

## *Results overview*

### **Putting wellbeing back into welfare:**

Exploring social development in Aotearoa New Zealand from beneficiaries' perspectives

*A Masters thesis in Development Studies by*

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*This results briefing attempts to summarize the work of a 40,000-word thesis. It is therefore not the entirety of this research, and I urge you not to use this out of context.*

*Please refer to the thesis for the reference list, an understanding of the research participants, and how the tables and graphs included in this briefing came about. All names of participants used are pseudonyms.*

*I would like to acknowledge the participants of this research. I cannot thank you enough for taking time to enable my research to be possible. You are the heart and soul of this thesis. I would like to especially thank those who participated in the interviews. I feel extremely privileged that you welcomed me into your life and shared your experiences with me. For a full list of acknowledgements, please see the full thesis.*

*I would love to hear your feedback, or if you have any further questions, please don't hesitate to contact me.*

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## **Cover photo**

Source: Author. Taken in 2015 from Polhill Reserve in Aro Valley, overlooking Wellington, New Zealand.

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## A breakdown of the findings:

### Key features and aims of this research:

- Understanding changes in wellbeing between being on the benefit and coming off the benefit
- Exploring what the outcomes were for beneficiaries who have come off the benefit
- Telling the stories of current and former benefit recipients
- Linking welfare policy changes with impacts on individuals and in the wider New Zealand community
- Based on the welfare system in New Zealand following the overhaul in July 2013
- Utilised a mixed methods approach:
  - o 234 survey respondents
  - o 6 interview participants
  - o Several others gave feedback over email or phone

### Key results of this research:

#### The welfare system in New Zealand:

- Research participants had lower wellbeing while on the benefit
  - o Only 34.7 percent respondents who were back on a benefit described feeling happy, and 42.9 percent felt dissatisfied with their lives
  - o Of those participants no longer on the benefit, 58.1 percent recall feeling unhappy or very unhappy while on the benefit
- This was linked to several factors:
  - o Stigma associated with being on the benefit
  - o Lack of independence
  - o Invasive and punitive nature of WINZ
  - o Sense of failure and loss of confidence
- Participants in this research subverted the idea of 'welfare dependency', highlighting how problematic this concept is in welfare policies
- Some participants felt pushed into work that was not appropriate and was unlikely to be positive in the long-term

- Beneficiaries are often criminalised both in the media and by welfare policies such as sanctions
- Benefit levels were found to be creating significant hardship and poverty
- Financial support on the benefit was found to be gendered: no additional funds for sanitary products or start up costs of having a child
- Frequently changing case managers was described as contributing to more difficult experiences at WINZ due to a lack of consistent relationship between clients and case managers
- The welfare system was portrayed by participants as being increasingly systematic yet there was also highly fluctuating treatment of benefit recipients

#### The employment market for beneficiaries:

- Not everyone who comes off the benefit goes into employment or studying, or remains in it
  - o 37 percent of respondents were in full-time work
  - o 22 percent were employed in part-time, casual or temporary work or were self-employed
  - o 17 percent were studying or training
  - o 21 percent were back on a benefit
  - o 3.4 percent now had no source of income.
- Participants who had been on the benefit longer were more likely to go back on the benefit after coming off it, and much less likely to go into studying or training
- Being unemployed and the difficulties in job-hunting negatively affected wellbeing and self-confidence for some participants
- The welfare system was described as being incompatible with the realities of non-standard employment, which was resulting in a lack of support when transitioning to employment and contributing to a debt-burden for many
- Sole parents in this research had unwavering responsibilities and duties which restricted their employment options
- Despite low education being an impediment to employment, WINZ was not always enabling or promoting the uptake of further training for participants
- Participants expressed dissatisfaction with the lack of support provided by WINZ for

job-hunting in more professional higher-skilled areas

- Participants who were employed casually were more dissatisfied in their current jobs
- There was still financial hardship amongst participants who were employed, particularly for those in non-standard work
- People involved in this research described wanting to be employed and find a job, and enjoyed the independence and pursuing their goals in doing so

What does this mean?

- Beneficiaries are being economically and socially excluded from society by the current punitive and residual welfare system in New Zealand
- Being in employment often has a positive influence on individuals and families, but it does not guarantee an improvement in wellbeing or financial security
- The state is shifting its responsibility to support citizens on to individuals and families, and NGOs and charities
- The New Zealand welfare system appears to be incompatible with the current labour market that beneficiaries are entering
- The welfare system is failing to be the financial safety net it was promised and is not helping people make positive transitions into employment

## An overview of the findings

The current welfare system in New Zealand has become far removed from its original function and ideology. In a time of unprecedented inequality and child poverty in New Zealand, the welfare system is now increasingly residual and punitive towards those in need. Under a social investment rhetoric, welfare has become oriented around fiscal savings and reducing benefit numbers. This is evidenced in the use of off-the-benefit figures as a measure of a successful system. However, this narrative obscures the experiences and wellbeing of people behind these figures, which is particularly problematic given the increased job instability and financial insecurity fostered by the current labour market. This research explored the experiences and outcomes of those who have come off the benefit in, either permanently or temporarily. In doing so a more complex narrative is established around the impact the welfare system is having on individuals and families.

This research focused on both experiences on and off the benefit. Unsurprisingly given anecdotal evidence and other existing academic analysis, being on the benefit was a negative time in most research participants lives. While there were often unhappy circumstances that led to the requirement of state financial support, the benefit itself was also said to be a contributor to poor wellbeing and further unhappiness. This was attributed both to the ideology of the current welfare system as well as the function of it through Work and Income (WINZ).

Welfare in New Zealand was described by several participants as being very systematic, which created significant complications when the reality of life did not fit in with the tick boxes of WINZ policies. Despite a range of circumstances leading to individuals being on the benefit, the use of welfare was associated with feelings of stigma, dependence, criminalisation and failure. The beneficiary has become the 'other' in New Zealand society, disassociated from the wider New Zealand population. This has provided fertile ground for the development of an increasingly punitive punishing welfare system.

Not only do benefit payment levels entrench poverty in society, people on the benefit are also subject to increased obligations, conditions and sanctions. This is justified on the basis that hardship is the only way to force people on the benefit off it. However during this research, each individual I spoke to had a desire to be in employment and improve their own wellbeing by pursuing career goals. The problems they encountered were not aspirational, but due to what was described as a lack of support in transitioning to work and difficulties in the job market. The biggest influencer on levels of employment is the state of the economy and labour market. Yet this appears to not be

taken into account by welfare policies. Several individuals also felt there was inadequate employment-hunting support provided, and further training and up-skilling was dis-incentivised by WINZ.

Despite off-the-benefit figures being used to indicate successful outcomes for beneficiaries, only 37% of participants were in full-time employment, and 22% were in non-standard employment. While those who were in work described a general improvement in wellbeing, there were also several negative aspects of current labour laws experienced, including the 90 day trial, short-term contracts and the increasingly casualised workforce. On top of this was financial and time stressors that came with being employed, particularly for sole parents. Being in work was overall seen as a positive influence in life, but the transition into work often took considerable time, and was a gradual process for several participants. Going from the benefit to work came with significant complications if the job was not full-time, and there was a high rate of debt accumulation as a result of working part-time or casually, and still needing a partial benefit. This again highlights the systematic nature of the welfare system, and creates added difficulties for those going into the workforce.

The voices of participants in this research highlight the significant impact the welfare system in New Zealand is having in the lives of families and individuals. This has wider implications in society too. This research argues that the current welfare system is failing to uphold the social rights of New Zealanders by preventing people from participating both social and economically in society during times of hardship. Welfare ideology and regulations, in addition the current labour market, are furthering divides in our society, as can be seen in growing levels of inequality and child poverty in New Zealand. This research argues that the state is failing to support its citizens, and the wellbeing of New Zealand people is being left out of the welfare system.



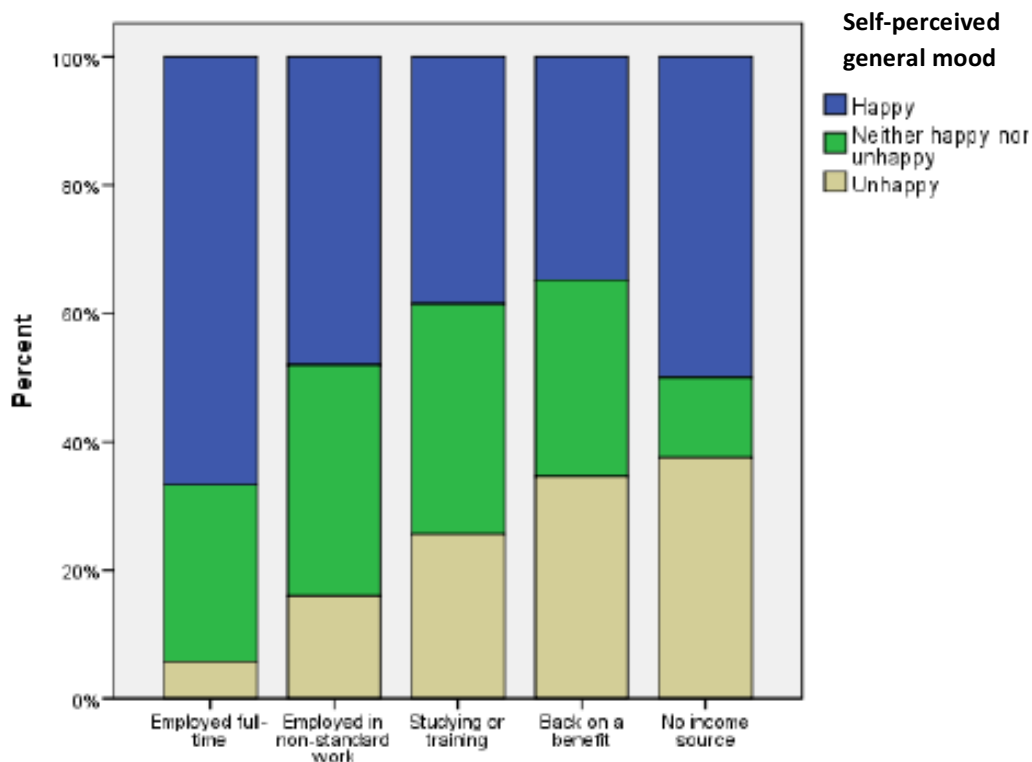
## Expanding on the findings: Figures, quotes and further analysis

