

CHURCH LEADERS MEETING WITH PRIME MINISTER—12 MARCH 2021

Position Papers

- 1 COVID-19 AND VACCINATIONS***
- 2 WELFARE, INCOME AND WELLBEING: ADDRESSING THE NEEDS OF THOSE WITH THE LEAST***
- 3 CHURCH LEADERS' POSITION PAPER ON HOUSING***

Covid-19 and vaccinations

Ehara taku toa i te toa takitahi, engari he toa takitini: My strength is not mine alone, but that of the many.

The current pandemic has highlighted our interdependence: we are all connected to each other, for better or for worse. Therefore, to emerge from this crisis better than before, we have to do so together; together, not alone. Together. Not alone, because it cannot be done. Either it is done together, or it is not done.

-Pope Francis, 2 September 2020

We meet in 2021 knowing that Church Leaders and the Prime Minister could not meet face to face last year because of the Covid-19 Lockdown. We acknowledge that the crisis is continuing, and it will not be finished for us in Aotearoa until it has ended everywhere in the world.

The New Zealand Government took bold, creatively courageous action during the pandemic. This led to a team effort from the people of Aotearoa resulting in positive outcomes. We want this to continue. We want to dream big together of a better world, and continue courageous action together to get there.

Now more than ever, we have learned through the experience of the pandemic that we live in an interconnected world. The pandemic has highlighted just how vulnerable and interconnected we are. It exposed new forms of inequality, as well as throwing new light on old and ongoing injustices. We seek *tika me pono* (truth and justice) to right wrongs in our history that continue to lead to disparities which see poorer health outcomes for Māori and Pasifika. We cannot be healthy unless all are healthy.

Many want to get back to 'normal', but we don't want a 'normality' that returns to an everyday life which is indifferent to the poor and to the environment, and just exposes us again to the next pandemic.

Pope Francis says that we do not emerge from a crisis the same – either we come out of it better, or we come out of it worse. We must come out of this crisis better. We have an opportunity to build something new, something different. We are connected to each other for better or for worse, and to emerge from this crisis we must do so together.

Churches experiences of the pandemic

Partnering to address hardship:

Dialogue between Churches and Government during the pandemic has taken place across a wide range of issues, from numbers of people at tangi and funerals,

to delivery of emergency food. We acknowledge the ways that church and state have been able to work together; for example, in the delivery of urgent food support to the most vulnerable. Our church agencies also worked with our public counterparts in many ways, including:

- ensuring support for kaumātua/isolated elderly people
- supporting people with anxiety, depression and addictions triggered in lockdown
- finding temporary and emergency accommodation
- helping people to become digitally connected
- meeting essential needs such as for heaters, winter clothing and blankets
- supporting migrant workers and temporary visa holders.

We seek ongoing engagement in this regard.

Church groups and faith-based organisations have been providing social and health support services for decades, but the demand that hit our services collectively due to Covid-19 has been unprecedented. As a result of the pandemic, such services continue to be stretched to their limits, and demand remains high. We address this question further in the Welfare, Incomes and Wellbeing paper.

Ongoing impact on faith communities:

The lockdown and Covid-19 restrictions have also been hard on our faith communities. We know that church gatherings are among the mass gatherings that can be super-spreader events during a pandemic. In our different ways, our denominations have found ways to continue to help people remain socially connected and reach out to each other as neighbours, even when we could not meet face to face. Alternatives such as the 'Zui Aranga' (online Easter Hui alternative to the Hui Aranga) and digital church services met some needs. But we also want to acknowledge that for many people, habits of a lifetime to gather on Sundays and other occasions have been broken. In some cases, those practices may never be recovered, weakening community bonds.

Two issues we bring to this meeting – housing and welfare – have been priorities for decades in these meetings of Church Leaders and Government, but remain urgent and pressing issues in the context of the pandemic.

We would also like to raise two specific issues arising from the current Covid-19 context.

Vaccinations

As we meet, the next important stage of the Covid-19 pandemic response is the roll out of vaccinations.

