



30 September 2009

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Not all things are created equal

The right of all people to an unemployment, sickness or invalids benefit, irrespective of their marital or family status, was affirmed last week at the National Council of Women of New Zealand (NCWNZ) National Executive meeting in Wellington.

The women of the NCWNZ National Executive strongly supported the passing of the resolution:

That NCWNZ requests the Government to assess all people as Individuals when they apply for an unemployment, sickness or invalids benefit, irrespective of their marital or family status.

“It is fitting that the passing of this policy coincided with Suffrage Day, the day we achieved political equality; but we still do not enjoy economic equality,” says NCWNZ National President, Elizabeth Bang.

In New Zealand only 32% of unemployed people are eligible for the benefit, whereas in Australia it is 99%. The primary reason is that in New Zealand welfare entitlements are not based on individuals, but are subject to joint assessment.

“If you have been employed and paying taxes, the right to a benefit if you lose that job or no longer are able to work, is a basic employment right” says Elizabeth Bang.

“Furthermore, most two parent households today depend upon two incomes to pay the mortgage and bills, particularly if there are children or other dependents. The loss of one income can have serious consequences and, without access to any monetary assistance, there are few options but to downsize, go into debt or to separate in order to get a benefit.

“It is ironic that this system of joint assessment for benefits actually undermines partnerships or marriages. We need a system that supports and affirms relationships, not one that financially rewards couples who split up.”

There is currently an inconsistency between our tax law and the welfare system. Our tax law assesses you as an individual regardless of marital or family status, and as such is considered progressive and relatively simple.

Our welfare system, however, is antiquated and outmoded. There have not been any significant reforms since 1938 when it was established; it is reflective of social norms from a time when only one partner was in paid employment, usually the male.

Susan St John and Keith Rankin, two leading academics in social policy, assert in their recent paper *Escaping the Welfare Mess* (March 2009, p7), that the reforms recommended in the 1988 Royal Commission on Social Policy were over taken by events in the late 1980's and never implemented. They recommend that "the system needs to be changed so that welfare entitlements are based on individual need rather than on household income.

NCWNZ believes that the benefit system is having a negative impact on many families, especially in the current economic climate, and wants to see changes implemented immediately. There are many good reasons for assessing applicants as individuals when applying for a benefit; not only will it reduce discrimination, it will also reduce bureaucracy, debt and fraud.

"It is high time these reforms were implemented so that we have a welfare system that meets the needs of our society in the 21st century," says Elizabeth Bang.

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