### 1: Exploring the wellbeing of research participants

#### 1.1: Happiness and life satisfaction on and off the benefit

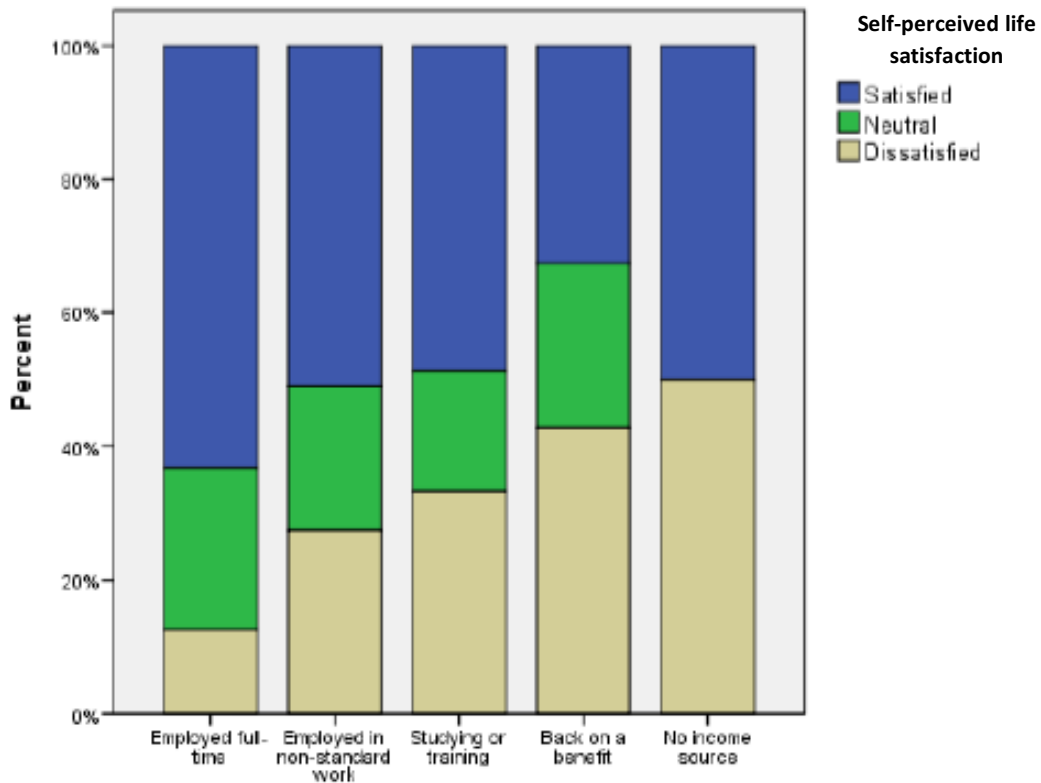
Figure 7.2 and Figure 7.3 show the current levels of happiness and life satisfaction of survey respondents respectively. Unsurprisingly, those in full-time work were significantly happier, as is shown in Figure 7.2. 66.7% reported feeling happy or very happy, and 63.2% felt satisfied or very satisfied their lives. This can be compared with those in non-standard work who only had 48.0% reporting feelings of happiness, and of even more concern is that over a quarter- 27.5%- felt unsatisfied with their life. Lower levels of unhappiness may link to the issues associated with non-standard work felt by research participants, such as instability and low wages. However the high level of life dissatisfaction, a generally longer-term concept, suggests something beyond these short-term insecurities. Workers in non-standard employment that have had to weather the negative consequences of a flexible labour market often lose out on factors key to individual wellbeing such as a healthy work-life balance.

**Figure 7.2: Self-perceived level of happiness of survey respondents. Source: Author**



Survey respondents who were back on the benefit reported lower happiness and life satisfaction than those in employment or studying. Only 34.7% of them described feeling happy, and 42.9% felt dissatisfied with their lives.

**Figure 7.3: Self-perceived life satisfaction of survey respondents. Source: Author**



### 1.2: How does being on benefit affect people’s happiness and wellbeing?

Figure 5.1 shows the level of happiness reported by survey respondents currently on the benefit, and Figure 5.2 shows the self-perceived life satisfaction of this group. Those who were back on the benefit in order to be a caregiver or parent were a lot happier and more satisfied in life, with 50.0% describing themselves as happy or very happy and 44.4% reporting satisfaction with their lives overall. In contrast, of those who were back on a benefit for reasons other than caregiving and job-searching, for example shifting benefit types or administrative issues, none described being happy or satisfied in life, while 35.0% of respondents currently searching for employment reported dissatisfaction with their lives. This dissatisfaction and unhappiness was articulated by Stephanie in the interviews.

I still feel a lot of judgement for everything that's happened. And none of it I would have chosen for myself. In fact, it was definitely not the plan. And I hate the stigma... As much as I try to get out every day, not having somewhere to go, to work to uni or something, it's actually kind of depressing and isolating in itself again... If I go out, there is no purpose of me leaving the house. Taking [my child] to the park for an hour or so, but there's no reason. And it's awful. I like to have a schedule, but at the moment there is no need for a schedule. So it's really depressing. (Stephanie, interview, 02/08/15)

**Figure 5.1: Happiness of survey respondents currently on the benefit. Source: Author**

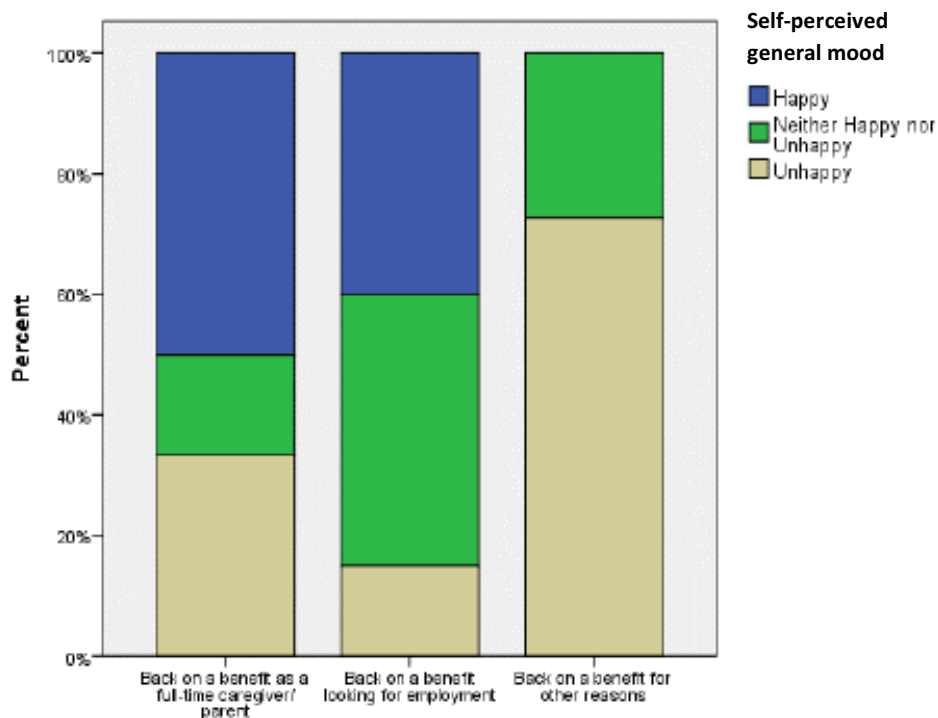
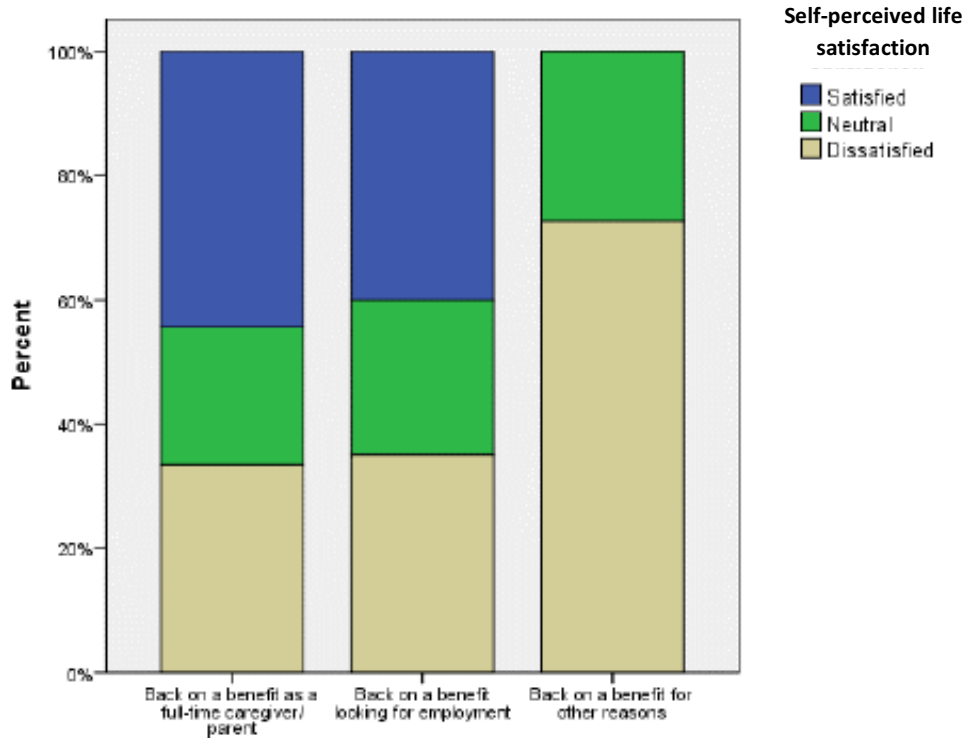


Figure 5.3 reflects the responses of participants who are currently off the benefit, looking back at their time on welfare support. 58.1% recall feeling unhappy or very unhappy while on the benefit. Both individualism and level of regulation arose as reasons for negative experiences while on the benefit from Rebecca. The stigma around being on the benefit was visible.

