

# HISTORY OF THE NEW ZEALAND WELFARE SYSTEM

Today's welfare system is the product of decades of change, some ad hoc and incremental, some radical. It reflects the changing shape of New Zealand society and changing policy frameworks.



1898

Old Age Pensions Act established

1969

A Royal Commission was established to examine the principles and payments of the social security system

1970's

The stability of the post-war period began to unravel. Economic and social changes placed increasing strain on the welfare system

1986

**Royal Commission on Social Policy report stated the key principles of social security included:**

- Ensure all New Zealanders have access to a sufficient share of income and other resources to allow them to participate in society with genuine opportunity to achieve their potential and to live lives they find fulfilling
- Relieve immediate need
- Ensure the well-being and healthy development of all children
- There was never a government response to this report, so it made no changes to the system

1990's ONWARDS

**Social assistance became targeted and more conditional**

- Focus on reducing benefit dependency and increasing the number in work
- Emergence and expansion of increasingly targeted Supplementary Assistance Programmes
- Increase in financial hardship and a greater mandatory use of budgeting services
- Anti-fraud measures in the welfare system became prominent

2012-2013

**2012/2013 Welfare Reform Package**

- Aim to reduce long-term benefit dependency.
- Introduced three new benefits to replace existing main benefits, obligations and sanctions extended and changes to the way the Ministry of Social Development operated to help reduce welfare dependency

1938

Social Security Act formed, the beginning of the modern Welfare State

1972

The Royal Commission on Social Security envisioned a generous welfare state, it did not see the economic changes coming

1984

A series of wide-ranging economic reforms shifted NZ from being one of the most regulated countries in the developed world to one of the least regulated

1991

**Social assistance: Welfare the Works**

- Welfare would be a safety net for those who could demonstrate genuine need
- It aimed to "strike a new balance between the state's responsibility for the citizen and the citizen's responsibility for their lives and those of their families"

1999-2008

**Social development**

- Government aimed to replace social welfare with social development
- an active partnership between the state and people on benefits, with new rights and responsibilities
  - Strong focus on improving employment outcomes and reducing poverty