

# Ministerial Committee on Poverty

## Objectives

- **Mobility:** Overcoming disadvantage and vulnerability to support New Zealanders from all backgrounds to move out of long term poverty and into sustainably higher living standards, and
- **Value for Money:** Ensuring the Government’s interventions focussed on overcoming disadvantage and vulnerability are cost effective, including consideration of reprioritisation and targeting towards key groups, as well regulatory barriers and design/delivery issues.

## Areas of focus

- 1. Progressing work in key focus areas.** Using the framework below to prioritise, and within the scope of the Committee, providing a forum outside of Cabinet to discuss significant and or cross-cutting issues in the development of key workstreams e.g. Welfare reform, the Green Paper on Vulnerable Children, Whānau Ora and social housing amongst others.
- 2. Priorities/Indicators.** Focussing on achieving the Government’s key priorities which are relevant to poverty, and tracking progress on the indicators for these results. These could be reported on as part of the 6 monthly reports which the Committee is required to make – it is not envisaged that this will be a significant workstream in and of itself. It will be important to recognise that not all of the areas highlighted can expect progress in the short-term. For example, education interventions can take a long time to flow through to results achieved since students are in education for a significant period of time.
- 3. Conceptual/Data.** Where appropriate, seeking to develop a deeper understanding on the picture of poverty in New Zealand by commissioning relevant data analysis and reporting. This could include, for example, analysis of the dynamics of poverty, deeper analysis of regional spend and its effectiveness. This stream could be used to shape the discussion of poverty and social spending.

Committee Narrative	Priorities/Results	Current Government Action	Key Questions for the Committee
<p><b>Work is the primary route out of poverty...</b></p> <p>Around two thirds of working age households with a benefit as the primary source of income are in poverty.</p> <p>Around 20% of children live in beneficiary households.</p> <p>Work has broader wellbeing benefits than just income, although work experience is critical to support higher wages and labour market attachment.</p>	<p>Making the economy more competitive</p> <p>Long-term welfare dependency</p>	<ul style="list-style-type: none"> <li>•Internationally Focussed Growth Strategy</li> <li>•Minimum Wage Review</li> </ul>	<p><b>Welfare reform</b> - Does the package overall look like it targets those most in need?</p> <p><b>Working for Families</b> – Could this be used more cost effectively to tackle poverty?</p>
<p><b>...and educational achievement is the platform for creating opportunity.</b></p> <p>Skills are critical in a modern economy – increasing returns to skills is the main global trend driving inequality.</p> <p>Our school system does not lean against family background as much as many other countries.</p> <p>Factors in the school system, predominantly teaching, can explain a significant proportion of the variation in students’ achievement.</p>	<p>Skills and engagement</p> <p>Vulnerable Children</p>	<ul style="list-style-type: none"> <li>•National Standards</li> <li>•Youth Guarantee/Transitions</li> </ul>	<p><b>Early Childhood Education</b> – Are the changes likely to increase participation among the most vulnerable?</p> <p><b>Educational reforms</b> – Are the suite of changes likely to increase achievement, especially for those from disadvantaged backgrounds?</p>
<p><b>Safe and healthy homes and communities start with good housing...</b></p> <p>Housing is the largest expense for many families, especially for those in poverty.</p> <p>There are strong links between quality of housing and health outcomes.</p> <p>Housing availability can support geographic mobility and employment, although transience is also an issue.</p>	<p>Delivering modern public services within a tight budget</p>	<ul style="list-style-type: none"> <li>•Warm Up New Zealand: Heat Smart</li> <li>•Energy Efficiency Retrofit - state housing insulation</li> <li>•State housing stock reconfiguration</li> </ul>	<p><b>Accommodation support</b> – Could changes be made that would better support routes out of poverty?</p> <p><b>Affordable housing (encompassing overcrowding)</b> – are changes in social housing likely to result in better housing outcomes?</p> <p><b>Productivity Commission Report on Housing Affordability</b> – what are the main areas of focus for a Government response?</p>
<p><b>...and social services must be well-designed and cost-effectively delivered to reach the most vulnerable, particularly children.</b></p> <p>Some households face multiple disadvantages that significantly raise the chances of poor outcomes for children.</p> <p>The effectiveness of social programmes can vary greatly, and delivery methods often struggle to reach those most in need.</p> <p>Service delivery needs to be focussed around whānau and communities, not government departments.</p>	<p>Delivering modern public services within a tight budget</p> <p>Vulnerable Children</p>	<ul style="list-style-type: none"> <li>•Enhanced drug and mental health treatment services</li> <li>•Crimes Amendment Bill (No 2)</li> <li>•Strategies with Kids, Information with Parents (SKIP)</li> </ul>	<p><b>Whānau Ora</b> – Is the current model effective? How can it be improved?</p> <p><b>White paper on vulnerable children</b> – Overall, does the package look well targeted and likely to be effective?</p> <p><b>Overall</b> – How can government ensure that services are cost effective and make the most of opportunities to contract in the non-government sector?</p>