

# CHiLD POVERTY ACTION GROUP




Presentation for *Trust Waikato*  
and *Anglican Action* forum  
at Te Ara Hou, 25 August 09:

## Developing a community response to poverty in the Waikato region

by  
Dr M.Claire Dale

# Developing a community response to poverty in the Waikato region:

- ▶ **Part 1:** How national decisions impact locally, using a general example from US research, and specific examples from New Zealand; and
  - ▶ **Part 2:** Child poverty, and how CPAG advocates for children
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## **Child Poverty in the American States: The Impact of Welfare Reform, Economics...**

Harrell R Rodgers Jr; Lee Payne

*Policy Studies Journal*; Feb 2007; 35, 1; ABI/INFORM Global

The specific “tough” welfare policies that some states have adopted to implement the PRWORA seem to have no impact on child poverty. This may mean that the policies have not been in effect long enough to produce measurable change, or that these policies are ineffective in overcoming the endemic causes of poverty in each state. While the specific “tough” welfare options chosen by states do not seem to directly impact child poverty rates, in other ways state policies seem be very important. In each of the three specifications, the inclusiveness, generosity, and quality of state welfare programs proved to be an independent predictor of child poverty rates in almost all of the models. Over time, states with the most progressive welfare policies seem to benefit by significantly lowering and containing child poverty.

Unlike the US's workfare legislation, the general research question guiding the *Rural Families Speak* (RFS) project was:

“What factors contribute to the ability of these rural families to improve their economic situations over time so they become, and remain, economically self-sufficient?”


- ▶ (Rhetoric and Reality of Economic Self-sufficiency Among Rural, Low-Income Mothers: A Longitudinal Study, by Leigh Ann Simmons, Elizabeth M. Dolan, Bonnie Braun. *Journal of Family Economics*, Issues (2007) 28:489-505)

# Rural and urban differences:

Rural poor experience additional challenges

- underemployment is more prevalent,
- fewer employment opportunities, and
- don't benefit as much from macroeconomic improvements.
- more likely to be consistently employed but
- lower wages than urban workers, and
- more likely to be on minimum wage.
- lower job density makes rural residents look for employment further from home, so costly commutes negatively affect family budgets.
- higher paying rural manufacturing jobs replaced by lower paying service sector jobs.

RFS recommended that US rural development policy-makers would:


- Recognise that rural poverty is more a structural problem than an individual problem so
  - focus on strengthening rural economies to make jobs with sufficient hours and wages available.
  - find ways to strengthen business and community resources upon which rural families draw.
  - understand that a “one-policy-fits-all” approach penalizes rural families.
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## a) In the NZ rural health sector:

- the **current national-wide population-based funding formula** does not adequately fund rural services.
- training and service issues.
- eg in some towns, there is a wait of up to two weeks to get a routine GP appointment.
- eg in some towns, new arrivals can't get enrolled in a practice and have to pay casual consultation rates.
- constant under-staffing and under-funding has seen the public service exiting large numbers of rural services, leaving rural communities with responsibility for managing and subsidising service delivery ...

(NZ Institute of Rural Health, 2008, *Moving forward in Rural Health*, p. 2.)

