



Building Hope for Better Lives Together

Budget 2015, Better Public Service Targets, The Community Investment Strategy and the Productivity Commission's work on more effective social services provide the backdrop to the 21st edition of the *Vulnerability Report*. There is a lot of change pending across the social services sector in terms of how and what services are funded, and who will have access to these services. In the face of these changes, the New Zealand Council of Christian Social Services remains steadfast in its mission to create a just, compassionate and hope-filled society.

The *Vulnerability Report* series brings together official government data and feedback from our social

Sanctions applied to working age main benefit recipients between 15 July 2013 and 30 September 2014
Ministry of Social Development

Benefit		Graduated	Suspended or cancelled	Total
Jobseeker support	No children	31,869	20,446	52,315
	Children	7,888	52	7,940
	Total	39,757	20,498	60,255
Supported living payment	No children	10	s	s
	Children	23	s	s
	Total	33	s	s
Sole parent support	No children	4	0	4
	Children	19,547	0	19,547
	Total	19,551	0	19,551
Other	No children	95	0	95
	Children	268	0	268
	Total	363	0	363

service agencies. The aim of the report is to re-connect politics and public policy to the real-life experiences of poor and vulnerable people. NZCCSS hopes the insights in this report will inform the development of compassionate policy that supports all New Zealanders to live a meaningful and dignified life. The 21st edition covers March 2015. Some data collated in April/May 2015 has also been included when available.

Financial sanctions undermine social investment for better outcomes for vulnerable New Zealanders

The Government's social investment approach underlies current public sector policy and is premised on a view that investing in 'better lives for vulnerable New Zealanders' brings benefit to the individual, to their families/whanau and to their wider communities, along with savings to the public purse. On the surface few would argue against this position; people before economic systems is at the core of social justice. It is when we take a closer look at the system charged with implementing this high-level vision that big cracks begin to show in the social investment narrative.

Financial sanctions data received through an OIA request by NZCCSS provide insight into the extent to which financial sanctions are applied by Work and Income offices. Over a fourteen month period (July 2013 to September 2014) Work and Income applied a total of 80,202 sanctions to working age main benefit recipients: job seekers (60,255), sole parents (19,551), Supported living (33) and other (363). Without data on the number of main benefit recipients for the same timeframe it is difficult to scope the extent of the sanctions across each benefit category but on first



VISIONWEST

"More advocacy needed at WINZ / IRD on behalf of clients who often have no access to phones. Financial issues are far more complex / creditors more demanding. Clients talk of needing medical attention for their unmanageable stress and depression, self harming. Children needing counselling because of tension in homes when parents unable to cope."
Presbyterian Support Northern

"WINZ seem to be less tolerant of overstepped timeframes if clients don't respond, and strip benefits. However, understanding what is required can be very challenging to the most vulnerable clients." Anonymous

look the numbers appear high, particularly across job seekers and sole parents.

What we do know is the reality of a sudden reduction of an already inadequate income to cover basic life necessities (rent, electricity and food) is further debt to family, friends or third-tier money lenders. Financial

Sanctions applied to working age main benefit recipients between 15 July 2013 and 30 September 2014, broken down by reason for first sanction and whether they have dependent children.
Ministry of Social Development

First reason for sanction	Dependent children		Total
	Yes	No	
Accept paid employment	24	163	187
Actively participate in activity	622	2,339	2,961
Assessment for work ability	6	21	27
Attend approved budget programme	40	16	56
Attend the arranged appointment	18,232	37,352	55,584
Available/reasonable steps for employment	335	1,164	1,499
Complete appointment	31	113	144
Complete participation	132	514	646
Complete referral	773	2,171	2,944
Comply with Job Seeker agreement step	2,843	6,299	9,142
Engage with service provider	93	27	120
Engage with Work and Income	45	14	59
Failed to contact us	25	38	63
Meet drug testing obligations	0	40	40
Meet on-going budget requirements	5	0	5
Meet parenting obligations	50	0	50
Participate in education	42	40	82
Participate in training	s	s	s
Prepare for work	4,335	982	5,317
Undertake activity as directed	89	1,115	1,204
Unspecified	s	s	s
Other	56	16	72
Total	27,783	52,425	80,208

sanctions mean more family stress, particularly for those without family/social supports or who have more complex needs. For these people financial sanctions simply undermine any ability to be self-sufficient and to lead *better lives*.

