

CHILD POVERTY ACTION GROUP



7 July 2022

SUBMISSION FROM CHILD POVERTY ACTION GROUP ON CHILD POVERTY RELATED INDICATORS

INTRODUCTION

1. Child Poverty Action Group (CPAG) is a registered charity committed to research and poverty on child poverty and child poverty related issues. It has an extensive, comprehensive and sustained record on quality work aimed at understanding, informing and debating the nature, extent, depth and effects of child poverty in Aotearoa New Zealand. That work aims to inform, critique and influence government policy and contribute to public information and discussion on that policy and related issues. The group's vision is "an Aotearoa where all children can flourish free from poverty". The group's work can be found at www.cpag.org.nz.

THE CHILD POVERTY RELATED INDICATORS (CPRI)

2. The CPRI draws on a range of data and data sources to build the indicators, review the coverage and adequacy of those indicators and measure the effects of the government child poverty measures in relation to those indicators. The current group of five indicators is, in our view, useful in identifying critical areas which impact on child poverty and reflect changes and potential changes in the nature and extent of child poverty. However, formal and official statistics are often only available with a significant time lag which doesn't capture contemporary realities. With this in mind, our submission identifies areas in which the CPRI can be extended and enhanced to build a more comprehensive picture and to indicate areas of possible effective action to reduce poverty; we haven't identified specific data sources here but these can be readily added. Suggested areas for consideration are as follows:
 3. *Benefit take up, time on benefit, children in benefit households*
 - a. Given the high percentage of children in benefit households living below the poverty line (however that is measured) changes in the numbers receiving a benefit, changes in the take up of benefit assistance (including supplementary payments) and changes in length of time on benefits and/or return to benefit would be both a useful indicator of poverty and would provide a useful stimulus to policy decisions aimed at reducing child poverty.
 4. *Changes in supplementary payments (Special Needs Grants (SNG), Temporary Additional Support (TAS)) from MSD*

- a. Supplementary payments such as TAS and SNG are indicative of serious and significant household income inadequacy and are likely to be highly correlated with households in the most significant poverty. As indicated above, changes to those numbers would provide both a useful indicator of child poverty changes and could be a harbinger of policy and practice changes to reduce child poverty.
5. *Foodbank use – using qualitative data*
 - a. While there are a range of issues arising from measurement of foodbank use, their usage presages important indications of child poverty. There is clear evidence from foodbank providers that families see foodbanks as a source of food provision when household budgets are swamped by other pressing commitments power, rent etc. Thus, changes in foodbank use over time provides an important indicator of changes in child poverty and, again, provides information which can inform policies to reduce child poverty among those families, and indeed other families struggling to make ends meet.
6. *Household occupancy and household rental expenditure*
 - a. While the current indicators include two items related to housing (affordability and housing quality), there are other housing related indicators which can provide useful information related to child poverty. These include, firstly, tenancy turnover, that is, the length of tenancy. Children in households with regular changes in tenancy are more likely to have poor school attendance and, therefore, are more likely to have lower literacy and lower school qualifications, both of which are associated with child poverty. Secondly, Information on household rental expenditure and changes therein (when placed alongside the current 30% affordability indicator) would provide more detailed and nuanced information on depth of poverty, particularly for those furthest below the poverty line. This would help guide policies which would have a significant impact on improving the lives of children in those households.
7. *NCEA completion*
 - a. Recent information and commentary has highlighted the number of rangatahi leaving school to support their families financially. These rangatahi are more likely to live in households below the poverty line and early school leaving may mean that they are at a significant earnings disadvantage over their life time. Monitoring and measuring NCEA completion would be a useful indicator of changes in child poverty rates and significance for this group and their whanau.
8. *Reports of neglect to Oranga Tamariki (OT)*
 - a. National and international research and social work and social service practice clearly point to the significance of poverty as a causal factor and consequence of child neglect. Thus, changes in reports of neglect to OT would be a useful indicator of child poverty changes. These children are highly likely to be among the poorest households and thus changes in reporting could be a useful indicator in policy and practice strategies and practice aimed at reducing child poverty.
9. *Information on debt and arrears with payment for key utilities, especially debt to public organisations and government agencies*
 - a. Debt (and changes in the numbers and extent of that debt) , especially debt to agencies and organisations such as MSD, power companies and water companies provide a useful indication of financial pressure on whanau and households. They are a potentially valuable source of information about the extent of and changes in child poverty and form a potentially useful contributor to policy changes aimed at reducing child poverty.
10. *Hospitalisations due to preventable diseases in children*
 - a. It has long been recognised that hospitalisations due to potentially avoidable diseases are a marker of poverty. Tracking of these occurs annually in the Child Poverty Monitor <https://ourarchive.otago.ac.nz/handle/10523/12540>, with national

data sourced from the NZ Child and Youth Epidemiology Service (NZCYES) <https://www.otago.ac.nz/nzcyes/index.html>. The data on 0-14 year olds is disaggregated by ethnicity and deprivation index. The Cure Kids annual report 2021 <https://curekids.org.nz/wp-content/uploads/2022/06/Cure-Kids-State-Of-Child-Health-Report.pdf> has data on 4 diseases: dental disease, respiratory diseases, serious skin infections and acute rheumatic fever and rheumatic heart disease, with some data disaggregated by age groups 0-4, 5-9, 10-14 years; the data was sourced from NZCYES and the National Minimum Dataset (NMDs). Overall, in the early 1990s these hospitalisations more than doubled along with the more than doubling of child poverty rates. These were precipitated by loss of family income due to the cuts to benefits in 1991, and the introduction of the Employment Contracts Act 1991 which resulted in reduced wages. The disease rates generally remain high and inequities have increased.

There is one other general issue we would like to raise. We understand the complexities of collecting and disaggregating data, but given the significant research around the importance of the first 1000 days for the development of the child, we would welcome a consideration of how data can be disaggregated further into ages and stages. We note that health data does aggregate down to 0-4 years, and this data is a valuable source of information to enable medical services to be planned and gaps in service delivery understood. Mindful of privacy issues and the statistical issues arising from work with small populations, we would like to see datasets in relation to child poverty also disaggregated to smaller datasets, so they are more child-centric and provide a meaningful analysis of the impact of poverty on a child's growth and development. This is consistent with Articles 6, 26, and 27 of the United Nations Convention on the Rights of the Child which New Zealand is a signatory to. Disaggregated data would give a more nuanced picture of the effects and impacts of poverty for different age groups.

It is concerning that many effects of poverty on infants (babies 0-12 months) are not captured in the current datasets or analysis. Poverty is linked to higher rates of infant mortality, lower rates of breastfeeding, lack of ability to provide a warm, safe bed and environment for a newborn, and low birth weight.¹ Poverty creates family stress which in turn has negative impacts on a child, especially in the first few years.² We acknowledge that how poverty impacts on the development of a child is complex, but we consider that these indicators should also be included in the measure to truly capture child poverty from the perspective of how it impacts in the first 1000 days.

¹ For a helpful discussion of the wider social determinants of sudden infant death and the role poverty plays see Carla Houkamau, David Tipene-Leach Kathrine Clarke, "The high price of being labelled "high risk": Social context as a health determinant for sudden unexpected infant death in Māori communities" *New Zealand College of Midwives Journal*, Issue 52 (2016)

² See discussion of 'investment model' c.f. 'family stress' model in, NHS. Health Scotland, "Child Poverty in Scotland: Health Impact and Health Inequalities" (2018)