Support for vaccinations:

Our denominations are united in seeing vaccinations as an ethical choice for the common good of all. We are sharing this message with our own congregations and may be able to contribute to public messaging.

Acknowledging religious roots to some vaccination resistance or reluctance:

We acknowledge that New Zealand communities include people who for religious reasons are concerned about vaccinations. These include some members of our congregations. Within the Christian communities, there are members who have concerns about the use of tissue from aborted human fetuses to start the cell-lines used to develop some strains of the vaccine. Other members of the Christian community have been influenced by the United States culture wars to distrust science and technology.

Each of our denominations respond differently to how we resolve or discuss these questions; for example, Catholics have formal teaching that, while advocating for the development of vaccines that are free from the use of morally compromised lines, recognises and endorses the moral acceptability of the current Covid-19 vaccines if 'ethically irreproachable vaccines are not available'. Meanwhile, for other church groups it can be more important to have discernment of conscience through individual prayer and biblical study.

We expect that the public discourse about vaccinations may include religious arguments for and against vaccination. We offer to contribute to public health messaging about the Covid-19 vaccination to support and encourage our members to be vaccinated.

Churches as trusted community bases:

For some people, vaccination centres in churches and church facilities may assist to overcome the fear or anxiety connected with vaccination. We would be happy to discuss access to our facilities as vaccination centres, alongside marae, medical clinics and other trusted community spaces.

Church workers as priorities for vaccinations:

We seek clarification of the priority assessment for vaccination of church workers in front-line roles, particularly hospital chaplains working in public health institutions such as hospitals, but also clergy and church workers serving at funerals and tangi, and those working in prisons, food banks, emergency housing and other essential services.

Immigration

We acknowledge that the border restrictions have been necessary to preserve public health. However, as access is now available for some non-citizens and residents, we would appreciate planning for groups within our communities.

Overseas-based clergy:

Many of our religious communities naturally extend to the Pacific region. Within the Methodist community, some Pasifika leaders have wanted to bring ministers from the Pacific to support their New Zealand communities. Although they are coming from countries with very low Covid-19 incidence, immigration processes

have not appeared to be able to acknowledge this need. Other denominations have also found meeting the needs and expectations of congregations difficult without access to overseas clergy defined as non-essential workers.

Family reunification:

Again, while recognising the importance of border control, within Catholic congregations and the wider community there are families that have now been separated for 12 months or more. The issue of partner and family reunification is also seen as favouring those who were able to travel together post-Covid border rule changes. This has accentuated the pain of separation for families who found themselves in different countries as Covid lockdowns were put in place. Some separated families are finding it very difficult to watch temporary entry of high-profile sports or entertainment stars while there is no date in sight for their reunification.

In conclusion

The Church Leaders are offering:

- 1** To contribute to public messaging about Covid-19 as an ethical choice for the common good, and to support and encourage our members to be vaccinated.
- 2** Access to church facilities as vaccination centres.

The Church Leaders are requesting:

- 1** Information about the vaccination priority settings for church workers such as hospital chaplains.
- 2** Clarity around the process of setting priorities for border entry for non-citizens and residents.
- 3** Recognition that there are circumstances in which church workers are essential workers for immigration purposes.
- 4** Recognition of family reunification as a priority when border restrictions can be relaxed.

Welfare, Income and Wellbeing: Addressing the needs of those with the least

Our country was in need of significant change before the virus struck, as inequality had become entrenched in Aotearoa New Zealand. The economic impact of Covid-19 looks set to further exacerbate these unacceptable levels of poverty and inequity.

—The Salvation Army *State of the Nation 2021 Report*

Church Leaders intended to discuss the needs of people on social security benefits with the Prime Minister last March, as we have with the Government of the day over recent decades. Much has changed since then. We acknowledge significant social spending was rolled out urgently to support both waged and unwaged New Zealanders through the Covid-19 lockdowns.

