



**NZ
Human
Rights.**

Human Rights Commission
Te Kāhui Tika Tangata

Human Rights Responses to Poverty in Working Households

He Urupare Tika Tangata mō te Pōharatanga
ō ngā Whānau Whaimahi

Executive Summary



Working households in poverty in Aotearoa New Zealand

The experience of working households in poverty is avoidable. We need a human rights-based approach to respond to poverty in working households, consistent with international human rights law and our obligations under Te Tiriti o Waitangi. Poverty in working households can be alleviated and eliminated by adopting a human rights approach; failure to do so is a violation of our obligations under international human rights law.

According to research commissioned by the Human Rights Commission and conducted by the New Zealand Work Research Institute (NZWRI) at Auckland University of Technology, over 50,000 working households lived in poverty in Aotearoa New Zealand in 2013. This is equal to an in-work poverty rate of 7% (based on a 60% before housing costs poverty threshold). This figure accounted for various income sources, such as the Working for Families tax credit and Accommodation Supplement government payment: if these two income sources are not included in the income calculation, the rate of working households in poverty was significantly

higher, increasing from 7% to 9.2%. This shows the impact that these two income sources has on lifting households out of poverty. The prevalence rates of poverty among New Zealand's working and non-working households may now have been well exceeded due to the impact of COVID-19.

This new report from the Human Rights Commission builds on the NZWRI Research and international human rights law and practice on working households in poverty. It introduces and provides an overview of some of the human rights issues that are raised by the NZWRI Research and contextualises these in light of the global COVID-19 pandemic. It also provides an overview of what a human rights-based approach to alleviating working households in poverty in Aotearoa New Zealand will require. It offers a framework for responding to the issue of working households in poverty in Aotearoa New Zealand by outlining what a human rights approach should entail and what this means in terms of possible policy and other changes that will be needed.

The Impact of the COVID-19 Pandemic on Working Households in Poverty

As a consequence of the COVID-19 pandemic, there is a significant risk that poverty in working households in Aotearoa New Zealand will be further exacerbated. Those working households who are already statistically more likely to experience poverty are in many cases those who have maintained the economy (and our health systems) throughout lockdown. And those working

households already experiencing poverty are among those most likely to be disproportionately affected by the economic outcome relating to COVID-19. Those who can least afford it will be those who suffer the most from this crisis.



The Human Rights Impacts of Working Households in Poverty

Poverty is both a cause and a consequence of human rights violations; it is a result of deprivation and it leads to further deprivation. Poverty is not only a lack of income; it is a lack of access to goods, services and to participation in society, which are essential for the enjoyment of human rights. This is the multi-dimensional nature of poverty.

Poverty creates obstacles that make it harder to access human rights such as adequate housing,

food, health, education, work, and civil and political rights such as the right to a fair trial and political participation. And a lack of these rights also makes it difficult to escape the poverty trap.

These human rights, when applied in a Te Tiriti o Waitangi framework, also provide us with the way forward: improving access to human rights is a tool for alleviating poverty.

Analysing the Human Rights Affected

The rights affected by working households in poverty include the right to decent work and employment conditions as well as the rights to adequate housing, health, education, food, social security, and civil and political rights such as political participation. Interconnected to all of these is the right to be free from discrimination.

Human rights and working households in poverty are linked in three main ways:

- 1. A higher prevalence of working households in poverty is associated with groups of people who have reduced access to human rights:** The NZWRI Research shows that there is higher prevalence of working households in poverty amongst tangata whenua, the underemployed, those on low wages or in insecure employment, those with lower educational achievement levels, renters, people already receiving some benefits, disabled people, people with health difficulties, and particular ethnic groups.
- 2. Poverty in working households can impact on other human rights:** those working households experiencing poverty are less likely to be able to access or improve their enjoyment of a range of human rights, due to their disproportionate exposure to barriers. They have less disposable income available to spend on housing, food, health, and education. They are also more

susceptible to the disruptions that are brought about by less secure housing, lower education levels, lack of food, limited access to healthcare, and discrimination.

- 3. Increasing the enjoyment of human rights can reduce poverty in working households:** enhancing access to human rights can help alleviate the experience of poverty in working households. Breaking the cycle of poverty involves the full enjoyment of all human rights. Decent work, fair pay, higher levels of educational attainment, and freedom from discrimination are all linked to higher income and less propensity of working households to experience poverty.

Responses and Recommendations

A human rights-based response to issues such as poverty in working households and the impacts of the global pandemic requires us to apply human rights principles (indivisibility, accountability, equality, non-discrimination, participation, transparency, sustainability, and certainty). It also involves taking steps to respect, protect, and fulfil human rights so as to avoid exacerbating poverty in working households and to contribute to its alleviation.

Astute policy initiatives, consistent with a human rights-based approach, could work to address the impacts of poverty on working households in Aotearoa New Zealand and alleviate the impacts of the COVID-19 pandemic.

These responses and recommendations provide a starting point and provide some examples for realising a human rights approach.

- **Respect rights by removing obstacles**
 - Develop a Te Tiriti o Waitangi and human rights-based poverty eradication strategy
 - Adopt a Te Tiriti o Waitangi and human rights-based housing strategy
- **Protect rights by taking measures**
 - Keep people employed in fair employment conditions
 - Create jobs that realise the right to decent work, fair working conditions, and equal employment opportunities
 - Increase earnings and fair remuneration
- **Fulfill rights through targeted responses**
 - Target strategies towards particularly affected groups
 - Incorporate social procurement practices and employment quotas
- **Eliminate discrimination**
 - Facilitate greater workforce participation and diversity
 - Guarantee pay equity and eliminate the gender, ethnic, and disability pay gaps
- **Enable participation**
 - Ensure the participation of rights-holders, especially Tiriti partners, to design systems that empower
- **Ensure access to justice**
 - Ratify the Optional Protocol to the International Covenant on Economic, Social, and Cultural Rights
- **Incorporate multidimensionality into the rights response**
 - Enhance workforce skills through education and training
 - Strengthen the social security net
 - Enhance housing affordability and security of tenure
- **Collaborate to realise rights**
 - Implement a living wage
- **Centre Te Tiriti o Waitangi in a human rights-based approach**
 - Facilitate a 'just transition' to meet the Sustainable Development Goals (SDGs) and a 'just recovery' from COVID-19, based on partnership, self-determination, and sovereignty