



COVID-19 Social Impact Dashboard

27 November 2020

Ki te kotahi te kākaho ka whati, ki te kāpuia, e kore e whati *(by King Tāwhiao Nā Kīngi Tāwhiao tēnei tongi)*

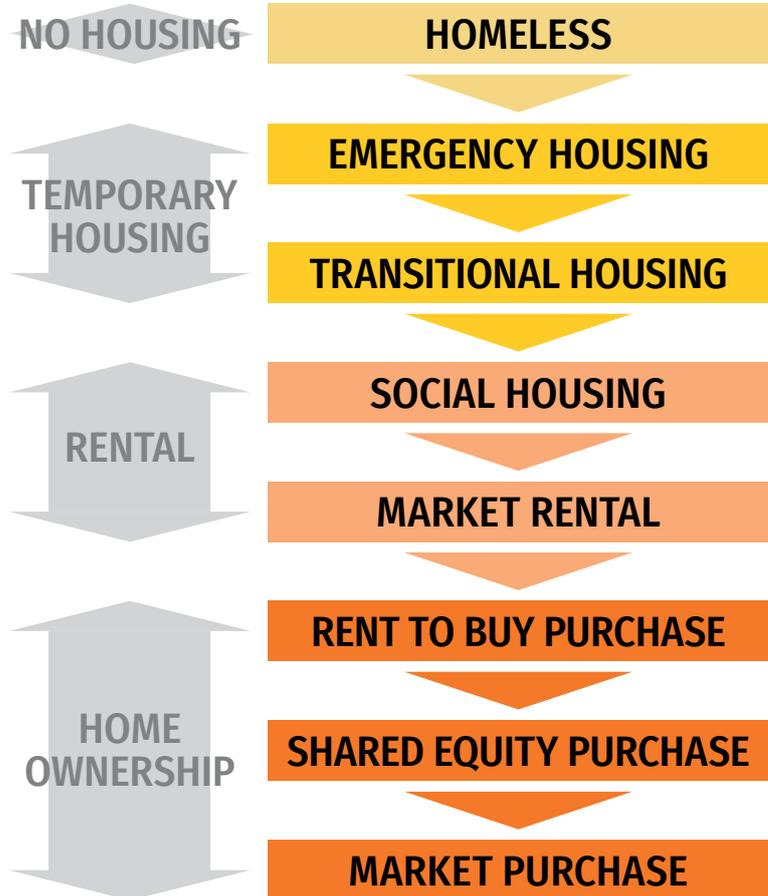
This is our sixth and final Covid-19 Social Impact Dashboard for 2020. It has been both disturbing and illuminating for us to provide these Dashboards as a social commentary of the impacts of Covid-19 on communities since early April 2020. As we produced these reports, we have been aware of the huge uncertainty, anxiety and loss that people have experienced but, despite this, we have been overwhelmed by the resilience of and community spirit in our nation during this period. It has been a blessing for The Salvation Army to observe and participate in providing food parcels, supporting of migrant workers and also to hear of neighbours looking after each other and numerous other community responses to this pandemic. This suggests the whakatauki (proverb) above, translated: **If there is one toetoe stem it will break, but if they are together in a bundle, they will never break.** Unity and community resilience are crucial as the new government forms, and as we deal with the long tail of social and economic damage of Covid-19.

This final Dashboard has two main purposes: first, it will provide another update as at November 2020 on the key social progress areas we have tracked for the last eight months: food security, financial hardship, addictions, housing, and incomes and employment; second, we have also added an additional section on **crime and punishment** to give some commentary on these issues. Specifically, this edition focusses on housing, particularly the challenges around the ‘sharper’ end of the housing continuum—homelessness and emergency, transitional and social housing. The second purpose of this Dashboard is to act as a briefing to the new Government. The proverbial dust has settled, and the new Government is moving ahead with their policy agenda. In this context, we propose some specific policy ideas and positions to contribute to the public discourse. And we invite all and any government ministers and MPs to engage in real dialogue with The Salvation Army, especially as we serve in our communities and work towards our mission of **caring for people, transforming lives and reforming society by God’s power.**

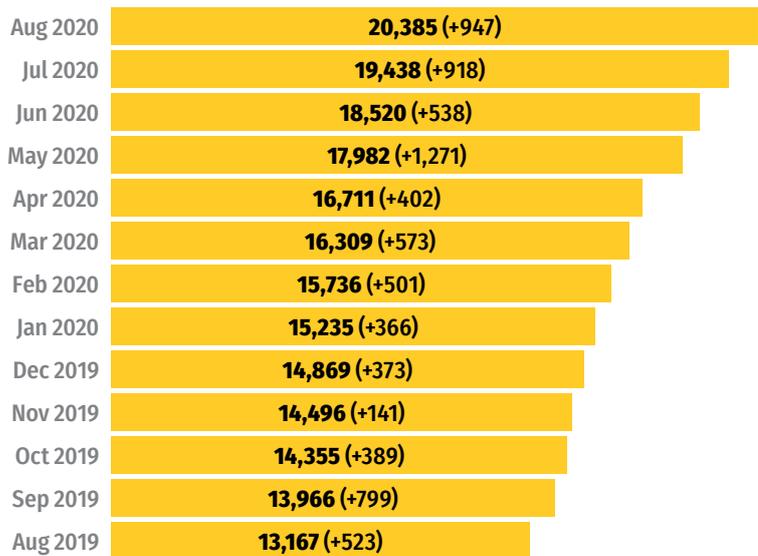
SPECIAL SPOTLIGHT: HOUSING

There's a popular and quirky saying used today about tackling massive issues, goals or problems in life or society: **How do you eat an elephant?** The basic answer is: **one bite at a time!** A key message behind this peculiar, yet insightful, question is that multiple 'bites' or actions and activities are all needed so they will cumulatively lead to positive outcomes, which in turn will help to achieve this massive goal or address this major issue. The housing challenges in our nation are a gigantic elephant. There are many people that are all taking bites—Government, community housing providers (CHPs), builders, developers, local councils and numerous others—all trying to achieve this huge goal of solving the housing crisis in our nation. There are several actions and activities (as well as policies, strategies and plans) being undertaken. But for many New Zealanders at the 'sharper end' of the housing continuum—particularly those who are homeless and sleeping rough, or living in motels, transitional, social and unaffordable private rental housing—it often seems their outcomes are not improving as much as we want or hope. The elephant here is massive. The activity is plentiful. But it is questionable as to whether many of these actions are creating better outcomes for people and whānau. And now with the significant social and economic impacts of Covid-19, eating this housing elephant has become even more difficult. This Housing Spotlight section highlights some key information in the housing space and offers some potential ways forward.

