THE IMPACT OF SOCIAL AND ECONOMIC CHANGE ON FAMILIES AND CHILDREN

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INTRODUCTION

“Survived by cutting expenditure in almost every facet of their lives, including areas like health and food”.

“Beggars can't be choosers....children are unisex dressers....concerned that children don't look like charity cases and hence suffer stigma at school”.

“My daughter needs orthodontic treatment. There's no way I can afford that. I say to her ‘just keep your mouth shut when you smile’”.

These direct quotations from research studies provide some of the human face of the impact of economic and social change on children and families. This paper draws on a range of research and policy work material focusing on the financial position of children and families in Aotearoa/New Zealand and the consequences for families and children of impoverishment. I wanted to focus on the material position because it is so fundamental to what happens in other areas of the lives of children. Poverty is bad enough in itself, the correlates and consequences compound the fundamental damage in ways that are systemically abusive.

It might be argued that consideration of the economic position and poverty of families and children is inappropriate for a conference such as this. Such an assumption would reflect a narrow and inappropriate focus, a focus that is counter-productive to efforts to ensure that children are protected from abuse and neglect. It is counter-productive because the levels of poverty and economic deprivation represent in themselves expressions of abuse and neglect. Such abuse and neglect of children is manifest in and through both actions and inaction. Such action and inaction is clearly evidenced in the areas of income deprivation and poverty. It is evidenced in such basic ways as cutting social security benefits to families with dependent children. It is expressed through the failure to enact income distribution, housing and employment policies which ensure that all children have the opportunity to achieve their maximum development and are not deprived of that opportunity because of the lack of resources available to their families because of misfortune of birth and/or of social and economic circumstances. Failure to ensure that these opportunities are available represents neglect in the sense of depriving children of the opportunity to thrive and develop. It represents abuse because it involves direct and indirect attacks on children who are not in a position to avoid those attacks and who are vulnerable to their impact. (For a wider discussion of child abuse, see Gill, 1975; Parton, 1985).

I have deliberately linked ‘children and families’ in the examination of the issue of poverty in New Zealand. The reasoning for this is quite simple and straightforward - the economic well-being of children is intimately tied to what is happening to their family, however we define that term culturally and politically. Indeed, cultural differentiation in relation to ‘family’ may make a significant difference to the impact which poverty has on children. The focus on
the economic position of children and families is quite deliberate. The economic and material well-being of children is closely aligned with and dependent on the position of their family. “Where the adults go, there too go the children”. Certainly, there is not a complete correlation between the two. In some families, children receive less of the family’s economic resources than they should, while in others (particularly low income families) strenuous efforts are made to meet the needs of children at the expense of their parents (usually the mother). Nevertheless, the correlation is powerful.

The paper pursues its argument through looking at the economic position of children and families. This examination draws on the evidence of the last fifteen years of economic and social change (commonly referred to under the somewhat disingenuous term of ‘structural adjustment’). In looking at the changing and deteriorating economic position of children and families, two important considerations are involved (in addition to the widening income inequality that has been an integral part of structural adjustment), namely unemployment, and changes in housing access and affordability. I do not intend to canvas either of those issues here specifically. I simply identify them at this point as a reminder (if that is needed) of the range of factors that have impacted on the lives of families and children, and continue to do so. The general evidence provides the raw material from which to examine the economic position of children and families, to identify the nature and extent of abuse and neglect. From the general exploration, the paper moves to an examination of two groups which are particularly vulnerable, Maori and Pacific Island families and children in lone parent families. This leads to a more specific focus on children, families and poverty. While poverty is critical in its own right in abusing and neglecting children, there are some quite specific impacts which result from the experience of poverty. This necessarily brief review of the available evidence leads to brief comments about financial support for children and families. I want to touch on some of the policy issues around income support for children and families - it is unsatisfactory to leave the issue of poverty and its consequences for children and families simply in the “ain’t it awful” basket without exploring some of the implications.

Let me begin then.

THE ECONOMIC POSITION OF FAMILIES

One point of warning about income data on families and children and making comparisons on the basis of that data. While there is an important distinction to be made between market income and disposable income, between individual income and household income, it is also crucial to know whether the comparisons are based on equivalent incomes, that is income categorisation that has been adjusted to reflect household formation. Such features as the ages and gender of children, the number of people in the household/family, and the number of adults in the household, all need to be reflected in income comparisons. This task is usually undertaken by the use of what are called
‘equivalence scales’. Much of the data used throughout this paper has been
equivalised, that is adjusted on the basis of an equivalence scale; where this is not
the case I will indicate.
Looking initially at the period between 1981 and 1991, the dominant picture is of
an overall declining economic position for families. While there was some
improvement in the period between 1981 and 1986, the gains during this period
were exceeded by the losses in the next five years. Families of full-time workers
suffered the greatest losses between 1981 and 1986, with young families being
more severely affected than older families. Because of the protection provided by
the social security system, the incomes of the unemployed improved more than
the incomes of those in work, but all families irrespective of their age or their
status in the labour market lost ground in the five years before 1991, those losses
Real income levels of all the family groups [described in his paper]
deteriorated over the decade from 1981 to 1991. The exception is the top
two quintiles of European couples with children. In 1981 the median
income of all families was $43,476. In 1991 the CPI adjusted median
family income was $31,557. Real income of New Zealand families as a
whole has thus declined by 25.7% over the 1980s.
Let me set out some of the key points that emerge from Martin’s analysis of
change in family incomes in the 1980s.
• There was some minor redistribution from the top to the bottom quintile
between 1981 and 1986, but this was more than reversed in the next five years.
• The top quintile of families increased its income share from 41.0% in 1981 to
46.0% a decade later.
• The incomes of the bottom fifth of male and female lone parents were raised in
real terms, as were those of the bottom fifth of Maori and Pacific Island
families in the early 1980s but the latter half of the decade saw declines that
significantly exceeded the gains.
• Maori and Pacific Island couples with children had a lesser income decline
than did Europeans initially but this improvement was reversed as the decade
progressed.
• The income decline of all male lone parents was high (20.5%) while female
lone parents actually experienced a real income increase in the early part of
the decade, but here too gains were surpassed by subsequent losses.
• The changes in the nature of employment, growth of unemployment and
unequal movement in wages produced a deterioration in the position of
families (although he notes some relative improvement in the early 1980s for
lone parents), greater disparity between high and low income groups, and
deterioration in the position of Maori and Pacific Islands persons relative to
Pakeha (Martin, 1995).
Easton (1993) summarises the ways in which the changes in income distribution
between 1989/90 and 1991/2 impacted on families, noting that households
which were one fifth from the bottom experienced a 11.9% fall in their income if
they had children, and a 7.7% fall if they had none. Households which were one fifth from the top experienced a 5.4% fall if they had children, and a 5.1% fall if they did not. Thus, the greatest falls were experienced by the lower income households with the lowest fifth of households with children appearing to have suffered a real income fall of at least 0.5 percent a month.