## b) How national decisions impact locally **eg: early childhood education**

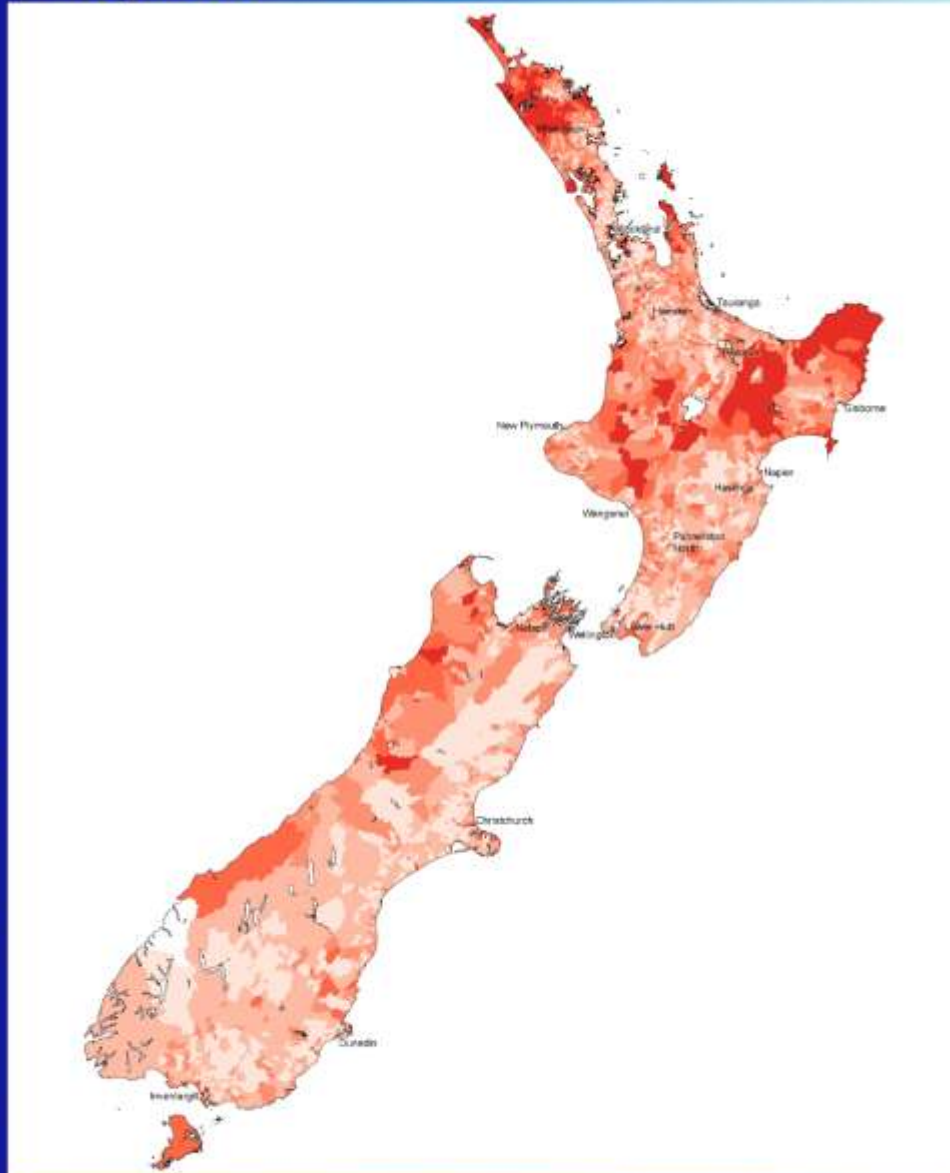
- ▶ Research shows that access to a good state-funded preschool program depends largely on where a child lives, and parent income.
  - ▶ **SURPRISE!!!!!!**
- 



## *Atlas of Socio-economic Deprivation, 2008.*

<http://www.moh.govt.nz/moh.nsf/indexmh/dhb-Maps-and-background-information-atlasof-Socioeconomic-deprivation-in-nz.nzdep2006>

- ▶ **New Zealand's regional differences:** In 2007, new entrants at school with prior participation in early childhood education (ECE) was highest in the Canterbury region (99 %) and Otago (98 %), and lowest in Northland (91 %), Auckland and Gisborne (both 92 %)
- ▶ (MSD, *The Social Report*, 2008).



NZDep2006



White P, Gurrin J, Sawford G, Alkassir J, Crampton P. 2008. Atlas of Socioeconomic Deprivation in New Zealand NZDep2006. Wellington: Ministry of Health.

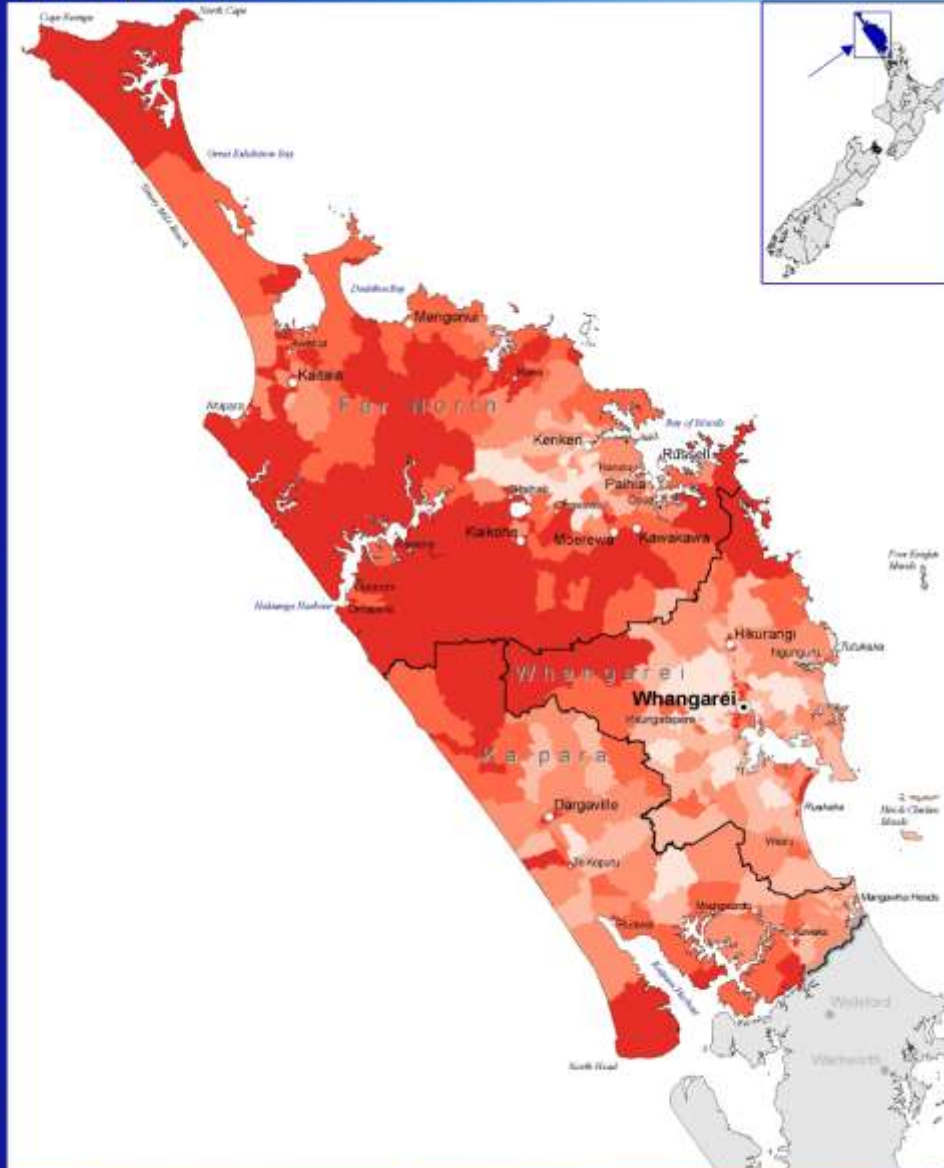
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[www.moh.govt.nz/pih](http://www.moh.govt.nz/pih)  
Health & Disability  
Systems Strategy Directorate  
Ministry of Health  
Data Systems  
Ministry of Health  
University of Otago  
Dunedin