Simplified Housing Continuum—Developed by Social Policy and Parliamentary Unit in 2019



Applicants on the Housing Register



Housing continuum

The Salvation Army is primarily involved at the ‘sharper end’ of the continuum; for example, we provide various services to the homeless and rough sleepers, we also provide transitional and social houses throughout the country, as well as housing and support services for those leaving prison. We are also a registered CHP and, finally, we have also been actively advocating for the last two to three years through the KiwiBuy initiative (with other CHPs) on greater progressive home ownership and shared equity schemes to increase pathways to home ownership for New Zealanders.

The Sharper End

The Social Housing waiting list continues to quickly climb, reaching over 20,000 applicants in August 2020. Since April 2020—essentially over the main Covid-19 lockdown periods—over 3600 new applications were added to the waiting list. This is a 22 percent increase since our first Dashboard in early April 2020. Nearly half of these applicants are Māori, and 12 percent are Pasifika, clearly showing their disproportionate representation on this waiting list. These increases, particularly in Auckland, Waikato and the East Coast, indicate housing stress and likely unaffordable private rental in these areas. The Salvation Army commends the high volume of activity in this space, especially around house building. But these numbers and the realities they represent are very worrying. We work with many of these people through our various Christian spiritual and social services.

Homelessness

There is a lot of activity in terms of homelessness and rough sleeping. We acknowledge the positive work done by the Government and community groups during the level 3 and 4 lockdowns to house these people in temporary accommodation. But that was only temporary, and long-term solutions are needed. The Government released their Homelessness Action Plan in February 2020. But many of the short- to medium-term actions in this plan were brought forward because of Covid-19. The Salvation Army has engaged with this plan as it moved forward, specifically around requesting better data around Pasifika peoples and youth, greater support for CHPs working in this space, and uncovering the hidden homelessness and overcrowding situations prevalent during the main Covid-19 lockdowns.

FROM THE FRONTLINES

- **Salvation Army Community Ministries** *We're seeing more people who are homeless and sleeping rough front up to our Community Ministry centres. They want/need the 'normal' stuff like food, a shower, etc. We're receiving reports of visible homeless people in South Waikato, Rotorua and the major cities. This is probably because the weather is improving, and the Covid-19 restrictions have lifted. It is important we don't lose the gains obtained during Covid-19 around homelessness. We need to keep the momentum up and gain permanent solutions for them.*

Case Study: risky housing being offered in the community

For the last two to three years, The Salvation Army has been working with residents of a boarding house-type of residence in Auckland. We consistently raised serious concerns with the Ministry of Social Development (MSD) about the safety and quality of the housing provided by this company. Primarily, we believed MSD had a duty-of-care to these residents, because MSD welfare payments were used to pay the rent at this location. But this type of housing and organisation falls into a grey area within housing policy, because they are registered as a business, and they are not a registered CHP. Yet, they effectively function as a housing and social service provider. MSD has at different times engaged with us in this process which has been very positive. However, the alarming development is that in the last few months during Covid-19, this organisation has moved from a single location, to

having five to six different houses in local communities. In our view, these highly vulnerable residents are essentially ‘off the radar’ now and divorced from our community support services. To compound this, we have recently had other reports, mostly in Auckland, of other very risky forms of temporary emergency and boarding housing, especially during and after the main Covid-19 lockdowns, where several clients with complex and vulnerable needs were located together and often in unsafe living situations. Who is properly monitoring these housing options? What is MSD’s duty-of-care to these residents? What policy changes need to happen to limit the vulnerability of these clients?

GOVERNMENT RESPONSES TO THIS SHARPER END

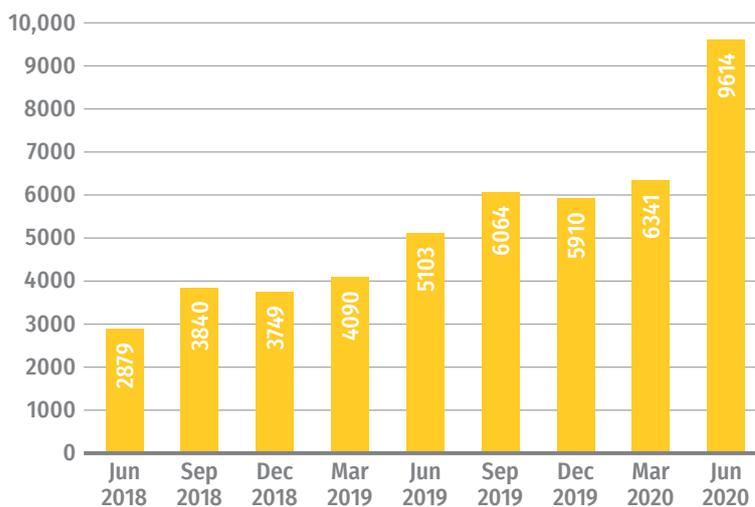
The Emergency Housing Special Needs Grant (EHSNG), usually given to help pay for short-term accommodation in motels and other temporary housing, has increased dramatically since March 2020. The impact of Covid-19 is clear here. In the quarter ending June 2020, 38,883 EHSNGs were paid out to 9614 clients, totalling \$79.3 million.

Government has also increased its Sustaining Tenancies work with some good success. This programme funds community-based providers to support individuals and whānau who need help to sustain their tenancy and address issues putting their tenancy at risk. This aims to cut the amount of tenants who lose their tenancies and wind up homeless and/or without other good and safe housing options. The Salvation Army is one of these providers. This work is intense and challenging, especially with tenants who have complex needs.

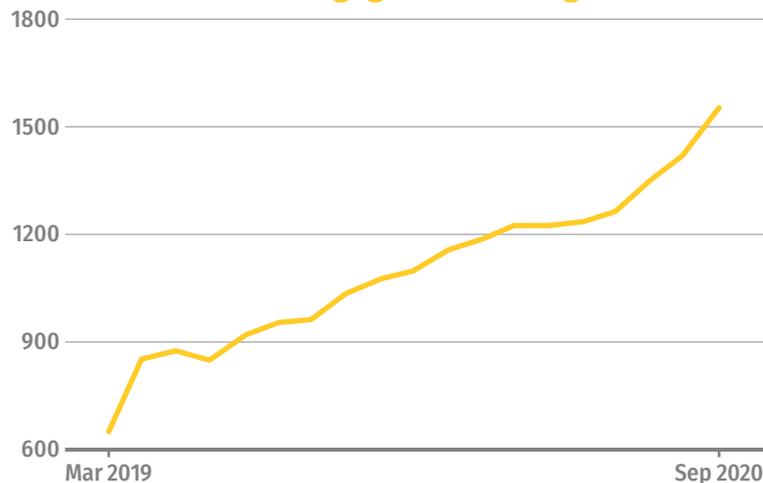
The Housing First programme continues to achieve some good results around the country. There has been a surge of households engaged with the programme, especially over the eight-month period we have produced these Dashboards. In our view, the critical success element of this programme is the ability for these providers to provide strong mental health, addictions, and other social and Christian spiritual support to these tenants.

