



*Are we
there yet?*

Five years on the road to addressing child poverty

Dr Russell Wills - Children's Commissioner

31 May 2016



MANAAKITIA A TĀTOU TAMARIKI

Children's
Commissioner

Me mahi tahi tātou mo te oranga o te katou.

We must work together for the wellbeing of all.



As Children's Commissioner, I made child poverty a priority for my term, and convening the Expert Advisory Group was a critical component.

As I come toward the end of my five-year term it is timely to reflect on the progress in addressing child poverty in New Zealand – there are some things to be pleased about, but still much left unchanged.

This document provides an account the main areas of progress, and sets out my view on what still needs to happen for the children of New Zealand.

Dr Russell Wills
Children's Commissioner
31 May 2016

The Expert Advisory Group (EAG)

“We like to believe that New Zealand is a great place for children. For the majority of our children this is true. But it is not true for children living in poverty.”

The EAG was tasked with providing realistic, pragmatic and effective solutions to address child poverty in the short and longer-term.

The report drew on the extensive evidence on what can be done, which policies are most effective, and what strategies deliver the greatest returns.

The final report was based on the work of:

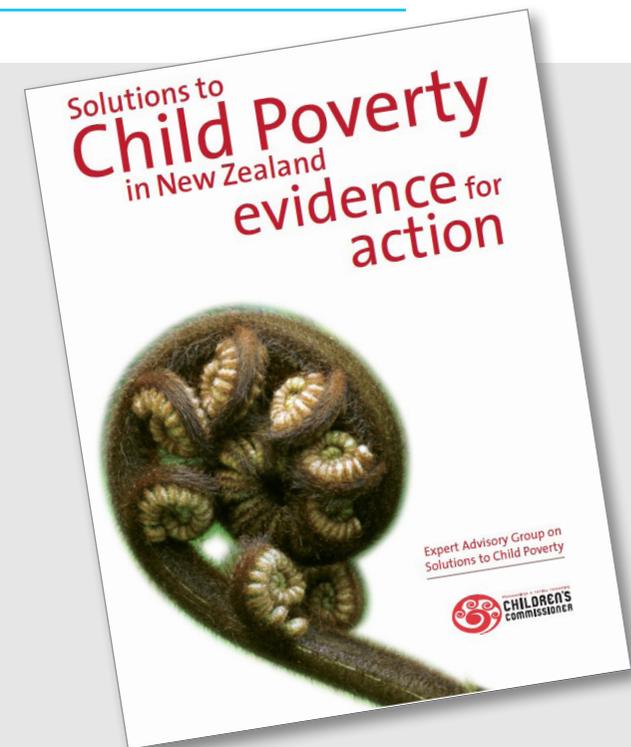
- 24 Working Papers
- 2 background papers
- 2 consultation reports

and builds on the work and effort of many others.

The EAG made 78 recommendations on a wide range of topics, including:

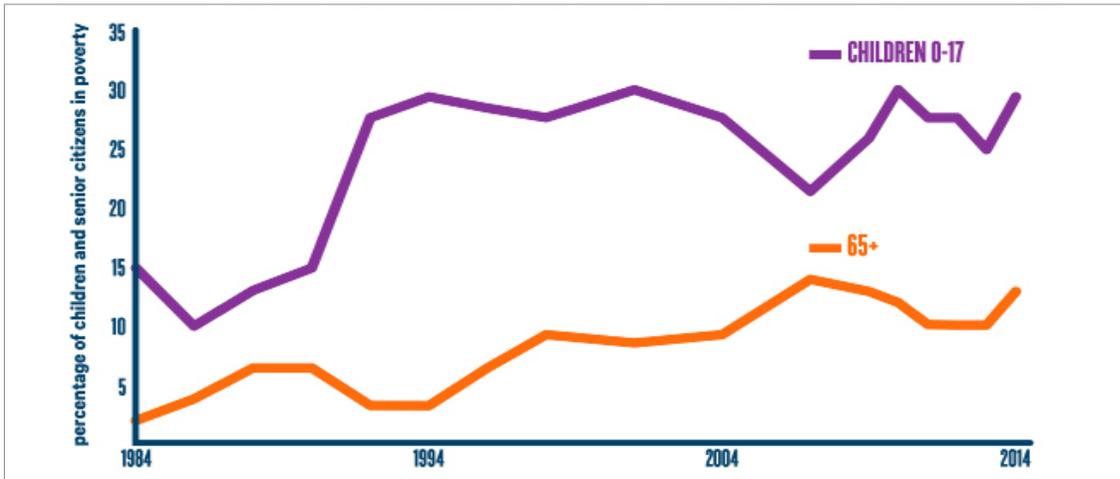
- the tax and benefit system
- education, health, housing
- employment and training
- Maori and Pacific poverty