June 2008



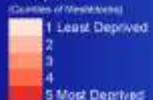
# Northland DHB

## NZDep2006



In 2007, new entrants at school with prior participation in ECE was lowest in Northland (91 %)

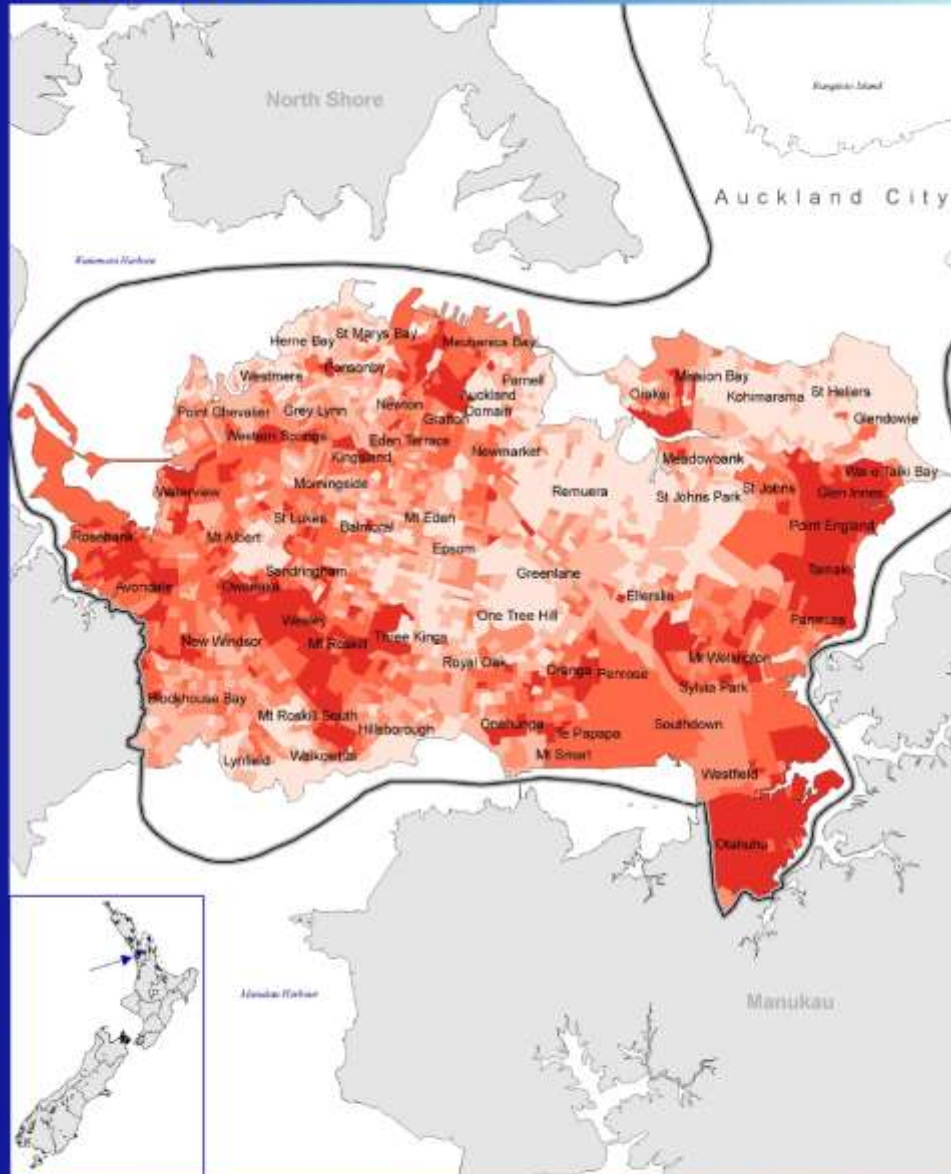
NZDep2006



Waters P, Guretski J, Ballinord C, Alliman J, Crumpton P 2006.  
Atlas of Socioeconomic Deprivation in New Zealand NZDep2006  
Wellington: Ministry of Health.