Reviewing the longer time period between 1983-84 and 1990-91, the mean equivalent disposable income for two adult households declined by 2.8%, increased by 7.4% for two adult households with one child, by 7.8% for two adult/two child households, by 10.8% for three child/two adult households and declined by 12.2% for one parent households, with all this decline in the 1990/91 year (Mowbray, 1993:13, Table 12).

Families with children are over-represented in lower income quintiles with two parent families moving from “being amongst the higher income earners in 1981 to amongst the lower in 1991” (Johnstone and Pool, 1996:165). This leads the authors to comment that: “familial well-being is linked less to changes in the family than to changes in the economy” (Johnstone and Pool, 1996:165).

Again, let me draw on a Department of Statistics publication on Incomes (Department of Statistics, 1991)

- “When there are no children in a household, there is a greater chance that the total household income will be in the upper income ranges....
- One-adult households tend to be in the lower quintile groups of equivalent total household income. This is particularly so for one adult households with children....
- For both one-adult and multi-adult households as the number of children increases, so too does the chance of the household being in the bottom quintile group.
- In 1989-90, 50 percent of one parent households with two children were in the bottom quintile group. Just over 75 percent of one parent households with three or more children were also in the bottom quintile....
- Two adults and four children present, between 31 and 48 percent were in the bottom quintile over the 1981-82 and 1989-90 period....In 1989-90, 30 percent of two adult households and 16 percent of households with three adults only were in the bottom two quintile groups. (51)
- The highest income household types, in terms of equivalent disposable income, are young couples (woman under 40) without children, and young single people....The lowest average equivalent disposable incomes are received by single people over 60, lone parents....and couples where the woman is aged over 60...
- In terms of equivalent final income, the lowest income is received on average by young couples (woman under 30) with children and the next lowest by sole parents. (52)
- For equivalent final income, the same broad picture is apparent. Families with children gained relatively in the period, but after taking account of all budget measures, so did the sole parent and other family categories. Single people
and couples without children, on the other hand, generally fell relative to the all households average. (53)

While the position of families overall deteriorated, there are some families which are much more vulnerable than others. This vulnerability is determined particularly strongly by the labour force status of parents. “The increasing percentage of families with neither parent not partner in full-time employment indicates a growth in families who are in a position of vulnerability” (Johnstone and Pool, 1996:167). The impoverishment is compounded, they point out, because of a tendency for families with poor employment records to also be larger families.

Those families which are better placed economically are more likely to be pakeha, have one person in full-time paid employment (and the other adult in at least part-time paid work), and have two adults in the household.

- Paid employment is a critical factor in differences in household incomes, being particularly significant in the income differences of two parent and lone parent households. (Lovell and Dayall (1994). A similar pattern appears to be the case for households from the 1996 data.

Illustrating the importance of family size on income inadequacy, Fergusson (undated) noted that this inadequacy increases with family size increases. Over 40% of families with three or more children from his analysis of children in his longitudinal study reported income inadequacy, while 24% of families with one child reported income inadequacy.

Over the decade to 1991 the changing economic situation of all New Zealanders resulted in more children belonging to families whose incomes were at extreme ends of the income range; that is, the proportion of children belonging to a family whose income was either very high or very low increased. Children living with one parent are much more likely to be in low income families than those living with two parents. Sixty percent of children in one parent families were in the lowest family income quintile in 1991. Younger children and those of Maori and Pacific Island ethnic groups are also more likely to be in low income groups. The proportion of children in rented dwellings decreased progressively with rising family income and the proportion of in mortgaged homes increases. Children in lower income families are more likely than those in higher income families to live in homes shared with people who are not part of the child’s immediate family (Statistics New Zealand, 1995:48).

If we move from the 1980s and early part of the 1990s to the latest information arising from the 1996 census, we find that:

- for households with a child under five years, 33% of Maori, 30% of Pacific Island, 26% of Asian and 16 % of Pakeha households are located in the bottom quintile of these households. By way of contrast, the top quintile of households with a child under five, contains 14% of households with a child under five years of age overall, but only 8% of Maori households, 11% of Pacific Islands households, 16% of Asian households and 17% of Pakeha
households (Davey, 1998). The distribution is similar for households with older children, with Pakeha children being more likely to be in the top quintile. (These figures are not adjusted by equivalence scale and thus, because of differences in family composition, the differences will be greater than indicated by these figures).

GROUPS THAT ARE PARTICULARLY VULNERABLE
As I noted above, in this general economic picture of families and children, there are some groups that are particularly disadvantaged. I want to focus on two of these, Maori\(^1\) and Pacific Islands families\(^2\) and lone parents\(^3\).