So far 35 recommendations have been fully or partially implemented.



Extent of child poverty

The EAG report showed that children are disproportionately affected by poverty, and that it has increased over time.



Costs of child poverty

The report also outlined the costs that child poverty has on individual children and for our society.

Not addressing child poverty now will damage the nation's long-term prosperity.

\$6-8bn

THE ECONOMIC COST OF POVERTY IS ESTIMATED AT 3-4 % OF GDP OR NZ \$6-8 BILLION

SHORT TERM IMPACTS

GOING TO SCHOOL HUNGRY, LIVING IN COLD, DAMP HOUSES, WORSE EDUCATIONAL AND HEALTH OUTCOMES, HIGHER RATES OF OFFENDING

LONG TERM IMPACTS

LOST PRODUCTIVITY IN THE WORKFORCE AND POOR HEALTH AND CRIMINAL JUSTICE OUTCOMES

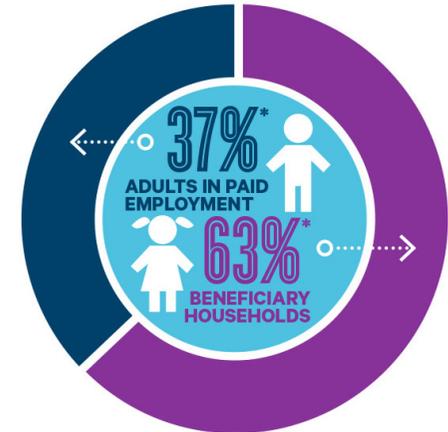
Where does the burden fall?

1 in 3 Māori and Pacific children are likely to grow up in poverty. This is twice the rate as Pakeha (1 in 6).

However, despite the lower rate, half of the children living in poverty are Pakeha.

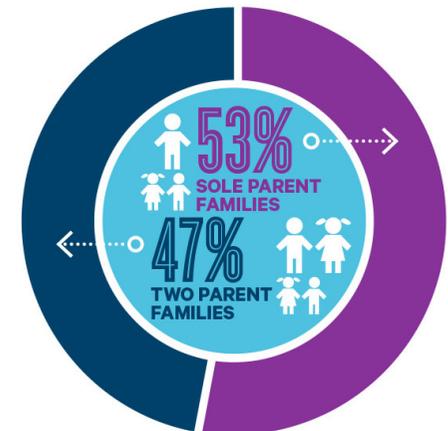
ON AVERAGE:

