



Community Speaker Comments: Our Children Our Choice: Priorities for Policy Wellington Launch

Presentation by Geoff Curson

Co-ordinator for Newtown Budgeting & Advocacy Service
St Johns, Wellington CBD, 9 September

The Newtown Budgeting and Advocacy Service has been helping people with financial difficulties in the Newtown and surrounding area for a long time. It services a very diverse population in terms of culture and socio economic background. Most of our clients are on benefits and low incomes.

There are some key areas that stand out as problems for many of our clients. They are -

Paying high rent, not earning enough money to cover basic living expenses, taking on debt from high interest lenders, mental health and addictions, trying to run vehicles or not being able to afford bus travel - especially for larger families.

Cultural differences exist which impact on how people understand money and borrowing from fringe lenders causes serious harm to people who often feel misled or do not understand agreements to borrow money. Some borrow out of desperation to pay for basic living expenses like food – especially when they have already accumulated debt from previous borrowing and trying to keep up with this is preventing them from being able to manage financially. This can be the beginning of a cycle of borrowing and increasing debt which can result in insolvency when it becomes impossible to keep up.

Parents often borrow to buy things for their children. This may be for clothing, presents and for school related costs. In some cases they would be better to see WINZ before doing this and an advance is sometimes possible especially if they have not exceeded the limit already. Paying back several advances to WINZ can also cause some hardship. Parents often tell us there is no money to buy presents or clothing for their families. This is a source of shame. Financial problems are often a source of shame and this can result in people putting off seeking help and problems worsening. Some people have debts with multiple parties.

Occasionally we have seen families who have got considerably behind with their power bills and on one occasion we worked with a family who had been sitting at home in the dark during the winter months.

Life is also difficult for beneficiaries who pay child support for children who are not in their care. Paying this on top of rent and essential costs is sometimes impossible and these people will often need help from food banks.

A budgeting service like ours can help people work through their issues and help people to access additional help from WINZ when this is available. We also help people to negotiate with creditors to reduce the burden of debt by making smaller repayments and we assist people with insolvency procedures if this is an option that they choose to take.

NEWTOWN BUDGETING & ADVOCACY SERVICE

Level 1

94 RIDDIFORD STREET

NEWTOWN

PH: 04 389 8121

EMAIL: newtownbudget@xtra.co.nz