

Solutions to Child Poverty in New Zealand

No child should experience severe and persistent poverty, least of all in a land of relative abundance.

Child poverty imposes costs on the children involved and on our society.

Costs for individual children: the short-term impacts include having insufficient nutritious food, going to school hungry and living in a cold, damp house.

It often means missing out on important childhood opportunities like school outings and sports activities.

The impacts also include lower educational achievement, worse health outcomes and social exclusion.

These differential outcomes, as well as the neurological responses to growing up in poverty, mean that childhood poverty can leave life-time scars, with reduced employment prospects, lower earnings, poorer health, and higher rates of criminal offending in adulthood.

Costs for society: the economic costs of child poverty are in the range of \$6-8 billion per year and considerable sums of public money are spent on remedial interventions.

Failure to alleviate child poverty now will damage the nation's long-term prosperity. It need not be this way; nor should such outcomes be tolerated.

Some children are at greater risk:

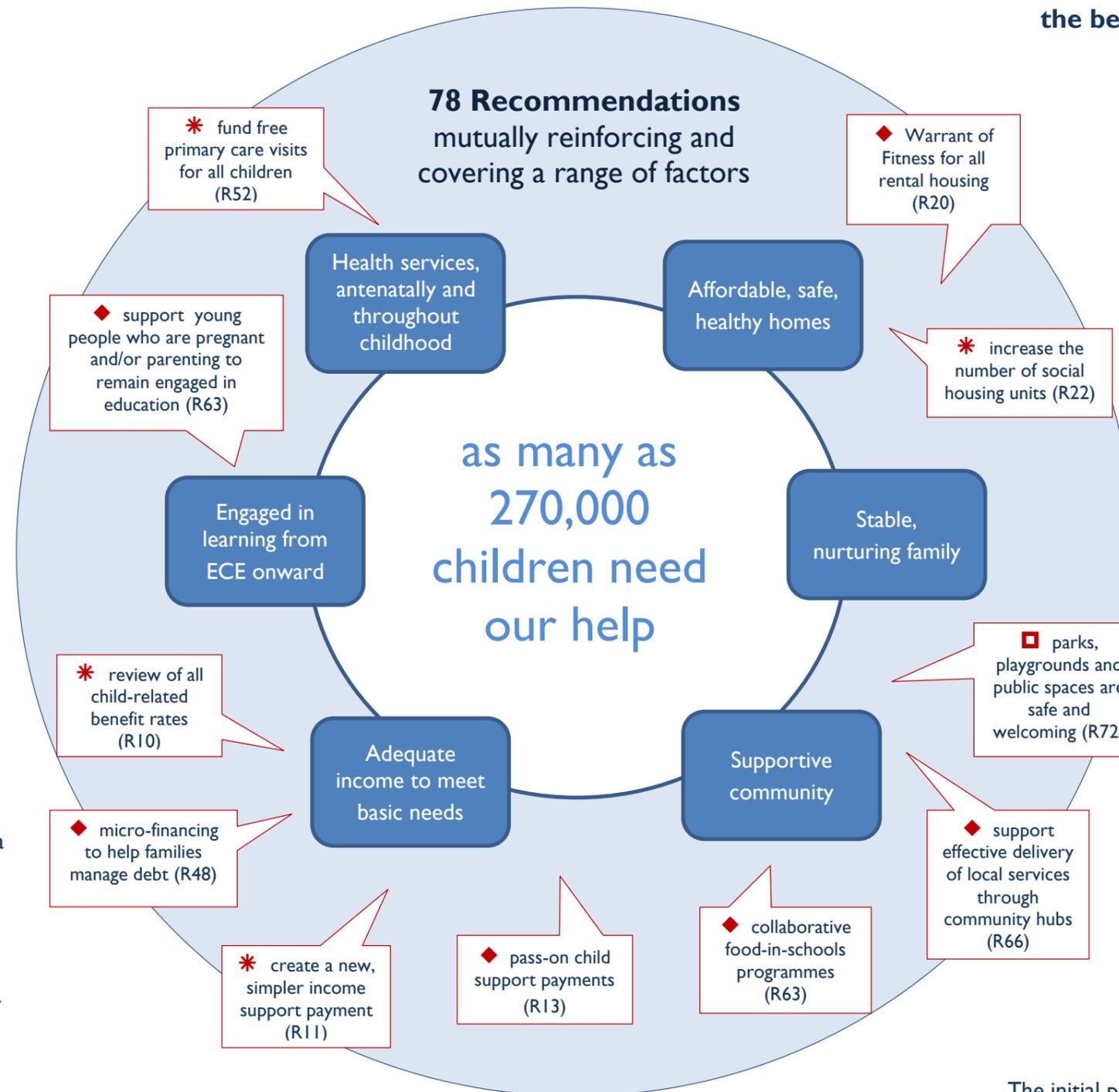
We need to give specific attention to:

- overcoming inequalities for Māori and Pasifika
- the particular issues facing children in sole-parent families
- children facing severe and persistent poverty
- young children experiencing poverty as many significant aspects of child development occur in the earliest years and harm in this period has life-long impacts.