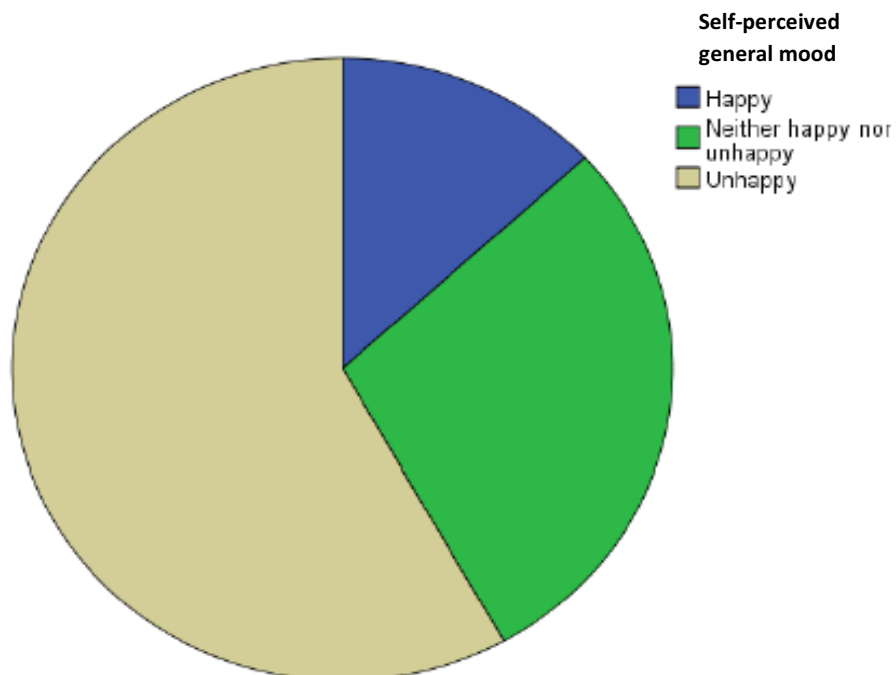
There is a stigma I think. There is a sense that you rely on somebody else, and you are always having to justify what you do... It was a really nice feeling coming off it, and not be reliant on somebody else. There was so many rules about it, you can't go overseas, or any kind of change in your situation you have to let them know- they knew every cent that you earned. Having that other organisation knowing everything about you, I didn't feel

comfortable with that. You get used to it to some extent, after a while. But I always wanted to get off it. (Rebecca, interview, 01/08/15)

**Figure 5.2: Life satisfaction of survey respondents currently on the benefit. Source: Author**



**Figure 5.3: Level of happiness of former benefit recipients while on the benefit. Source: Author**



The public sphere is so often dominated by the welfare dependency rhetoric, which blames the unemployed for their circumstances, and assumes being on the benefit is due to laziness and choice. The use of this discourse homogenises and dehumanises those on the benefit, silencing their voices in the process. It also conceals the reasons why individuals do need the support of the welfare system. This type of reductionism in the media of beneficiaries was frustrating to many participants.

I am so tired of the public always thinking that people are on benefits because they are lazy. No one would choose to live in poverty. (Michael, email correspondence, 08/07/15)

Several participants used an Othering dialogue to separate themselves from other benefit recipients. This would suggest that the benefit dependency and the construction of the beneficiary as the Other has become so hegemonic that that it is internalised even by those who are on the benefit. Stephanie separated herself from other women who she felt were on the benefit by choice, yet acknowledged the unpleasantness of dealing with this same stigma.

I do not like the circumstances that I have so I want to change them. I'm bad for it too, I do judge the women who sit on a benefit and have child after child after child. There is no way that's happening here... Beneficiary bashers are a dime a dozen really. So I accept that that is part and parcel of all of it, but it's no more enjoyable. And I still have to put up with it. (Stephanie, interview, 02/08/15)

Sarah felt the swipe cards used by WINZ for administering food and clothing benefits visibly separated welfare recipients from everyone else.

I hide it because I don't like anyone knowing I actually have it... It's such an odd card. I'd seen it once before and thought, what the hell is that, and if I had known then I would know that they were people that were using grant money. And that is kind of stink...I felt like people would be judging me, that I couldn't manage to look after myself. And it's a bright green card and it's noticeable. Which is probably intended. (Sarah, interview, 11/08/15)

### 1.3: Social wellbeing

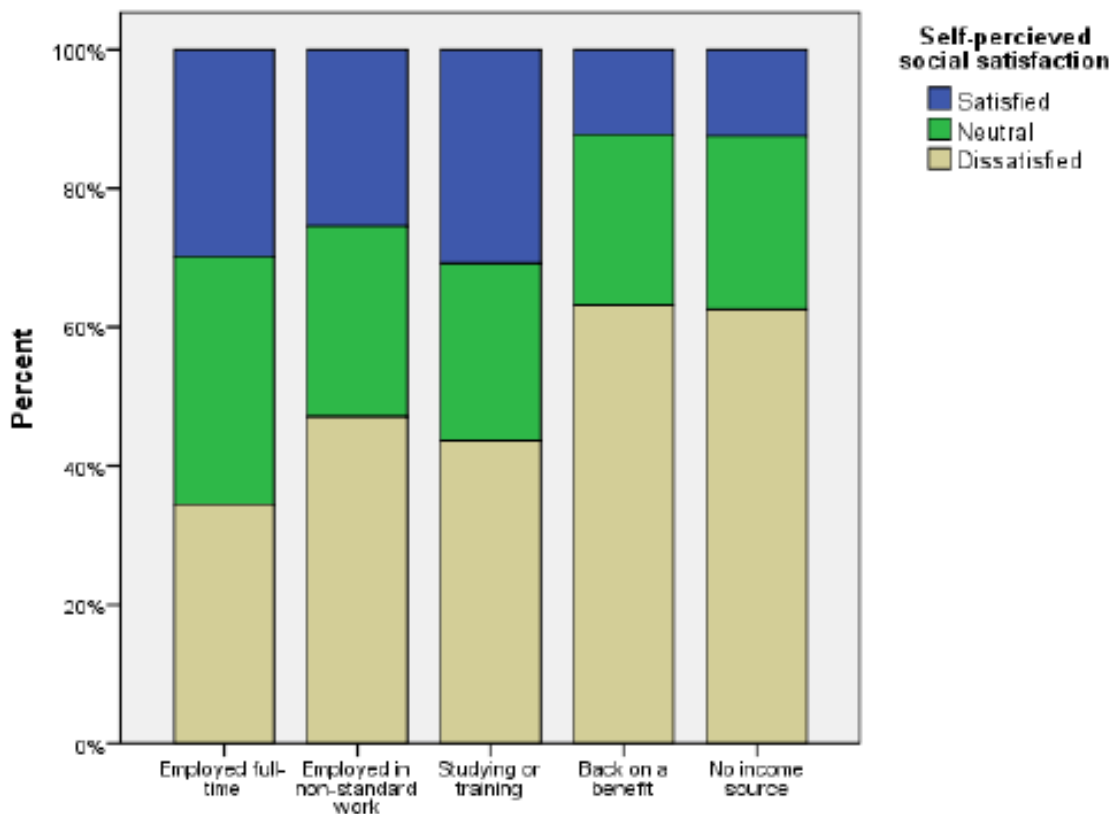
The result of this stigma and feelings of exclusion were visible in Figure 7.4, which shows the social satisfaction reported by survey respondents, based on how they felt about their current social life. 63.3% of those currently on the benefit felt dissatisfied, significantly more than those currently employed full-time, which was only 35.5%. Based on feedback from Sarah, one reason for this may be the function of workplaces as spaces of social interaction. Most jobs involve communication with

colleagues and other individuals, making them social environments. This had contributed to a change in wellbeing felt by Sarah when she was unemployed.

I miss being in work. I do support and customer support roles, so the moment I'm not working I miss a lot of that interaction. (Sarah, interview, 11/08/15)

Hannah and Michael both described a social withdrawal as a direct result of being on the benefit. They attributed this primarily to the negative stigma associated with being on the benefit, rather than the benefit level itself. Michael (email correspondence, 08/07/15) said, "These days I keep to myself because as a welfare recipient we are often labelled as being lazy bludgers". Rather than feeling like he could continue to participate in society, he expressed feelings of deliberate isolation.

**Figure 7.4: Self-perceived social satisfaction of survey respondents. Source: Author**

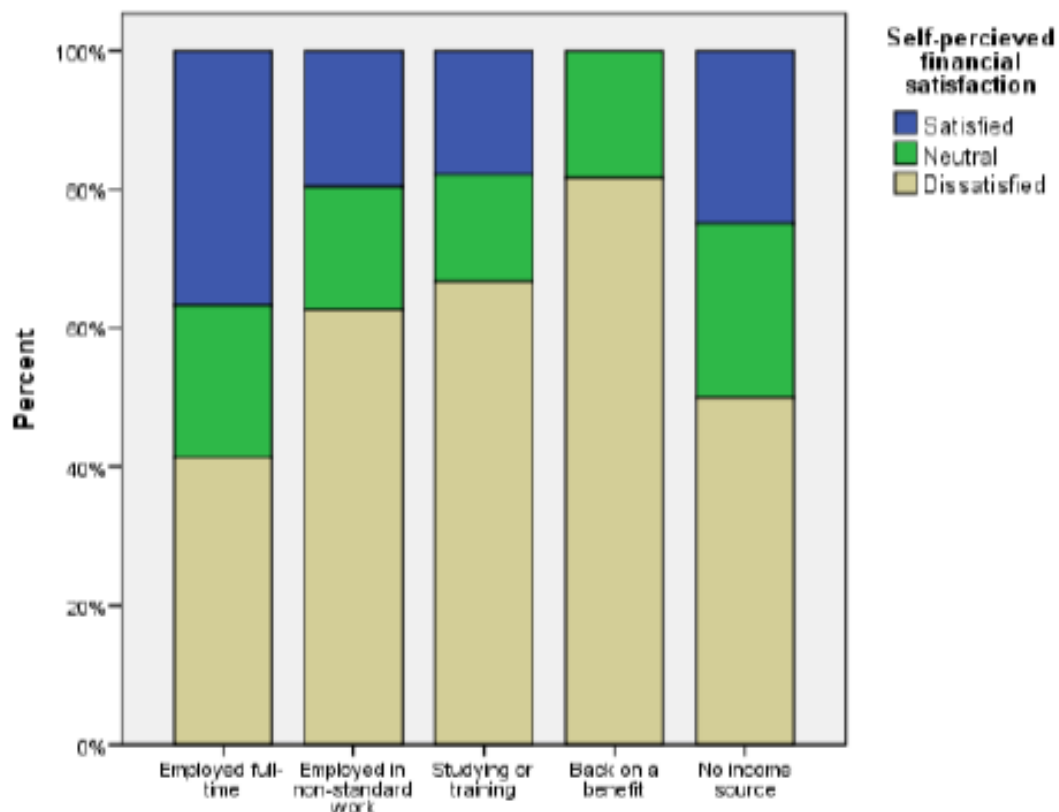


### 1.5: Financial hardship

The financial destitution experienced by survey respondents as a result of low benefit levels is overwhelmingly visible in Figure 7.5. Not a single respondent currently on the benefit felt satisfied with their financial situation. While the current benefit level is widely criticised in the literature, Figure 7.5 brings in the voices from those actually attempting to live off this amount. 81.6% of survey respondents currently on a benefit felt dissatisfied or very dissatisfied with their financial