When we drill down to why people risk a financial sanction in the first place the data identifies *Not attending an arranged appointment* as the main reason for the first sanction. What sits behind this non-attendance is reflected in feedback from member agencies. There are a range of reasons: mothers unable to attend appointments due to child care responsibilities ie the appointment is close the end of the school day and its difficult to pick up the kids on time from school, the appointment is scheduled during the school holiday and there is no back up child care available. A lack of transport, no permanent address to receive written notifications, and people with mental health and addictions not well enough to attend appointments without an advocate. Others report that some people feel too intimidated to open letters received from Work and Income.

Budget 2015 acknowledges beneficiary family income is not sufficient to ‘pay for family necessities’. Why then reduce an already inadequate income further? An environment of trust and collaboration and an understanding of customer need would go much further to achieve the intended outcomes of the social investment approach. If sanctions by default were replaced by active reminders to attend meetings, times and locations worked out so that they are realistic, and Work and Income staff contacting people and maintaining contact, this would likely increase incentives to attend meetings, significantly reduce sanctions and ultimately enhance the life and well-being of vulnerable people. The current sanction first approach is an active ‘disinvestment’ in peoples’ lives. The long-term cost of this disinvestment is likely to be high as vulnerable families and individuals lives become completely chaotic and more difficult to move towards self-sufficiency.

“A real shortfall for essential needs is prevalent. When we receive a client referral from Work & Income it is generally because the client has no more advances to be considered. **Additional payments such as accommodation, medical or disability and temporary additional support supplements to do not reflect the actual basic living costs** such as rent, power, water, food, health care and schooling costs.” **VisionWest**

“Mary was determined to work and really wanted to eventually be off benefit and took a night cleaning job so as to be available to manage the children’s school routines. (Partner was not willing to help.) I emphasised how vital it is to keep Work and Income right up to date with her income and how she needed to record her calls so she could say who she spoke to and when. We had weeks of budget chaos – we could never be sure what money would be available next week. After about six weeks Mary was absolutely exhausted – the relationship with her partner broke down and she moved out of Christchurch to live with her mother. **Mary abandoned the idea of trying to work while managing a family on a benefit.**”
Anonymous

“People who have been on VisionWest Housing waiting list for 6 months – 1 year are checking in on a regular basis to see if houses are available. We have families in our emergency houses that have been waiting for a HNZ house for over one year. **Some have been removed from the MSD waiting list and are unaware** as they may have been transient or moved when a letter has been sent notifying them.” **VisionWest**

What happens to people declined support?

A total of 35,128 applications for ‘working age benefits’ were declined for the period July 2013 to September 2014. Collectively, this represents a comparatively large number of people who walked away from a Work and Income Office without the support they requested. What happened to these people when they left Work and Income without help? Where did they go? How many children live in these households and how were they supported? What social investment did they receive to support them into a better life? Once again, this data provides some insight but overall it raises more questions than provides answers.

Changes to main benefit recipients from March 2009 to March 2015

	March 2009	March 2015	No. change	% change
Number of advances nationally for electricity/gas				
Maori	3,490	2,192	-1,298	-31.7%
Other ethnic groups	4,027	2,142	-1,885	-46.8%
Overall total combined	7,517	4,334	-3,183	-42.3%
Number of Special Needs Grants for food				
Maori	40,054	33,720	-6,334	-15.8%
Other Ethnic Groups	49,263	38,460	-10,803	-21.9%
Overall total combined	89,317	72,180	-17,137	-19.18%
Number of Accommodation Supplement Clients				
Maori	62,643	68,850	+6,207	+9.9%
Other Ethnic Groups	133,226	126,076	-7,150	-5.4%
Overall total combined	195,869	194,926	-943	-0.4%
Number of special benefit clients/temporary assistance combined				
Maori	13,488	15,394	+1,906	+14.1%
Other Ethnic Groups	36,002	37,384	+1,382	+3.8%
Overall total combined	49,490	52,778	+3,288	+6.6%

