the future and investing in the wellbeing of people and communities.

We see that The Treasury is forecasting a growing surplus in coming years, and yet we will have fewer income related rent places by 2020 than in 2013. And we all know that families are struggling more than ever to find affordable, decent and stable housing.

Policy considerations should enable all who live and work in New Zealand, to live with dignity and flourish in their community. It is important to listen to the voices of those who are missing out on the benefits of economic growth, or those who are vulnerable because of natural disasters.

We encourage the government to take a long-term view of solutions to these situations and to stand in the shoes of vulnerable communities as you prepare for the Budget 2017.

Thank you for hearing our submission today. Tena koutou kotoa.