

## **CPAG Post Election Action**

Child poverty is now a serious and alarming phenomenon in New Zealand. The government has identified that 3 out of every 10 children live in unacceptably low income and housing conditions and has pledged to eliminate such impoverishment. However, commitment to this end requires more than words. It will need action on many fronts, including a willingness to devote adequate resources if the high social costs that flow from the neglect of children's needs over a long period are to be averted. CPAG outlines a minimum programme as follows:

### Immediate action

- Extend the Child Tax Credit of fifteen dollars per child per week to all low-income families. (Cost: around \$250m)
- Adjust Family Support and the income thresholds from which Family Support starts to reduce for the cost of living over the past decade. (Cost: around \$250m)
- Place an obligation on the IRD to ensure families access their tax credits.
- Give all children under 18 access to free health and dental care including after hours services and prescriptions.
- Index all family-related payments, including health subsidies.
- Adopt the 60%, after-housing costs, equivalised household disposable income as an official measure of poverty. Monitor poverty on a regular basis to ensure progress is being made to eliminating child poverty.
- Raise the threshold that can be earned by each beneficiary before losing their benefit almost dollar for dollar, from \$80 to \$130 dollars to compensate for inflation.

### Medium term.

- Make part of Family Support a universal payment to recognise targeting inevitably leads to low levels of assistance and high clawback rates.
- Begin a major increase in state house acquisition to at least 1000 houses per year.
- Institute a programme of state backed lending to low-income families, including state house tenants to enable them to own their own homes and reduce state house waiting lists.
- Provide lending or loan guarantees to third sector housing providers such as housing trusts, housing co-operatives and iwi based housing agencies to enable them to offer further housing alternatives to low income families.
- Evaluate all monetary and fiscal policies in terms of the impact on families and young people, not just their impact on inflation, debt, and annual growth of GDP.