There is no simple solution to address the causes and consequences of child poverty -- solutions need to address a range of factors.

A significant and durable reduction in child poverty is possible, but will take time and money.

It requires political vision, courage and determination. Above all, it means making children our priority and making effective use of the best available evidence.



The first step: Adopt a strategic framework for addressing child poverty issues and ensuring accountability for outcomes.

- enact of legislation requiring the measurement of child poverty
- set short-term and long-term poverty-reduction targets
- establish various child poverty-reduction indicators
- monitor and report on results.

Priorities shown on figure:

- ♦ **For immediate attention at relatively low-cost:** Practical, cost-effective and relatively inexpensive actions that will mitigate some of the worst consequences of child poverty.
- * **For the longer-term:** A more ambitious package of policy measures designed to reduce child poverty over time to a much lower rate (e.g. at least 30-40 percent below the current rate). These changes will be more costly.
- **Identified by children:** Children need the opportunity to play, have fun and 'just be kids', even if they are poor. Free local recreation activities matter.

The initial priorities identified here will assist in reducing child poverty and mitigating some of the worst impacts of poverty on children.

To reduce child poverty in a comprehensive way we need to move beyond the starting point that these priority lists provide.

Strategy and accountability

1	We recommend the enactment of child poverty legislation to ensure the proper and regular measurement of child poverty, the periodic setting of government targets to reduce child poverty, the setting of child poverty-related indicators and targets for selected indicators, and the annual reporting to Parliament of progress towards the achievement of the designated targets by the responsible Minister.
2	We recommend that the government institute at least five official poverty measures to capture the different aspects of child poverty including: a fixed-line income measure; a moving-line income measure; a material deprivation measure; a severe poverty measure; and a measure of poverty persistence.
3	We recommend that the government set targets to reduce child poverty. Such targets should cover both the short-term (three years ahead) and the longer-term (ten years ahead) and should be reviewed at least every three years.
4	We recommend that the targets set for reducing child poverty achieve parity for Māori and Pasifika with other children. This requires an accelerated rate of poverty reduction for these groups.

Tax credits, benefits and income support

5	We recommend that, in the short-term, the government increase the Family Tax Credit by: <ul style="list-style-type: none"> initially raising the maximum rates for all children aged below 16 years to equality with the rate for the first child aged 16 years and over eliminating the different rates that are based on the number of children in a family subsequently and incrementally, raising the rates further for children aged 0 to 5 years inclusive.
6	We recommend that the Social Security Act 1964 be amended to require that consideration be given to the well-being and best interests of any child or children who may be directly or indirectly affected by the functions under the Act.
7	We recommend that the government undertake an annual calculation and publication of information on the take-up of all major benefits and in-work payments by eligible families with children (broken down by family size, structure and ethnicity), including the take-up of second-tier benefits like the Accommodation Supplement and the Child Disability Allowance. There should also be an annual analysis of the benefit take-up rates by those eligible for receipt of each benefit.
8	We recommend that the government add a member to the Work and Income Board who has expertise in child well-being and development issues in relation to family labour supply.
9	We recommend that the government index all child-related income support, benefits and tax credits to ensure support keeps pace with productivity growth in the broader economy.
10	We recommend that the government commission an independent and comprehensive review of all child-related benefit rates and relativities, with a primary goal to reduce child poverty.
11	We recommend that, in the longer term, the government create a new income support payment for families with dependent children to replace a number of the existing benefits and tax credits, called the Child Payment. The Child Payment would: <ul style="list-style-type: none"> be allocated to 100 percent of children aged 0 to 5 years inclusive have the highest value during the first year of a child's life and reduce as the child ages be targeted based on family income from age 6 years onward.
12	We recommend that the government reform the In-Work Tax Credit (IWTC) to better assist families in poverty.

Child support

13	We recommend that the government pass-on child support payments from non-custodial parents to eligible sole-parents who are on state-provided benefits.
14	We recommend that the government reduce income instability due to delays in child support payments by advancing the child support payment to eligible parents.