situation, more than those studying or training which was 66.7%.

**Figure 7.5: Self-perceived financial satisfaction of survey respondents. Source: Author**



Despite the financial hardship described by all those who were interviewed, Luke and Rebecca were the only participants to give this as the primary reason for finding employment. This actively works against the assumptions about benefit recipients built into current welfare policy. Rather than responding to financial restrictions or punitive measures, all of the others whom I spoke to about their reasons for finding employment instead were pursuing work because of their own desire and/or as a way to improve wellbeing for themselves and their family. These results suggest that the current financial hardship forced on benefit recipients is not the primary motivating factor leading to off-the-benefit transitions, but only works to make the period of time on the benefit more difficult.

There were two key findings from the interviews that highlighted the gendered nature of the financial assistance from welfare. Firstly, is a failure to account for the costs of menstruation in the benefit payment. On discussing the strict budget she must adhere to while working, being on the benefit, and studying, Nicole (interview, 18/08/15) stated, “literally most weeks, I have about \$50 or \$60 for me and my daughter, and if we are both on our periods that means a lot less”. This additional monthly expense is an issue most women on the benefit would have to attempt to

account for in their already tight budgets, but has not been incorporated in determining current benefit levels.

The second issue that arose was the lack of funding available for new parents. Stephanie talked of the extra expenses required for a new child as a sole mother, and the total lack of assistance available through WINZ for this. When talking about preparing for the arrival of her child, Stephanie (interview, 02/08/15) said, "WINZ were not prepared to help. Not in the slightest." Having been reliant on the benefit in the several months leading up to her due date, there was no extra money to be spent on the necessities for her soon-to-arrive baby. Financial grants from WINZ are available to assist with the start-up costs of employment, for example work-appropriate clothing, yet there was nothing available to Stephanie to help with the start-up costs of raising a child. This reiterates an under-appreciation by the state for the essential unpaid care work, often undertaken by women, in favour of economic participation through employment.

The results of Figure 7.5 also reflect the burden of hardship shouldered by welfare recipients. Instead of the state absorbing economic shocks, responsibility is shifted to individuals who bear the brunt of the instabilities of the market. Alex criticised this narrative and the assumption that individuals have total control over their economic fortunes.

Most of the people on the benefit are victims of circumstances - the larger economic priorities of the government orienting the world mostly, rather than a host of bad choices. Many are disadvantaged in further ways, but all are supposed to be able to get safe work for fair pay that meets their needs. If unable to get this work, it is unfair to blame the tiny individual given the huge state structure of wealth and production and risk they are subject to. (Email correspondence, Alex, 15/08/15)

Another issue which arose was the changes in economic support provided by the state. The spiralling hardship currently faced by families in New Zealand was prevented by the support of the welfare system for previous generations, including those who are making policies now.

It is really hard to sit back and see our government, unfortunately, not actually be there for kiwi families... There are some things I actually do agree with John Key. But the majority, I think- where the fuck have you come from? His mother was a sole parent, and he talks about how he has turned out fine, but his mother got all the benefits, which were a lot better than what even I got as a teenager... That's how his mother survived- was being on the benefit and having all the rights in the world. The same as Paula Bennett. And now they are cutting all those things off from us. (Nicole, interview, 18/08/15)



## 1.6: Employment and wellbeing

For Stephanie and Amy a key factor that made them happier while working was feeling independent, speaking into the individual ethos perpetuated by neoliberalism. For both of them this was a priority in order to feel happier, and was a key driver in wanting to be in work.

Sometimes in order to support doing the creative work I was doing I was having to do some part-time jobs, and had very little money. But even in that situation where I had really little money, somehow because it was money I was earning directly for myself, I felt happier about that. So it's the same now. I feel a lot better about earning my own money, and not having to tell anyone about it. It's mine, and it's paying for my food, and paying for my rent and everything. (Amy, interview, 14/09/15).

Another key component that played a role in individual wellbeing was the personal passion participants had for their jobs. For Rebecca, Sarah, and Amy, their drive to be in certain industries took precedence over potentially negative effects of insecure or non-standard employment.

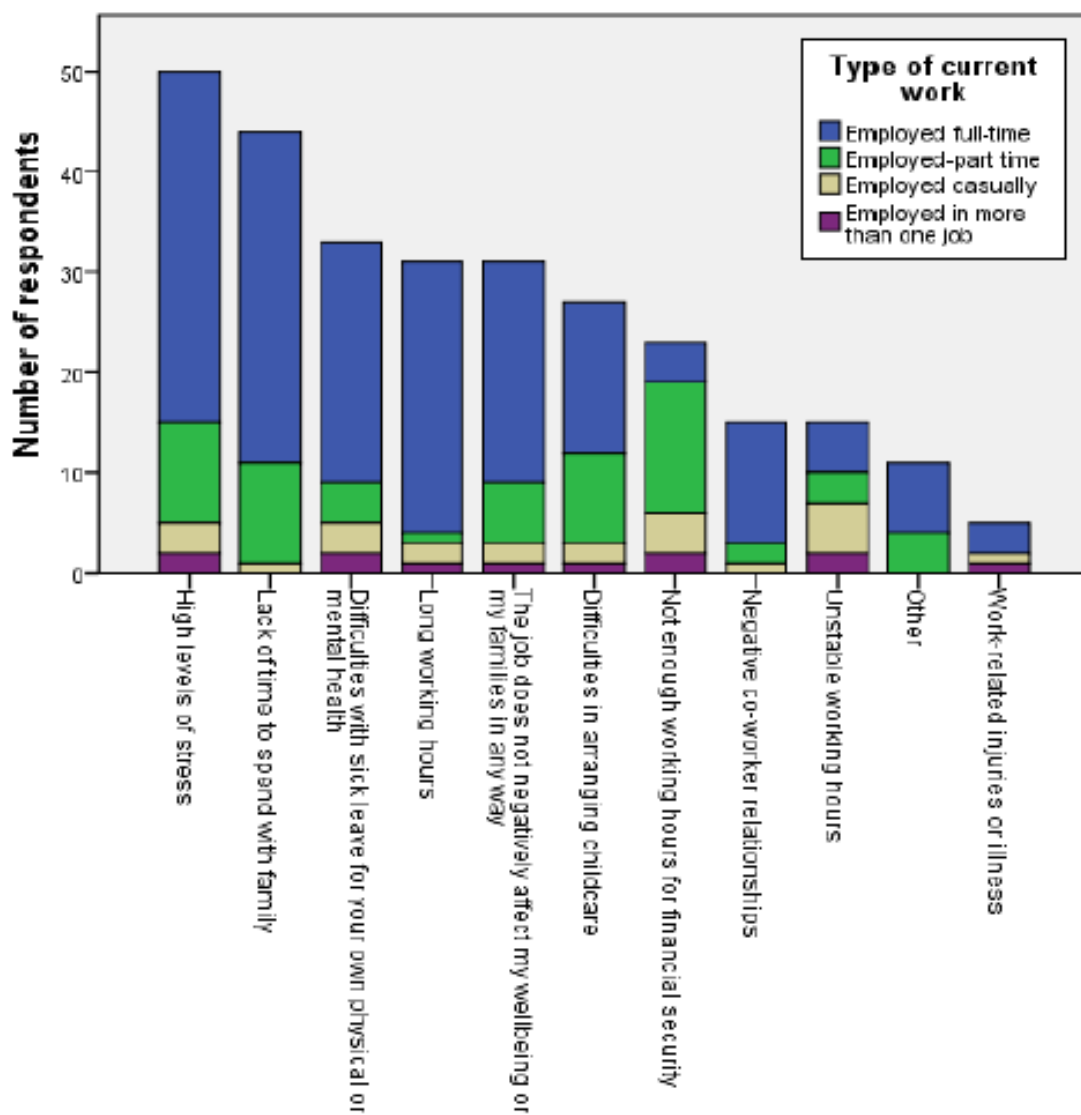
For Nicole, personal passion drove her to continue her field of study, despite active blockades put in place by WINZ. She felt that finding a profession that she enjoyed was key to her staying in work, preventing her going back on the benefit, and fulfilling her own happiness.

I've still got that thought in the back of my head for when I finish this course- I don't want to be miserable. Doing that kind of work- you're sitting under UV lights all day, in an office, talking to people that don't want to actually be talking to you. I do have to deal with that at my work with clients, but I love doing my work. I think it is a bit precious of me really to think I'm not going to do that work because I'm not going to be that happy, but I think you should be able to be at least a bit happy in your work. (Nicole, interview, 18/08/15).