MAORI AND PACIFIC ISLANDS FAMILIES AND CHILDREN
As noted above, income distribution changes have had quite different impacts for Maori, Pakeha and Pacific Islands communities. These differences have been reflected in two areas that are critical to our focus here, namely access to employment and widening income differentials. The key facts are:

- Maori and Pacific Islands families incomes declined more than the incomes of Pakeha families between 1981 and 1991. The comparative decline was between 2.4 and 9.0% (Johnstone and Pool, 1996).
- The lowest equivalent income is among Maori lone parents 15-29 unemployed or not in the labour force and the highest belongs to pakeha couple only families at older ages with both in paid employment (Johnstone and Pool, 1996).
- Pakeha redistribution has been modestly towards the higher income quintiles, while the redistribution for Maori and Pacific Islands families has been strongly towards lower income quintiles (Martin, 1995).
- Maori household income increased 40% between 1987 and 1997 while non-Maori income increased 48% during the same time. The gap between the two groups increased from $5,500 to $10,000 (Te Puni Kokiri, 1998).
- In 1997, 48.0% of Maori households earned less than $27,800 compared to 39.3% of non-Maori, while 11.9% of Maori households earned more than $68,200 compared with 20.9% of non-Maori (Te Puni Kokiri, 1998).

Note that no equivalence scales are applied to the data below.

\(^1\) As Johnstone and Pool, 1996 note the basis on which a person’s ethnicity is defined as Maori makes an important difference to the statistics; I do not intend to pursue that question further here. For comment on this argument, see Rochford, 1996.

\(^2\) It should be noted that initial data from the 1996 census suggests that there is a significant proportion of the Asian population in lower income quintiles, similar in many respects to the Maori and Pacific Islands population. See Statistics New Zealand, 1998a.

\(^3\) I am using the term ‘lone parent’ rather than the commoner ‘sole parent’ because of its usage in the international literature and because it more accurately reflects their position than does the term ‘sole parent’.
Based on the 1996 census, 41.4% of Maori children live in families with an income below $20,000, compared with 37.1% of Pacific Islands children, 31.4% of Asian children and 17.3% of Pakeha children. By way of contrast 24.0% of Maori families have an income in excess of $50,000 compared with 24.7% of Pacific Islands families and 39.6% of Pakeha (Statistics New Zealand, 1998a:17).

57% of Maori and 55% of Pacific Island children aged 5-14 had families in the bottom two quintiles in 1991 compared to 33% of Pakeha children.

Over the 1981-1991 period, there has been a drop in the proportion of Maori and Pacific Island children with families in the top income group and a marked increase of those with families in the bottom group. Thus within the overall pattern of little change, the income situation of Pakeha children of school age can be said to have improved slightly, while that of the Maori and Pacific Island groups has generally deteriorated.

Dependent teenagers tend to live in families with comparatively high incomes - 54% in the top two quintiles in 1991. The Pakeha figure is 58%, but for Maori and Pacific Islanders only 36% and 38% respectively fall into the top two income quintiles.

Thus far, I have concentrated on families generally. There is one specific group of families which has been particularly significantly affected by the restructuring and which is now at considerable risk, namely lone parent families. I want to move to that group now.

LONE PARENTS

At the 1991 census more than seven out of ten two parent families received $30,001 or more per year, while the incomes of eight out of ten one parent families fell below that figure. The median annual income for one parent families was $15,900, 64.75% lower than the median for two parent families ($45,000). Where all the children were dependent, the medians dropped to $13,800 and $41,900 respectively (Lovell and Dayal, 1994:19).

At the 1996 census, 62.89% of the lone parent families were Pakeha, 26.50% Maori, 7.16% Pacific Islands families and 3.12% Asian. This contrasts with two parent families where 76.64% were Pakeha, 11.30% Maori, 5.18% Pacific Islands families and 5.32% Asian (Statistics New Zealand, 1998b).

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1 It should be noted that the high income data relates to families, not children; here too the data is not equivalent income.

2 I note below that two parent families with more than two children are even more likely to be in poverty than lone parent families. However, this does not negate the particularly vulnerable position of lone parent families - their number alone indicates the potential seriousness of their position. The latest available figures show that 108,573 lone parents are in receipt of the DPB, while a further 1,599 are receiving the Emergency Maintenance allowance and a further 9,431 receive the widows benefit. (Not all of this group would be caring for children). (Source: Income Support, 1998). In 1997 168,630 families were receiving state financial assistance; 7.4% (12,520) were identified as low income families receiving supplementary assistance (Department of Social Welfare, 1997:11).
Reviewing their research, Fergusson (undated:13) suggest that the higher rates of income inadequacy experienced by single parent families with several children are largely due to the fact that the incomes received by these families are not equivalent to the incomes received by one child single parent families”. They note that the evaluation of adequacy was based on subjective assessment and on a particular sample studied over a specific period, making generalisation unwise. Nevertheless, the significance of the financial position of children in lone parent families is clearly indicated by the fact that as at 30 June 1997, 303,553 children were in families dependent on income support; 189,380 were in families in receipt of the Domestic Purposes Benefit (Department of SocialWelfare, 1997). (The total number includes beneficiaries and those in paid work receiving income supplementation such as Family Support).

Two parent families are more likely to have both parents in paid workforce compared with lone parents (Lovell and Dayal, 1994:18-19). A similar picture emerges from a preliminary analysis of the 1996 census, with 81.54% of mothers in two parent families with dependent children in the paid labour force, compared with 39.97% of lone parents (Statistics New Zealand, 1998b, Tables 20 and 21). As noted above, paid employment represents a hallmark of significant difference between lone parent families and two parent families. Because of the current importance given to paid work for lone parents, I will return to this issue in the concluding section of this paper. The 1980s were marked by an increasing tendency for lone parent families (female and male) not to be in paid work, with a strong association (not surprisingly) between presence in paid employment, the number of children and the presence of a child under the age of five in the household (Martin, 1995).

“Sole parent families ....unemployed or not in the labour force had the lowest incomes and in each year showed lower incomes than any other family type” (Johnstone and Pool, 1994:154). In the year to March 1993, the one adult plus children household had a mean disposable income 8.27% lower than in the year to March 1982 (Lovell and Dayall (1994).

Among lone parents generally, Maori women are a particularly disadvantaged group, indicated by their lower levels of income, employment, education, occupation and housing tenure.