Another response or action is transitional housing. In the quarter ending June 2020, there were 3234 transitional housing places across the country. There are significant pockets of transitional housing in Auckland, East Coast, Wellington and Canterbury. The Salvation Army works with over 1000 clients in the transitional houses, where we provide services. Over half of these clients have children. Again,

Number of clients who received one or more Emergency Housing Special Needs Grants (quarterly)



Households Engaged in Housing First



Source: Ministry of Housing and Urban Development

Māori and Pasifika are disproportionately represented in our transitional housing numbers, with nearly 50 percent being Māori. The housing options these people transition to are varied. Most are moving on to either private rental housing, or government social housing. Some move back with friends and family, while many leave the service voluntarily. The key is to ensure that this type of housing is temporary and that clients are moving on to more permanent, stable and affordable housing options.

OTHER PARTS OF THE CONTINUUM

One area we believe requires more focus is the housing options for those leaving prison. The Salvation Army provides these reintegration and post-prison support services, particularly in the South Island. For NGOs like us, functioning within the private rental and housing market is extremely difficult and restricts the transformative change we are aiming for.

FROM THE FRONT LINES

- **Salvation Army Reintegration Services, prisoners reintegrating are invisible people** *Hard to source houses because paying market rents, so landlords either abusing the system and/or renting to mothers/kids because it 'looks' better for them. Having to pay market rents really cuts and limits the wraparound support we can give them. Often nowhere else for them to go to because of their records.*

Also, a few weeks ago, there was a housing-specific briefing to the various Ministers with housing portfolios from The Salvation Army. That paper focussed on: the sudden increase in New Zealand's population due to the Covid-19 shutdowns; new house building not matching population growth; interest rate-fuelled house price inflation exacerbated by actions of the Reserve Bank; and the 'stalling' of the private rental housing market. While that paper was more of a macro (big picture) view, it did highlight the stress and complexity right across the housing continuum.

Moving Forward: Briefing to Government

There are many existing targets, strategies, plans and actions already in place from Government (and other stakeholders) across the continuum. And all these bites or actions are needed to work effectively, so that meaningful transformation can happen for Kiwi trying to address or solve this housing crisis elephant in our nation. To close this very complicated section, we propose the following ideas or positions:

- **CHPs and iwi-based innovation** Government should provide more meaningful support to both CHP and iwi/hapū-based housing initiatives through the provision of capital grants and by providing them with access to Government-owned land and development opportunities in Kainga Ora's urban redevelopment projects. We specifically note that CHPs cannot readily access the Kainga Ora support or the Residential Development Responses Fund. We believe that this must change so CHPs can contribute more to the housing challenges in our communities.
- **Risky housing options in the community** To our knowledge, there are several risky housing models emerging in our communities, working in isolation from the government support and regulatory systems. These options are creating more risk to an already vulnerable population. These options must cease operating, or they should be brought under MSD and HUD monitoring as their duty-of-care to these residents. A more robust review of boarding houses and similar housing options is also urgently needed.
- **Reforming housing assistance** Temporary additional support and emergency housing grants are a form of band-aid, on the band-aid of the Accommodation Supplement. This system has become

ad hoc and administratively complex, while creating uncertainty and poverty traps for recipients. Fundamental reform of housing assistance programmes is required to address these failings.

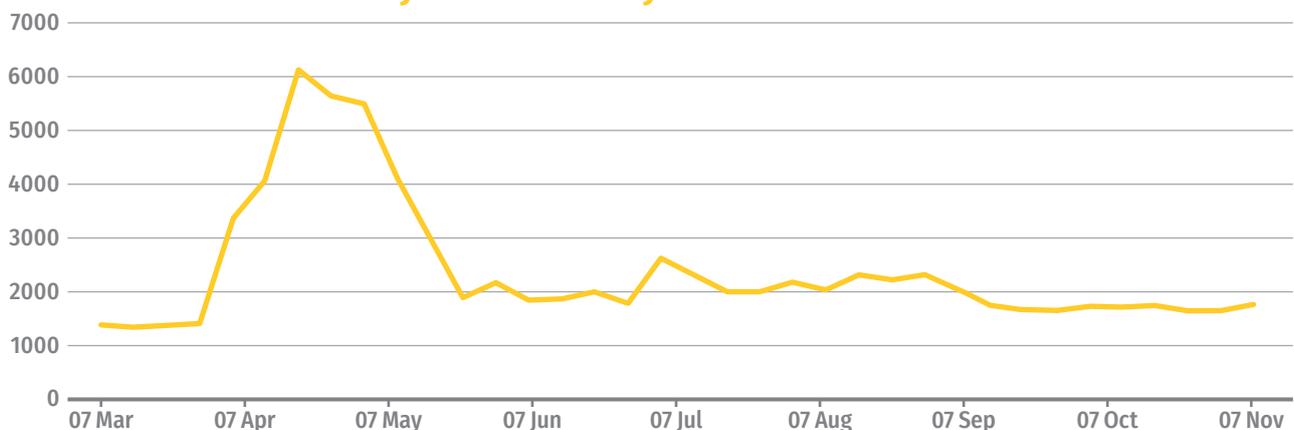
- **Urban regeneration and revitalisation, NOT redevelopment** Greater community involvement is needed in the redevelopment projects Government is undertaking around the country. Specifically, more work is needed to stop any unnecessary gentrification by providing home ownership pathways for locals to purchase homes in their own local communities and ensuring social housing tenants are re-housed effectively into their new homes within their local communities.
- **Extend Housing First and Sustaining Tenancies programmes.**

