

# Poverty: it's not a lack of jobs, its a lack of fathers

## It's time to do something about family breakdowns

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Two contrasting analyses have been apparent in the recent debate on poverty in New Zealand. One focuses on “incentives” and work schemes to encourage beneficiaries out of welfare dependency. The other argues the need for real employment opportunities not “workfare”. Much is made of this contrast, however it is strange that neither addresses the fastest growing cause of poverty in New Zealand - family breakdown. It is not a lack of jobs that has become the primary cause of poverty in our country - it is a lack of fathers.



Absentee fathers are the forgotten factor in our continuing social welfare debate, writes  
EWEN McQUEEN

Unemployment figures have been falling steadily for some years now and are projected to continue doing so. In stark contrast however, the number of single parent families requiring assistance has continued its relentless rise upwards. At \$1.4 billion last year the Domestic Purposes Benefit was the Government's single biggest welfare expense - exceeding the cost of the Unemployment Benefit at \$1.2 billion. Treasury projections show the divergence between these two welfare costs is expected to continue. In three years time the cost of the UB is projected to fall further and that of the DPB to rise to \$1.7 billion. That represents another 16,000 families needing help.

These figures highlight the emergence of a new class of disadvantaged New Zealanders. They are not the jobless poor, but the fatherless poor. Their existence as a distinctive group was confirmed in a marketing survey recently undertaken by Otago University's Consumer Research Group. The survey was first carried out in 1989 when it identified six major “lifestyle segments” in the New Zealand marketplace. The survey was repeated last year and revealed an entirely new segment labelled “pragmatic strugglers”. This group

made up nearly 15% of the population and was described as “a segment low in resources with many single parent families”.

The poverty of the pragmatic strugglers is undeniable. In all areas from housing to health and education they will invariably be found making up the numbers at the bottom of the statistical heap. As one Social Welfare report put it - sole parents stand out as the disadvantaged of the disadvantaged.

This should not surprise us. You don't have to be an expert to realise that when one parent (normally mum) is left to cover the mortgage, the groceries, and all the other family bills, then things are going to be stretched. Combine this with the fact that caring for young children often limits their ability to earn income and you have an obvious recipe for poverty and dependency.

Simply providing more employment (of whatever sort) is not going to deal with this new form of poverty. Many of the mothers involved are already working hard just caring for their young children. They need ongoing support, not pressure to take up employment opportunities.

Neither is alleviating unemployment going to address the root cause of this new poverty. This is because the cause is not primarily economic. To those on both the left and right who worship at the altar of economic solutions, this will no doubt seem like heresy. However the facts speak for themselves. If unemployment was the major driver of family breakdown, then as unemployment fell we would expect to see a corresponding drop in the disintegration of families. As already noted this hasn't happened. The DPB figures have continued to rise in spite of falling unemployment. In fact ever since the DPB was introduced in 1973 it has tracked a steady course upwards quite oblivious to rises and falls in unemployment, recessions and booms, and the changing colours of economic policy. All of which suggests that we need to look beyond economic factors to find the roots of the new poverty.

Where then should we look ? In the last two or three years a new consensus has begun to emerge that looks to the obvious - the erosion of our moral foundations. The moulders of this new consensus come from both sides of the political spectrum. The right includes those such as economist and theologian Michael Novak who visited New Zealand recently speaking of the moral underpinnings vital to the health of a market economy. Voices on the left include Norman Dennis an academic involved with the Institute of Economic Affairs and long time member of the British Labour Party. Dennis recently published “The

Invention of Permanent Poverty” which examined the causes of rising crime and poverty in Britain. He concluded that the chief reason was not economic, but rather, the abandonment of the assumption that a man should make a lifelong commitment to marriage and parenthood. In our own country the Hon Mike Moore has recently published a book “Children of the Poor”. He also points to the problems of a culture increasingly characterised by “participation without commitment.”

Uncomfortable as it may be, it seems we are starting to realise that what we have sown in the casualisation of human relationships, we are now reaping in the poverty of our children. The destination of the permissive society is daily becoming clearer, and it is not the promised place of freedom but of rather a land of broken families and dependency. In past years it was fashionable to write off such concerns with the assertion that the family was not breaking down, it was merely “changing”. However the unpleasant realities of the “changing” family have now become too big to be dismissed so lightly.

All this provides ample reason for the government to take a more pro-active role in promoting those virtues which will contribute to social cohesiveness. In particular they need to ensure the institution of faithful committed marriage is affirmed, protected, and upheld in all matters of legislation and public policy. Enough evidence now exists to show that alternative arrangements simply don’t provide the same stability for family life.

There are promising signs that the new Coalition Government is beginning to realise this. The recent Budget Policy Statement noted one of the Government’s key priorities as being “to encourage the maintenance of values in society that support family units”. However if this is to be more than mere words, our political leaders need to find the courage to put some policy where their mouth is.

What could they do ? For a start they could ensure that school sex education programmes uphold and honour the institution of marriage. They could also reserve legal protections such as the Matrimonial Property Act for those who have actually made the public commitment of marriage. Some positive discrimination in favour of married couples wouldn’t go astray either. What about allowing such couples to split their income for tax purposes. In broadcasting, NZ On Air could be given criteria so that funding is directed to family friendly programmes.

All of these are just examples of initiatives that could flesh out a family values policy package. In isolation none is likely to achieve much. However promoted together as part of

a comprehensive strategy to encourage and maintain those values which support families, they could have a powerful impact.

In summary, New Zealand has a problem of increasing poverty. It is a problem however which will not be addressed by merely economic measures. Only by investing in those virtues that produce stable families will the government ensure our children have a future beyond poverty.

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