Declining rates of hardship support undermine social investment for better outcomes for vulnerable New Zealanders

At a time when our social service agencies continue to report that some families are under tremendous stress, unable to afford rent, electricity and other basic necessities, and in need of emergency food assistance, the downward trend in hardship assistance continues, along with a declining number of people receiving a benefit (284,260 at the end of the March 2015 quarter, ↓3.7%). It's a paradox that has perplexed NZCCSS for some time. Data obtained from the Ministry of Social Development indicates over a 6 year period (March 2009 to March

2015), most categories of hardship assistance to main benefit recipients have trended down: advances on benefit for electricity/gas (↓42.3%), Number of Special Needs Grants for Food (↓19.1%) and the accommodation supplement (↓0.4%). The exception to this trend are i) the percentage change for Maori recipients of the accommodation supplement (↑9.9%) and ii) the number of main benefit recipients receiving special benefit/temporary assistance (↑3.8% overall and ↑14.1% for Maori). The special benefit was cancelled in 2006 but grandparented to those already receiving the benefit. For the purpose of this report the special benefit and temporary assistance have been combined in the table below.

It is clear Maori are disproportionately represented in data on hardship assistance. A recent interview with Raewyn Fox, Chief Executive of the Federation of Budgeting Services, reported that the number of Maori budgeting clients has been steadily rising over the past few years. Maori comprise 46% of the budget services' client base followed by New Zealand European at 37% and Pasifika

“Budgeting with beneficiaries who work part time has highlighted some challenges: Income can't be accurately predicted and varies from week to week. Jobs are usually part time and weekly hours (and therefore income from work) varies and can't be relied on. A biggie is the delay with benefit adjustments when the two-weekly cycles don't mesh – low-income people have to live from week to week and don't have a 'buffer fund' in the bank to tide them over tight weeks. **With such tight and unpredictable income, good budgeting – which involves setting aside money each week for predictable future expenses – is almost impossible.**”

Christchurch Methodist Mission

“There is a general sense that **work obligations are not working well for mothers**. There seems to be a “tick the box” focus of getting people into courses pre-determined by WINZ, where they are obligated to attend otherwise their benefits are cut. Many do not have any formal qualifications and are pressured into menial jobs that pay minimal wage. Many are stressed about pre- and after-school care for their children, transport, and how they are going to manage in a one-parent household.” VisionWest

“**There is an increase in youth homelessness** as this falls under the government radar. These youth will ultimately end up on long term benefit which is a significant cost to the welfare system. We need to find some solutions.” VisionWest

“Those who do modestly well in school are ok. They get training places and jobs if they don't go to tertiary studies. **The ones who don't do well academically find it difficult to find work or training.** High schools need to provide for this group – pre-trade training experience would be good.” Hawkes Bay Presbyterian Support

at 12%. A large part of the debt clients present with is not luxury items but backdated electricity and rent bills, often spiralling to \$2000–3000.

Low skilled, temporary work undermines social investment for better outcomes for vulnerable New Zealanders

Member agencies consistently report on the reality of low skilled, part-time and short-term employment, often without regular weekly hours. For these workers, the relationship with Work and Income is not a one-off but an ongoing cycle of applying for and exiting social welfare, with applications for hardship grants to fill in the gaps. Often there is a different Work and Income staff member each time. While there seems robust training for staff on the social welfare benefit system itself, there seems no training on the complexity of human situations and how best to respond; a client is a client is a client.