FOOD SECURITY

Data

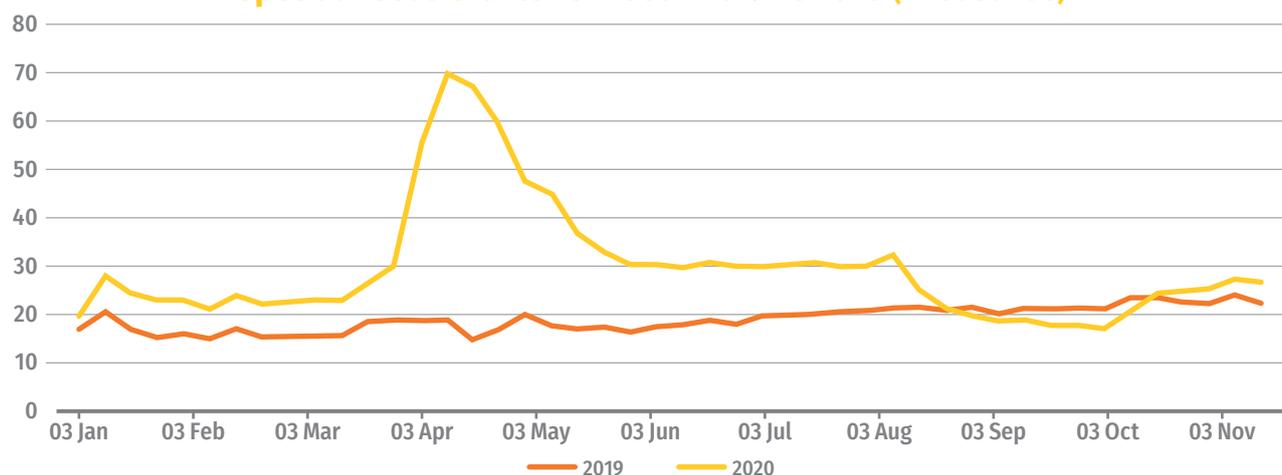
Food parcel distribution for The Salvation Army has slightly decreased since the release of our last Dashboard, from 1794 (30 June) to 1768 (7 November). Food parcel distribution is still 30 percent higher than pre-Covid-19 levels. Food parcel distribution, ending in December, shows an annual increasing trend: in 2018 by 12 percent and 2019 by 15 percent compared with the previous quarter. We are anticipating the same trend in 2020, with higher increases due to the ongoing impacts of Covid-19.

Salvation Army National Weekly Food Parcel Distribution Total



The Special Needs Grant (SNG) for food by MSD has decreased by 11 percent from the end of June 2020 to start of November 2020. However, SNGs for food are still higher than for the same period in 2019. Despite the value for SNG's for food increasing by 115 percent, from \$14.6m to \$31.4m in the past two years, there has been minimal change in the average value of SNG's for food, despite the food price index increasing by 5.1 percent, from September 2018 to 2020. The Visitor Care Manaaki Manuhiri support for foreign nationals run by the Red Cross will end on 30 November. The programme has helped nearly 12,000 people, including distributing more than \$7.5 million in food vouchers in just over four months to early November. The Government has now changed its approach and announced that migrant workers will now be allowed to apply for an emergency benefit from MSD, a belated but welcome response that community groups were calling for more than six months ago.

Special Needs Grants For Food—2019 vs 2020 (Thousands)



Responses

MSD has allocated \$2 million in funding to support 135 community providers who are transitioning from the Civil Defence Emergency Group support. MSD has also allocated \$21 million under the Community Food Response Grant Funding to support 131 community providers over the next two years. In addition to the funding provided for community providers, MSD is also partnering with three national partners to build sector capacity and capability: New Zealand Food Network launched in August, which will be for bulk food storage and distribution; Aotearoa Food Rescue Alliance, which was expected to launch in October and will support food rescue; and Kore Hiakai Zero Hunger Collective, which provides support for community providers. Ka Ora, Ka Ako the healthy school lunches programme run by the Ministry of Education in September 2020 has served over 1 million lunches in 64 schools to over 13,700 students. At the start of Term 4, another 161 schools have started serving lunches, and an invitation has been sent to 640 schools to be a part of the programme in 2021.

FROM THE FRONTLINES

- **Queenstown Salvation Army** *We are still seeing many first-time requests for food assistance, again the large portion of these requests are coming from our migrant population.*
- **Whangārei Salvation Army** *When we were able to go further than Whangārei our eyes were opened. Covid-19 highlighted the real poverty that already existed. We have an established Foodbank in Waitangi and we also have a start-up foodbank in Kawakawa.*
- **Manukau Salvation Army** *People that have lost their jobs or lost hours at work and are trying to stay on top of their rent and other bills. For the majority of the families we are seeing that often means they just will not have enough money left for food for the week. Another large group we are seeing come through our doors are grandparents who get left with their grandchildren, but because they are not the legal caregivers, they are unable to access extra benefits from WINZ for the children.*

Moving Forward: Briefing to Government

The Salvation Army welcomes the funding from MSD in supporting local community providers, particularly as the Covid-19 Income relief Payment (CIRP) has ended and there will be a growing demand for food which will continue to increase in the coming months. The increase in capacity and capability to rescue and distribute food to communities in need will alleviate many of the immediate food hardship.

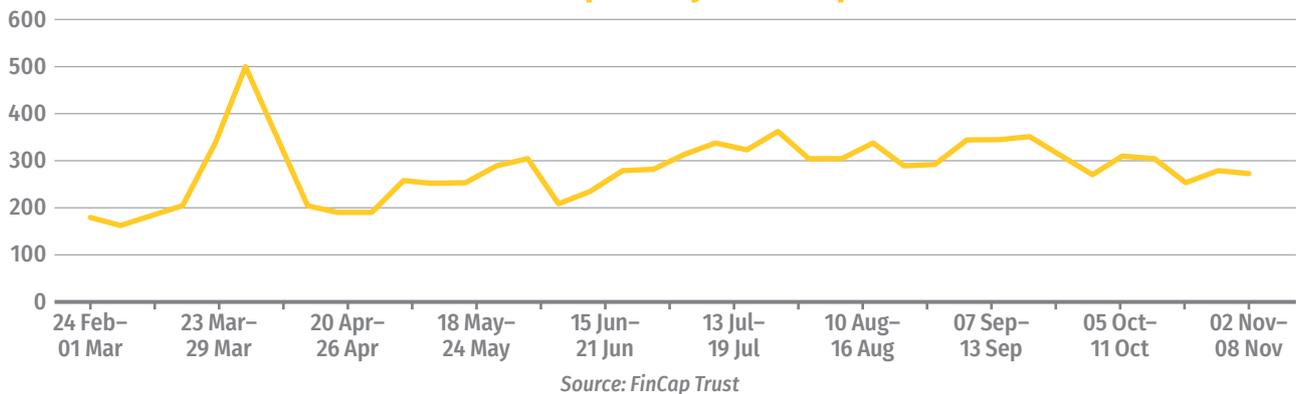
- **Empowering people and whānau** However, we continue to stress that long-term change that empowers communities should look towards a model where they are not dependent on foodbanks but are in a position of self-sufficiency. Despite the success of the Ka Ora Ka Ako programme there needs to be

more collective support for the family, as well as lunches in schools, to be self-sufficient as children only spend a fraction of their day in school.

