

Poverty, Benefits and Work as the Road to Salvation

The position of children

A presentation to the
Welfare Working Group Forum

9 June 2010

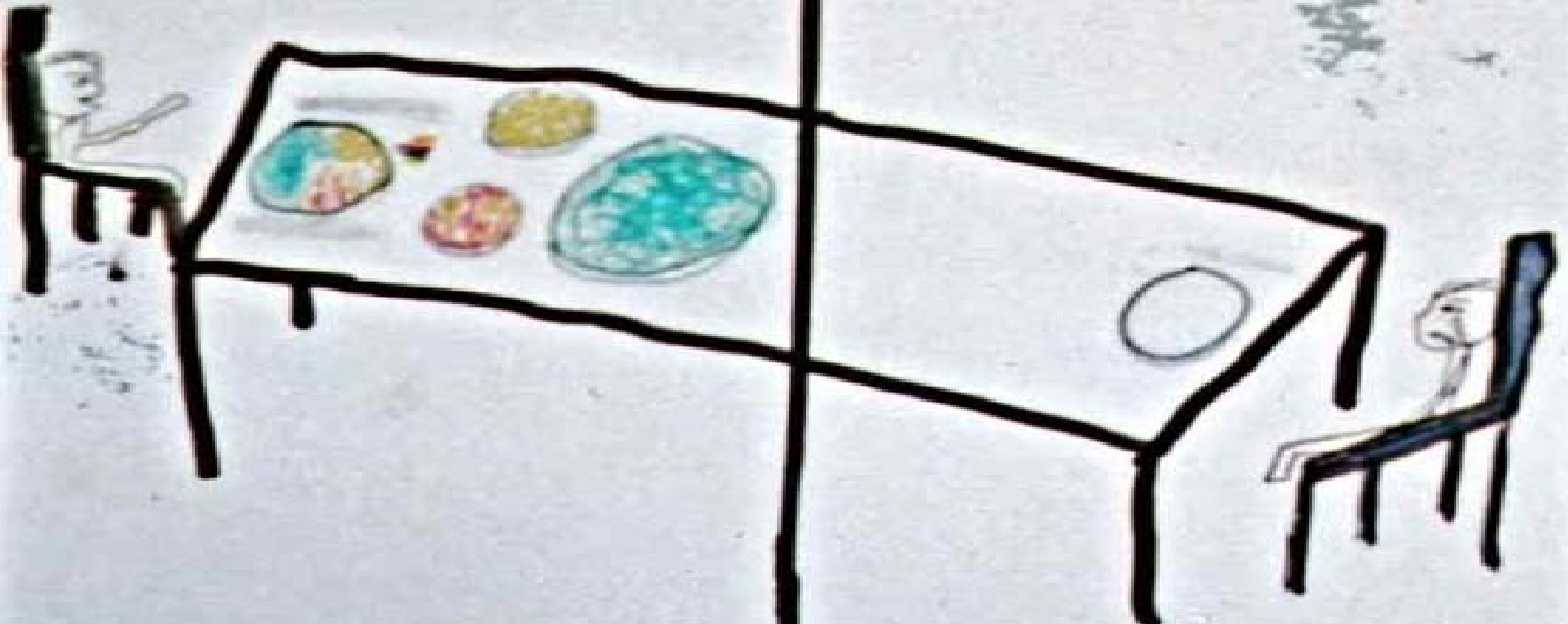
Dr John Angus

Children's Commissioner



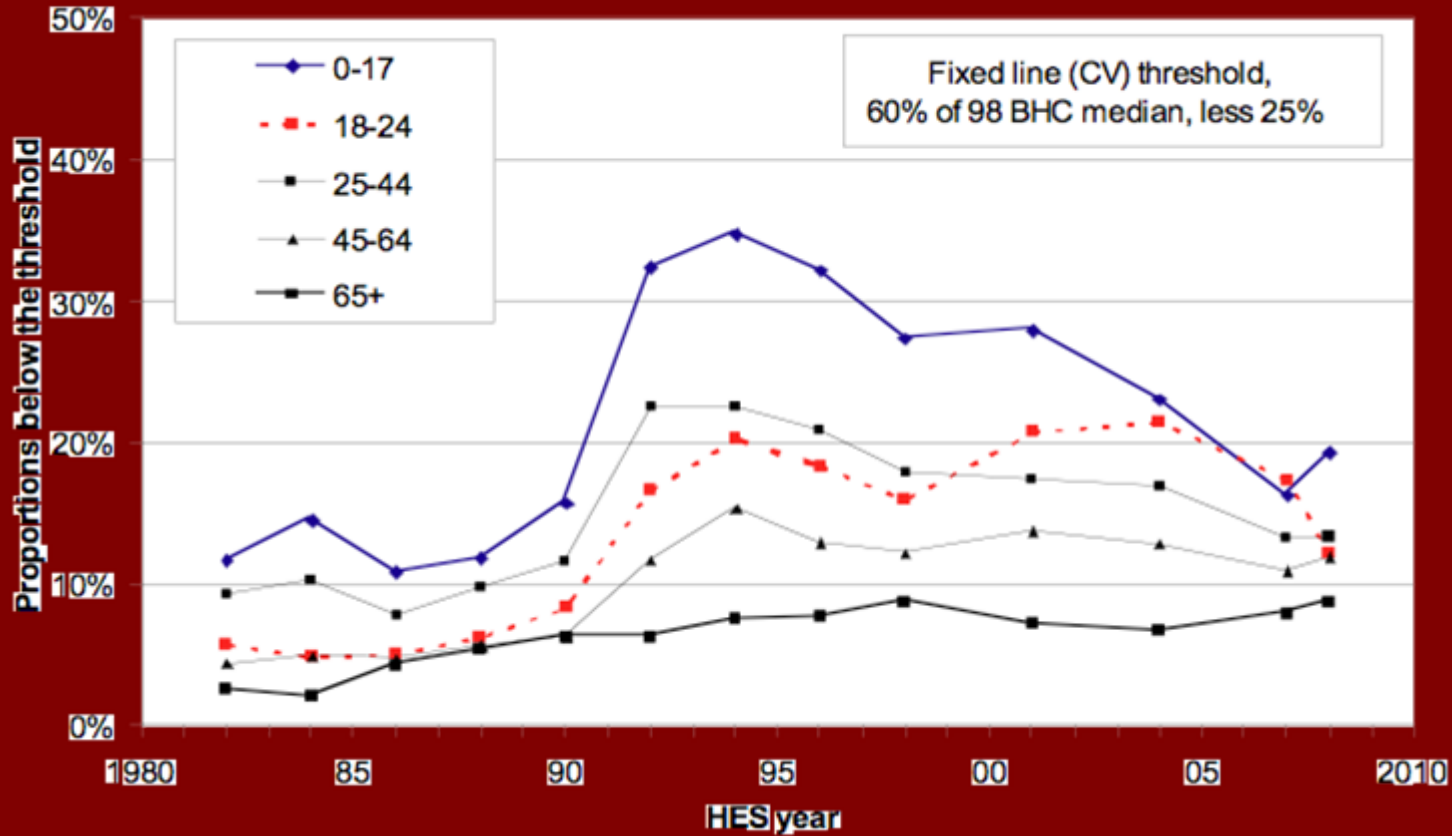
Income poverty and material hardship

“Can’t afford school uniform ... lack of books, can’t afford ... can’t go on school trips ... no lunch ... not accepted by their peers ... left out ... get picked on at school ... stress ... shame ... low self-esteem ... unhappy ... lonely ... sad ... depressed ... angry ... feelings of worthlessness”.



Childhood and poverty

Proportion of all individuals in low-income households by age



Household Incomes in NZ: Trends and indicators of inequality and hardship
1982-2008 (MSD 2009)

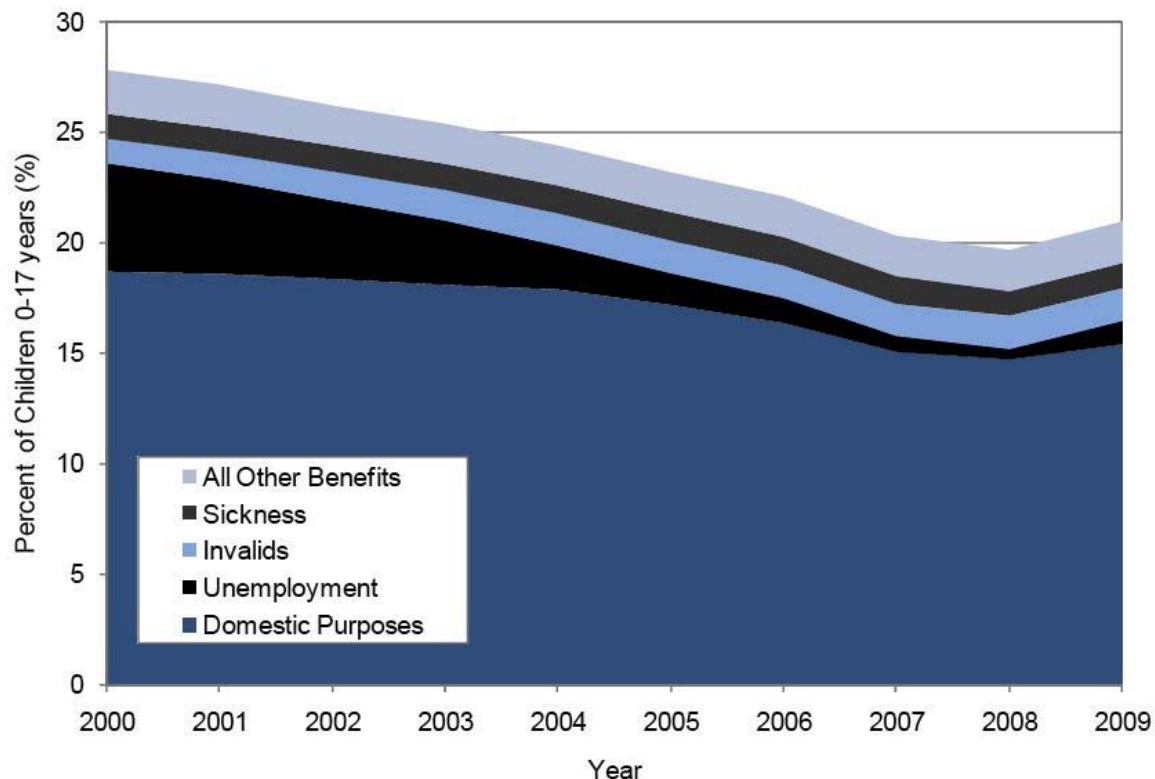
Findings from the 2008 Living Standards Survey