CHILDREN IN POVERTY BY HOUSEHOLD INCOME



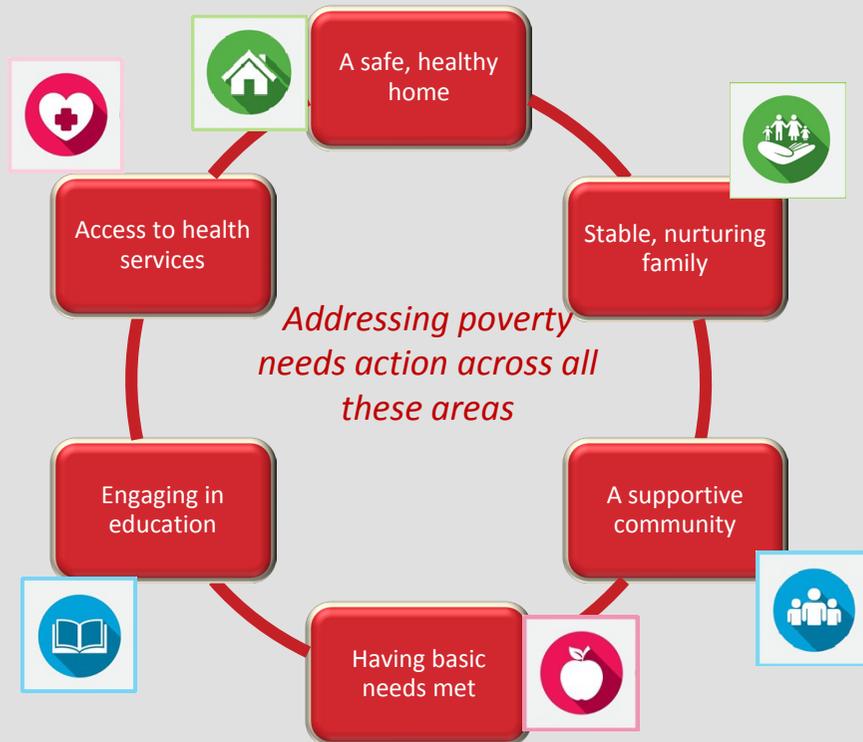
ON AVERAGE:

CHILDREN IN POVERTY BY FAMILY TYPE



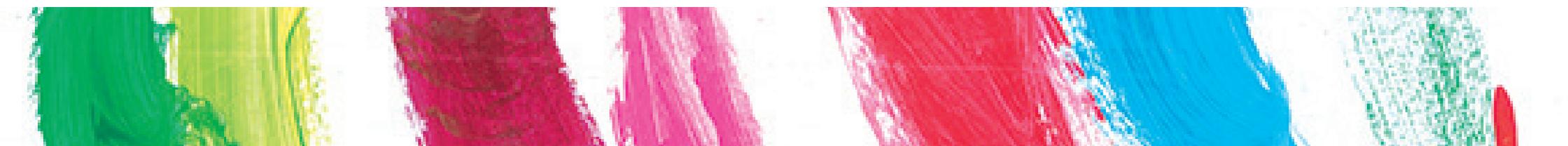
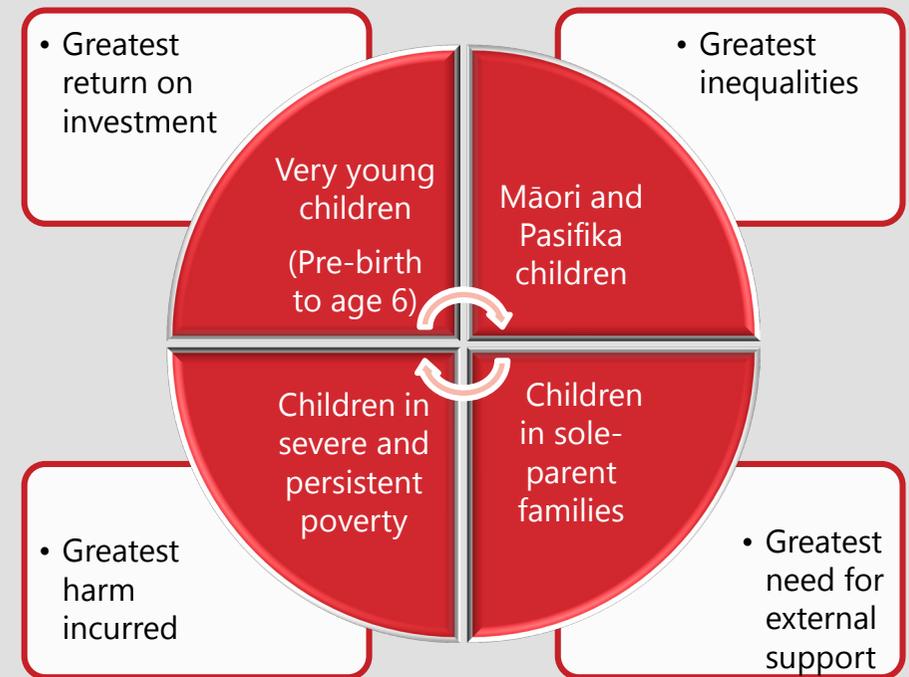
There is no silver bullet solution

