

## 5. UPDATE ON CENTRAL GOVERNMENT POLICY ANNOUNCEMENTS

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The purpose of this report is to update Committee members of recent government policy announcements which will impact on areas of concern to the Community Services Committee.

### **COMMUNITY AND VOLUNTARY SECTOR AGREEMENT/COMPACT - WORKING GROUP ANNOUNCED**

Former Waitakere City Deputy Mayor Dorothy Wilson is to chair a new working group being established to develop the framework for an agreement between the Government and the community and voluntary sector, Minister for the Community and Voluntary Sector Steve Maharey announced today.

The working group has been asked to report back to the Minister by 30 September 2000. \$270,000 will be provided in the budget to resource the working group in 2000/01 - \$200,000 in new funding and a further \$70,000 of reprioritised expenditure within Vote: Social Services.

### **OUT OF SCHOOL CARE AND CHILDCARE PROVISIONS**

The Honourable Steve Maharey announced that Budget 2000 will improve the Special Benefit programme to assist those most in need, and increase the hours for Childcare and Out of School Care (OSCAR) subsidies for those wanting to be in work or training.

#### **Childcare and Out of School Care**

Budget 2000 will from 1 February 2001 increase the maximum number of hours that can be claimed for both the childcare and Out of School Care (OSCAR) subsidies from 30 hours a week to 37 hours a week.

In the case of the OSCAR subsidy, the increase will apply in the school holiday period. The maximum number of hours will remain at 20 per week during the school term. The initiative was funded for next year while a review of the effectiveness of the subsidies was carried out.

#### **Improving Access to Special Benefit**

Special Benefit is a hardship allowance based on the difference between a beneficiary's income and their essential commitments. However recipients are currently expected to meet the first \$5 a week of the gap between their income and their commitments. This standard \$5 deduction from Special Benefit will be stopped from 1 July 2000. Estimated cost of the change would be \$11.33 million over the next four years.

### **DISTRICT HEALTH BOARDS**

Cabinet considered the draft New Zealand Health Strategy, which will be launched for public consultation on 1 June.

More work is still being done on some elements of DHBs, including the Finance Minister's role, the division of roles between the Ministry of Health and DHBs, investment and balance sheet management and electoral processes.

#### **TAIRAWHITI DEVELOPMENT TASKFORCE**

The 'jobs machine' approach of the new coalition Government has been launched in Gisborne. The Taskforce has been established to "provide leadership and direction to support the people of Tairāwhiti" (Tairāwhiti includes the areas of the Wairoa District Council and the Gisborne District Council). It will put in place a development strategy, create sustainable jobs and deliver a better life for all Tairāwhiti people, now and in the future. The Taskforce reportedly represents a new partnership between the Government and local authorities, Maori and non-Maori and community and industry.

Deputy Prime Minister the Honourable Jim Anderton is chairing the Taskforce which includes the Mayors of Wairoa and Gisborne District Councils, Associate Minister of Maori Affairs, Parekura Horomia and East Coast MP Janet Mackey.

#### **INCOME RELATED RENTS**

Minister of Housing Mark Gosche announced that from 1 December low-income Housing New Zealand tenants will pay no more than 25 % of their income in rent, he confirmed today. Housing Restructuring (Income-related Rents) Amendment Bill has been tabled in Parliament.

Independent studies have found that high housing costs are the largest single cause of poverty in New Zealand. Mr Gosche reportedly said Housing New Zealand would still be expected to operate in a business-like manner but this would not be the organisation's primary focus. Its primary objective will change from the current profit focus to one that better reflects this Government's social housing objectives.

From December 1 Housing New Zealand rents will be income related. Rents will be based on the income of the signatories to the tenancy agreement and their partner. Income related rents will be based on a calculation that takes into account household composition and after tax income. Those on low incomes will pay no more than 25% of their income on rent. Once income related rents are introduced on 1 December, Housing New Zealand tenants will no longer qualify for the Accommodation Supplement or the Student Accommodation Benefit.

Income will not be the sole criteria for those who want to apply for a Housing New Zealand property. Other factors include adequacy, suitability, accessibility and sustainability factors.

#### **DRAFT REPORT ON STATUS OF NEW ZEALAND CHILDREN**

Youth Affairs Minister Laila Harré is seeking input from the non-government sector into a draft report on New Zealand's implementation of the United Nations Convention of the Rights of the Child (UNCROC).

The Ministry of Youth Affairs has compiled a draft report on New Zealand's performance in relation to the convention since 1995. This is New Zealand's second report, and covers the period from November 1995 to August 2000. New Zealand will report its findings to the United Nations Committee on the Rights of the Child by 30 November this year.

#### **GOVERNMENT TO PLACE MORATORIUM ON FURTHER UNIVERSITIES**

The Government has introduced legislation limiting the number of universities to eight.

The Education (Limiting Number of Universities) Amendment Bill was introduced to Parliament 16 May. The Government has established a Tertiary Education Advisory Commission to give it advice on the structure of New Zealand's tertiary education system and the bill will prevent further universities being created while the Commission goes about its work.

The bill will be referred to the Education and Science Select Committee with a report back date of 19 June 2000 and once passed will take effect from the date of introduction.