- **Raising core benefit levels** One of the key underlying causes for food hardship in communities is the inability to meet financial demands. The increasing living costs and loss of employment and income result in not having enough money for food. The Salvation Army together with other NGOs, called for benefits to be increased before Christmas to alleviate the hardships many are facing. The current benefit levels are not adequate for families to put nutritious daily food on the table.

FINANCIAL HARDSHIP

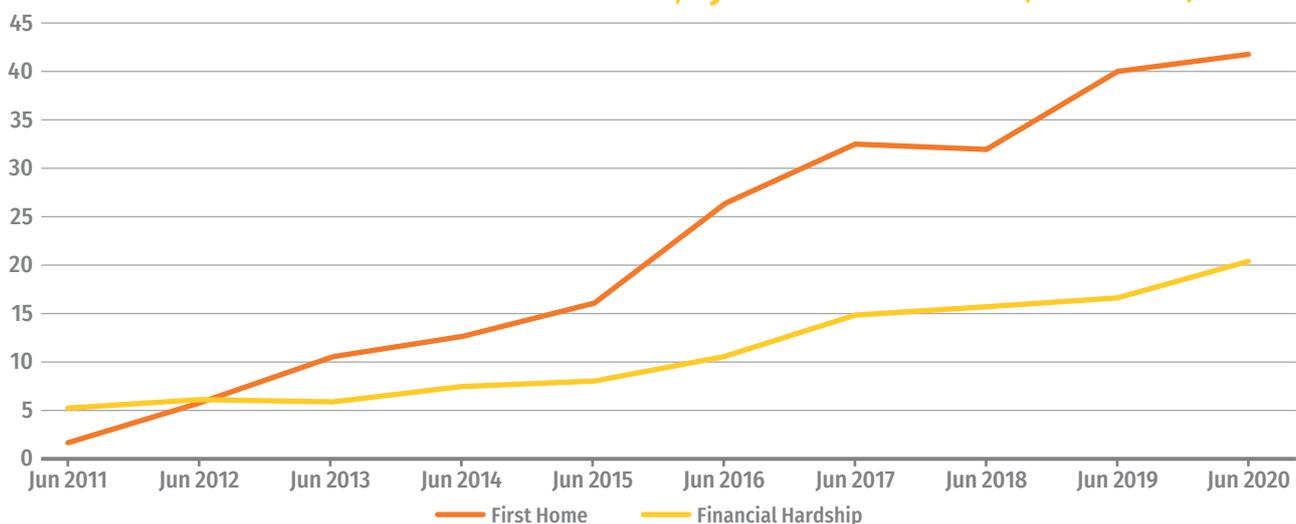
Calls to FinCap MoneyTalks Helpline



Data

Covid-19 has increased financial hardship for people and families in numerous ways. There are two to three indicators, we have tracked over the last eight months in this section of the Dashboard to try and measure this increased hardship. Calls to the MoneyTalks Helpline run by FinCap Trust have levelled off, and even decreased slightly since our last Dashboard in July 2020. There has not been a return to the spike felt in mid-April. But the calls have been steady at around the 300-plus mark since June. In terms of KiwiSaver withdrawals for hardship, there has been a slight increase since our last Dashboard, with 2010 members withdrawing funds for financial hardship in September 2020. This is a 30 percent increase since September 2019. However, when you look at the pattern of withdrawals since 2011, as outlined by the Inland Revenue

Number of KiwiSaver Fund Withdrawals, by Withdrawal Reason (Thousands)



Department's statistics, withdrawals for first home purchases and for financial hardship have followed a similar pattern, but withdrawals for hardship have steadily increased since June 2019. During this Covid-19 period, hardship withdrawals increased in June, but have declined slightly since then. With the end of both the original wage subsidy and the 12-week Covid-19 Income Relief Payment just before Christmas, The Salvation Army expects a 20 percent increase in demand for food and gifts in this period, especially as more New Zealanders face serious financial hardship in this economic recession.

Responses

In previous Dashboards, we have highlighted the Government's significant funding boost from Budget 2020 for the Building Financial Capability (BFC) sector. Again, this increase is extremely helpful. But this funding lift does not undo previous years of limited funding. Furthermore, this funding must become permanent and embedded in the baseline funding of these frontline budgeting and financial mentoring services. This is even more crucial given the financial pressures and hardship people will face as the economic impacts of Covid-19 roll out. In this context, the Government has signalled some far-reaching reforms of the BFC sector. We find the timing of this shift very strange, especially as the sector went through major reforms five years ago. The Salvation Army continues to advocate for a collaborative and client-centred approach where the frontline budgeting services truly help co-design these new reforms.

From the Frontlines

Our first Dashboard was released on 9 April. Since then, over 3500 new budgeting cases were started by the public with our budgeters between 09/04 and 20/11. This is on top of the 8819 open budgeting cases throughout the country. Over 5300 face to face budgeting sessions were delivered to clients, mostly when the lockdown restrictions were lifted. In this same period, the total debt presented by these clients (for both open and closed cases) was a staggering \$54,682,772.63 (which includes mortgages, payday loans, etc). The sheer scale of the debt and number of clients our frontline mentors are working with is immense and extremely challenging for frontline budgeting and financial mentoring services. Additionally, our Community Finance and Good Shop vans (Porirua and South Auckland) have continued to operate during this period. But the lockdowns, advertising and promotion of these services remains problematic for us. In the end, our people and staff at the frontlines of financial hardship are tired, stretched and face increasingly complex and dire situations with their clients.

Moving Forward: Briefing to Government

The Salvation Army proposes these policy ideas and positions which we believe will help with the amplified financial hardship we are seeing. They are obviously not the only considerations moving forward, but we believe these can contribute to an ongoing conversation with the Government and other key stakeholders to address strong solutions. We invite the ministers of Commerce and Consumer Affairs, Social Development and other relevant departments to keep working together with the BFC sector and The Salvation Army in this crucial work.

- **Embed, monitor and review the recent Credit Contract and Consumer Finance Act (CCCFA) amendments**
This is vital, especially around the interest rate cap mechanism in the CCCFA. There has been good progress here. But as a nation we need to capitalise on this momentum.
- **Debt collection legislation** We have, with many others, consistently advocated for stronger regulation around debt collection practices in New Zealand. Vulnerable consumers need greater protection here.
- **Greater investment and innovation in access to ethical credit** We acknowledge the Safer Credit and Financial Inclusion Strategy (SCAFI) work that Ministry of Innovation and Employment (MBIE) and others are undertaking; however, we urge the Government and key community actors to strengthen existing ethical lending options like Nga Tangata Microfinance and our Salvation Army Community Finance Loans

and Good Shop vans. But more is needed in this area, especially as a deterrent to people in financial hardship borrowing from predatory lenders.