With 44% of Maori families being one parent families, and approximately 88% of these being supported by income-tested benefits, an estimated 38% of all Maori families with children are headed by sole parent beneficiaries.... Pacific Islands sole parents were also relatively disadvantaged within the sole parent population, with characteristics closer to Maori than to

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6 Percentage figures here refer only to those identified as employed in full-time or part-time work; they do not include those identified as unemployed.

7 Interestingly, Martin (1995) notes too a tendency for the incomes of male lone parents to move closer to those of female lone parents, although it must also be noted that where male and female lone parents with similar qualifications were both employed, the incomes of the former were higher.
European sole parents. The population of Pacific Islands sole parents grew faster than any other ethnic group between 1986 and 1991 (Rochford, 1993:34).

Lovell and Dayal (1994:16) provide a very concise summary of the comparative position of Maori, Pacific Islands and Pakeha lone parent families:

Sole parents generally showed characteristics of disadvantage in terms of employment, income education and housing tenure. Within the population of sole parents, 29% were Maori and these sole parents stood out as the disadvantaged of the disadvantaged in terms of the same variables, although Pacific Island sole parents shared similar characteristics of disadvantage.

POVERTY MEASURES AND LEVELS

The income distribution figures pinpoint a number of key features surrounding the position of children and families and the ways in which the changing economic and social policies have affected children and families over the last fifteen years. The position of children and families now represents a position of serious abuse and neglect. There can be few, if any, more direct illustrations of abuse and neglect than poverty, for poverty represents the failure of the society (and of those with political and economic power) to ensure that the most basic consideration of an adequate income is available to all. What we have seen thus far is something of the broad general sweep. I want to move the examination to a slightly closer focus and look at the data and information around poverty and the changing poverty picture for it is here, as I have noted, that the most serious abuse and neglect occurs. The poverty figures clearly show that it is children and families which have borne the greatest impact of the growing poverty of the last fifteen years.

It is inappropriate and unnecessary to canvass the extensive literature on the definition and measurement of poverty; that is comprehensively done in numerous places (Alcock, 1997; Cheyne, 1995; George and Howards, 1991; Townsend, 1993). New Zealand literature also reflects features of those debates (Easton, 1997; Stephens, 1997). Poverty in a country such as Aotearoa/New Zealand is most appropriately understood in relative terms as representing a lack of financial resources to participate in and belong to the society in a contemporary context. For the purposes of this paper, I will settle for utilising the definitions that others have employed in their research in order to identify both the levels of poverty and the groups affected without engaging in the debate about the most valid and reliable form of measurement. While there are differences in measurement approaches in the New Zealand research (as there are in the international literature), a relative approach is universally adopted and
results show a significant similarity in the broad picture of numbers and of groups affected.

What do these changing income figures mean as far as poverty levels and income distribution changes are concerned for families? Some elements of the answers to that question are clear in the data below. While it is difficult to establish precisely the numbers experiencing poverty, the depth of that poverty and trends over time, it is clear that poverty disproportionately affects children and their parents. I want to identify the key points from five major pieces of work, namely Easton, 1993; Easton, 1995; Krishnan, 1995; Stephens, 1995; Waldegrave, 1996b).

Easton (1993; 1995) identifies an increase in the numbers in poverty during the 1980s, but the most significant change occurred in the early 1990s. Between 1989/90 and 1991/92, there was an increase in the numbers in poverty of around 43%. Further, looking at the total population in poverty, he goes on to demonstrate that the largest groups among the poor are households with three or more children (27% of the total), one adult households with one or more children (about 19% of the total) and two adult households with two children (about 16%). Looking at each of the various household groups, the groups with the largest proportions in the bottom quintile are one adult households with one or more children (about 43% of the group) and two adult households with three or more children (about 28%). In summary, the largest group of the poor remain children and their parents. Almost 29% of all children are in the bottom quintile (in contrast to a fifth of the population). The relative proportion in the lowest decile is even higher. In contrast, the rich are adults only households, who make up 76% of the topmost quintile. Somewhat wryly he notes that this is the same situation as two decades ago. Furthermore, not only are there more poor, but they are poorer.

Waldegrave, Stephens and Frater have been engaged in research on poverty measurement over recent years, attempting to identify the numbers below a defined poverty line and the composition of that group. Their work has used focus groups, formed on different ethnic and geographical bases, as the methodology for establishing the appropriate location of the line, based on 60% and 50% of the median income. Figures from these micro groups are then used to develop macro estimates of poverty using HEIS data as the basis for calculating figures. Over the years, two benchmarks have been used, namely "survive adequately with minimal participation" (later changed to minimum adequate household expenditure) and "fair with adequate partivipation". In recent publications from their ongoing work (Stephens, 1995; Waldegrave, 1996b) they calculate that, allowing for housing costs, 18.5% of New Zealanders are below the poverty line, 32.6% of children in New Zealand were below this line, 60% of

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* This is not to minimise the critical differences particularly between Easton and the Poverty Measurement Project, but the differences are not crucial for our current purposes. (For a debate on aspects of these differences, see Easton, 1997; Stephens et al., 1997).

* He notes too (1995) that there is a group of single adults who are below the povety line, most likely to be young unemployed and students.
poor households are households with children, lone parents are, proportionately, the largest group in poverty, 73% of lone parents live below the poverty line. Based on the 60% of median income figure, 10.8% of households (13.4% of the population) in New Zealand were poor. At the 50% level there are still 4.3% of households and 5.5% of people in poverty. On the basis of their measurement:

- “the incidence of poverty is highest for those households with children, with the incidence increasing with number of children.
- Lone parents have the highest incidence of poverty, 46.2% being poor on the basis of the 60% median income level (where they have the highest poverty incidence) and 14.3% at the 50% level. At the former figure, they account for 22.8% of the total poor population.
- the incidence of poverty is high also because many of those with large families are Maori and Pacific Islanders with lower incomes on average....
- The mean poverty gap\(^{10}\) rises with family size, being less than average for couples with one child, but well above average for couple with three or more children, so that large families account for a greater proportion of the total poverty gap than total poor population.
- Using the 50% threshold, between 1984 and 1993 poverty doubled from 4.3% in 1984 to 10.8% in 1993 with an increase for all household types.
- At the 60% poverty level, Maori poverty incidence of 27.3% is three times that of Pakeha, with Pacific Islanders being four times greater. However, Pakeha still constitute over 60% of the poor population, and a slightly larger proportion of the total poverty gap.