We need a range of mutually reinforcing solutions:



We need to focus for greatest impact

There are some clear areas where more support is needed:





OCC child poverty work post-EAG

The EAG report provided an excellent foundation for understanding child poverty – its causes, consequences and solutions.

We have built on that foundation.

Together, the Commissioner and the Office have given hundreds of public presentations on child poverty, sat on advisory and working groups, and added our value wherever possible.

Key pieces of work have included:

-  Producing the **Child Poverty Monitor** with Otago University and the JR McKenzie Trust
-  Working with Philanthropy NZ, compiled **Giving2Kids** advice for businesses and organisations that want to invest in
-  Launching **Listening2Kids** webpages with practical advice on engaging with children and young people
-  Producing **Guidelines for Food in Schools** - practical tips on mitigating poverty through breakfast/lunch programmes
-  Bringing existing research together to support an investment approach, e.g. **Choose Kids: Why investing in children is good for all New Zealanders.**

The Child Poverty Monitor

This is a partnership between the Children's Commissioner, the JR McKenzie Trust and Otago University to measure and report on child poverty rates annually.

The suite of measures include income poverty, material hardship, severe poverty and persistent poverty.

The Child Poverty Monitor presents complex data in an accessible way. The information comes from a solid base of research and data already collected in New Zealand.



Child Poverty Monitor
Tracking progress on reducing child poverty in New Zealand

305,000 KIWI KIDS LIVE IN POVERTY

29%

Income Poverty

148,000 KIWI KIDS GO WITHOUT THE THINGS THEY NEED

14%

Material Hardship

9% OF KIWI KIDS ARE AT THE HARDEST END OF POVERTY

Severe Poverty

3 out of 5 OF THE CHILDREN LIVING IN POVERTY LIVE THIS WAY FOR many years

Persistent Poverty

Data source – Child Poverty Monitor: 2015 Technical Report childpoverty.co.nz

VISIT **WWW.CHILDPOVERTY.CO.NZ** FOR MORE INFORMATION AND TO READ THE FULL REPORT

Giving2Kids

The idea for Giving2Kids came about after a number of businesses and organisations asked us how they could play their part in reducing child poverty.

So with the support of Philanthropy NZ we put together information on why, how, and where to invest in children to achieve the greatest possible impact.