Highlights of that assistance include:

- Emergency assistance was delivered very well, including hardship assistance delivered through Work and Income, and support to church and community foodbanks. Requests for food support came from sections of our communities that had never previously sought this assistance, as well as from vulnerable people already food insecure before the crisis. Decisive Government action to support emergency food assistance enabled us also to meet unprecedented, genuine demand.
- Immediate assistance was provided to all beneficiaries through the \$25 benefit increase and doubled Winter Energy supplement.
- The Covid-19 wage subsidy, while designed and delivered in haste, enabled many New Zealanders to maintain relationships with workplaces. It directly supported many of our churches and agencies. We also acknowledge targeted support for Māori and Pasifika students to maintain relationships with education and training.
- Specific direct support, such as for tourism operators and shovel-ready projects, have protected some parts of our economy.

The lower than anticipated unemployment rate for the December 2020 quarter is testament to some successful interventions. However, there are also areas in which we have concerns.

- Income support for workers in New Zealand on temporary or limited employment visas who were neither able to work or to return home was initially left to the community sector to support, and then delivered through Internal Affairs and the Red Cross. It was not until December that they were able to access Work and Income's emergency benefit provisions.

- We continue to have concerns about the two-tier benefit rates that gave significantly higher short-term payments to people who lost employment due to Covid-19, compared with those unable to work for other reasons, such as medical conditions not related to the virus.
- The December 2020 unemployment figure distorts the reality that while the economy may appear to be recovering for some, there are many others who are still living with ongoing insecurity, facing the reality that their current skills may not be suited to the economy of the future.
- We are also concerned that the December 2020 unemployment figure also masks inequalities of ethnicity, gender and age, as outlined in the Salvation Army's *State of the Nation 2021* report. Unless addressed, this will continue to add to our entrenched inequalities.

Church Leaders recognise *welfare*, *income* and *wellbeing* are large and complex areas, in which there are significant programmes of work underway.

Three areas we wish to highlight are:

Food insecurity

Estimates from the church and community sector before the Covid-19 pandemic indicated that 1 in 10 New Zealanders lived in food insecure environments. During the Covid-19 lockdown period it is estimated that this number rose to 1 in 5. Covid-19 exposed New Zealand's hunger crisis.

During the Covid-19 lockdowns of 2020 and 2021, churches have been at the frontline supporting communities through foodbanks and food relief initiatives. In the early stages of the March 2020 lockdown, many of our agencies worked together on food support initiatives at scale after witnessing ballooning numbers of food requests at unprecedented levels. National and regional conversations included our churches and church agencies, together with Civil Defence, and representatives of national and local Government.

Food insecurity remains a concerning issue for us, with many of our groups still supporting more than double the numbers of families with food compared with 12 months ago. We welcome further discussions on how we can continue to partner with Government to address the long tail of food insecurity as Covid-19 continues to disrupt New Zealand life and places further strain on those in need.

Support for transition

Early Covid-19 responses such as work subsidies and programmes have assisted many workers, businesses and sectors of the economy to 'weather the storm'. Industries hit hard in the first phase of the economic impact of the pandemic include, but are not limited to, tourism, retail, hospitality and work reliant on international travel. Many businesses and workers have had to adjust rapidly to an unforeseen situation. Expenses were linked to previous high earnings, and fixed costs such as for housing, borrowing, education and health have not been able to be quickly adjusted. For many, Covid-19 changes led to their very first engagement with Government and community support agencies.

For some industries and sections of the community, while the impact of the economic shock of Covid-19 will linger, workers and businesses have an expectation that things will bounce back. Other workers and businesses are facing the reality that their working life has changed permanently. There is an increased need for psychosocial support, and for retraining for people to adapt their skill base to enable them to participate in the post-Covid economy. This will be of benefit to them, and will assist to overcome sudden and often very traumatic change, and enable them to contribute and have a sense of purpose. It also contributes to New Zealand developing the workforce needed to increase productivity, compete internationally, and meet the social and infrastructure plans of Government.

