

CHiLD POVERTY ACTION GROUP

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Child Poverty Action Group has welcomed the release of the first Vulnerability Report from the New Zealand Council of Christian Social Services. The Report pulls together a range of indicators from public and private sources to monitor the impact of the recession on New Zealand's vulnerable families.

The report has found that the recession is hitting household budgets, with increased demand for emergency food grants from Work and Income. Foodbanks around the country are also reporting greater demand for their services. Rising unemployment is also taking its toll, and 211,000 children now live in benefit-dependent families. With benefit levels so low these children are at significant risk of poverty.

Child Poverty Action Group economics spokesperson Dr Susan St John says that having almost a quarter of children on such low incomes is frightening. "These children are bearing the brunt of the recession. For children, income poverty means overcrowded housing, poor nutrition and high rates of preventable disease. These reduce children's long-term well-being and society will pay a high price in future years.

"Recent tax cuts and Working for Families support improved incomes for low- and middle-income workers, but families on benefits have received very little. They are the most vulnerable to rising food and energy costs, and it is this group whose incomes must improve. Child Poverty Action Group urges the government to extend

the In-Work Tax Credit to all low-income families with children to help them avoid the worst effects of the recession. This can be implemented relatively quickly, and will provide a welcome boost for those in the greatest need.”

CPAG hopes that policymakers will pay attention to the NZCCSS reports as they attempt to prioritise spending. “There is an immediate need to improve the incomes of the poorest children. It is not the time to cut social spending as this will have additional adverse consequences for vulnerable families.”

NZCCSS plans to report on the impact of the recession every quarter. Dr St John says that the reports will be needed for a while yet. “We know that even when the recession officially ends, the impacts continue to be felt for many years after.”