Turning then to Krishnan’s (1995) work we find, not surprisingly, a similar picture.

- Households with children are more likely to be "poor" than those without children.
- While households with children have always been over-represented amongst low-income households, this trend has become more pronounced in recent years....
- In 1992-93, only 39% of all households had children, yet households with children made up 59% of households below the BDL. In the 1987-88 year, 11% of all households with children were below the BDL. By 1992-93, 29% of all households with children were below the BDL. For these same years, the proportion of all households below the BDL was 10% and 19% respectively.
- Using an adjusted unemployment benefit measure, 63% of all households with incomes below this measure were households with children.
- In the 1992-93 year, over half of all households who rented from Housing New Zealand had incomes below the BDL. For households which rented from other

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\(^{10}\) The poverty gap refers to the depth of poverty, that is how far those in poverty are below any poverty line. It indicates both how poor those in poverty are and what resources would be needed to bring those in poverty above the poverty line.
sources, 26% had incomes below the BDL. In contrast, 19% of all households had incomes below the BDL.

- Beneficiary households, sole parent households, households with dependent children, Maori and Pacific Islands households, households which record no hours of paid work and households residing in Housing New Zealand rental accommodation” have been the worst affected by recent changes (Krishnan, 1995:92-95).

This rather brief synopsis highlights the extent of increases in poverty levels and the impacts of those increases on children and families generally, and on particular groups of families and children more specifically.

POVERTY AND LIVING STANDARDS

We have drawn together now the available data around the economic position of families and children and the data on poverty. The abuse and neglect reflected in that data is experienced by children and families at a multitude of levels and in all facets of life. I want now in this section to move on to explore briefly the nature of that impact. A number of studies in recent years have pursued the question of the experience of managing at and below the poverty line and the experience of trying to manage on a benefit. It is those studies which provide powerful and compelling evidence of how the abuse and neglect is felt.

Rochford (1987) has undertaken one of the few quantitative studies of the living standards of beneficiaries, focusing on unemployed and lone parent beneficiaries. He used four specific indicators - postponing a visit to the doctor, going without meat or fish, postponing replacing clothing and the cost of accommodation. Lone parents in receipt of the DPB with higher numbers of children were reported doing worse financially than those with fewer children, reporting financial difficulties in meeting the cost of visits to the doctor, going without meat or fish, postponing replacement of clothes.

Eighty six percent of parents receiving unemployment benefit and 79% of DPB parents endorsed at least one of the four indicators of financial hardship. Sixty six percent of UB parents and 57% of DPB parents endorsed two or more of the four hardship indicators (Rochford, 1987:17). The main areas of felt deprivation included shortage of all weather shoes, difficulty of always keeping supply of fresh fruit. Approximately a fifth of each group showed up on each of these indicators. Two parent families receiving unemployment benefit were the worst off (Rochford, 1987:20). Recent studies have concentrated heavily on lone parents; it would be of considerable interest to explore the current living standards of families with children in receipt of the unemployment benefit.

It was lone parents (although not exclusively so) who suffered severely in the benefit cuts of 1991, and indeed their living standards have had substantial attack over recent years, through the cuts and through other related policies such

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11 The discussion here is largely limited to that which is relevant to children and families.
12 See below for similar comments from Fergusson et al.
as the introduction of market rentals in housing. One of the most significant of these studies was that undertaken by Dann and du Plessis in 1992, shortly after the benefit cuts. In their study they explored a number of areas surrounding the lives of 23 lone parents; I have drawn here of parts of that study which directly comment on the consequences of the cuts on children. In particular, they explored issues surrounding living standards, patterns of expenditure, the juggling of demands to make ends meet and the strategies used to increase income. The impact of poverty and inadequate income is experienced on a daily basis in such fundamental areas as food security, access to adequate clothing, ability to participate fully in school activities, access to and use of health services, to name but a few areas; I want to use the next part of this paper to set out some of that data.

FOOD
Let me quote directly from Dann and du Plessis (1992):

"What you can't do with a pound of mince isn't worth knowing about....The area of essential spending which seems to offer the most possibilities for versatility and flexibility in economising is food, and when questioned on this subject almost everyone could offer extensive advice on how to make a little go a long way....Most participants were spending less than $100 per week on food for families of up to four children and one adult". (Dann and du Plessis, 1992:35).

First place where economies could/should be made, the one discretionary area in the budget, while others preferred to keep other bills in arrears rather than economise too drastically on food. Some had cut down on the quantity eaten, and most had cut down on quality. Having to cut down on fresh fruit was considered to be the biggest sacrifice in quality - if it was available it was generally rationed, with mother or father going without....A lot eat meat only every second or third day, few eat meat every day, and those that do eat meat regularly eat the cheapest kinds like sausages and mince (Dann and du Plessis, 1992:36).

Families with older children have a high demand for bread as a "filler" while those with younger children economise on bread in order to provide milk (Dann and du Plessis, 1992:38).

Food was seen....as the one discretionary area in the budget. Many had cut down the amount eaten in their households and most had cut down on quality. Most households spent less than $80 a week on food, even when there were up to four children in the family.

Fresh fruit was a privilege in many households and in order that children had some every day, adults went without. Many of these families ate meat only every second or third day, few ate meat every day and those that did have meat regularly ate things like sausages and mince. Households ate a lot of starchy food (bread, potatoes, pasta. and rice) with very small
amounts of protein (meat, cheese, eggs, milk, yogurt). Icecream, fresh fruit, bacon and takeaway fish and chips were "luxuries". Other ways of saving money on food - budgeting (careful planning of spending), avoiding canned and processed foods, milk and bread the essentials: milk tokens their first food expenditure of the fortnight, to ensure that they do not run out of milk for their preschoolers (Dann and du Plessis, 1992:39).

