

# New Zealand government to push teenagers off welfare

**Tom Peters****7 October 2025**

New Zealand Prime Minister Christopher Luxon has confirmed that his government will kick thousands of 18- and 19-year-olds off unemployment benefits.

From November next year, they will no longer receive the payments if their parents earn a combined income over \$65,529—a threshold that is just 1.3 times the minimum wage. The government estimates that 4,300 unemployed young people will become ineligible for Jobseeker Support, about 28 percent of teenagers who currently receive the benefit. This would cut around \$39 million a year from welfare spending.

The policy is a major attack on some of the most exploited and insecure workers in the country, as well as their families who will be forced to support them. It is part of the National Party-led coalition government's austerity agenda, aimed at making the working class pay for the deepening economic crisis and for the diversion of billions of dollars to the military to prepare for war.

Announcing the change on October 5, Luxon declared that teenagers and their parents had to take "individual responsibility" to get into work, education or training and not treat the benefit as a "lifestyle choice."

"You can't just take all the freedoms and rights of being a Kiwi without also taking on the duties and the responsibilities of being a Kiwi too," he declared, adding, "the world doesn't owe you a living and nor, except in limited circumstances, do taxpayers."

At a Rotorua business leaders' function last week, Luxon reportedly declared that school leavers had to "get off the couch, stop playing PlayStation and go find a job."

While smearing young people as lazy, the government is doing nothing to provide them with decent, stable jobs. New Zealand's unemployment rate

is 5.2 percent and the proportion of 15- to 24-year-olds not in education, training or employment is 12.2 percent. At the end of 2024 the unemployment rate for 15- to 19-year-olds was 23 percent—more than four times the overall rate.

Asked about the lack of jobs during a press conference on Monday, Luxon brushed the issue aside. Unemployed youth, he said, should move around the country and take whatever work they can find, including seasonal jobs such as fruit picking. The aim is to create a substantial, low-paid and disposable workforce, which will exert downward pressure on the wages and conditions of all workers.

The wide-scale destruction of jobs, including thousands lost in the construction industry over the past two years, has cut off opportunities for young people to find skilled employment. Skills Group, a major training provider, reported in August that electrical apprentice enrolments dropped by around 16 percent between December 2023 and June 2025, while plumbing, gasfitting and drainlaying enrolments fell 8 percent.

Youth also face fewer options and increased costs for tertiary education, following cuts imposed by successive Labour and National Party governments. In July, vocational education minister Penny Simmonds said 600 job losses were expected in the country's polytechs in order to reduce their deficits.

In response to reduced public funding, universities and polytechs have driven up their fees, removed courses and attacked staff numbers and wages. Total student debt reached \$16.2 billion in June (up more than \$300 million in the past year), with a median individual loan balance of \$17,516 for current and former students.

Tens of thousands of young people, unable to find work, are leaving the country, mostly to live in

Australia. A record 73,400 New Zealand citizens—almost 1.4 percent of the population—moved overseas in the year to July 2025, more than a third of them aged 18-30.

Opposition Labour leader Chris Hipkins told the *New Zealand Herald* on October 7 that the government should focus on creating jobs. “There’s 36,000 fewer jobs now than there were when Christopher Luxon became prime minister. Young people do want jobs, they’re just struggling to find them,” he said.

Hipkins refused, however, to commit to reversing the attack on Jobseeker entitlements, saying Labour would “set out our policy on it before the next election” next year.

The Labour Party has no substantial differences with the government’s agenda of austerity. The last Labour government lost the 2023 election in a landslide amid soaring living costs, increasing child poverty and proposals to cut public sector jobs.

Labour also agrees with the government’s decision to double the military budget, with \$12 billion to be spent over the next four years, in preparation to join US-led wars in the Middle East, against Russia and particularly against China. New Zealand’s ruling elite is strengthening its alliance with the fascist Trump administration in Washington, which is seeking to reverse its economic crisis by using military force to dominate the entire world.

In this context, Luxon’s nationalist call for young people to fulfill “the duties and the responsibilities of being a Kiwi” has an ominous meaning. It is not accidental that the decision to push teenagers off welfare coincides with intensified efforts to recruit them into the armed forces to serve as cannon fodder for imperialism. Sections of the media, including the Labour-aligned *Daily Blog*, have proposed the reintroduction of compulsory military training as a solution to youth unemployment.

The government’s deepening assault on public services and living standards, and its support for the US-Israeli genocide in Gaza, are driving workers and young people to the left and into major struggles. Tens of thousands of healthcare workers and teachers held nationwide strikes in August and September after rejecting pay cuts, and a combined strike is scheduled for October 23.

What is missing, however, is the organisation and

political perspective needed to lead a real fight against capitalism, which is producing social counter-revolution, genocide and fascism, and driving the planet into a third world war.

The Socialist Equality Group calls on workers and young people to decisively break from the Labour Party and its allies—the Greens and Te P?ti M?ori, as well as the pro-capitalist union bureaucracy—all of which are hostile to any movement of the working class against austerity and war.

The only way forward is the fight for socialist internationalism. Workers of all countries must be united in a revolutionary struggle, aimed at expropriating the banks and major industries, putting an end to the profit system, and reorganising society in order to end poverty, social inequality and war.



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