

Media statement 8 July 2014

Big job ahead despite slight decrease in child poverty

New data released today suggests that if New Zealand wants to be a great place to raise children there is still considerable work to do for the one in four missing out.

The Ministry of Social Development released data today that shows 260,000 children are experiencing income poverty. This represents an improvement from the 285,000 children in income poverty in the 2013 data. The data also shows 18 percent of children are in material hardship. This means they are going without the things they need to do well.

The Child Poverty Monitor, a joint initiative from JR McKenzie Trust, Otago University and the Children's Commissioner, will incorporate this data into its annual December report.

Deputy Children's Commissioner Dr Justine Cornwall says the improvement in child poverty rates is promising, with the return to pre-economic crisis levels.

"How often do we hear that New Zealand is a great place to grow up? While that's true for many of our kids – we've got a significant group struggling through childhood because they don't have the things they need to thrive.

"If we put aside what this means for them on a day to day basis, consider what this means for our country in 20 or 30 years' time. If we want to have a well performing economy and a high quality of living we need to plan ahead. We need to invest further in our greatest asset – our children.

JR McKenzie Trust Executive Director Iain Hines says, "There is another aspect of the data that we find really alarming and that's the increasingly desperate housing situation for those on low-incomes. For example, half of renters who receive the accommodation supplement are spending almost 50 percent of their income on their rent.

"That's a massive proportion of their income going to a fixed cost and leaves very little room for bills, food, electricity and other demands. It is easy to see how families in this situation are struggling to give their kids the things many of us might take for granted.

"It also means that families are being forced into living in over-crowded situations, which can bring its own problems, like rheumatic fever and other serious illnesses.

"Housing is a complex issue and I acknowledge there are questions of supply and demand and issues unique to Auckland and Christchurch. But this cannot continue, we need some solutions and fast."

The Child Poverty Monitor will take a closer look at housing and its impacts on children in poverty in its annual December report. The Monitor will use today's data from the Ministry of Social Development, combined with other child poverty-related data, to paint a full picture of how well children are doing in New Zealand.

The Ministry of Social Development data on household incomes can be found at:

<http://www.msd.govt.nz/about-msd-and-our-work/publications-resources/monitoring/household-incomes/index.html>

For more information please contact Anna Santos on 027 696 5101.

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