Not having to worry about food was also considered a luxury"."At the beginning of 1992 the child Health Foundation was promoting healthy menus to feed a family of two adults and two children for $100 a week. Everyone in this study spends less than this on food per week, and most are feeding the equivalent of two adults and two children (Dann and du Plessis, 1992:41).

The report of the Peoples Select Committee (Craig, 1992) in the same year also found both that food constituted one of the few areas of discretionary spending for families and received a range of comments and submissions highlighting issues similar to those quoted above: “Since Xmas I have had to drastically cut down on food so that I now usually have three full meals a week - the rest are sandwiches or bread and margarine.... the thing that I am policing is food” (Craig, 1992:6).

A number of other reports (Ward, 1991, List, 1992) have identified as being affected is the access to food. List, highlight the difficulties which this creates for family relationships: “It’s horrible when your kids come home and say I’m hungry Mum, what can I eat and you’ve got to say nothing” (List, 1992:19). In the subsequent discussion of their data, they go on to comment that food was one expense cut down as much as possible, despite the concern that this would lead to poorer health as a result of nutritional deficits. The families they interviewed found themselves eating more staples such as rice, mince and potatoes, and bread. The cost of fruit and vegetables was beyond their stretched budget.

A participant in Solomon’s (1990:12-13) study presented a similar picture: “When we buy a bag of apples now we just sort of hide them and give them one apple at a time so that it can go through the whole week. We do 999 things with mince and sausages, that’s all we can afford to buy”.

Recent work by Parnell and by the Public Health Commission (Public Health Commission, 1993; Public Health Commission, 1994] indicates that for low income families, inadequacy of food is a significant issue. The demand experienced by Foodbanks (Auckland City Mission, 1998; Salvation Army, 1998) points in the same direction. A report by the Public Health Commission in 1995 identified 22,600 children nationally perceived by schools as being regularly hungry. The issue of food affordability is taken up further in Waldegrave and Stuart’s recent study of 100 beneficiary households.
TABLE ONE
HOUSEHOLDS WITH AFFORDABILITY PROBLEMS ACCESSING FOOD AND GOING WITHOUT MEALS

<table>
<thead>
<tr>
<th>Financing Food</th>
<th>No.</th>
<th>Go without meals</th>
<th>Entire household</th>
<th>Adults only</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major problems</td>
<td>9</td>
<td>Never</td>
<td>35</td>
<td>0</td>
<td>35</td>
</tr>
<tr>
<td>Lot of problems</td>
<td>15</td>
<td>Once in a while</td>
<td>25</td>
<td>3</td>
<td>28</td>
</tr>
<tr>
<td>Some problems</td>
<td>32</td>
<td>Sometimes</td>
<td>15</td>
<td>7</td>
<td>21</td>
</tr>
<tr>
<td>Few problems</td>
<td>21</td>
<td>Fairly often</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>No problems</td>
<td>22</td>
<td>Regularly</td>
<td>5</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Invalid</td>
<td>1</td>
<td>Invalid</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100</td>
<td>TOTAL</td>
<td>85</td>
<td>15</td>
<td>100</td>
</tr>
</tbody>
</table>


A Lower Hutt District Council of Social Services report notes that food is one of the first areas to be cut because it is not an essential of a similar magnitude to power and housing. However, the report goes on to identify a critical effect of the problems of insufficient money for food quoting one participant as follows: “One of my children is always asking for another child’s lunch because he doesn’t get enough….Very basic diet, probably nutritionally inadequate”. (Trego, 1988:12).

The Public Health Commission reports of 1993 and 1994 noted that lower income households spend less on fruit and vegetables than average and noted too that families in a South Auckland study reporting lack of food were more likely to be larger households and have a weekly income of less than $350 per week.

CLOTHING
In the affordability study referred to above, Waldegrave and Stuart note that while priority was given to children’s clothing and shoes:

- a surprising 45% considered they were less than adequately clothed. 59% of households reported going without necessary clothes and shoes. 31% repaired or arranged for clothes and shoes to be repaired. 42% used hand me downs (Waldegrave, 1996a:19).

Table Two demonstrates the difficulties of affording clothing.
Table Two
Unaffordable Clothing Items and Adequacy of Clothing

<table>
<thead>
<tr>
<th>Unaffordable Needed Items</th>
<th>No.</th>
<th>Adequately Clothed</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult shoes</td>
<td>56</td>
<td>Much more</td>
<td>2</td>
</tr>
<tr>
<td>Adult clothing</td>
<td>53</td>
<td>More than adequately</td>
<td>5</td>
</tr>
<tr>
<td>Children's shoes</td>
<td>29</td>
<td>Adequately</td>
<td>46</td>
</tr>
<tr>
<td>Children's clothing</td>
<td>33</td>
<td>Less than adequately</td>
<td>36</td>
</tr>
<tr>
<td>None</td>
<td>20</td>
<td>Very inadequately</td>
<td>6</td>
</tr>
<tr>
<td>Invalid</td>
<td>3</td>
<td>Invalid</td>
<td>5</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>194</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Waldegrave, 1996a

Clothing costs were also identified as an issue by the participants in Ward’s study: "We get by but shoes are very expensive and mean cutting back elsewhere" (Ward, 1991:31). Several of her participants commented on the difficulties in supplying shoes, underwear and clothing for teenagers experiencing peer pressure.

Similarly, in its review of the impact of policy changes on its community, the North Shore Community and Social Services report noted an increasing demand for clothing, both directly and from agencies on behalf of clients, quoting one agency which had had an increase of 50% in the number of children being clothed and of 12% in the number of children requiring clothing (North Shore Community and Social Services, 1994).

