

## Media Release – For immediate release

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### **Budget '21 a step in the right direction but NGO social services face ongoing funding gap**

Social Service Providers Aotearoa (SSPA), the membership-based organisation representing over 200 NGO social service organisations, says that Budget 2021 is a step in the right direction for children and whānau most in need, but more is needed for both families and whānau and Aotearoa's NGO social services.

Dr Claire Achmad, SSPA Chief Executive, says that with poverty cutting deep for so many families and whānau, SSPA was hoping to see a Brave and Bold Budget 2021, to deliver on the interrelated issues of family poverty and the underfunding of NGO social services in New Zealand.

"SSPA has been calling for Government to make brave and bold choices with this year's Budget, during an unprecedented time in the world and Aotearoa. A time when we have the chance to make a crucial difference for the children, families and whānau who need the most, and for our NGO social services that are dedicated to providing the help that's needed", Dr Achmad says.

She says SSPA believes the benefit increases announced in the Budget today will make a difference. However, with the housing crisis spiralling and living costs continuing to rise, larger increases to income support will be needed, urgently, so that the lowest income families and whānau can experience dignity and inclusion. Dr Achmad says that "it was good to hear Ministers themselves acknowledging at the Prime Minister's Social Sector Lock-up today that the benefit increases in this Budget are a step, and more will be needed. SSPA agrees, because all children and tamariki have a right to grow up with household income levels that enable them to thrive, rather than the stresses of poverty which are currently the daily reality for so many. In a small and comparatively rich nation such as ours, the levels of inequality and poverty we have are unacceptable", she says.

Dr Achmad notes that "It would have been good to see Government front-load increases at higher levels than \$20 per week starting from this July, given the significant stresses families and whānau are under right now, and that COVID-19 has exacerbated, especially for those already in material hardship before the pandemic. Childhood is a time in life that fast passes by, but which has lifetime impact. So we have to get things right for all children, early on."

SSPA has been consistently calling for the estimated \$630 million funding gap being experienced by NGO social services to be addressed through Government investment. Dr Achmad says the lack of investment in fair funding and pay for NGO social services means this funding gap remains largely unaddressed. "This hurts hard for our NGO social services, which the Government itself designated as essential during the pandemic."

"Investing in fair funding and fair pay for NGO social services is desperately needed. They must be funded to be sustainable to prevent harm from occurring and to keep serving the children, whānau and communities who trust them every day. Sustainable funding for our NGO social services will help to alleviate the pressures they currently face on multiple fronts. We know that the Government is committed to improving child wellbeing in Aotearoa. Investing in our NGO social services is an interrelated investment that the Government must choose to make", Dr Achmad says.

SSPA says it will continue working with its members and the Government to ensure fair funding for NGO social services is delivered in Budget 2022, and to keep making progress with Government towards transforming social sector commissioning in New Zealand.

**ENDS**



**ABOUT SSPA**

Social Service Providers Aotearoa is a membership-based organisation, representing some 200 non-profit organisations from around Aotearoa.

Our members are funded by government to deliver social services in our communities every day, with a predominant focus on children, rangatahi, families and whānau. Our affiliate members are organisations that deliver social services for these people, and organisations and individuals who work in areas aligned to the interests of children, young people, whānau or communities.

SSPA's vision is that Aotearoa's NGO social services are sustainable, making a positive impact every day in our communities, supporting children, young people and whānau to thrive now and into the future. SSPA works to strengthen Aotearoa's social sector through advocacy and engagement, learning and development, relationships and sector leadership.