# Auckland DHB

## NZDep2006



In 2007, new entrants at school with prior participation in ECE was lowest in Northland (91 %), Auckland (92%) and Gisborne (92 %)

Atlas of Socioeconomic Deprivation in New Zealand NZDep2006



White P, Gurney J, Selman C, Atkinson J, Crampin P. 2006. Atlas of Socioeconomic Deprivation in New Zealand NZDep2006. Wellington: Ministry of Health.

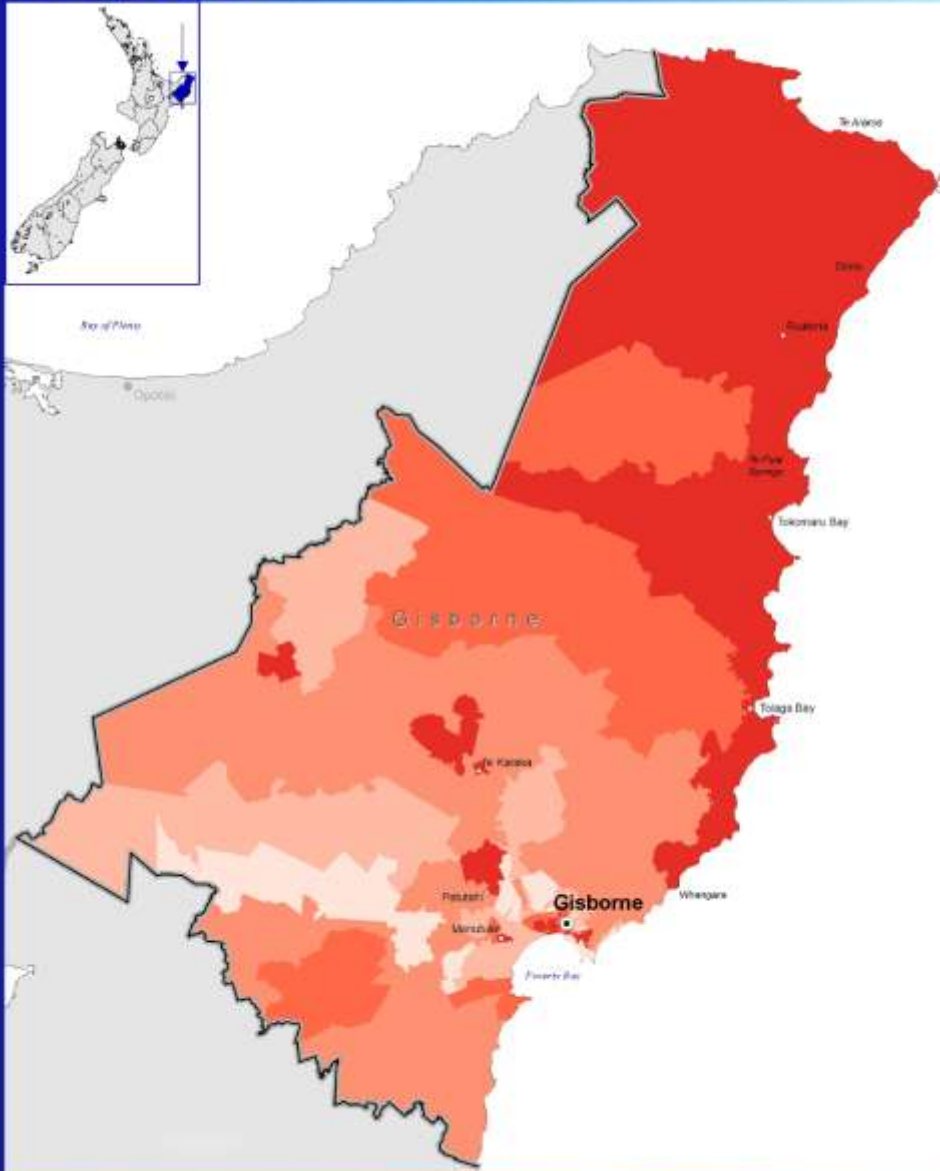
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University of Otago  
Suva, NZ

June 2008



# Tairāwhiti DHB

NZDep2006



New entrants at school with prior participation in ECE was lowest in Northland (91 %), Auckland (92%) and Gisborne (92 %)

Atlas of Socioeconomic Deprivation in New Zealand NZDep2006



Wills P, Gordon J, Sedmond C, Atkinson J, Chapperton P. 2006. Atlas of Socioeconomic Deprivation in New Zealand NZDep2006. Wellington: Ministry of Health.