Time, energy, transport and additional costs to cover requirements for identification, GP letters, and photocopied documents are required for clients each time they sign on and reapply for a benefit. For those with good social supports these ‘obligations’ can be

Working age main benefit declines between 15 July 2013 and 30 September 2014.
Ministry of Social Development

Benefit type	Number of declines
Emergency maintenance allowance	257
Sole parent support / sole parent support overseas	5,050
Supported living payment	6,102
Emergency benefit	1,879
Jobseeker support	21,377
You payment / young parent payment	463
Total	35,128

managed. However, the story is different for those without social/family supports, who are already highly stressed or have complex needs. While the policy intent of the social welfare system is to ‘empower’ people into work, for some, the reality of the hurdles they must jump, leave them simply ‘disempowered’, *feeling more stressed and more socially isolated.*

Family and social supports matter and if you have neither everyday life can be very hard. Much more understanding is needed by Work and Income staff on the complexities of real-life situations, how to engage effectively with vulnerable and stressed people, and on how to tailor supports to empower people into work rather than exacerbate their challenges. The organisational culture and values of Work and Income should mirror the intent of the social investment approach.

Families living in unhealthy and unsafe housing undermine social investment for better outcomes for vulnerable New Zealanders

Member agencies report a deepening of the housing crisis for families who call home an overcrowded house, a cold garage, a holiday park or an unsafe boarding house with shared bathroom facilities that children must use. The flow on impact of inadequate housing on health, education and safety are now well documented and understood; ignorance can no longer be claimed. For the families our members see, there is a real concern about how long they must endure these substandard conditions, and the impact on their children. A private rental or newly built first home are not realistic options for these families, and it looks like a long wait to find a decent place to call home. There are currently 4,808 people on the social housing register, and the details of a new model for social housing are still being worked through. At the same time, for those already living in a Housing New Zealand house, a warm, healthy home is not guaranteed with a neglected housing stock that

“More people living together in cramped and unhealthy conditions. We have had people living in cars who have no money and no access to Work and Income resources to fund a bond and rental. They are reliant on whanau for accommodation but whanau are often under stress themselves. **If you have no money and debt you cannot afford bonds or rent in advance.**”

Hawkes Bay Presbyterian Support Northern

“Large families might be on priority lists but very few suitable houses are available for them. We see families doubling up in small houses + garage / manageable in summer but untenable in winter. Colds and tummy bugs run rife in large households and having access to one toilet and laundry for 17 people surely a health hazard. **Private rents expensive and paying 4 weeks bond / 2 weeks rent / 1 week letting fee for agent can amount to \$3500.** Families unable to access this money from WINZ have to go shonky finance companies and pay at least 29% interest and use car and furniture as security.” Presbyterian Support Northern

“**Housing insecurity and overcrowded housing is no longer a problem confined to Auckland and Christchurch...** Many of the Army’s social service centres across the country are now reporting an increasing number multiple families in one dwelling and some families living in cars. The problem is seen in towns and cities as diverse as Hamilton and Greymouth.” The Salvation Army

comprises ‘old, cold and mouldy houses’ (Community Housing Aotearoa). While maintenance deferral is a long-standing issue, the current warrant of fitness trial on 500 state houses announced earlier this year is a small attempt to address this issue, but it is clear from the recent tragedy in an Auckland Housing New Zealand house that much more needs to be done and sooner.

Future proofing New Zealand

In every society young people are the future and represent the succession plan of a strong and enduring society. This report finds a small improvement in the aggregate Not in Education, Employment or Training (NEET) for March 2015 – 11.8% (↓0.3% over the year), which likely reflects a sustained policy focus on improving the NEET rate. However, when we consider this aggregate rate across ethnicities, Maori and Pasifika youth remain most at risk of inclusion in the NEET statistics. There is clearly a long way to go before, as a society, we future proof all of our young people. This report also finds where youth lives also matters. The Salvation Army's report *Mixed Fortunes: A Geography of Advantage and Disadvantage in New Zealand* captures the significant variations in NEET rates across the regions. Feedback from member agencies suggest those young people who come through are generally those who manage 'moderately well in school' found training and jobs, or places at tertiary institutes and have family support. The road seems far harder for young people who struggle through school, have family issues, and have no clear pathways after school. If we add reports of youth homelessness, couch surfing and transience, we see more clearly the reasons behind an intractable NEET rate for some groups of young people. Much more work is needed to support at risk youth *before* issues spiral out of control.