While my interview findings indicate that in general employment is beneficial for wellbeing, Figure 6.6 also shows that there were several key ways employment negatively impacted wellbeing for many survey respondents. Overall, the highest factor was stress, with 50 or 36.2% of the employed survey respondents reporting this, followed by a lack of time to spend with family, relayed by 44 employed survey respondents or 31.9%. This was supported in my interviews, particularly amongst sole parents. For many, high levels of stress are an assumed component of their working life depending on the type of work. Nevertheless, intensive and stressful environments can have long-term negative impacts. Luke attributes high stress levels to a breakdown he had which led him to go on the benefit.

Survey respondents in full-time employment found working long hours was an issue. 27 survey respondents working full-time, or 31.0%, felt this was impacting their wellbeing. 37.3% of those in non-standard employment reported this as a negative impact of their current work. For those employed casually, instability in working hours was also a problem. This aligns with the difficulties faced by Amy, Luke and Rebecca discussed earlier around casual employment and being on the benefit. However, on a positive note, Figure 6.6 also shows that 31 survey respondents felt their jobs did not negatively affect their wellbeing in any way.

**Figure 6.6: The impacts of current employment on the wellbeing of survey respondents. Source: Author**

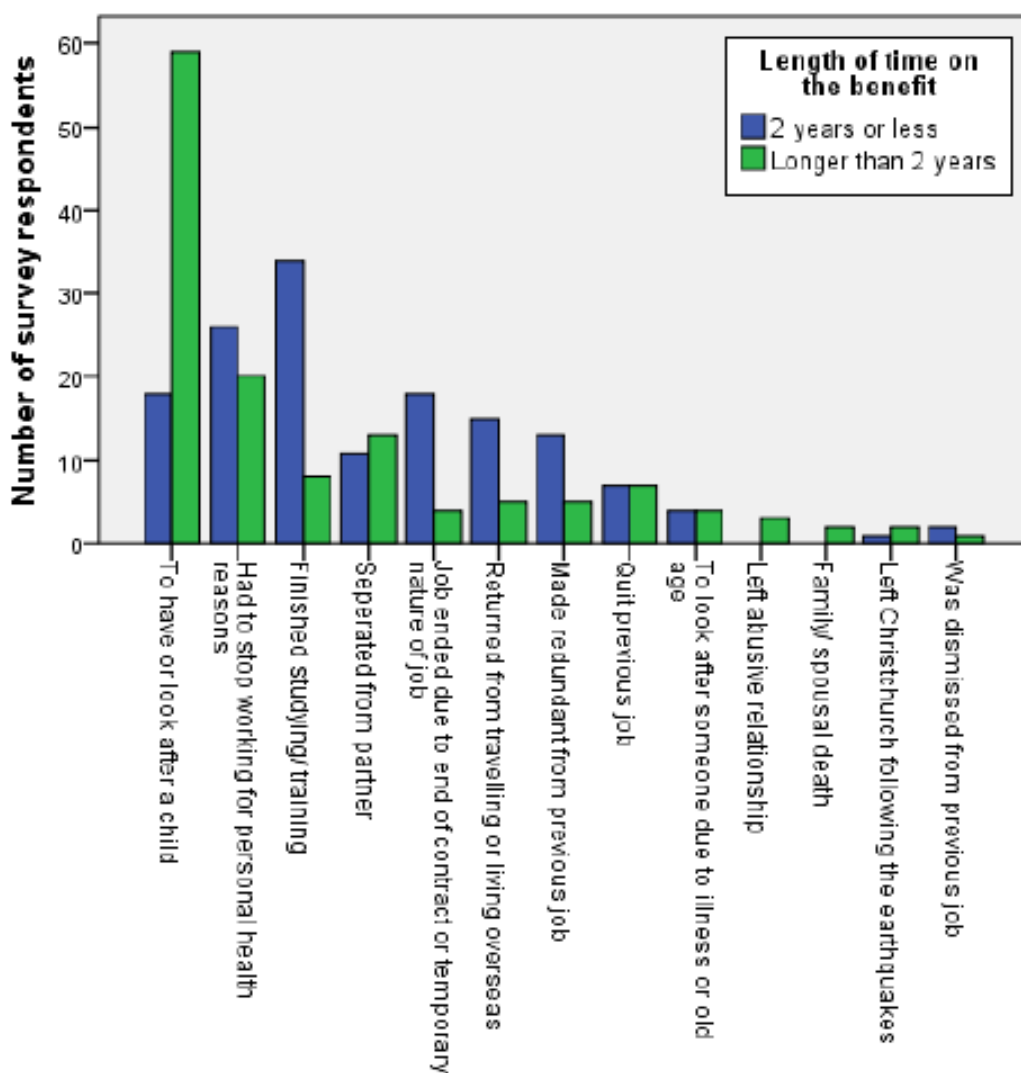


## 2. The operation of New Zealand's welfare system

### 2.1: Time spent on the benefit

The benefit dependency discourse that dominates public assumptions of beneficiaries can be dissected based on the findings of my survey. Figure 5.5 shows the circumstances that led respondents to go on the benefit. These results work toward debunking assumptions of benefit longevity and choice of circumstance. Of those who answered my survey, 54.7% had spent less than two years on the benefit. The completion of studying was the most reported reason for being on the benefit by this group, with 34 respondents, followed by health reasons (26 respondents), temporary employment (18 respondents), and child-caring responsibility (18 respondents).

**Figure 5.5: Circumstances that led survey respondents to go on the benefit based on length of time spent on the benefit. Source: Author**



Overall the most common reason was to have or look after a child, with 77 respondents in total reporting this. The next total highest reported reason for going on the benefit was health reasons, which was relevant for 46 respondents. Whether it be physical or mental, health issues can affect anyone at any time in their lives. This certainly works against the rhetoric of choice associated benefit dependency.

The use of the benefit for those experiencing temporary illness or health issues has changed significantly since the welfare reforms in July 2013. These reforms resulted in the placement of those reliant on the benefit temporarily for health reasons under the category of 'Job Seeker'. Amy was one of these cases. She was put on JSS with a waiver that was contingent on her supplying three-monthly medical certificates. For her condition, she said this time period felt appropriate, but had she ever not been able to supply these certificates she would have been obligated to start the job-hunting process.

These changes to the benefit system are also visible on a larger scale when comparing the percentages on each benefit type before the 2013 reform and after as shown in Table 5.1. In March 2013, before the reform, the Unemployment benefit only encompassed 16% of those who were receiving a benefit (Centre for social research and evaluation, 2013e). However in 2015, with post-reform benefit types, this category has risen to 41%, despite overall benefit number reducing (Ministry of Social Development, 2015). This suggests that many others may be in a similar situation to Amy and Robyn, who would not have previously been appropriate candidates for this type of benefit, are forced on to the JSS benefit despite the incompatibility with their circumstances and their physical inability to be a 'Job Seeker'.

*Table 5.1: Comparison of benefit numbers before and after July 2013 welfare overhaul. Source: Author. Data from Centre for social research and evaluation (2013a, 2013b, 2013c, 2013d, 2013e); Ministry of Social Development (2015)*

Pre-2013 reform benefit types	March 2013 figures	March 2013 percentages	Post-2013 reform benefit types	March 2015 figures	March 2015 percentages
<i>DPB</i>	106382	34%	<i>Sole Parent</i>	70373	25%
<i>Invalids</i>	83409	27%	<i>Supported Living</i>	93580	33%
<i>Sickness</i>	58208	19%			
<i>Unemployment</i>	48756	16%	<i>Jobseeker</i>	116893	41%
<i>Other</i>	13391	4%	<i>Other</i>	3414	1%
<b>Total</b>	<b>310146</b>	<b>100%</b>	<b>Total</b>	<b>284260</b>	<b>100%</b>

## 2.2: Regulations and disciplinary measures

The receipt of income from the state is contingent on the fulfilment of a series of increasingly harsh and unwavering requirements. These can range from the attendance of meetings to employment-focused workshops, and even drug-testing. A headline on Stuff.co.nz last year highlighted the criminalisation of benefit recipients as a result. While the headline read 'Beneficiaries increasingly failing drug tests, numbers show', the article goes on to specify in 2014 it was on average 2.6 people per week that failed drug tests, up from 2.3. In March of 2014 there were 295,320 on the benefit (Ministry of Social Development, 2015), making the number of people failing drug tests, when rounded up, to be 0.001% of total benefit recipients each week. Despite the actual figures of those who fail to meet these obligations and requirements, all benefit recipients are painted as deviant from the norm.

Under the guise of an investment approach, obligations and conditions are now being used to prevent assistance being provided to those in need. This works against the very purpose of welfare, and highlights the reluctance of the state to claim responsibility for certain citizens. Luke described what he witnessed during his time on the benefit.

It seemed by the end of it they were bringing in all these measures to try and make things harder so people just give up on it, trying to fill out these forms. I think they are just trying to create barriers to people applying for it. I'm sure there are lots of people that have done that, have given up trying to fill out all the paper work. I don't know what they are doing now. Must be on the streets, or maybe they have jobs. (Luke, interview, 23/07/15)

This criminalisation of beneficiaries is further epitomised in the practice of sanctioning, which is increasing at an alarmingly high rate. Between July 2013 and September 2014 there were 80,202 sanctions enforced on benefit recipients ("This is not a lifestyle," 2015). These sanctions are applied as a result of not fulfilling requirements or obligations of being on the benefit. In their report, the New Zealand Council of Christian Social Services (2015) found that the number one reason for benefits being temporarily cut was the failure to attend an appointment with WINZ. This happened to Ariana, who had been at the doctors and missed her appointment, resulting in a two-week stand-down and the need to reapply. Rather than investing time in measures to promote appointment attendance such as mutually deciding meeting times and pre-emptive reminders, neoliberal rhetoric dominating welfare promotes punitive sanctions as the primary response.

### 2.3: Interactions at WINZ

Based on the wider literature, interactions at WINZ offices can be seen as degradation ceremonies. There were several key themes that arose regarding these spaces of degradation that affected the wellbeing of my research participants. Firstly was the instability in case manager and client relationships in the current system. Luke, Rebecca, Stephanie, Sarah, Nicole, Amy, Ariana, and Hannah all mentioned the constant changing in who their case manager was. Sarah felt the staff turnover was understandable in her situation, giving the frequency she had been going in, however Luke and Amy were not so positive and felt that building a connection with a specific case manager was vital for those looking for work with the assistance of WINZ.