- **Monitor new and emerging issues in the BFC space** In this recession environment, our communities are ripe for new forms of predatory lending and financial sharks. We have noted increases in people presenting with issues around cryptocurrency schemes, payment protection insurance, car loan issues, etc, monitoring is key.

ADDICTIONS

Data

Department of Internal Affairs (DIA) data shows a significant drop in gaming machine proceeds to the end of June 2020 year as a result of the lockdown. The DIA data also shows that gaming machine proceeds (or losses) continue to come significantly from deprived communities and from Māori and Pasifika peoples. According to Statistics New Zealand, alcohol consumption was down for the June 2020-quarter against the same quarter in previous years, likely reflecting the impact of the lockdown.

FROM THE FRONTLINES: ALCOHOL AND OTHER DRUGS

- The number of people receiving alcohol and other drug treatment has fluctuated over the Covid-19 period, with a significant drop in the numbers accessing treatment during lockdown, but this has stabilised at around the same levels as before Covid-19.
- Anxiety and mental health issues have been more elevated as a result of Covid-19—especially, but not only, during lockdown.
- The value of ‘peer support services’ was highlighted during the lockdown, and the capacity to deliver these services online was particularly helpful. However, an inequity of individual and organisations’ online capital was evident.
- Our Salvation Army services nationally are noticing an increasing prevalence of the use of the drug GHB (gamma-hydroxybutyric acid). This mirrors reports from the Drug Information and Alert New Zealand (DIANZ) that more and more people are reporting to Emergency Departments with GHB overdoses, particularly in the Wellington region.

FROM THE FRONTLINES: GAMBLING

- In figures released this week, the DIA reported a 116 percent increase on the June quarter, amounting to \$130,661,758, which was directly linked to the end of Covid-19 restrictions. A DIA spokesperson said the September quarter figures were higher than any of the June quarter figures for the past five years, and were linked to regained access to class four (pokie machine) venues when lockdown ended.
- A general increase in client engagement immediately post-lockdown, but now seems to be back to normal.
- Use of technology is increasing post-lockdown for clients addressing gambling harm, who are having phone or video counselling sessions and employing blocking tools for online gambling. This is in conjunction with a significant increase in online gambling.
- A significant increase in gaming machine use was reported post-lockdown but may be returning to somewhat ‘normal’ levels now.
- Active clients report that advertising is prolific and intrusive from online gambling sites, and is triggering a desire to gamble.
- Have noted more mental health concerns starting to arise in clients and expect this will continue into next year.

Moving Forward: Briefing to Government

- **Digital resources** Invest significantly into digital technology and resources for the gambling harm sector to engage gamblers on the same medium they are choosing to gamble on—gambling apps, web-based e-gambling help resources. This to combat the prolific use of technology by gambling industry.
- **Regulate online gambling** Develop significantly stronger regulations around forms of online gambling to prevent the increasing levels of gambling loss created by the surge in this form of gambling as a result of Covid-19.
- **Decriminalising cannabis** Develop a robust policy that decriminalises cannabis for personal use, increases support and availability of prescribed medicinal cannabis and increased treatment options.
- **Early intervention** Investment in more early intervention and public health alcohol and other drugs (AOD) services along with mental health worker support for NGO AOD treatment providers.

INCOME SUPPORT & EMPLOYMENT

Data

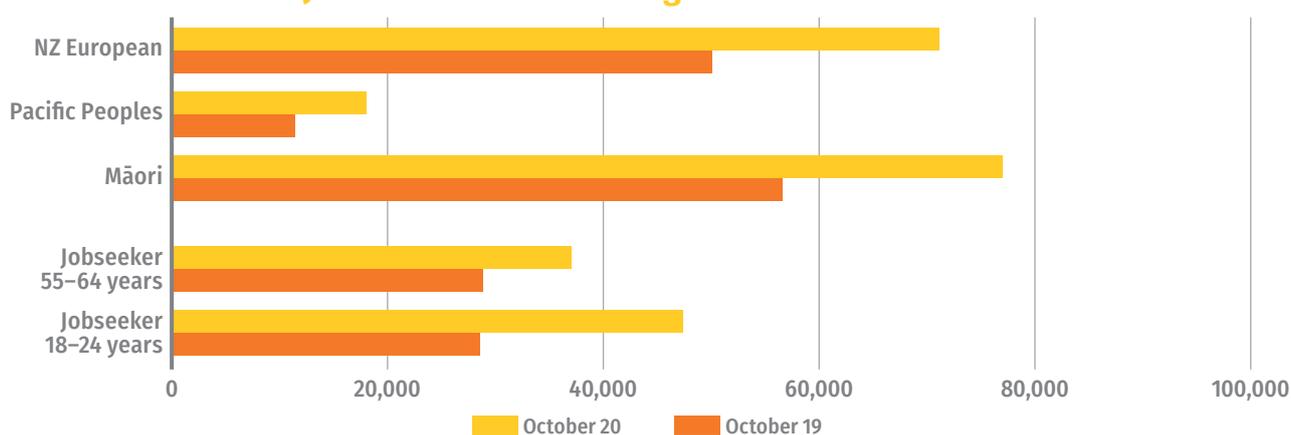
Since the end of July, a roll call of Covid-19 income assistance ended or is about to end:

- Wage Subsidy and extensions: mid-September
- Rent Freeze: 25 September
- Winter Energy Payment: 1 October
- Covid-19 Income Relief Payment (CIRP): last applications 13 November
- Visitor Care Manaaki Manuhiri: 30 November.

None of these programmes has been extended (although migrant workers will be able to apply for the Emergency Benefit after the end of November to replace the Visitor Care Manaaki Manuhiri programme, as mentioned in our Food Security section above) because the Government believes the economy is doing [‘better than expected’](#) at the moment. This is despite September seeing the biggest quarterly increase in unemployment since 1986, rising by 37,000 to 151,000. The number of people receiving Jobseeker unemployment benefit has also increased nearly 60,000 since the end of February, to peak at just over 204,000 in September, a 41 percent increase in six months.

So, better than expected means not as bad as the September pre-election forecasts from Treasury. Jobseeker numbers have not changed significantly in the eight weeks since mid-September and CIRP uptake has been much lower than expected as well, peaking at just under 25,000 in August. The ending of the Wage Subsidy extensions have not been followed by an immediate increase in people on the Jobseeker benefit.

Jobseeker Selected Changes Oct 2019–Oct 2020



But it is hard to see these figures as good news, when MSD forecasts are that another 70,000 people will be on Jobseeker support in six months' time in May 2021.