Public Health Intelligence  
Check for trends  
[www.moh.govt.nz/pihi](http://www.moh.govt.nz/pihi)  
Health & Disability  
Systems Strategy Directorate  
Ministry of Health

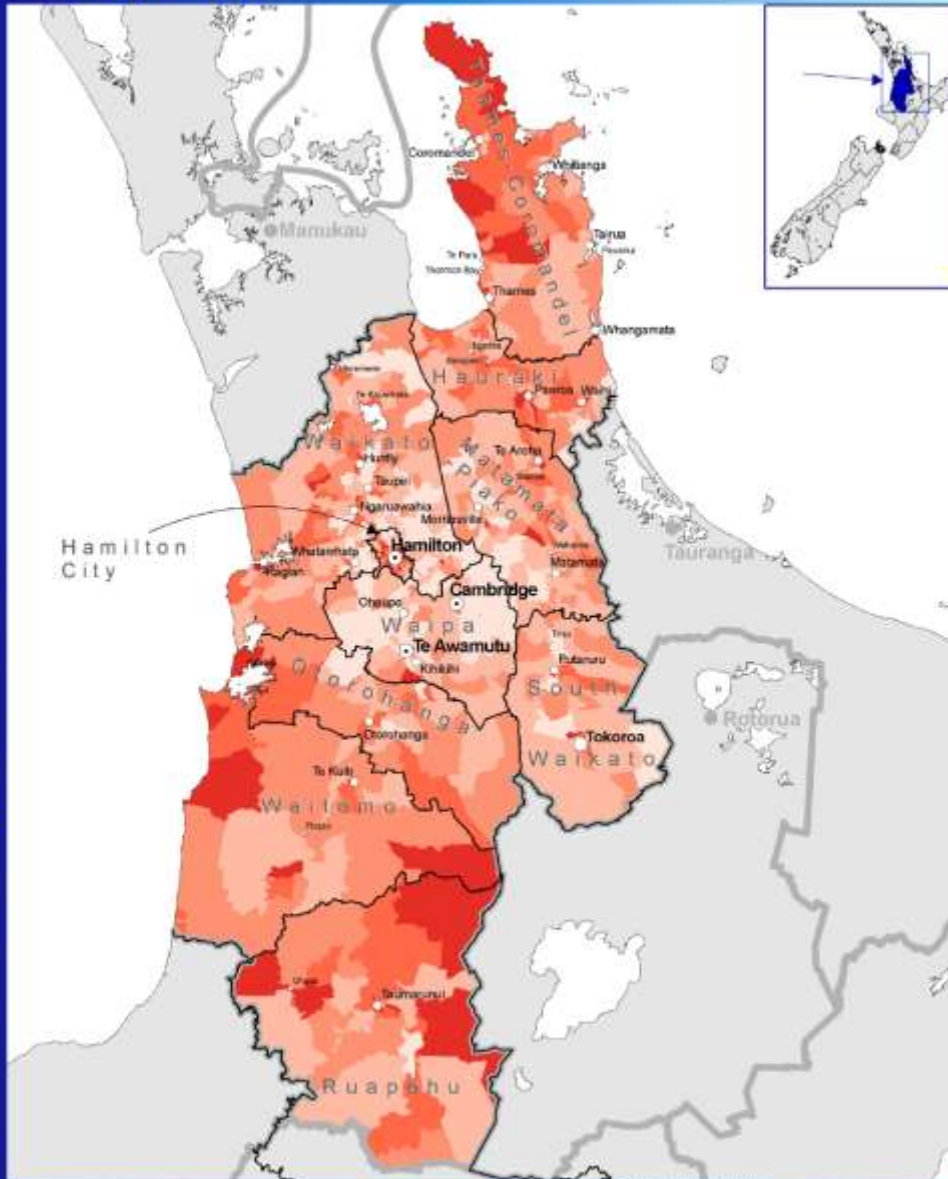
June 2008

MINISTRY OF HEALTH  
MANATŪ HAUORA

# Waikato DHB

## NZDep2006

Atlas of Socioeconomic Deprivation in New Zealand NZDep2006




While P, Gordon J, Salmon C, Atkinson J, Crangson P. 2006.  
Atlas of Socioeconomic Deprivation in New Zealand NZDep2006  
Wellington: Ministry of Health.