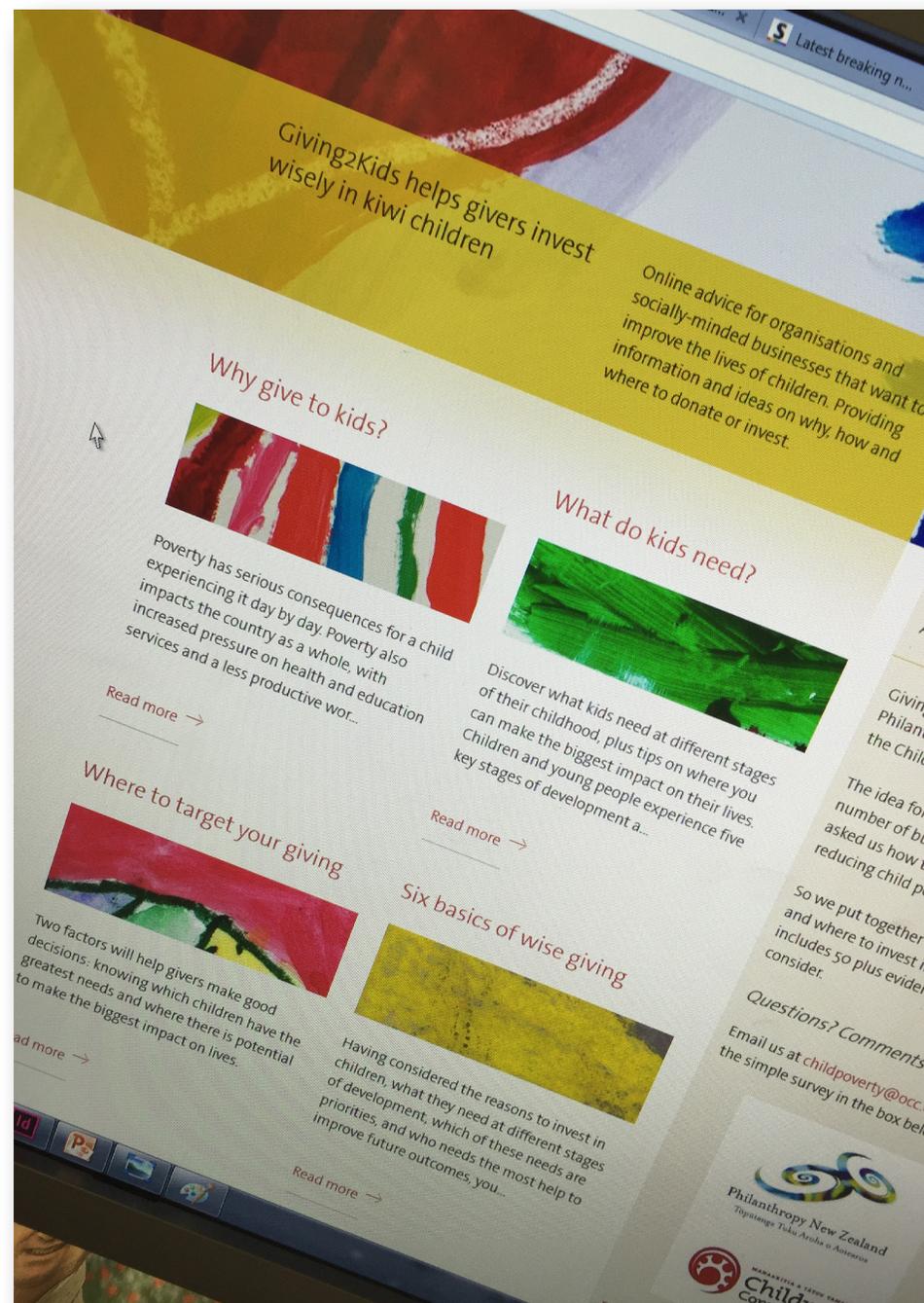


Giving2Kids

Helping givers invest wisely in kiwi kids



www.occ.org.nz/giving2kids



Choose Kids

With Choose Kids we addressed gaps in the existing evidence on the long-term consequences of child poverty.