#### **REPORT ON WINZ**

The full report on Ministerial Inquiry into the Department of Work and Income New Zealand (Don Hunn Report) was released. State Services Minister Trevor Mallard said it would be several weeks before the Government would respond formally to the report.

The Honourable Trevor Mallard stated that "It is clear from the report that the department has a major credibility problem. The problems identified are not tangible problems like financial mismanagement. They are intangible issues like a lack of experience; poor judgement; the perception of the department as adopting a culture of waste and extravagance".

Report available on <http://www.govt.nz> or <http://www.executive.govt.nz>

#### **INVESTMENT IN ARTS, CULTURE AND HERITAGE**

An initial injection of over \$80 million into the sector and then ongoing funding increases of over \$20 million a year in each of the next three years. The announcement also included a series of one-off payments to organisations. The package included:

- \$20 million injection of funding into Creative New Zealand (the Arts Council of New Zealand).
- \$22 million establishment grant to a new Film Production Fund.
- \$2 million to establish a Music Industry Commission.
- An extra \$7 million annual funding to NZ On Air, including \$2 million for its music-related work, and \$5 million for New Zealand TV programmes, especially children's TV. A cash injection of up to \$27.909 million will be available to cover NZ On Air's shortfall this year after the last government's abrupt abolition of the broadcasting fee.
- \$3 million capital injection into the New Zealand Symphony Orchestra this year and an extra \$1.4 million annually.

- An extra \$2 million per annum operating funding for Te Papa and an extra \$9 million per annum capital funding.
- \$943,000 this year for the New Zealand Film Archive to extend its services.
- \$760,000 this year into the Royal New Zealand Ballet to stabilise its finances.
- \$3 million cash injection this year for the New Zealand Historic Places Trust's new Preservation Fund, a Maori Heritage Development Fund, and enhancement of the Trust's national register. There is also a \$170,000 budget increase this year, and an annual budget increase of \$500,000 in following years.
- \$6.474 million towards the development of the new Christchurch Art Gallery.
- \$300,000 towards the restoration of the Picton-based historic ship, the Edwin Fox.
- The Ministry for Culture and Heritage receives extra funding to enhance its ability to advise on cultural policy and to cover a range of transferred responsibilities.

#### **CHRISTCHURCH ART GALLERY**

Government to contribute \$6.474 million towards the new Christchurch Art Gallery. The Government's contribution represents 13 per cent of the overall cost of the project. The bulk of the project's \$53.432 million (GST inclusive) cost is being covered by the Christchurch City Council with additional funds coming from community fundraising. The Gallery is scheduled to open in March 2003.

#### **PRISON INITIATIVES**

The Minister of Corrections, Matt Robson, announced two new initiatives designed to make prisons safer and support the Department's goal of reducing re-offending.

The new visiting system and an 0880 JAIL SAFE number are designed to make it easier for family and friends of inmates to visit, and for prison staff to better manage who visits, and to keep our prisons drug and crime free.

The new visiting system will help minimise the introduction of drugs and other illegal items visitors bring into prisons. Under the new system, visitors must be approved by the prison manager before they can visit an inmate. Once approved, the inmate they are visiting must book a visit time within prison visiting hours. In special circumstances other arrangements to visit can be made. Implementation of the new visiting system at all prison sites will be completed by early 2001.

#### **FUNDING FOR FAMILY VIOLENCE SERVICES CONFIRMED**

Funding to secure the continuation of specialist family violence programmes will be provided in the Budget. The Honourable Steve Maharey was speaking at the launch of a Women's Refuge report on improving its services to women and children.

Funding for the 33 specialist family violence programmes providing:

- Personal safety training for girls;
- Maori family violence prevention services;
- Specialist services for child victims and witnesses of family violence;
- Family violence services in rural areas; and
- Community based sex offender programmes ends on 30 June 2000. The programmes began in 1996 and were designed to align with the (then) new Domestic Violence Act.

The Honourable Steve Maharey said that \$1.9m will be provided in the budget to enable the programmes to continue for 2000/01. In addition, the Government has decided to include this amount as an on-going cost into the baseline of Vote: Child, Youth and Family to ensure the programmes are secure out into the future.

#### **INTERNATIONAL BENEFIT ENTITLEMENTS LEGISLATION**

Parliament began debating legislation to enable the exchange of information between countries to establish benefit entitlements and to recover social security debts from overseas residents last week. The Social Security (Transitional Provisions) Amendment Bill provides for mutual assistance provisions to be negotiated into the social security agreements New Zealand has with other countries.

New Zealand currently has eight social security agreements. The purpose of these agreements is to allow free movement of labour between New Zealand and the agreement countries, and ensure an equitable distribution of the social security costs for people who have lived or worked in more than one country. Agreements also provide retirees with more flexibility as to where they choose to live in their retirement. The bill will be referred to the Social Services Select Committee for consideration.

#### **NEW INITIATIVES INVOLVING CHILDREN AND FAMILIES**

Mr Maharey said that many new initiatives involving children and families were being developed such as:

- a seminar involving leading children's advocates to set a five year policy agenda;
- a discussion paper on the Guardianship Act which will lead to changes in the law;
- work on adoption and inter-country adoption;
- changes to the Matrimonial Property Act which will have implications for same sex couples; and
- policy on paid parental leave.

#### **Chairman's**

**Recommendation:** That the information be received.