Public Health Intelligence  
Division of Health  
[www.moh.govt.nz/pihi](http://www.moh.govt.nz/pihi)  
Health & Disability  
Systems Strategy Directorate  
Ministry of Health

June 2008



## ▶ **Socio-economic differences:**

- ▶ In 2007, only 83 % of new entrants in decile 1 schools (highest degree of socio-economic disadvantage) had previously attended early childhood education services, compared with 97 % in decile 6 schools and 99 % in decile 10 schools.
  - ▶ Enrolments of 3 and 4 year olds in ECE were Childcare centres (44 %), kindergartens (37 %), playcentres (5 %), kōhanga reo (4 %).
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## ▶ Ethnic differences :

- ▶ ECE attendance (%) by Year 1 students, as at 1 July 2007 (MoEd)

	<u>European</u>	<u>Māori</u>	<u>Pacific</u>
▶ 2007	98.2	90.6	84.0

- ▶ % of population aged 25–64 years with higher qualifications (StatsNZ, HLF Survey)

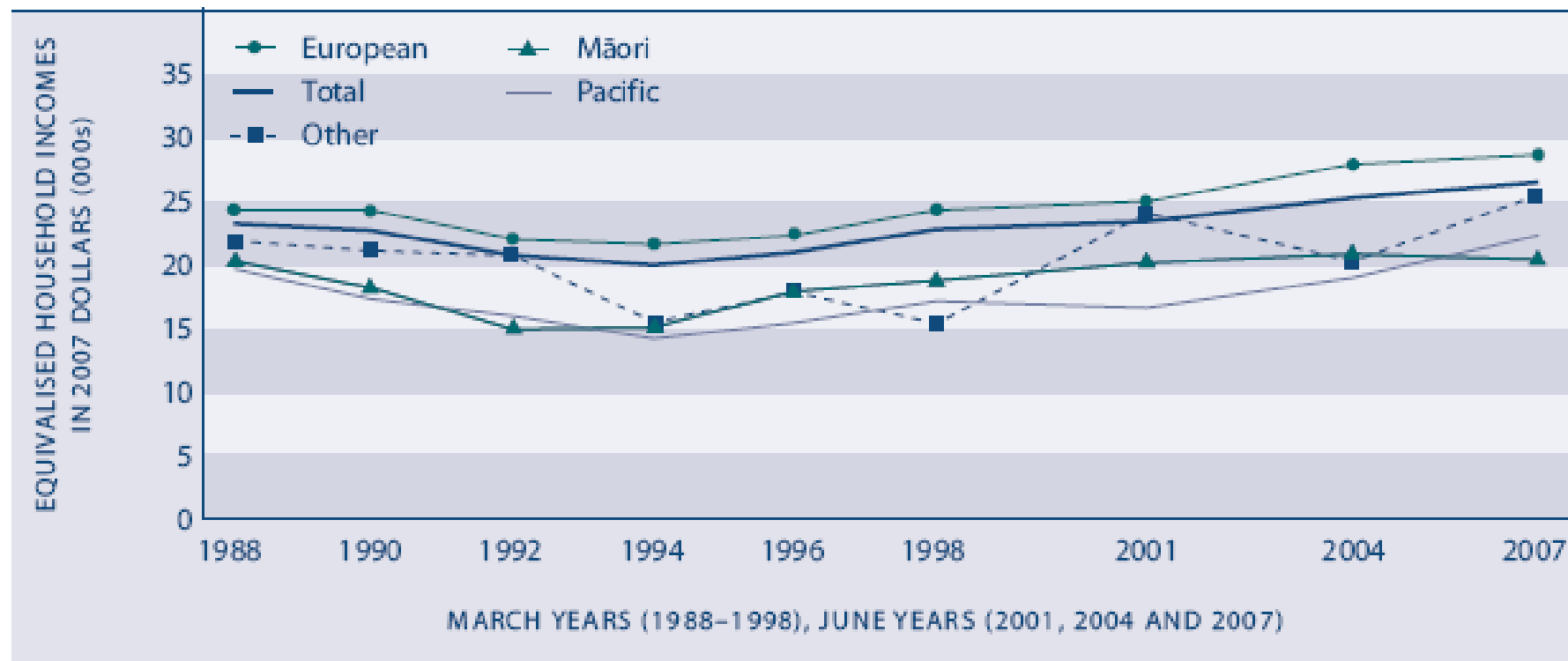
- ▶ At least upper secondary

	<u>European</u>	<u>Māori</u>	<u>Pacific</u>
▶ 2007	80.1	62.9	49.7

- ▶ Tertiary

	<u>European</u>	<u>Māori</u>	<u>Pacific</u>
▶ 2007	21.6	9.4	8.4

## Real equivalised median household incomes, by ethnic group, 1988–1998, 2001, 2004 and 2007

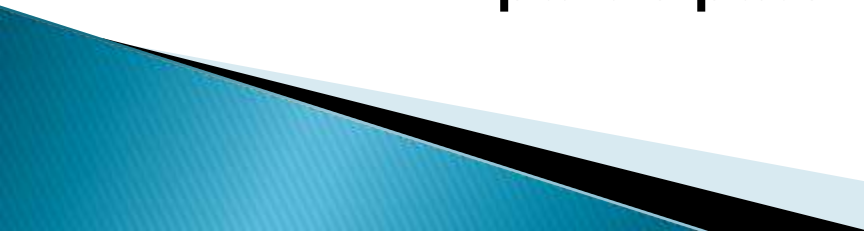


Source: Derived from Statistics New Zealand's Household Economic Survey (1988–2007), by the Ministry of Social Development

The early childhood experience of education, nutrition, expectations, and physical, intellectual and emotional learning flows through into adolescent and adult potential.