Employment, skills and training

15	We recommend that government agencies work with businesses, the industry training sector and communities to establish support for parents in the workforce who have low or no skills to provide them with pathways into education and training that will enable better job progression opportunities.
16	We recommend that the government continue to partner with the industry training sector, secondary and tertiary education representatives and businesses to ensure the effective implementation of the Vocational Pathways and other initiatives to improve the transition of secondary students into training and work.
17	We recommend that the government and industry bodies raise awareness as to the value that family-friendly workplaces can have and encourage employers to consider how they can make their workplaces more family-friendly by examining the design of jobs and workplace arrangements to support better work-life balance.
18	We recommend that the government evaluate welfare-to-work programmes for the effectiveness and efficiency with which they achieve earnings and employment for participants who are parents, and establish an evidence base of what works and what does not.
19	We recommend that the government establish a pool of funding to be utilised by highly trusted community providers to allocate as low or zero interest loans to beneficiary parents or caregivers who are re-entering the workforce and who need initial financial support, to achieve and sustain employment.

Housing

20	We recommend that the government ensure all rental housing (both social and private sector) meets minimum health and safety standards, according to an agreed Warrant of Fitness, such as the Healthy Housing Index. These standards should be monitored periodically and effectively enforced, and gradually increased over time.
21	We recommend that the government include housing as a lead priority in the National Infrastructure Plan.
22	We recommend that the government address the serious undersupply of affordable housing for families with children living in poverty by taking immediate actions to increase the number of social houses by a minimum of 2000 units per year until 2020.
23	We recommend that the government extend the current Social Housing Fund beyond 2015 and substantially increase the annual commitment with a particular focus on families with children. The Fund should be allocated through a competitive and transparent system.
24	We recommend that the government register or license all social housing providers (state, local government and community organisations) and have their properties monitored for quality, accessibility, and environmental and financial sustainability in order to be eligible for Income-Related Rent subsidies.
25	We recommend that the government refocus and redesign central government-funded housing subsidies (i.e. the Accommodation Supplement and Income-Related Rents) as part of a wider package of income and housing support. These changes should target a greater level of housing support to a smaller number of low-income families in greatest need, including large families, families living in areas with high rents and families experiencing multiple disadvantages.
26	We recommend that the government consider establishing a single point of contact for housing needs assessment, which is independent of housing providers, so as to provide a comprehensive assessment service for people in housing need.
27	We recommend that the government provide ongoing direction and guidance to Housing New Zealand Corporation to balance its focus between asset management and outcomes for tenants to ensure improvements across both these priorities.
28	We recommend that the government further extend and target the current subsidy programme for insulating homes known as Warm Up New Zealand: Heat Smart, with the longer-term aim of ensuring that all remaining uninsulated or poorly insulated homes (estimated at approximately 700,000) are properly insulated and effectively heated. Specific targeting is needed to incentivise landlords to insulate their rental properties.

29	We recommend that the government develops a range of measures to increase the ability of low-income households to purchase their own home.
30	We recommend that the government commission independent research and ongoing monitoring of housing issues affecting children, including: <ul style="list-style-type: none"> piloting and evaluating innovative approaches to implementing a rental housing Warrant of Fitness at a local community level analysis of the supply and demand for housing including social housing broad cost-benefit analysis of housing improvement policy options assessment of the quality of rental housing ongoing monitoring of housing quality and health outcomes amongst children linked to poor housing clarification of the legislation and regulation underpinning the quality of existing housing.

Māori children

31	We recommend that the government take additional action to reduce poverty and mitigate its effects for Māori children and young people so that they are on a par with other children in New Zealand, and report annually on progress.
32	We recommend that the government take immediate actions to ensure that Māori families with children have secure housing tenure in quality housing stock and ameliorate homelessness by: <ul style="list-style-type: none"> addressing the serious undersupply of social and iwi housing increasing the number of affordable houses to meet the needs of whānau with children increasing Māori home ownership.
33	We recommend that the government increase the number of Māori young people successfully transitioning to meaningful employment by extending training allowances and providing employer incentives (e.g. to expand the number of apprenticeships for Māori youth).
34	We recommend that the government provide sustainable funding for effective Whānau Ora initiatives and prioritise the alleviation of Māori child poverty within this service framework.
35	We recommend that health providers prioritise integrated service delivery in the design of health services for Māori children.
36	We recommend that the government scale up successful Māori education initiatives.
37	We recommend that the government ensure continued investment in: the development of Māori-centric data that acknowledge and capture Māori concepts of poverty and wealth; and research that supports evidence-based practice that increases levels of achievement for Māori children.