Some sense of the significance of difficulty in meeting clothing needs is demonstrated by the fact that in 1997, 764 Special Needs Grants representing a total value of $100,133 (2.4% of total Special Needs Grant expenditure) and 41,579 advances on benefit payments were made to a total value of $5,085,023 were made for assistance with clothing (Department of Social Welfare, 1997 Tables 66 and 68).

One area in which poverty has a powerful poignancy is in the difficulty and distress caused by occasions of family celebration - birthday and Christmas are two obvious examples. I want to turn to that area briefly now.

Presents

An often used indicator in international studies of poverty and living standards is the extent to which budgets and income permit the buying of presents at Christmas and birthdays. Inability to acknowledge such events represents a significant deprivation for children. Dann and du Plessis (1992) poignantly comment that children were very well aware of their deprivation and would ask whether it was going to be better next Christmas! While this issue is not referred to in all the studies reviewed here, it is certainly identified as a significant difficulty in some of the work. List (1992) quote one of their participants as follows: "We'd like to get them something but we cannot afford it" (presents). Solomon (1990:) takes up the same issue - the quotation from one of her
participants reflects the significance of the issue: “I’m contemplating finding a job just so I can buy them Christmas presents. I haven’t bought them any for the past two years....I feel angry at not being able to give my kids the same opportunities as some of their friends have” The need for extensive forward planning for such events is noted too by Dann and du Plessis (1992).

EDUCATION
While there is substantial literature on the links between incomes, poverty and education, I want to focus primarily on two other dimensions of the education and incomes connection here, namely the difficulties in meeting the costs of adequate and appropriate clothing (reflected particularly in the areas of school uniforms) and the provision of meals for children at the school. To take one illustration - in March this year, the the Manukau Food Project provided 2,200 meals per week, compared with 1,400 the previous July (Manuakau - the Healthy City, 1998).

In their work, List, (1992:28) note the stigma many parents feel at not being able to meet school fees or not having the right uniform: “They worry about the effect this may be having on their children socially and emotionally”. They go on to argue that: “One of the effects of the benefit cuts certain to be a narrowing of the already narrow horizon of many beneficiaries and their children” (List, 1992:29). Difficulties in paying education costs are also noted by Craig et al. (1992). In their study in Lower Hutt, Ward (1991) reports parents as having to say no to children in relation to participation in a school event that costs money. She goes on to note that most families found the cost of school fees and other associated education costs unaffordable. Almost half of the participants in her study were unable to continue their education further because of cost. Jackman (1992) notes agency comments that some children are finding it harder to concentrate in school because of hunger.

Solomon (1990:15) highlights both the struggles and the implications on educational and recreational life for children:

Uniforms and shoes, lunches and money for books, it takes a lot of hard work to work things out. I try not to pull them out of anything because we’ve got no money I really racked my brain for them to play softball and netball, because it’s something they enjoy and are good at it. They feel guilty because I’m making all these sacrifices for them.

A significant number of the clothing grants paid by the Income Support service referred to above are for school uniforms.

Dann, 1992:5) capture the impact of education costs succinctly with their comment that such costs: “Can devastate your budget for weeks”. They go on to note that meeting the basic costs of their children’s education was a struggle for these parents (in their study). School uniforms were exceptionally costly, especially intermediate school uniforms which would be worn for only two years. Money for school fees or trips often came out of the food budget. The impression gained from the interviews was that meeting these costs was always
an effort and parents had to think of a variety of strategies to pay for the costs of their children’s education. They go on to note too that no money was spent on new books or educational games or toys and very little on educational family outings which were all to free venues. (Dann and du Plessis, 1992:47).

HEALTH
Alongside education, health constitutes one of the most critical areas of family and children’s lives, an area in which systemic abuse and neglect is not only immediately harsh but also has potentially serious long-term consequences. Again, as with other areas canvassed in this paper, it is only possible to highlight some of the most significant issues. The effects of not being able to afford medical and dental care were reflected powerfully by one of the participants in Craig (1992:31): “My daughter needs orthodontic treatment. There’s no way I can afford that. I say to her “just keep your mouth shut when you smile”.

In their examination of household living standards, Waldegrave and Stuart (1996) gathered some quantitative data on the extent of healthcare unaffordability for households, reflected in Table Three below.

<table>
<thead>
<tr>
<th></th>
<th>Could Not Afford</th>
<th>Could Not Afford</th>
<th>Could Not Afford</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctor</td>
<td>43</td>
<td>Prescription</td>
<td>Dentist</td>
</tr>
<tr>
<td></td>
<td>32</td>
<td></td>
<td>53</td>
</tr>
</tbody>
</table>


Furthermore, they note that there were 25 households in which people could not afford glasses required and 10 households in which people could not afford dentures or dental repairs needed. In total, 43 households could not afford a doctor, 53 could not afford a dentist and 32 could not afford a prescription. One of the participants in Solomon (1990:14) study was unequivocal: “I don’t muck around now - money or no money….Our son needs glasses to see at school, we can’t afford glasses”.

AMENITIES
One of the proxy measures which might be used to highlight some of the disadvantages and inequalities faced by low income and impoverished households is in the amenities and facilities available to these households. The absence of those amenities can be seen as reflecting aspects of deprivation in the sense of not being able to enjoy the same opportunities as those available to their peers.

Robins, 1996:186) notes that while variation in amenities is less than might be expected from variations in equivalent incomes “With the exception of fridges or freezers and colour televisions, there is a notable gap between the proportion of
lowest and lower income households, and the proportion of middle and high income households that had each of the amenities”. She goes on to say that:

Households whose main source of income was social welfare benefits had lower levels of amenities than households in the lowest income group. There was a relatively low proportion of beneficiary households with a washing machine (67%) and with a telephone (72%) (Robins, 1996:188).

Beneficiary households had a lower level of amenities than all other households. In previous unpublished work, Mowbray:

identified the availability of at least one vehicle, at least one telephone and at least one washing machine (that is at least all three amenities at once) as being, at that time, more closely related with income than other combinations of amenities that were examined (Robins, 1996:189).