Five indicators used in MSD's Social Report to provide information on different aspects of economic standards of living:

- ▶ market income per person,
  - ▶ income inequality,
  - ▶ the population with low incomes,
  - ▶ housing affordability and
  - ▶ household crowding.
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- ▶ 1972 Royal Commission on Social Security agreed that a useful standard for **adequacy** was a level of resources that allowed individuals not just to survive but also to **participate**.
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# Or, poverty as lack of capability



In *The Idea of Justice*, 2009, Nobel laureate Amartya Sen argues:

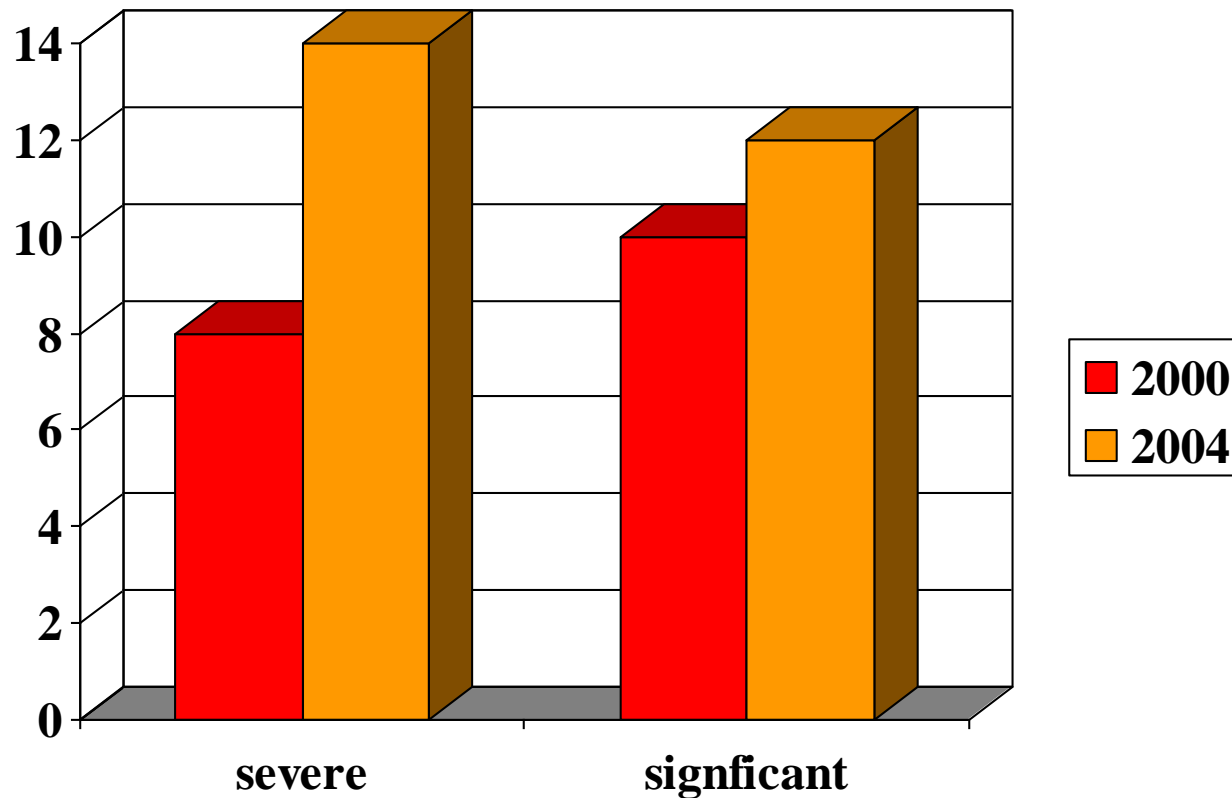
- measuring poverty by basing it on income may be a flawed perception of well-being.
- better to give precedence to the capability or capacity people have of choosing and leading their lives.

- Poverty in richer nations is not just a disadvantaged and insecure economic *condition* but is also a shameful and corrosive social *relation* .
- Non-material aspects of poverty include lack of voice; disrespect, humiliation and assault on dignity and self-esteem; shame and stigma; powerlessness; denial of rights and diminished citizenship .
- They stem from people in poverty's everyday interactions with wider society, and from the way they are talked about and treated by politicians, officials, the media, and other influential bodies.”