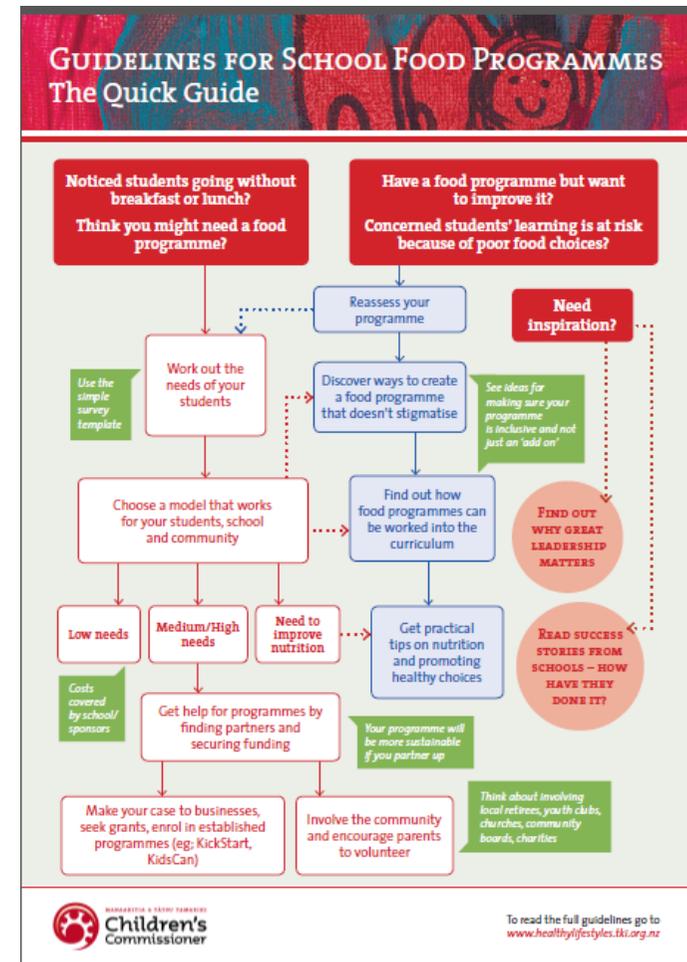
The paper looks at the need to invest in children currently growing up in poverty to support a future of high productivity, innovation, economic growth and improved social cohesion.



Guidelines for Food in Schools

Providing food in schools was a hot news topic in 2014. Many schools, community groups and charities wanted to get on with it, but were often lacking guidance or support.

So we teamed up with some experts in the education, nutrition and philanthropic sectors to develop practical guidelines.



What has changed as a result?

As a result of our efforts, and many others, public concern and debate has increased, and there is now a greater focus on issues related to child poverty.

✓ More studies and research on poverty have been undertaken, by a wide range of academic, public sector, and private institutes

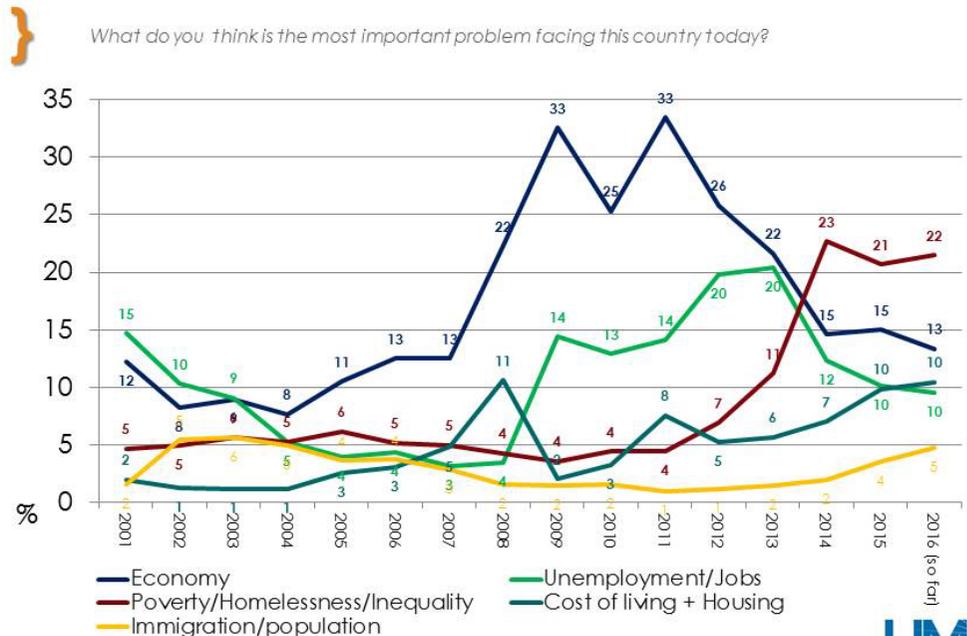
✓ More philanthropy directed at children, especially early years