Based on feedback from the interviews, the type of interpersonal relationship that were previously experienced by participants no longer exists between WINZ staff and beneficiaries. Instead, Nicole describes the current interactions as dissociative and systematic. "I get 'we don't see this stuff on your record', and that's kind of it. They just go by what is in the computer" (Nicole, interview, 18/08/15). This highlights the increasingly systematic approach employed.

Another theme regarding case management and WINZ staff was the fluctuation in treatment received by the interview participants. Sarah (interview, 11/08/15) felt she had "struck it really lucky" with her case managers, which had shaped the ease of assistance she had experienced. However, Stephanie (interview, 02/08/15) spoke of the bad experiences she had with the reception staff in particular, saying "I have never met ruder people in my life".

### 2.4: The wider implications of low benefit levels

As a result of minimal state support, families and personal networks are being shouldered with the burden of being the social and economic safety net for individuals. Rebecca, Amy, Stephanie and Nicole all felt they could not have been able to cope financially without additional assistance from their personal support system such as family, friends, and partners.

I got a lot of support from my parents. Like I didn't purchase a car, my mum got her new car, she gave me her old one. So I have been very lucky, I've had a lot of support. And just meals, and sharing things, she will often buy [my child] clothes, so I feel quite lucky in that respect... Certainly, I don't know how any one person can survive on the benefit. If I hadn't had my parents for support, in lots and lots and lots of ways, I just don't know how I would have

done it with current housing prices, the way they are, and food. (Interview, Rebecca, 01/08/15)

Also reflecting the inability of the state to adequately support its citizens is the continued reliance on voluntary and non-governmental organisations (NGOs) in New Zealand. This follows a global trend of NGOs being transformed from services providing emergency relief to permanent fixtures in the welfare landscape.

### 3. Coming off the benefit

#### 3.1: Benefit to work transitions

Paid employment is now heralded as the *only* means of improving the lives of beneficiaries. This exclusive focus on jobs by the welfare state overshadows growing social issues such as inequality, as well as wider structural economic problems. This systematic approach to employment for benefit recipients permits the quality and appropriateness of work to be overlooked. Stephanie, for example, was suggested by WINZ for a bee-keeping position when she was eight and a half months pregnant.

Despite the continued push towards employment, assistance was not always provided in order to aid those attempting to pursue work. WINZ was unable to assist with job-hunting for those with higher levels of education and high-skilled job focus. Both Rebecca and Sarah had periods when they were struggling to find work. It was the inadequacy of services available to them at WINZ that meant they both had to look elsewhere for assistance in improving the marketability of their skillset so they could find employment.

Another example, Amy had a physical disability that temporarily prevented her ability to work. Through her own drive to work and maintain a reputation in her field, she chose to begin the process of gradually shifting into paid work before she was obligated to. However, she felt limited in her ability to pursue this due to barriers from WINZ.

I've only been able to get back into work incrementally. And that must be the same for anyone who has had injuries. It's not like you rest up and then you are suddenly back to 100 percent... Because I didn't have full-time work to go into, [WINZ] couldn't provide me with any [transition to work grants]...So that was frustrating. The case managers said, 'you're not going into full-time work, so we can't really help, sorry'. You could see that they thought that it was a bit weird and silly, but there's nothing in the system they can do... [I was] trying to figure out how to give myself the tools to get back into work and they just couldn't really help because the work wasn't full-time. (Amy, interview, 14/09/15)

Of further concern is how people are being assisted with benefit-to-work transitions. The focus is no longer on improving employment outcomes through training or upskilling. Previous studies have found that lower education was a major impediment to employment success amongst long-term benefit recipients. However despite this, Nicole found that in her case WINZ actively attempted to



prevent her from completing study in order to work toward full employment. After rescheduling her current part-time work, finances, and family commitments in order to attend a course that she was told by WINZ they would pay, she was then denied by a different person at WINZ.

They were meant to let me know 10 days after the hearing what their decision was going to be. It's been five weeks... They could just pay for my course, considering my course is [under \$500]. But their reasoning behind me not getting that is because I am too educated. And I asked them what they meant. For example I didn't sit school cert [ificate], I had my first child just after I turned 15, didn't go back to school. I was parenting. I don't actually have any qualifications, my only qualification I have is my [one year certificate]. But I'm too qualified... I went back home to complain to my case manager. And I said, 'I could be on my ass at home doing nothing, and you guys would have to run around sorting things out or me. But I'm the one who wants to get off the benefit, I'm trying to pursue this so that I can find more work'.  
(Nicole, interview, 18/08/15)

Nicole then had a hearing, during which the decision was successfully overturned and WINZ was ordered to pay the course fees. While the outcome was eventually successful, this case is particularly troubling in that Nicole exercised her own agency in an attempt to get into full-time work and improve her job prospects by overcoming a key barrier to her employability, yet was actively prevented by WINZ. This is another example of the problems that can arise with a systematic, rather than interpersonal, approach to welfare and off-the-benefit transitions.

Now, transitions to work are currently pursued through punitive measures including sanctions, surveillance and increased obligations showcasing how the state is encroaching on individual freedom around participation in the labour market. This pressure and reduction in freedom of choice was something Sarah was concerned about.

I'm worried that it will come to that, that if I'm out of work for a few months, and they go- 'well you can do this, why don't you?' Because that's not what I want to do, or it's not paying enough. And I can understand that its tax payer money supporting me, but I don't want to be pushed into a job. (Sarah, interview, 11/08/15)

### 3.2: Job availability

As is discussed widely in the literature, the biggest determinant of employment is the wider economy and the local labour market. Despite the transformations that have occurred in the labour

market, welfare rhetoric continues to assume a failure to obtain employment is the result of the attitudes and traits of job seekers (Lunt, 2006). Yet based on the experiences of interview participants, it was their own determination to be in employment that motivated their persistent job search, despite a harsh job market. Rebecca, Sarah, and Nicole all said the jobs they applied for had 100's of applicants, making their search for work extremely difficult. Their experiences support the conclusions of this thesis, and the wider New Zealand literature, that the external economic context has become increasingly difficult to navigate for job seekers. This desperately needs to be incorporated into the welfare system, rather than subjecting individuals to punitive measures, which fail to support transitions into quality work.

There were also issue faced primarily by sole parents. The prioritisation of their children before work, as well as restrictions due to being the primary guardian, can make sole parents in particular less desirable in the job market. A previous study (Baker and Tippin, 2002) found that sole mothers were often passed over for jobs simply because of the responsibilities that come with being a sole parent. Stephanie had found difficulties in her job search as a direct result of these limitations.

Because I don't rely on anyone else for babysitting other than my mum occasionally, but she works 6 days a week, so she's not really available to babysit. [My daughter] is in day care, but that's it. I can only operate within those hours. And even entry level jobs will not take me because of [that]. I've had a couple of emails saying, 'are you sure you can't work weekends, or are you sure you can't work after 6pm?' It's pretty gutting... I know that having a child makes me less employable... Being inflexible as far as kindy hours is concerned is a huge factor, because if [my daughter] had a cold and she can't go to school, I have to be there for her. There's no one else that can do that, other than me. Because there's just no one else. (Stephanie, interview, 02/08/15)

### 3.3: Being on the benefit and working

One of the common themes that was expressed in the interviews was the incompatibility of the New Zealand welfare system with the realities of benefit recipients and the current local labour market. This was alarmingly noticeable when three out of the six individuals I interviewed had built up a debt with WINZ as a result of this discordance. Rebecca, Luke and Amy had all been in casual/ flexible employment that did not provide enough income to live off, and therefore needed partial assistance from the benefit as well. For these three, this debt that had accumulated was a hindrance once they

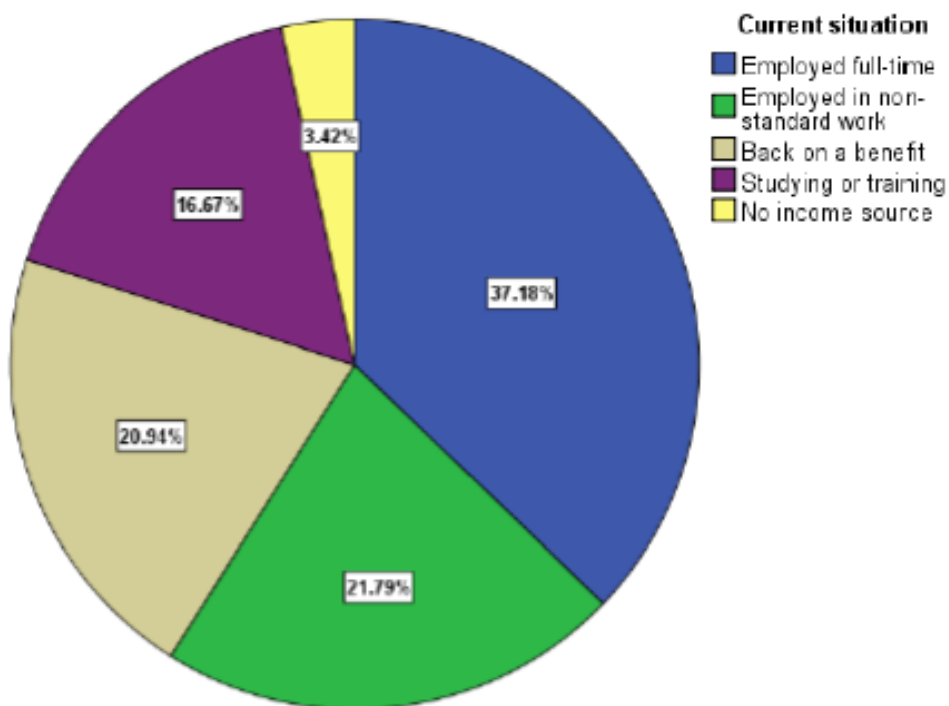
did get off the benefit, impacting their financial wellbeing. Rebecca explains how the build-up of this debt occurred:

For a number of years...I'd pick up the odd little contract here and there that might be for a term, but I never fully came off the benefit. It would be a week by week or fortnight by fortnight thing, where I would ring up [WINZ] and say how much I had earned, and it would vary every time... I had a debt because it was so hard and confusing to keep track of what I'd earned. And, just the way the system worked, I wouldn't know exactly how much I would be earning. They want you to estimate what you think you will earn per week. But that was impossible for me to do because of the nature of what I was doing. And I think that kind of casual work is so common now, and I have this really strong feeling that the benefit wasn't keeping up with the reality how most people in lower incomes work, which is casually, and often don't know from week to week how much they are going to earn next week. That was definitely my situation... It just felt like they were stuck in this old way of looking at how people work, considering that the job landscape has changed...I'm living on quite a meagre amount still. I never seemed to ever quite get ahead, or to earn very much more than what I would be getting from WINZ anyway. (Rebecca, interview, 01/08/15).