Fundamentally redesigning our welfare system to a wellbeing system

Now is the time for Government to ensure its content and process contributes to sustainable inter-generational wellbeing across the social, economic, environmental and democratic domains. Building on Treasury's Living Standards Framework and the Wellbeing Budget, New Zealand can exercise global leadership in evolving a wellbeing-focused society and economy.

Church and community sector groups participated in the review of New Zealand's welfare system undertaken by the Welfare Expert Advisory Group (WEAG). The recommendations created realistic expectation of fundamental change.

We appreciate ongoing adjustments, such as the recent change to benefit abatement levels, emerging changes of culture at Work and Income, and the increased availability of hardship support, alongside other new forms of supplementary support.

However, the need for income support to cover a greater proportion of people's living costs has been highlighted in various reports, including The Salvation Army's *State of the Nation 2021* report, the OCC Child Poverty Monitor reports, the New Zealand Council of Christian Social Services briefing to the incoming government 2020, and Welfare Expert Advisory Group (WEAG) recommendation 19. Our everyday experience supports the reality of these findings.

To counter the insufficiency of existing base-benefit levels, successive governments have developed a range of specific supplementary supports. Some of these are fundamental to delivering support, such as recognising the circumstances of sole parents, but others are add-ons developed specifically because base-benefit levels are too low for beneficiaries to be able to budget or plan for unexpected or additional costs. For example, a small change in health status for a beneficiary or superannuitant, which requires more frequent medical appointments and prescriptions, can put at risk necessities such as rent and power supply.

A significant effort is required from beneficiaries, medical personnel, and community support agencies to prove and verify these costs in order to apply for the \$15 or \$20 per week that is often the difference between coping and not coping. This can be duplicated across the range of specific assistance for costs such as school uniforms, essential car repairs and dental appointments. This is frustrating for vulnerable New Zealanders, difficult for Work and Income to administer, and requires constant ongoing intervention from the community sector. It is an inefficient use of public and community resources.

WEAG recommendation 19 sought to have main benefits cover a larger proportion of people's living costs than they do currently, thus reducing reliance on other assistance. We believe that this would better meet needs, and also would simplify the welfare system. It would reduce the time and effort involved in navigating the complex system of second- and third-tier recoverable and non-recoverable assistance. It would also, most importantly, reduce the significant frustration felt by vulnerable New Zealanders and enable better levels of support.

In conclusion

The Church Leaders:

- 1** Seek input into policy and programmes that support New Zealanders making significant permanent changes to work and careers because of Covid-19 outcomes to our economy, including retraining and psychosocial support.
- 2** Seek to work with Government and other agencies to make available and promote access to psychosocial services for those affected by the health or economic effects of Covid-19.
- 3** Recognise that benefit levels are not meeting basic needs and need to be lifted. Simplifying the complex welfare system by addressing base-benefit levels will reduce the need for additional assistance.
- 4** Wish to continue the dialogue with Government about addressing food insecurity.
- 5** Encourage Government to continue to push forward in applying a wellbeing approach to better integrate social, economic and environmental dimensions to grow inter-generational wellbeing and resilience.

Church Leaders' Position Paper on Housing

Aligned Values

Housing is central to wellbeing in our communities. For people of faith, the home is a place where the foundational relationships of love, care and support are lived out. The Government's vision for wellbeing to be at the heart of social and economic policy is clearly aligned with this perspective. This vision for a fair society sees the 'responsibility of the State as providing for a just sharing of society's wealth and resources. This includes adequate income for everyone, fair taxation policies, access to good health care, affordable housing and living sustainably. These are not privileges but part of the common heritage of humanity' (Church Leaders Statement 2011).¹ Homes are literally the place where we stand and put down roots that help people and communities to thrive. As the Chief Human Rights Commissioner Paul Hunt has noted, there is still much work to do to embed the *Right to Housing*, along with other social rights, in legislation and housing policy in this country.²

Covid-19 Context

The push to house people during the Level 4 lockdown was a commendable achievement. It has been a good example of radical action to deal with homelessness that previous administrations failed to address. The Government acted decisively and achieved good outcomes. It is our hope that similar decisive action across the entire systemic housing crisis can be nuanced and planned as efficiently.