✓ Increased grass-roots initiatives and work in the community

✓ Media have played an important role in shaping the conversation and putting the spotlight on issues

✓ Government has taken action on some of the EAG recommendations, and other initiatives for vulnerable children

Top 5 Most important problems – Yearly average



Increased media interest

- Large number and range of commentators
- Long-format stories (TV, radio, print)
- Increased social media presence
- Editorial interest



Simon Collins Simon Collins is the Herald's social issues reporter.

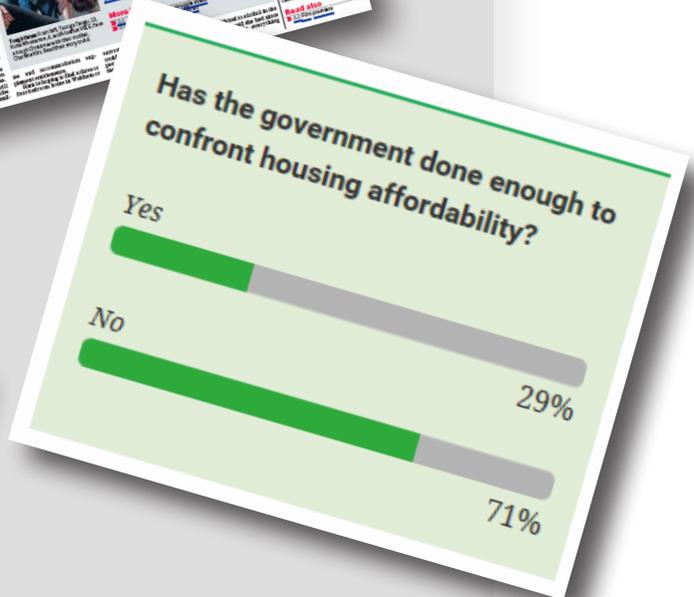
More living in cars as rents go through roof

5:00 AM Saturday Oct 4, 2014

Housing NZ Corporation Ministry of Social Development

A shortage of suitable homes sees some families forced to pay 70 per cent of their income to landlords

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One in four Kiwi children living in poverty

BEN HEATHER

Last updated 05:00 09/12/2013

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The Government response

The Government has fully or partially implemented 35 of the 78 EAG recommendations. They have increased their investment in children in recent years.

But these actions are aimed at mitigating certain consequences of poverty, rather than reducing it.

- **Budget 2013** directly responded to EAG recommendations, and alongside \$400 million funding in areas including breakfast programmes, investment in social housing, insulation and ECE, it also set out to trial a housing WOF and set up micro-financing options.
- **Budget 2014** put \$500 million into child poverty issues, including free GP visits under 13s, rheumatic fever, and ECE and Whanau Ora and budgeting services.
- **Budget 2015** responded directly to the Prime Minister's commitment in October 2014 to make addressing poverty a priority. In response, the Budget delivered a \$790 million package centred on an increase in benefit rate by up to \$25 p/w and Working for Families tax credits and low wage childcare subsidies.
- **Budget 2016** does not directly respond to child poverty issues. About \$579 million of the spending can be seen to benefit children. It included funding for 750 social housing places and some emergency housing options, investment in the new care and protection system, plus CYF cost pressures, and smaller amounts for warm, healthy homes, special education and those at those at risk in education.





MANAAKITIA A TĀTOU TAMARIKI

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Thank you

For more details see our websites:

www.occ.org.nz

www.childpoverty.co.nz