- Hardship rate for 65+ - 4%
- Hardship rate for 0-17 - 19%
- Hardship rate for “beneficiary” households - 51%
- Hardship rate for “working” households - 11%
- Maori and Pacific Island rates 2 x to 3 x those of European and other

Children and the benefit system

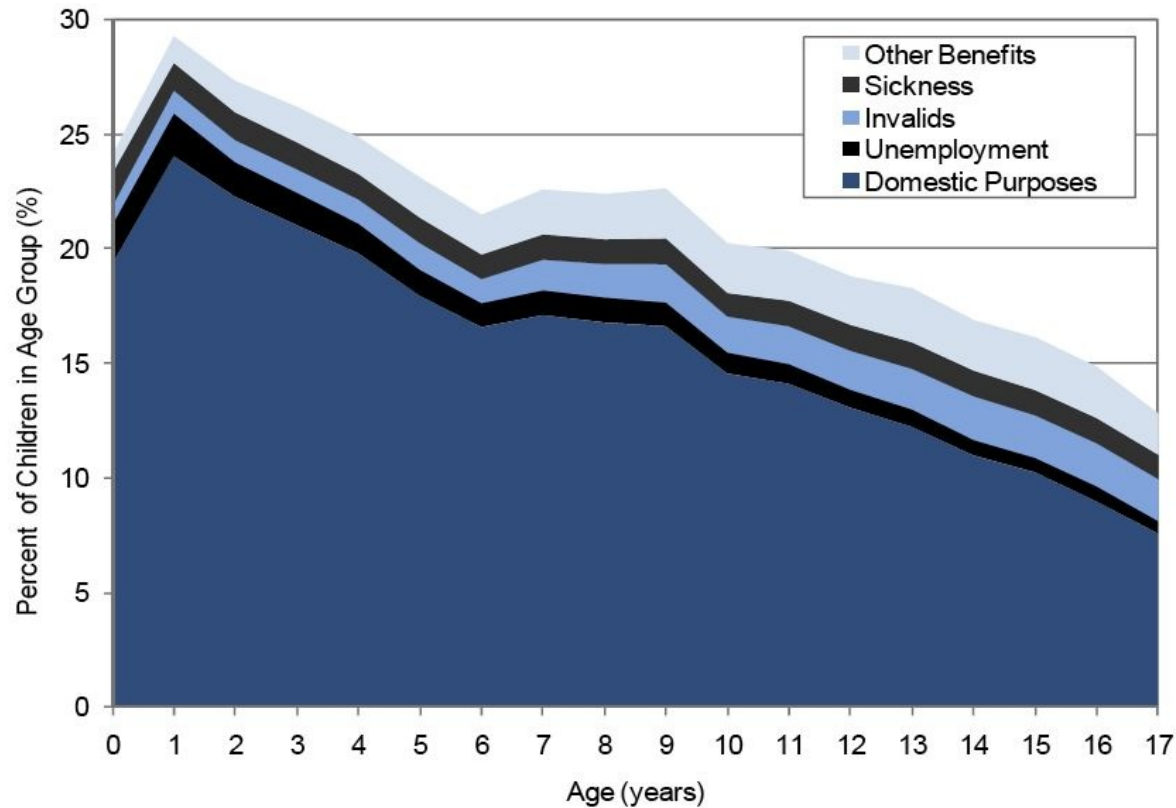


Figure 18. Proportion of All Children Aged 0-17 Years Who Were Reliant on a Benefit Recipient by Benefit Type, New Zealand April 2000-2009



Source: Numerator: Ministry of Social Development; Denominator: Census; For Composition of Other Benefits, see Methods Section; Non Benefit Assistance not included.

Figure 19. Proportion of All Children Aged 0-17 Years Who Were Reliant on a Benefit Recipient by Age and Benefit Type, New Zealand April 2009



Source: Numerator: Ministry of Social Development; Denominator: Census; For Composition of Other Benefits, see Methods Section; Non Benefit Assistance not included.

Benefits and poverty alleviation

	Children in “beneficiary” households	Children in “working” households
Proportion below 60% AHC poverty line (Perry, MSD 2009)	67%	10%
Proportion in “hardship group) (Perry, MSD 2009)	51%	11%

Work as a road to salvation

- reduced prevalence of poverty and hardship
- Working for Families very important
- but do we really know

Opportunities for a natural experiment



Photographs of school children used with permission of Kawerau South School. Photo of mother and child used with permission of the Families Commission.