

# CHiLD POVERTY ACTION GROUP

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**Media Release 28 January 2010**

## **Living Standards Report has good news and bad news, says Child Poverty Action Group**

Child Poverty Action Group has welcomed the release of the Ministry of Social Development's first results of the 2008 Living Standards survey. The report goes beyond income data to measure people's wellbeing by looking at what they can and cannot afford.

The good news is that the living standards of children in low-income working families improved between 2004 and 2007. This shows that giving poor families more money through Working for Families made a material and important difference.

"The bad news is that the living standards of children in families relying on a benefit did not share this improvement at all" Economics spokesperson Dr Susan St John says.

"We have been concerned for some time that these children have been left to fall even further behind. This is exactly what the report shows: one in five New Zealand children are experiencing 'serious hardship' and 'unacceptably severe restrictions on their living standards'."

"Worse still", says St John, this is based on 2008 data and does not include the effects of the recession. Since then many more families have lost their jobs and a large part of their family assistance and are really struggling."

Child Poverty Action Group urges the government to pay attention to its own research and use the opportunity provided by its tax reforms to improve incomes for beneficiaries with children by extending the In-Work Tax Credit to all low-income children.

The group is also asking the government to raise the benefit earnings threshold from \$80 to \$150.

“If full time work is hard to come by then parents should be able to help themselves by earning more money part time. The government promised it would raise benefit thresholds during the election.

These children can't wait for the government's books to get back into the black. It will be too late by then,” she said.

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**Contacts:**

- **Dr Susan St John**, CPAG economics spokesperson. Associate Professor, Economics Dept, University of Auckland tel. work (09) 923-7432, home (09) 377-8889, mobile (027) 536 4536
- **Donna Wynd**, CPAG researcher, ph 021-2377-779