FROM THE FRONT LINES

- **Salvation Army Queenstown** *Hundreds more people are registered as Jobseekers now than pre-Covid-19. While people are finding jobs, more people are coming on to the Jobseeker list as well. Jobs that are available may not match the skills and qualifications of people or their personal situations. Work & Income locally are holding regular sessions to try and match jobseekers with suitable jobs.*

Women, young people, Māori and Pacific workers continue to face the biggest impacts, along with those with disabilities and older workers.

FROM THE FRONT LINES

- **Salvation Army Community Ministries** *There is a noticeable increase in the people over 50 years who are struggling to find new jobs. They, and younger people looking for work, are competing against returned New Zealanders with strong skills.*

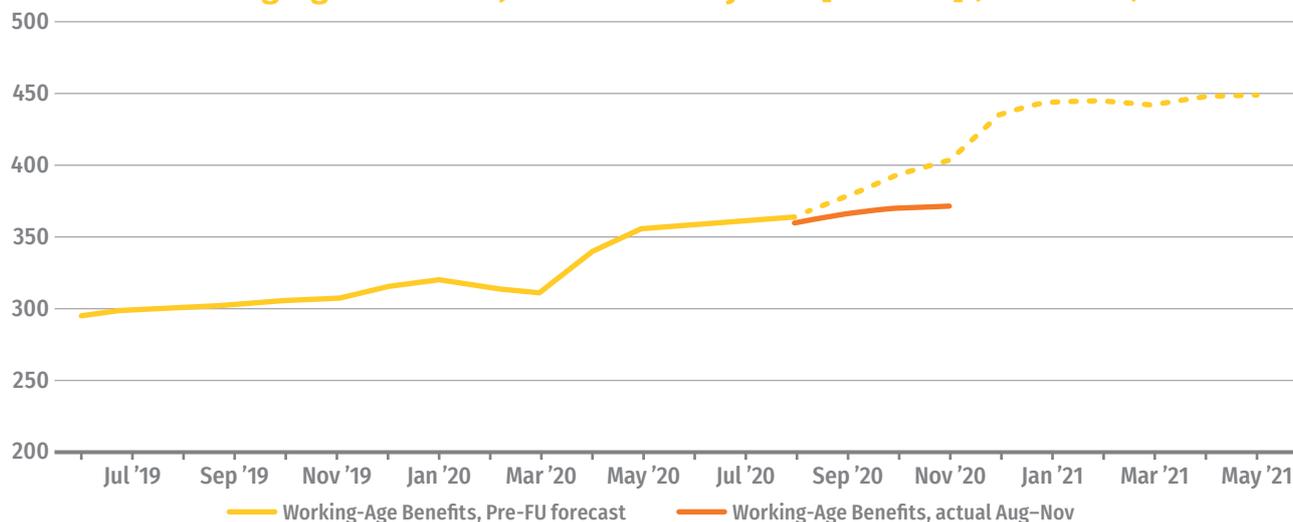
Women's employment has been impacted more than men's. More women have become unemployed, more women are seeking additional hours (underemployed), or would take a job but are not actively job seeking (underutilised), and more women have left the workforce than men.

FROM THE FRONT LINES

- **Salvation Army Community Ministries** *We are seeing more people who need help who are losing income from employment or ending support through the Wage Subsidy or CIRP payment and who are not entitled to government support. This is on top of existing high needs in our communities.*

Income Support and Welfare

Working-Age Benefits—June 2019 to May 2021 [forecast] (thousands)



The number of people on working-age benefits reached 369,000 on 13 November, the highest number for more than a decade, and is expected to rise by another 70,000 to peak in May 2021 at 443,000. The rise in Jobseeker numbers is the main source of increase in overall benefit numbers and this is expected to continue into next year.

October saw an increase in special needs hardship payments by Work & Income that had previously been declining since early August, as people were reaching limits for the number or amount of grants. The combination of rising unemployment and the end of Covid-19 income support programmes will mean the coming six months will very likely bring steadily increasing hardship for families.

FROM THE FRONT LINES

- **Social Worker, Wellington** *Benefits aren't enough to pay for essential needs like rent, power, food, clothes, household items. In October, the Winter Energy Payment finished, meaning \$40 a week less, and people in emergency housing started to have to pay 25 percent of their benefit towards rent.*

The number of children in households receiving welfare has increased by more than 20,000 since March, to over 205,000 at the end of September and can be expected to increase further. Without decisive action to lift incomes for these households, child poverty and hardship will increase, and poverty reduction targets will not be reached.

FROM THE FRONT LINES

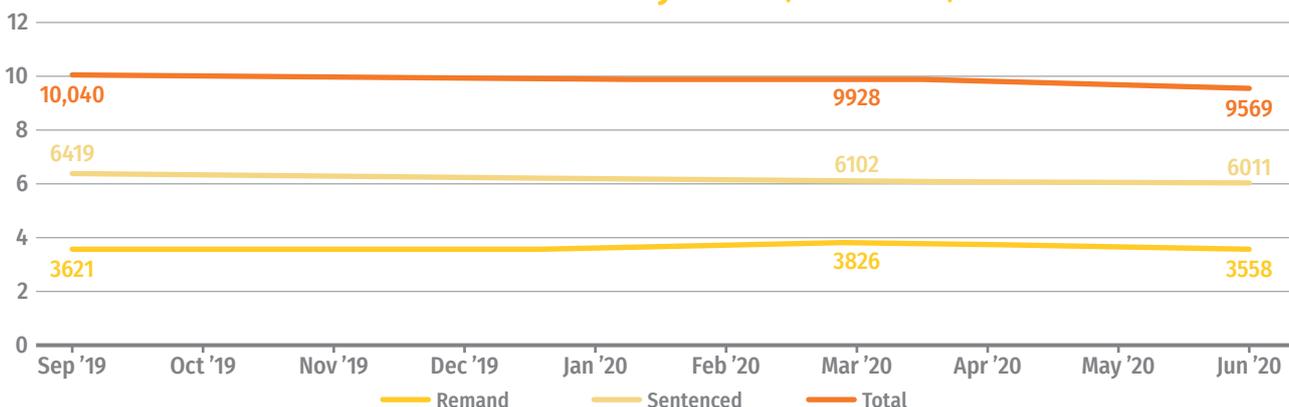
- **Salvation Army Community Ministries** *Mental health impacts on people are very noticeable. People are feeling more stressed and anxious because of illness, loss of employment and isolation related to Covid-19.*

Moving Forward: Briefing to Government

- **Welfare Expert Advisory Group (WEAG) recommendations** The welfare system is integral to the Government's Covid-19 response going forward. Delivering liveable incomes must be the focus for this Government because income levels of those receiving welfare are too low. The risk is high that thousands more children are falling into hardship, and child poverty reduction goals will not be achieved. We welcome the Government's commitment to continue to implement the WEAG's recommendations. It is important to move quickly to lift incomes immediately with further interim income support, while work on structural changes to welfare continues.
- **Employment and training pathways** Urgent action focused on employment and training support for those most affected by Covid-19 impacts is needed for young people, especially Māori and Pasifika and also the regions and communities worst hit. Free trades training, the expanded Training Incentive Allowance, and Flexi-wage programmes need to respond to the needs of these groups effectively, alongside existing programmes like Mana in Mahi.
- **Innovative employment** Intensify the focus on support for initiatives and projects that provide employment that delivers social and community benefits as well as sustainable work into the future. The Covid-19 crisis means sectors need to change their way of operating and employing, and government investment needs to help promote new areas of employment where genuine future benefits can be identified.