(Lister, 2004, p.7)

# Part 2. Child poverty and advocacy


Between 2000–2004, child hardship in New Zealand rose from 18 % to 26%




# Inequality impacts on NZ children:

- 1) In last decades of the 20th century, NZ had the fastest growth in income and wealth inequality in the OECD.
- 2) Even after implementation of Working for Families, child poverty remains a major concern in New Zealand.
- 3) In 2001, NZ ranked near the bottom of the rich nations' index measuring infant mortality, children's health and safety, teen pregnancy, and immunisation.
- 4) In 2001, NZ ranked bottom in the % of 15–19 year olds in full- or part-time education, and in the number of deaths from accidents and injuries.
- 5) In 2005 the government added \$500m to the WFF package, targeting families earning more than \$27,500, but children in families receiving benefits were excluded.


(St John & Wynd, 2008, *Left Behind*, CPAG, p. 4)

- For all its flaws as a poverty measure, income impacts on education, and is the single most important determinant of health.
  - Insufficient disposable income, substandard housing, inadequate nutritious food and unequal access to health care all contribute to the risk of poor health.
  - Māori and Pasifika children are most at risk of poor health.
  - A child growing up in poverty is 3x more likely to be sick than a child in a higher income household.
  - CPAG calculates that 150,000 children in NZ are in severe or significant hardship.
  - Compared with children in almost any other OECD country, NZ children have higher rates of infant mortality, preventable illness, and deaths from injuries.
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# Advocacy

- is the pursuit of influencing outcomes — including public-policy and resource allocation decisions within political, economic, and social systems and institutions — that directly affect people's current lives. (Cohen, 2001)
  - Advocacy is not the main work of CPAG – it is education and research. Under the new Charities Act, advocacy is not a legitimate pursuit for a charity.
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# CPAG's approach to education:

- ▶ Publications
  - ▶ Press Releases and public statements
  - ▶ Submissions
  - ▶ Backgrounders
  - ▶ Networking
  - ▶ Under the Human Rights Act, claiming the government is discriminating against the children of beneficiaries through WFF
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**Cut Price Kids:**

Does the 2004  
'Working for Families' Budget  
Work for Children?

Susan St John  
David Craig

**Publications:**

2001, Our Children.  
The Priority for  
Policy.

2002, Our Children.  
The Priority for  
Policy. 2<sup>nd</sup> Edition.

2003, Room for  
Improvement

**CHILD  
POVERTY  
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**Workfare: Not Fair for Kids?**

A review of compulsory work policies and their  
effects on children

Mike O'Brien

2005, Workfare:  
Not Fair for  
Kids

2005, Hard to  
Swallow:  
Foodbank use  
in New Zealand

left behind:


How Social & Income Inequalities  
Damage New Zealand Children

Susan St John & Donna Wynd (Editors)


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# 2008, Left Behind

# Submissions: eg

- ▶ Submission on Financial Advisors Bill
  - ▶ 4 Aug 2009. CPAG urges greater consumer protection to help protect New Zealand's most vulnerable families from shady financial practices.
  - ▶ Briefing to Incoming Government
  - ▶ 17 Dec 2008. CPAG say is imperative that the new government give children in low-income families the support they need during what is likely to be a protracted period of slow growth and unemployment.
  - ▶ Submission: Report on UN Convention on the Rights of the Child (UNCROC)
  - ▶ 17 Oct 2008. This CPAG submission provides feedback to government on its draft report on progress towards meeting its obligations under the Convention.
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# Backgrounders

- ▶ Available on our website, on issues from tax policy to electricity policy; from early childhood education to liquor licensing.
  - ▶ Usually written in response to a particular event, or a proposed legislative, policy, or regulatory change.
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# Networking

- ▶ 3 or 4 CPAG representatives attempt to meet with politicians who are Minister or spokesperson for portfolios that are of particular interest eg Finance, and Social Development.
- ▶ We try to meet, or correspond regularly with the Children's Commissioner, and with other like-minded organisations.
- ▶ We offer papers at appropriate conferences.
- ▶ We hold our own conferences eg mark your diaries for the CPAG Hui: 7–8 October 09.

# The CPAG Human Rights case

- ▶ In the Working for Families (WFF) package, the In-Work Tax Credit (IWTC) remains an inequitable payment, denied to the poorest families.
- ▶ Its discriminatory nature is the basis of the case taken by CPAG under the Human Rights Act, and heard by the Human Rights Review Tribunal, 2008.
- ▶ The Tribunal found that WFF is discriminatory, but such discrimination by a democratically elected government is acceptable. CPAG is appealing.
- ▶ Annette King, Labour's deputy leader, admitted in August 09 that denying WFF to beneficiary families is bad policy, grossly unfair on the children affected.

# Developing a community response to poverty in the Waikato region

- ▶ Some statistics (eg Families Commission Research) available, but lack of research on rural poverty taking a “community development” approach.
  - ▶ Top-down solutions are comparatively easy, but like “tough” approaches, they don’t necessarily achieve anything.
  - ▶ Ground-up solutions are complex and require consultation, and public education and participation, but like the US “Rural Families Speak” project, they are more likely to succeed.
- 