Pasifika children

38	We recommend that the government take additional action to reduce poverty and mitigate its effects for Pasifika children and young people (including children in families who have recently arrived in New Zealand) so that they are on a par with other children in New Zealand, and report annually on progress.
39	We recommend that the government ensure that Pasifika community and church groups are enabled to take a more central role in the design, implementation and delivery of social services specifically targeted at addressing Pasifika child poverty as a means of engaging some of the more difficult to reach Pasifika communities and families.
40	We recommend that the government take immediate actions to address the serious undersupply of housing and the related overcrowding issues for Pasifika families by increasing the number of affordable, quality housing (for rent and ownership) that meet the needs of Pasifika families with children.
41	We recommend that the government support a strategy to improve Housing New Zealand Corporation's ability to deliver services to Pacific peoples (e.g. by implementing the Orama Nui Housing Strategy for Pacific Peoples).
42	We recommend that the government promote Pacific languages and cultures in the interests of enhancing Pasifika children's education success and improvement in academic performance, supporting their cultural identity, and promoting their social skills and economic prospects.
43	We recommend that the government increase the number of Pasifika young people successfully transitioning to meaningful employment by extending training allowances and providing employer incentives (e.g. to expand the number of apprenticeships for Pasifika youth).
44	We recommend that the government continue and enhance current health initiatives that aim to increase access by Pasifika children to health care services, including the Ministry of Health's Pacific health work programmes and Whānau Ora.
45	We recommend that government ensure continued investment in research that supports evidence-based practice that reduces Pasifika child poverty, and foster a collective approach to knowledge generation and policy development for Pasifika children's accelerated progress against measures of child poverty.

Problem debt

46	We recommend that the government review the impact of debt to government agencies on low-income families, including: <ul style="list-style-type: none"> reviewing its debt accumulation and recovery processes for low-income families to ensure that agencies take the well-being of children into account exploring whether a whole-of-government approach could be applied to assist households with debt to more than one government agency.
47	We recommend that the government increase support for improving financial literacy and budgeting capability of low-income families by: increasing funding for budget advice services for parents, to keep pace with demand by low-income families for these services; and, accelerating the implementation of a nation-wide education campaign on financial literacy, with a specific focus on low-income and beneficiary families in the community and at schools.
48	We recommend that the government investigate and implement a public-private-partnership micro-financing model with the banking sector and community groups, with the aim of providing modest low-interest and zero-interest loans, as a mechanism to help low-income families access affordable credit and effectively manage debt.

Health and disability

49	We recommend that the government work with all relevant organisations to develop, implement and evaluate a common assessment plan, pathway, delivery approach and service response for all children starting in the antenatal period and continuing to age 5 inclusive.
50	We recommend that the government develop a maternity and child health funding strategy that will provide an adequate basic level of services for all children and targeted extra services based on an assessment of need.
51	We recommend that the government direct health services, using District Health Boards as one mechanism, to increase the uptake and early engagement with maternity services (by 10 weeks of pregnancy) of women from low socioeconomic backgrounds, especially teenagers, Māori and Pasifika.
52	We recommend that the government signal the critical importance of children's health by: <ul style="list-style-type: none"> continuing to implement free primary care visits for all children 24 hours/7 days a week from birth to age 5 years inclusive extending free visits over time to all children up to age 17 years inclusive setting specific targets to make timely progress towards 100 percent free coverage of primary health care for all children from birth to age 17 years inclusive.
53	We recommend that the government direct District Health Boards to enrol all children at birth with a primary care provider, the National Immunisation Register, oral health services, and with a Well Child/Tamariki Ora provider.
54	We recommend that the government improve the co-ordination and delivery of maternity and early years services by having a shared child health record, initially to age 5 years, and over time to all children to age 17 years

	inclusive, based on the shared maternity record of care project.
55	We recommend that the government develop, implement and evaluate a national child nutrition strategy.
56	We recommend that the government review the Housing Modification requirements with an aim to better meeting the particular needs of children in poverty when they and/or their parents have disabilities.
57	We recommend that the government commission research to clarify: how many children are living with a disability or are being cared for by a parent with a disability; how many of those children are living in poverty; and what the effects of poverty are on these children.