CRIME & PUNISHMENT

Number of Prisoners by Status (Thousands)



Data

The prison population was one of the highest at-risk groups in the face of Covid-19 due to the close confines, physical restrictions and prisoners that are medically vulnerable. Like the rest of the country in lockdown, prisoners were no longer able to receive visitations from family or receive programmes, such as release to work and face-to-face rehabilitation. One of the most significant impacts to the prison population was the impact of Covid-19 on the court system. Around 40 percent of the prison muster are remand prisoners awaiting their court cases. The slowing down of the court processes contributed to the increase in waiting time for remand prisoners. Despite the prison muster decreasing by 5 percent in the past year, the sentenced prisoner population has decreased by 6 percent, whilst remand prisoner population has decreased by 2 percent in the past year.

Despite the decrease in the prison muster, the disparity in the over representation of Māori in the justice system is still very prevalent. Māori currently represent 52.3 percent of the prison population and this has increased from 50.4 percent in 2017. These disparities increase when focussing on specific groups; for example, Māori women currently represent 66 percent of sentenced women in prison; and Māori represent 66 percent of children and young people with charges finalised in court. In April 2020, the recorded occurrences of crime for the New Zealand Police had decreased rapidly during the Covid-19 lockdown, dropping by 36 percent compared with November 2019. The levels of crime in New Zealand are gradually increasing again post Covid-19 lockdown, but had not reached the pre-Covid-19 levels.

The Department of Corrections (DOC) has increased their spending on rehabilitation and reintegration services by 34 percent from 2017 to 2019. This correlates with a gradual decline in recidivism rates at 12 months—reimprisonment rate declining by 1.9 percent and prison to reconviction 0.5 percent for the total prison population. However, recidivism rates at 24 months have increased—reimprisonment by 1.1 percent and prison to reconviction by 2.4 percent. The Salvation Army's Reintegration Service has increased by 38 percent since 2017. We currently have 105 accommodation units to support reintegration services. The occupancy rate for these services was gradually increasing, however, due to the impacts of Covid-19, these have decreased in the quarter ending June and September 2020.

FROM THE FRONT LINES

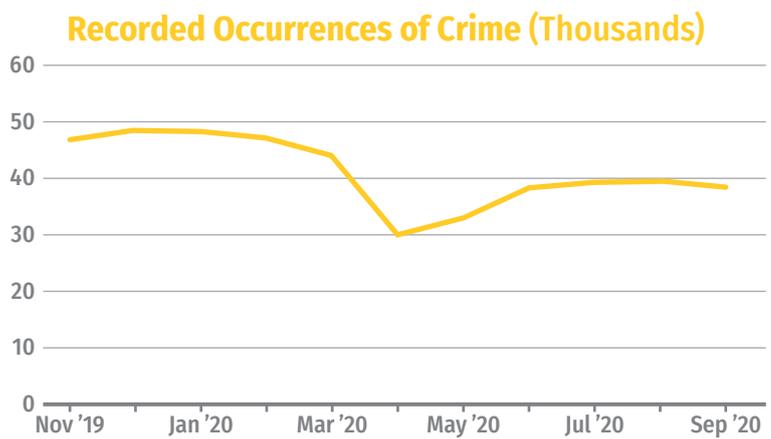
- **Salvation Army Reintegration Services** *Clients have to attend community-based programmes as part of their release conditions and this has not been happening for some time, this then prevents clients from job search opportunities, as they can't see the point in finding employment when they will be required to take time off work to attend courses, and, for some clients, employment is high on their reintegration needs.*
- **Salvation Army Christchurch Bail House** *If we keep sending young boys/young men into prison to punish rather than to rehabilitate them, we continue the prison life cycle to the next generation. If the resources and rehabilitation centres were available and easily accessed by these people, society would look a lot different, and the clients we work with—who have been through the most horrific physical, sexual, mental and emotional abuse we could think of—would greatly benefit. We need more hope.*

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This Government has consistently promised to reduce the prison muster; however, New Zealand still sits at number five among OECD countries for the highest incarceration rates.

- **Bail Amendment Act** There is also growing concern that the number of remand prisoners is increasing and the average duration that they are held in custody awaiting trial for sentencing is also increasing. The back-log created in the court system due to the impacts of Covid-19 will perpetuate this issue. The Salvation Army proposes the reform of the Bail Amendment Act 2013 and building the capacity and capability of bail houses in the community.

- Increased funding for reintegration services** Long-term recidivism or reoffending rates are still increasing even though there have been recent increases in funding for rehabilitation and reintegration services. For instance, in 2017, \$180m was allocated to rehabilitation and reintegration services, but only \$13.6m, or 7.5 percent of the total allocation, was apportioned specifically to reintegration services. Funding needs



to be distributed adequately for programmes within prison and post-prison to ensure people are receiving adequate support when integrating back into society.

- Māori and the criminal justice system** Despite only representing 16.7 percent of the national population, Māori are significantly overrepresented in the justice system. In areas of the justice system where Māori are progressing, it is at a much slower rate than non-Māori. Initiatives that incorporate Te Ao Māori and are developed with and led by Māori, such as the Rangatahi Courts, these provide positive outcomes. The Hokai Rangī by Corrections, Te Huringa o Te Tai by the Police and Te Haerenga by MOJ are strategies that need to be replicable practically to work collectively with Māori to improve justice outcomes. It is also important to acknowledge that addressing the disparity for Māori requires a collective approach across the board, as early life experiences, poverty and hardship are determinants for Māori entering the justice system.

We welcome your comments on this Dashboard series.
Please contact the authors at social.policy@salvationarmy.org.nz
Keep up to date with the Dashboard series at [salvationarmy.org.nz/covid19report](https://www.salvationarmy.org.nz/covid19report)

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