## 4. Employment and the labour market in New Zealand

### 4.1: What is happening when beneficiaries come off the benefit?

**Figure 6.1: Outcomes of survey respondents. Source: Author**



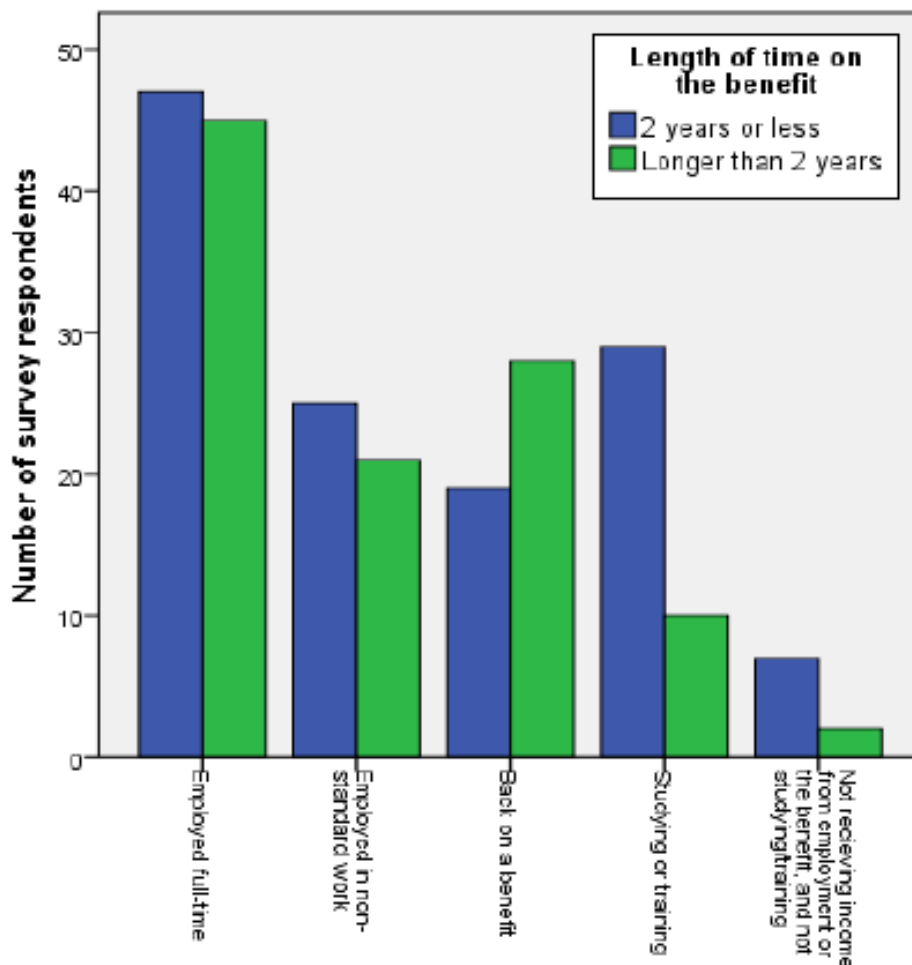
While the welfare system is avidly focused on getting benefit recipients into employment, this is currently being measured in the public sphere through off-the-benefit figures. The results of the question ‘what best describes your current situation’ in my survey can be seen in Figure 6.1 (above) and Figure 6.2. Figure 6.2 expands on the broader categories of Figure 6.1, shown in the previous section. Of those who answered my survey, 87 respondents or 37.2% were currently in full-time employment. 16.7% of respondents were in either full-time or part-time study. These alone are positive indicators, however these figures do not incorporate the wellbeing of these individuals. A better indicator of this is that 71 of the 87 participants who gained full-time employment describe themselves as being satisfied with their current work.

Indicative of the current labour market is the presence of non-standard work, which came with a markedly lower rating of job satisfaction, as will be discussed in more depth later. Non-standard work accounted for 21.8% of survey respondents, the largest group being those in part-time

employment, with 30 respondents. A concerning result of this survey was 20.9% of respondents had gone back on the benefit since coming off, and on top of that seven respondents were not receiving any income from the benefit or employment, and were not studying/ training. This result significantly calls into question the use of off-the-benefit figures as indicators of successful off-the-benefit transitions. These figures also align with the work of Rosenberg (2015) to highlight that off-the-benefit figures are hiding the longer term costs to the welfare system of those who go back on the benefit. Of those who went back on the benefit in this study, 11 were because of temporary employment, and 10 were taken off the benefit temporarily due to administrative-type reasons, most commonly moving benefit types.

The number of survey respondents who were back on the benefit is even more concerning when broken up based on length of time previously spent on the benefit. Figure 6.3 shows that there was a higher incidence of benefit returns for those who had been on the benefit for longer than two years, alluding to a cyclical pattern.

**Figure 6.3: Current situation of survey respondents based on length of time spent on the benefit. Source: Author**



This aligns with the literature and responses from interview respondents around the negative impact of the benefit on wellbeing over time. Those who had been on the benefit for over two years were significantly less likely to go into training or studying, with only 4.3% doing so, out of the total 16.7% of survey respondents now in training/education.

#### 4.2: The New Zealand labour market

For those who come off the benefit and do find employment, they are met with a harsh and unsupportive environment. Significant changes have occurred in the labour market as a result of the the reduction of the role of the state, increased international competition, and a focus on reducing labour costs. These wider changes were experienced by several participants of this research.

The implementation of the 90 day trial highlights how the relationship between employer and employees have changed. The implementation of this policy in New Zealand across the whole labour market allows employers to dismiss newly hired personnel within 90 days of hiring them, without repercussions from the employee. Statistics New Zealand (2013) found that in the December quarter of 2012 36% of all New Zealand employees had been subject to the 90 day trial. Stephanie had first-hand experience with this and the impacts it can have on employees.

I begged for six months for the job... when I did finally get the job, I had to work split shifts so that I could fit around everyone else... So at the start they had me sign on to the WINZ scheme that subsidises wages... It was supposed to be permanent. So I was thinking, 'yay I don't have to move! Yay cheap rent'. But that didn't turn out. Two weeks before the end of the three months, they started making excuses as to why I shouldn't stay- that I wasn't up to scratch because I didn't meet the standard that someone who had worked there for 12 years had, after two and a half months. They've written me a reference that my customer service skills and my knowledge of the job were 110 percent sort of thing, but I think it was all just a bit of a scam on their part. And WINZ knows about them and they are continuing to do it. Because they knew me personally, and knew my daughter, and knew my family, I thought it wouldn't have happened the way it did. (Stephanie, interview, 02/08/15)

She described the impact of going back on the benefit due to her job loss in this way:

I loved that job, I love working in customer service... I suffer from depression anyway, but losing my job the way I did and a few other circumstances, it's the worst patch I've ever gone through. (Stephanie, interview, 02/08/15)

In this case, the exercise of the 90 day trial had a direct negative impact on Stephanie's wellbeing. This example shows the hegemony of employers afforded by the neoliberal rhetoric of a flexible labour market. However at the same time this policy works against other ideals of neoliberalism by contributing to a loss of economic individuals contributing to society through paid employment.

#### 4.3: The 'Working Poor'

The reduction of support by the state for the wellbeing of citizens on the benefit is premised on the assumption that the labour market will economically and socially provide for all. While my own data supports a disjuncture in financial satisfaction between being on the benefit and being in employment, it also shows the financial hardship faced by those in employment. Almost two-thirds (62.8%) of individuals in non-standard work were dissatisfied. However there was also a fairly high level of dissatisfaction amongst full-time workers as well, with 41.4% feeling this way.

Currently, two out of five children living in poverty in New Zealand are in homes with at least one adult who is employed in full-time work or self-employed. The increasing levels of poverty and inequality in New Zealand highlight how employment is failing to be a means out of hardship.

It just doesn't make sense- you can be on the DPB [former SPS benefit], and get more money than what you get going out to the real world. They are trying to push you into jobs that you are going to get less money in. How does that work? It's because the government doesn't talk about things like the Living Wage, bump it up mate, so people can actually live well... The transition from being on the benefit to working, I feel that they shouldn't be cutting the benefit less so that they can tell you to go in to work because then its better. But I think as a whole, people's wages should be able to go up... You get people that are working 50 hour weeks, still on minimum wage, and having to try and support their family, but they don't even get to see their family. That's really fucked up. And that's where you have troubled kids and lots of crime happens...With things like power and petrol going up all the time and no one's wages budging...There's obviously a lot of people that are fine, but on the whole it's a fucking struggle out there. (Nicole, interview, 18/08/15).