Education

58	We recommend that the government progress the current Ministry of Education work programme to raise the quality of existing ECE services and increase the supply of ECE services to low-income and poor families.
59	We recommend that the government incentivise inclusive quality ECE and prioritise the provision of compulsory education, and tertiary education/training for children and young people with disabilities who are living in poverty.
60	We recommend that the government design and implement a collaborative food-in-schools programme, commencing with decile 1 to 4 primary and intermediate schools.
61	We recommend that the government continue and expand the Positive Behaviour for Learning School-Wide (PB4L-SW) intervention and other evidence-based targeted behavioural support interventions for parents and teachers.
62	We recommend that the government establish sustained funding for youth-friendly health and social services (including mental health, sexual health and contraceptive support) in all secondary schools, commencing with low-decile schools.
63	We recommend that the government ensure that young people who are pregnant and/or parenting receive effective support to remain engaged in education by: <ul style="list-style-type: none"> expanding the number of Teen Parent Units encouraging young parents to remain in their local school by ensuring they receive the support needed to do so monitoring and reporting on their school achievement and post-secondary school transition.
64	We recommend that the government ensure all schools provide appropriate after-school opportunities for all children living in poverty by: <ul style="list-style-type: none"> amending the National Administrative Guideline (NAG) section one to require schools to develop and implement after-school educational experiences (eg mentoring and holiday programmes) to address the needs of children and young people from low-income families providing an inventory of activities currently underway to assist school principals and Boards when deciding on additional programmes that would work in their schools.
65	We recommend that the government support expansion of before-school, after-school and school holiday programmes for children (aged five to 13 inclusive) living in poverty by: <ul style="list-style-type: none"> providing sustainable funding for initiatives encouraging more schools and community organisations in low socioeconomic communities to apply for programme start-up grants offering incentives for programmes that include children with disabilities and providing flexible hours to accommodate the needs of parents who work evenings and weekends.

Local communities and family

66	We recommend that the government support the effective delivery of local services through community hubs by: <ul style="list-style-type: none"> providing a clearinghouse on information and advice on developing hubs, including integrated and co-located models of service delivery, community school hubs, and marae as hubs partnering with community leaders, such as iwi, Boards of Trustees and school principals, churches and local government, to assess local needs and opportunities for establishing hubs funding the start-up of feasible hub initiatives
67	We recommend that the government increase the number of community-based 'system navigator' positions, whose role is to guide families in accessing appropriate and timely support and service. Initial priority should be given to supporting families with a child and/or adult with a disability, and Māori and Pasifika families who face multiple barriers to accessing services.
68	We recommend that the government evaluate existing community-based services that incorporate health and social services in high deprivation communities (such as integrated and co-located models of service delivery), and, based on the results, implement the most effective approaches in other high deprivation communities.
69	We recommend that the government support and resource local communities to strengthen their ability to address child poverty, such as providing funding to local groups to undertake asset-based mapping of community organisations, groups, resources and initiatives.
70	We recommend that the government establish cross-sector partnerships between central government agencies, local government, service providers and community sector representatives to develop local-area child poverty-reduction strategies in high deprivation areas.
71	We recommend that the government support and resource local community development strategies that aim to increase child well-being in deprived communities. This includes the Auckland Council's Southern Initiative and its multi-sector Children and Young People's Strategic Action Plan, and initiatives to address poverty experienced by Māori and Pasifika children in Auckland.
72	We recommend that all local governments ensure that their parks, playgrounds and public spaces are safe and welcoming for children and that free leisure and recreational activities are available, especially in disadvantaged neighbourhoods.
73	We recommend that the government support and resource the establishment of community-based life-skills and parenting programmes that strengthen low-income parents' ability to be responsible and positive influences in their children's lives.

Justice system

74	We recommend that the government evaluate the effectiveness of current justice sector programmes, policies, orders and sentencing options in addressing the underlying issues of household poverty. This could include a specific study of the links between child poverty and youth justice outcomes in order to inform the Youth Crime Action Plan currently in development.
75	We recommend that the government develop policies that significantly increase the level of support available for children of incarcerated parents.
76	We recommend that the government commence youth justice initiatives that better prepare Māori and Pasifika young people for living and working in the wider community. This could include: <ul style="list-style-type: none"> further expansion of the Rangatahi and Pasifika Youth Court models implementation of the Pilot Education Service trialled in the Manukau and Porirua Youth Courts into all main urban areas.
77	We recommend that the government invest in the maintenance and development of services which enable access to justice for children and low-income families. This includes legal aid, community legal services, specialist child-focused services and alternative dispute resolution services.

Research and evaluation

78	We recommend that the government ensure that all policies with major impacts on child poverty be subject to periodic and robust evaluation so that a strong evidence base can be built for guiding future policy-making.
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