That noted, there were a number of problems that require addressing. The situation, for example, of people already in overcrowded, insecure, transitional or emergency housing during that time was often very difficult. These were not always healthy environments. Some households experienced an increase in stress, tension and family harm, so some houses became unsafe places to be in, with little recourse for outside help and support.

Furthermore, there are many homeless families who simply moved in with relatives or were housed in temporary situations in motels, and people are now staying longer in transitional and emergency housing. New Zealanders who are returning to the country with higher incomes and more assets than existing home seekers, are taking up some of the available private housing. The high demand, in part, is pushing up the cost of rentals and homeownership exponentially, increasing housing unaffordability.

Progress Welcomed

Church Leaders welcome the progress that has been made by the Government since the February 2019 meeting:

- The increase in public housing through the Kainga Ora building programme.
- The positive impacts on communities through the increased transitional housing and Housing First programmes.
- The release of the Homelessness Action Plan in February 2020, with the clear goal of preventing homelessness where possible, is rare, brief and non-recurring.
- The announcements of funding for progressive home-ownership schemes including shared equity and rent-to-buy.
- The healthy homes standards which have come into force and the changes to the Residential Tenancies Act.

Addressing the Housing Continuum

The Church Leaders are concerned that in response to the affordable housing supply problem, the majority of the building response is being carried out almost entirely by Kainga Ora and private developers, and focuses primarily on one tenure type. It is not addressing the systemic problems across the housing continuum that include the homeless, renters, homeowners and not-for-profit community housing providers. A balanced portfolio of building must include the third sector of community providers and address the alarming reduction in homeownership and the growing inequalities resulting from it. Furthermore, it is our view that the Government's redevelopment agenda should have regeneration and community revitalisation as a primary focus, not simply building to scale.

The six key recommendations relating to housing (Recommendations 29-34) in the Welfare Expert Advisory Group's report 'Whakamana Tangata' calls for this same balance. There is a need for a comprehensive house building strategy that includes public, community sector and private housing provision, with a balanced range of affordable tenure types. Overall, we need progress to be made in all parts of the housing spectrum.

The Under-recognised Capacity of the Third Sector

The capacity of community housing providers to add substantial value and scale to the current house building programme is not being recognised adequately by the Government. There is a developing sense of despondency in the sector because of the minimal response to partnership from Government. The investment from Government is going almost entirely into private sector developers and only minimally to not-for-profit community housing providers.

The Church Leaders wish to remind the Government that there is ample evidence of the success and large-scale housing development carried by third sector providers³ throughout the world, not the least being the Housing Associations in the UK, which their Government invests heavily in. The myth that community

providers cannot build to scale has no basis. In a well-balanced housing policy, the investment needs to go into the private and the tertiary housing sectors so that both can increase their capacity. Currently, community providers building 300 houses⁴ could increase their capacity to 1000. That experience can then in time lead to multiple 1000s.

Churches and others in the community sector are willing to provide land and investment, but not if the developments are simply controlled by Kainga Ora and handed over to private developers. The sector can also leverage investment finance as Community Finance is doing from private investors. Forty million dollars was raised for a Salvation Army development project late last year and a further \$100 million is being raised currently for another project. All the profits from tertiary sector housing organisations are reinvested in housing. They also provide a range of secure tenure options and pastoral care when tenants and/or owners get into financial or other difficulties.

Balancing Tenure Provision and Reducing Inequalities

In the current housing crisis, we need a state house building programme of course, but to place 95 percent of the eggs in that basket will not address the systemic housing problem we have. New Zealand needs to develop secure housing rental and ownership options. The only way people in the lower third of household incomes build an asset is through equity in a house in our democracy.

It is alarming that Māori homeownership has dropped below 30 percent and Pasifika below 20 percent, while Pakeha/European ownership sits above 50 percent.⁵ This is creating terrible inequalities and working against progressive policies to create equality in education, health, employment and so on. International assessments of equality measure both income and wealth (assets).