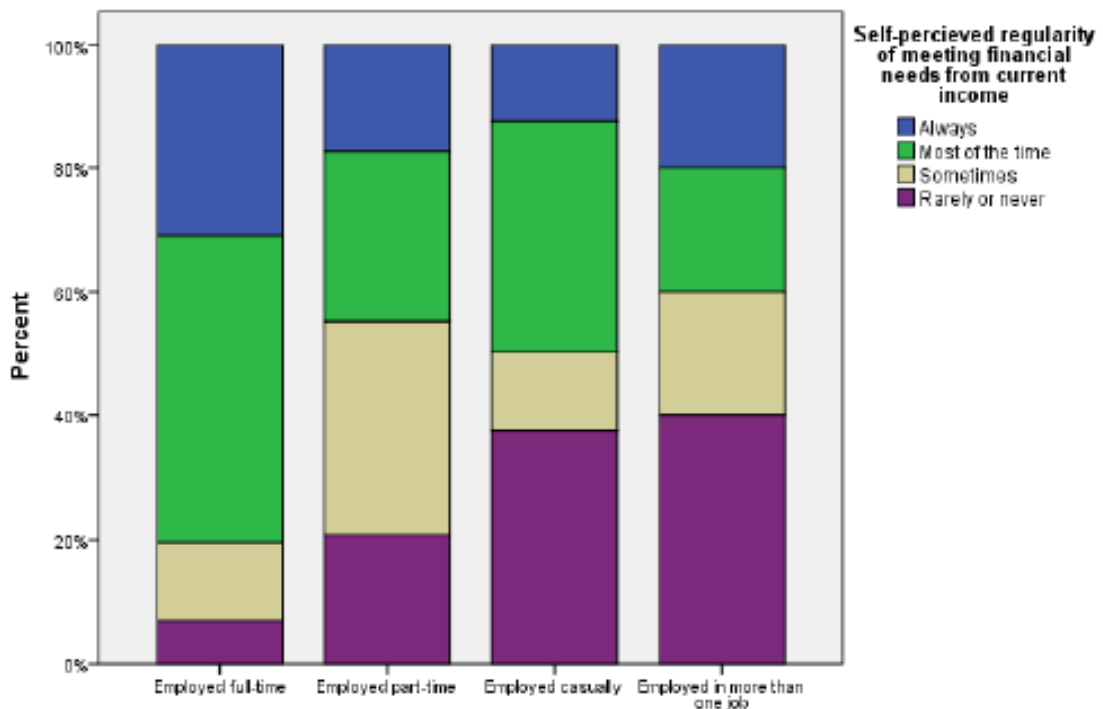
Low paid work is particularly prevalent in non-standard and insecure work. The differences in financial security between employment-types are clearly visible in Figure 6.5. Those who were employed on a casual basis, as well as those in multiple jobs, had the highest rate of the self-reported inability to meet financial needs regularly. 37.5% of survey respondents in casual

employment felt they could rarely or never meet their financial needs, as did 40.0% of those in multiple jobs. Comparatively 31.0% of those in full-time work could always meet their needs, and only 7.0% rarely or never could. Sarah, who is an example of someone employed in more than one job, said she was working two jobs for financial purposes. When asked about her and her family's wellbeing Sarah (interview, 11/08/15) said, "We are just surviving".

Another concerning aspect of the low wage trend is its gendered nature, largely attributed to an increased rate of women in non-standard work. While some attribute this to the type of work, for example care work, others argue that these areas are low paid because they are female dominated. Nicole who was involved in this care type of work found it to be significantly underpaid, particularly vexing given the necessity of it.

The kind of work that I have always loved doing is care work, whether its humans, animals, what have you. And unfortunately the government does not appreciate the workers in those areas. So we are very very underpaid for the hard work that we do. And with the humans, we all need to be caring for them, because one day we are going to be those humans that need to be cared for. (Nicole, interview, 18/08/15)

**Figure 6.5: Ability to meet financial needs for survey respondents currently employed.**  
**Source: Author**

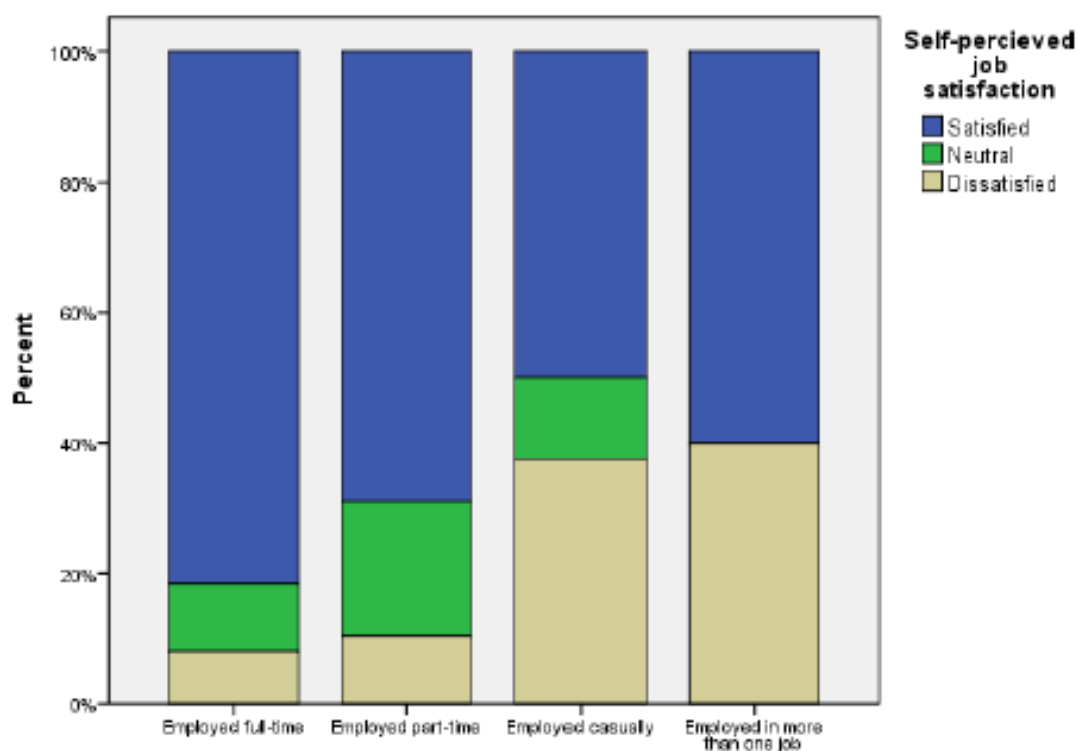




#### 4.4: Job satisfaction

The increased level of non-standard work was found to impact the wellbeing of research participants. The impacts of different job types on survey respondents is visible in Figure 6.4. Overall, there was much higher dissatisfaction with working life for those in non-standard work types. 81.6% of survey respondents in full-time permanent employment felt satisfied with their job, and only 8.1% feeling dissatisfied. Comparatively, 40.0% of those in multiple jobs reported dissatisfaction. Casual employment, the most unstable and insecure type of non-standard employment, also had a high rate of dissatisfaction at 37.5%.

**Figure 6.4: Self-reported job satisfaction of survey respondents divided by job type.**  
*Source: Author*



There was also specific conflicts for sole mothers in the labour market. Nicole found the reduced time with her children to be a negative factor resultant from current non-standard work as well as studying, which impacted her own wellbeing. The responsibility of being a sole parent compounded this.

Even working and studying and everything, I have missed out on a lot in my daughter's life because I don't have that freedom of opportunity anymore. So that's a struggle for me. I call it neglecting her needs. Because it's really important for kids to be able to feel like their parents are available for them and supporting them, and I'm not able to do that... For me, I

feel like she knows I am available, but because I am missing out on things like parent-teacher interviews, I'm not able to attend certain things at school because I'm so busy all the time now, I feel like I'm neglecting her. If I was a two parent family, and not even necessarily together, there is always going to be a parent that could attend something. Where it's just me, and I can't stretch myself that much. (Nicole, interview, 18/08/15)

## 5. Suggested improvements to the welfare system

The stories of the research participants in this study have highlighted the transformations that are required in order for the safety net of the welfare system to truly enable citizens to bounce back from 'misfortunes', as described by the Honourable Michael Joseph Savage, and support the vital unpaid work of parenting and caregiving.

As was mentioned earlier, in order for any changes to occur the first necessary overhaul is in the understanding and conceptualisation of welfare recipients. From the interviews there was clear feedback highlighting the poor treatment of beneficiaries both in a public sphere, and even in spaces specifically designated for benefit recipient. However Nicole noted that this required more than just operational changes. She said, "I'm not beating on the [WINZ] staff because they are just the middlemen having to pass on the information that the government dictates basically" (Nicole, interview, 18/08/15). This information is currently handed down in policies framed by the benefit dependency discourse. Based on the findings of this research it is clear a punitive system does not encourage the take up of paid work, nor support the wellbeing of individuals. Therefore a shift in welfare system that treated its users with dignity and worked to uphold their rights would be beneficial for all. Such a system would be able to provide a supportive space that aided individual's employment or training aspirations, rather than contributing to the downward spiral of poverty.

A discursive change in the welfare system would also allow a more personalised relationship-oriented system to flourish. The flaws in current systematic nature of welfare have been touched upon throughout this thesis, include notably Nicole's fight for payment of her training fees and the accrual of debt by Luke, Amy and Rebecca when transitioning into work. Rebecca suggests that what is needed is a welfare system that is based around people and relationships. This would improve flexibility in the welfare system and allow it to align better with the complexities of real life.

Definitely, more flexibility within the system [is needed]. With that though there would have to be a closer look at how [WINZ] understand people...And I think if you're going to have flexibility within the system in terms of being able to accommodate people that are working casually as opposed to permanent part-time and all of those sorts of thing, the whole environment needs to be more people focused or more focused on building relationships between people so that you can have that flexibility. Because a system is not going to be able to manage that on its own, it needs to be managed by people. Having said that, you also don't want to be too much under the microscope, because that's demeaning as well. So that should definitely be a change. (Rebecca, interview, 01/08/15)

At a more operational level, a relationship-based system would require more consistency around WINZ case managers in order to administer this ethos. Having one case manager that is familiar with the situation and traits of an individual was suggested by Amy and Luke to potentially improve assistance into work or study, and the general experience of being on the benefit. Another operational change that was suggested by research participants was an improvement in the ease of benefit-to-work transitions, especially when into non-standard employment.

I would say it's that transition into part-time work, [WINZ] need to support that and be engaged with that better... Increasingly the workforce is tending towards that- it's all fine and good to say there are less people that are unemployed, but when you are employed and still not making ends meet. So just knowing that they do have all these small ways of financially supporting you into work, but can't access that because your work doesn't happen to be full-time. There's lots of people whereby the only pathway into work is part-time. (Amy, interview, 14/09/15)