Debt and poor health

Debt and poor health are themes captured in feedback for member agencies. Debt incurred to a doctor/medical centre can be a significant barrier to seeking medical attention at the time it is needed, even when children need medical attention. Feedback from member agencies suggest the family's sense of shame for the

outstanding debt stops them from returning for medical treatment until the debt is cleared. At other times, when appointments are made and outstanding payments are raised, appointments with the GP are not continued. Meanwhile, emergency departments continue to fill the gap for both medical and dental services when things reach a crisis point. The report also affirms previous feedback that occupational therapy and physiotherapy are accessed only if the Accident Compensation Corporation provides coverage, regardless of need. The same with dental and orthodontic services, including those for children. The recent extension to free doctor's visits and prescriptions to children under 13 is a welcomed initiative but could be undermined by high debt to GPs.

Economic growth

Finally, the report finds the health of the all-important economy depends on who you are talking to, what yardstick you apply, and which data set you are looking at. The New Zealand Institute of Economic Research *Consensus Forecast* (16 March 2015) paints a hopeful picture of the economy with forecasts that indicate the economic growth or Gross Domestic Product (GDP) will 'hold up' over the coming years at 3.3% for March 2015 then trend down the following two years – 2.9% then 2.8%. At the same time, the story outside of the big centres is mixed, with GDP growth across all regions however this growth is variable. Some economic growth was reported in the regions but this was not deemed statistically significant (page 7). The Salvation Army report *Mixed Fortunes* supports this mixed view of an economy that favours our bigger centres.

Employment rate by ethnicity

- European 67.7%
- Maori 58.1%
- Pasifika 55.7%

“Our most at-risk families delay visits to the doctor due to the cost and transport barriers.” **Tairawhiti Presbyterian Support**

“We have clients who find it difficult to see GPs for every-day complaints and the early onset of sickness. **Appointments are not made because of costs of consultation for older children particularly or because there is an outstanding bill with GP surgery.** Some surgeries will not make appointments unless payment is made on the day.” **Christchurch Methodist Mission**

“Dental treatment unaffordable for many clients and their children who may need specialist care/braces etc. Not considered a major priority when the weekly income barely covers the basic needs of the family. In cases of dental emergency **people queue up at Green Lane Dental Hospital from 5am and return every morning until they are granted an appointment.** **Presbyterian Support Northern**

Unemployment rate

- European rate 4.5%.
- Maori 12.6%.
- Pasifika 12.5%.

[Source: Labour Market Statistics: March 2015 quarter]

Job-wise there are signs of some improvement depending on where you live and your ethnicity. Labour Market Statistics (March 2015) describes employment growth as 'still strong'. The number of people employed increased by 16,000 (0.7%) to 2,355,000 but the employment rate remains at 65.5%; the same as the previous quarter (↑0.7% over the year to March 2015). Auckland is in the lead with over half of the national employment growth for this timeframe. The limitations of aggregate numbers become self-evident when comparisons are made across European, Maori and Pasifika peoples. There is still a long way to go before economic growth translates into job opportunities for all New Zealanders.

Supporting data

Financial sanctions

Financial sanctions data requested by NZCCSS under the Official Information Act 1982 has emerged. The data covers the timeframe July 2013 to September 2014 (14 months) and is specific to people receiving a Main Benefit. There are caveats to the sanctions data provided and some of the detail has been omitted due to privacy issues. Nevertheless, the data provides some insight into how often sanctions are applied, and how many vulnerable children are affected by sanctions. It is also a first step

CHILD POVERTY ACTION GROUP

in providing the ‘transparency of reporting’ recommended by the Welfare Working Group, 2011, p.75) and in the Child Poverty Action Group paper ‘Benefit Sanctions: Children not seen – not heard’. Over a fourteen month period (July 2013 to September 2014) Work and Income applied a total of 80,202 sanctions to working age main benefit recipients: job seekers (60,255), sole parents (19,551), supported living (33) and other (363). While the number of sanctions across benefit categories was surprisingly high, the data itself raised far more questions than it provided answers. If the risk of a financial sanction is high why would a benefit recipient risk a non-compliance? *Not attending meetings* is the main reason given for a first time sanction. Feedback from member agencies provides some insight into why meetings are not attended. Reasons include: mothers unable to attend appointments due to child care responsibilities ie the appointments are in school time

