



CHiLD  
POVERTY  
ACTION  
GROUP

# Facts about Child Poverty

## Who is the Child Poverty Action Group and what do they do?

Child Poverty Action Group (CPAG) is an independent charity whose goal is to eliminate child poverty in New Zealand. This goal is complex and there is no one-size-fits-all solution, which is why CPAG has experts from a wide range of disciplines including paediatrics, public health, economics, social science, law and education. They work together to do research around the causes and consequences of child poverty and use the evidence to educate and advocate for child centred policy recommendations. These recommendations we share with policy makers, the public, MPs and the Government. The guiding principle of CPAG is the right of every child to security, food, shelter, education and healthcare.

### HOW IS CHILD POVERTY MEASURED?

Child poverty is currently measured using income measures and material hardship measures.

Income poverty is based on a poverty line measured as 60% of the median household income after housing costs (AHC) and adjusted for family size.

### MATERIAL HARDSHIP:

There have been a range of different measures over the last fifteen years. The most recent (MWI) uses the approach of absolute essentials for a minimum acceptable standard of living. These are children living in households that go without seven or more and nine or more things they need. This includes lack of meat and fresh fruit and veges, shoes, clothes, not heating the home, postponing doctors and dentist visits, not enough money for bills.

### Number of children in poverty according to current figures<sup>1</sup>

295,000 children are living under the 60% income poverty line in New Zealand. That is 28% of all children.

155,000 children are living in material hardship in New Zealand. That is 14% of all children.

85,000 children are living in severe poverty and are in both below the income poverty line and severe material hardship. That is more than 8% of all children

## Addressing some of the misconceptions surrounding child poverty

### There has been an increase in child poverty:

In 1982, 14% of children lived in poverty.  
In 2016, 28% of children live in poverty.

### Child Poverty effects ALL ethnic groups:

38% of children living in poverty are Pākēha.  
34% are Māori.  
13% are Pasifika.  
14% are from other ethnic groups.

<sup>1</sup> More information about figures and measurements available on the Child Poverty Monitor website [www.childpoverty.co.nz](http://www.childpoverty.co.nz)



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## Children in poverty live in households that receive income from a benefit and from paid work:

37% of children living in poverty are in households which receive their income from at least one adult in full-time paid work.

63% of children living in poverty are in households which receive their income from a benefit.

## Parents living in poverty do not waste their money on things like gambling, drugs, and alcohol any more than anyone else, and often they do so far less:

New Zealand expenditure data shows that low income and beneficiary households spend less proportionately on alcohol, drugs, tobacco and gambling and a greater percentage of their income on food than high income households. There is no evidence that living in poverty equates to reckless spending. The media portrays extreme cases.

## Poverty is not due to having too many children:

55% of children living in poverty are in households with one or two children.

## Children in poverty are from both sole parent household and two parent households:

47% of children living in poverty are in two-parent households.  
45% are in sole-parent households.  
8% are in multi-adult family households.

## Short and long term consequences of child poverty

Living in poverty means you are more likely to get sick and have a preventable disease, more likely to live in poor housing conditions and have more barriers to achieving in education.

### POOR HEALTH

There are 40,000 poverty related hospital admissions each year. Many families can't afford to take children to see doctors, or they have issues trying to access healthcare – this includes issues around transport or not being able to take time off work during GP hours. New Zealand has a very high rate of preventable diseases attributed to poverty that are not usually found in developed countries such as rheumatic fever and skin diseases.

### HOUSING

New Zealand has very poor quality rental and state housing compared with the rest of the world. The worst-off children have the least amount of choice when it comes to living in a warm dry and secure house. Problems with housing include: overcrowding, cold, damp, insecure homes. These issues create short and long term health problems for children and the stress of living in poor housing can greatly affect other parts of their life. Unaffordable housing means that families are choosing to live in cars rather than pay most of their income on housing.

### EDUCATION

Education leads to opportunity and often the barriers faced with living in poverty mean that education is that much harder to achieve and there are unequal differences between schools in different socio-economic areas.

### LONG TERM CONSEQUENCES INCLUDE:

- Poor physical and mental health as young adults.
- Missing out on education or not being able to afford to go into tertiary education, getting low-paid work or having health problems that prevent being able to work and support themselves and in turn the loss of the ability to participate in society.
- Fewer opportunities and choices.

For more information about how you can help CPAG work towards eliminating child poverty, visit our website:

[www.cpag.org.nz](http://www.cpag.org.nz)