Post-WWII, New Zealand Governments, both Labour and National, provided large scale homeownership options alongside their development of state houses. These included capitalising the Family Benefit, State Advances and Māori Affairs low-rate fixed interest loans. The programme was initiated by the first Labour Government and recent research⁶ shows that from 1960 to 1986 New Zealand Governments invested on average \$1.5 billion (2017 \$ value) per annum in these ownership options. This included the Kirk and Rowling Governments.

The Progressive Home Ownership scheme is welcome, but only a proportion (well under half) of the promised \$400 million, has been spent. The amount set aside in the first place is way below the scale needed to address our current cultural inequities and too low to address the needs of younger cohorts needing shared equity, rent-to-buy, deposit help, low fixed-rate loans, etc, to gain a place on the ladder. Our superannuation rates were set at a time when it was assumed older people had been able to pay off their mortgages or they had a state house for life. The stress on older people renting today will grow exponentially if it is not addressed.

Housing Support Assistance

The Welfare Expert Advisory Group made a series of practical recommendations to change housing support assistance (including the Accommodation Supplement [AS]) and abatement rates in a way that makes sure lower income households are better off. A recent paper⁷ addresses a responsible way of redirecting AS for higher income renting households into progressive home ownership. This is estimated to release over \$500 million per annum for expenditure on new, affordable homes.

Church leaders urge Government to make progress to improve the AS, including associated abatement rates, and other housing-related income support so that it is better designed to respond to family/whānau situations and make it easier for people to transition into part-time or full-time employment.

In Conclusion

The Church Leaders are requesting:

- 1** A long-term balanced policy approach to the systemic housing crisis we are currently experiencing. The problems at the bottom end of the housing continuum have been in large measure created by the pressure coming from the other end as home ownership has reduced, and renting has increased.
- 2** That because the third sector in housing needs help to build capacity, the Government partner much more with community housing providers and share the development investment with them. The tertiary sector will add value and bring further land and private sector investment to the table in response.
- 3** That government commit to a balanced tenure policy of social housing, secure renting and affordable homeownership options in new developments, and in doing so provide a range of homeownership products with access for lower-income households currently squeezed out of the market and prioritised access for Māori and Pasifika households.
- 4** That housing support assistance, particularly the AS and the associated abatement rates, are reviewed to ensure lower income households are realistically better off and able to afford their essential housing costs.

Endnotes

- 1** Church Leaders' Vision for a Fair Society, 30th October 2011 <https://nzccss.org.nz/publications/other-organisations/>
- 2** Hunt, P (2019) The Human Right to a decent Home, speech at the Shift Aotearoa Conference in 2019 on new knowledge for housing action. July 2019. <https://www.hrc.co.nz/news/paul-hunt-human-right-decent-home/>
- 3** Welfare Expert Advisory Group (2018) Welfare and Housing Interface: Evidence and policy options – Background paper <http://www.weag.govt.nz/assets/documents/WEAG-report/background-documents/5327c4530e/Welfare-housing-interface-evidence-010419.pdf>
- 4** New Zealand Housing foundation <https://www.nzhf.org/our-homes-and-communities/>
- 5** Johnson, A., Howden-Chapman, P. and Eaquad, S. (2018) A Stocktake of New Zealand's Housing. Wellington: New Zealand Government
- 6** Prepared by K Saville-Smith from successive annual reports and New Zealand Official Yearbooks in K. Saville-Smith (ed) Revitalising the Production of Affordable Housing for Productive, Engaged & Healthy Lives: Integrated Report, 2019.
- 7** Saville-Smith, K and Michell, I (2020) Accommodation Supplement: High Expenditure, Low Efficacy. *Building Better Homes Towns and Cities National Science Challenge*. https://www.buildingbetter.nz/publications/homes_spaces/Saville-Smith_Mitchell_Dec2020_accommodation_supplement_high_expenditure_low_efficacy.pdf