She goes on to argue that the very high frequencies for telephones, washing machines and vehicle ownership among the middle and high income groups indicate that these are regarded as necessities in “middle New Zealand”, so that any household which lacks at least one of these can be considered to be in a state of relative deprivation. It is this that leads her to construct what she calls a “simple amenities index”, using that as a measure of living standard. (Robins, 1996:190). “Beneficiary households had a lower level of multiple amenities than the lowest income groups” (Robins, 1996:191).

There is, she notes a close connection between accommodation costs and the levels of amenities, irrespective of whether a household was receiving a benefit, with the result that renting and/or high accommodation costs appear to indicate a reduced living standard of living among these particular groups. “The level of amenities available to Maori households was lower than that for all households” (Robins, 1996:194).

Waldegrave and Stuart (1996) in their study referred to earlier also examined availability of key amenities. They found that 14% of their households had no washing machine, 33% had no carpet, 9% had no electric jug and 6% had no heater. The households lacked 459 items common to the 100 beneficiary households that formed part of their study. Only 31% of households could afford to buy or repair household items and 16% could not afford to buy or repair their washing machine (Waldegrave, 1996a). Two-thirds of their participants needed household items but could not afford to buy or repair them. Less than 40% of households considered they had no problems affording four essential items - food (22%), housing (38%), power (30%) and needed clothing (only 20%) (Waldegrave and Stuart, 1996).

The significance of access to basic amenities is reflected in Statistics New Zealand data demonstrating how access to a private motor vehicle varies according to family income and the age and ethnic group of children. “Twenty-one percent of

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13 The paucity of good public transport in Aotearoa/New Zealand cities makes a private vehicle a necessity if children are to have an opportunity to develop and participate alongside their peers.
Maori children and 27 percent of Pacific Island children in 1991 lived in households which did not have access to a motor vehicle, compared with 5 percent of European children” (Statistics New Zealand, 1995). In the 1996 census, 21.2% of lone parent families indicated that they did not have access to a motor vehicle, compared with 3.0% of couples with children. Comparable figures for access to a telephone are 11.9% for lone parent families and 2.9% for couples with children (Statistics New Zealand, 1998b, Tables14 and 15).

CONCLUDING COMMENTS
This paper has traversed a wide range of data to paint a picture of children and families abused and neglected by the ways in which we organise and allocate access to resources, in this instance primarily the resource of adequate financial means. A range of evidence points in the direction of greater financial pressure on families generally and specifically of greater and deeper poverty. The interpersonal and intrapersonal effects of these pressures are captured by a number of studies, including some of those I have drawn on here.
In particular, a range of consequences of poverty for the lives and relationships of family members highlight the relationship stresses placed on those families by the pressure of poverty. For example, Solomon (1990) draws attention to the lack of family social events, while Ward (1991) and List (1992) note that the lack of opportunity for activities outside the home place strain on couple and parent-child relationships and draws attention too to the ways in which the demands of poverty have exacerbated emotional and physical problems. Ward goes on to note that this mental health pressure leads to increased violence and family disruption. Craig (1992) and Jackman (1992) note instances of young people leaving home because of financial strains, Jackman going on to comment that some adolescents feel a burden to their families. Other studies have identified the more disadvantaged position of children in a more general sense than those referred to in this paragraph. (Waldegrave, 1996a; Robertson, 1994 and Easton, 1995 provide good illustrations of this. Moreover, the position is not unique to the period since 1990 when the benefit cuts took place; as I have noted in this paper Rochford, (1987) highlighted such difficulties in the 1980s.
Easton (1995) concludes some of his recent work rather laconically noting that we knew some years ago that children were the worst placed financially and hoping that over the next few years policy might act on this knowledge. Increasing family assistance is, he commented, still the most effective strategy for dealing with family poverty. That strategy is, however, quite ineffective currently as is reflected in the significant fall in the real value of Family Support. When first introduced in 1986 it was set at $36 per week for the first child and $16 per week for each additional child, in addition to the universal family benefit of $6 per child. Currently it stands at $47 for the first child (under the age of 16) and $60

The tables from the census volume used here relate to families in private dwellings and include dependent and adult children.
for 16-18 year olds. For each additional child the respective figures are $32 (up to age 13), $40 (age 13-15) and $60 (age 16-18). In 1986 for a family of three children this represented 27% of the average weekly wage. In 1997, the comparable family construction, assuming one child in each of the three categories is 24%. This suggests that the value has been maintained, but these figures are calculated on the basis of assuming that recipients are eligible for payment at the full rate. This is a fallacious assumption because the thresholds have not been adjusted for eight years, with the result that increases in wages will have pushed many recipients into lower levels of eligibility, resulting in a real reduction. Of course, a range of other policy changes such as tax changes, the introduction of the Independent Family Tax Credit, changes to housing policy, benefit changes all impact on the significance of these figures. Nevertheless, it still represents a significant decline in the real value of Family Support - the underpinning is substantially weaker.

There is a second important point that needs to be made about the ways in which current policies are impacting economically on children and families. Over much of the last half century income adequacy levels have been linked to availability of and access to paid work, and have carried with them assumptions that such work would provide sufficient and reliable income to support children and families. That assumption is not only no longer valid; it not longer informs and/or shapes policies as is demonstrated by the extent of financial support for families in work. Nevertheless, there is significant pressure on beneficiary families to secure paid work, thereby becoming more ‘independent’. However, there can be no guarantee that such independence will reduce, let alone eliminate poverty.

Where then do we go? Fundamentally we need to reset priorities so that children do in fact, not just in rhetoric become the central consideration of policy measures. Part of that priority setting would mean an effective monitoring system in which all policies would be vetted initially and then on an ongoing basis to ascertain their impact on children and families. We cannot continue to put the wellbeing of children at risk unnecessarily - stopping systemic abuse is possible; what is needed is the will and commitment to ensure it happens. Perhaps we could paraphrase the old song and ‘give children a chance’.


Easton, B. 1993 ‘Poverty and Families: Priority or Piety?’, Wellington: Address to Barnardo's Annual Meeting.


