



Our Children Our Choice: Priorities for Policy Wellington Launch

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St Johns, Wellington CBD, 9 September

This year is the fortieth anniversary of the recognition that by far the largest group of the poor in New Zealand are children and their parents (and guardians). Previously the conventional wisdom had thought it was beneficiaries who were the poor, but we know now that families on earnings can be below the poverty line too. Some think the poor are in solo parent households, but there are more in poverty in two parent households. The ethnicity of the poor with surprise others; there are more Pakeha households than Maori and Pasifika ones. Even numbers of poor in rental housing are lower than those who own their own homes with a mortgage.

The confusion arises because of the failure to distinguish between incidence and prevalence – between the proportion in poverty and the numbers in poverty. Thus Maori are more likely to be poor – they have a higher incidence of poverty – but because there are fewer of them there are more Pakeha who are poor.

Not understanding this can lead to poor policy, targeting the wrong group. As the Child Poverty Action Group has insisted, the target for eliminating poverty is children, be they brown, white or yellow; be they in one or two parent households; be they dependent on benefits or on wages; be they in rental accommodation or in mortgaged homes.

In some ways just measuring poverty, however it is done, misses the point. As the CPAG has repeatedly insisted, poverty has consequences – impacting on a child's health, educational achievement, wellbeing and prospects.

For a moment, suppose we were as financially miserable towards our elderly as we are to our children. Many of the elderly would live in as squalid circumstances, they would have poorer health and they would die earlier. Such a situation would be a terrible moral indictment on our society and we would be the worse for it. But it would not compromise our future in the way that under-investing in

children does. Indeed our elderly are worse off today because we have not invested more in our children in the past; they have grown up less able to contribute to a prosperous and decent society and have been a bigger burden on the publicly supplied social services, so there is less available to support others in need, including the elderly.

This point is not to advocate cutting back on public spending on the elderly but to ask why we don't give our children as much social support as we give our oldest? The short answer is that children don't have the vote. Just think about how the forthcoming election would change if children were on the electoral roll and they – or perhaps their guardians on their behalf – were to cast a vote. You can be sure that the political parties would stop tiptoeing around family policy and start really addressing child poverty in a coherent and supportive manner. There are more children under 18 than there are adults over 65.

It would also reduce the silly nostrums proposed for solving child poverty. Sure, some parents are not too good at managing their money or using health services, but that is also true for the elderly; we don't cut New Zealand Superannuation because they don't get good health care or argue for wider use of budget advisory services as an alternative to a decent New Zealand Superannuation. We don't say it's the fault of the elderly getting old; children do not choose to be born.

We don't tell the elderly to go out to work and yet there are those who say the problem of child poverty is that mothers don't work. Some can't; some have a handful looking after their kids – I've noticed that the loudest advocates of the work solution are men who have never looked after children full-time and professional women who are well remunerated and can afford child care. Our poverty estimates do not adjust for child care costs to working parents. That means we underestimate the level of child poverty, especially among those depending on earnings.

It is this sort of casual thinking that led to the misbegotten Working for Families package. One greatly admires the tenacity with which the CPAG criticised it, even if one was pessimistic about the ability of the courts to correct a policy stupidity. Ultimately the remedy is political; what as a nation we decide to do and what we insist of our politicians. That is what this CPAG report is about, the basis for a public campaign. A critical moment is taking place as we vote over the next two weeks especially as the people most affected by poverty – children – won't be voting. When adults vote will they have children uppermost in their thoughts?

So why has it taken forty years to get as far as we have – or rather have not? Why are we so complacent? Children don't vote and they don't riot either. Does that mean we should ignore them? That is to ignore the social consequences.

The complacent do not see any social consequences. What the report reminds us is that children's poverty levels rose sharply between 1986 and 1992, more than doubling. The increase among adults not caring for children was much less and from a smaller base.

The complacent say that many families are in poverty for only a part of their life cycle. That depends on how you measure poverty – an issue which I am not going into tonight – although the higher the threshold the more families are below the poverty line for longer. What is important is that many children suffer extended periods of deprivation and their number more than doubled twenty years ago.

But, say the complacent, society has not fallen apart in the two decades. Leaving aside the moral

indignation that we have left New Zealanders in this parlous state for all that time, the reality has been poor health, poor educational attainment and poor prospects as well as poor current wellbeing. Those children are now entering adulthood less ready to take on its responsibilities, less able to make a net contribution to the society which failed them when they were young. Our children are our future. We are good at investing in physical infrastructure, but we not been investing sufficiently in children. The failure is economically unwise as well as a social disgrace.

Once more we can applaud the Child Poverty Action Group confronting us with our social failure. Whether we address it – or whether we compromise our future – is up to us.