Working age main benefit cancellations, with dependent children, between 15 July 2013 and 30 September 2014, broken down by cancellation reason and benefit type.
Ministry of Social Development

Benefit type	Change in marital status	Transferred to another benefit	Obtained work	In prison	Left NZ	Other	Total
Emergency maintenance allowance	131	610	281	56	115	242	1,435
Sole parent support	7,869	7,561	17,741	310	2,466	4,198	40,145
Supported living payment	135	676	368	15	88	538	1,820
Jobseeker support	498	2,589	7,779	147	624	3,483	15,120
Youth payment / Young parent payment	99	1,039	48	0	33	221	1,440

and school holiday times. A lack of transport, no permanent address to receive written notifications, texts not received and people with mental health and addictions not mentally or physically well enough to

attend appointments without an advocate or support person.

Data also identifies that a total of 35,128 applicants for ‘working age benefits’ were declined. Collectively, this represents a comparatively large number of people who walked away from a Work and Income Office without the support they requested. What happened to these people? Where did they go for help? How many children live in these households and how were they supported?

Main Benefit Cancellations, with dependent children, were highest for Sole Parent Support (40,145) between July 2013 and September 2014 when compared to all other benefit categories with dependent children. ‘Obtaining work’ accounts for the largest group of cancellations (17,741). The numbers tell us only that more

“The cost of updating and photocopying CVs has to come out of the food budgets. Care for under-5-year-olds not cheap and nothing much available for 5 to 14-year-olds.” Anonymous

“Some situations with appointments with Work and Income being set in school holidays and mums not able to make them so get sanctioned.” Salvation Army

“At our preschool and nursery we have noticed that with the push for people to be working they are less available to be involved with their children’s education, opportunities for whanau engagement and opportunities to provide parenting support during the day. Due to the number of whanau parenting alone, night time opportunities are also scarce as they have no-one to look after their children. We need to think more creatively to meet the needs of the whanau.” Christchurch City Mission

Working age main benefit cancellations between 15 July 2013 and 30 September 2014, with the number of dependent children in that household.
Ministry of Social Development

Number of dependent children	Cancellations
None	169,255
1 child	34,479
2 children	17,474
3 children	6,367
4 children	2,167
5 children	744
6+ children	403
Total	230,889

Financial sanctions	6
What’s happening in communities? Beware, paradox ahead	7
Working your way out of poverty: the reality for low skilled workers	9
Housing	11
How is New Zealand’s future looking?	13
Debt and health	14
The big economic picture	15

sole parents are in work but not the impact of this work on families. What jobs did these sole parents move into? What was the total increase to the family income when work related costs were deducted (travel, clothes, childcare costs not covered by the childcare subsidy). Much more information is needed to understand the full story here. There were a few surprises

contained in the data: 310 sole parents swapped a benefit for a prison sentence. Are there any trends in the offences? What happened to their children? 2,466 sole parent swapped a benefit to live in another country, and 4,198 sole parent support payments cancelled under a category called 'other'. The data raises far more questions than it answers questions.

Working age main benefit cancellations between 15 July 2013 and 30 September 2014, with dependent children, broken down by age of youngest child.
Ministry of Social Development

Cancellation reason	Age of youngest child		
	0 to 4	5 to 13	14+
Excess income/assets	247	361	138
Left/ceased course	5	4	5
Child left care/no longer dependent	575	324	31
Change in marital status	5,992	2,529	232
Died	52	139	102
Transferred to another benefit	4,823	5,691	1,359
Obtained work	8,979	13,411	4,705
In prison	235	215	82
Left NZ	1,923	1,178	291
Non-renewal of declaration/renewal	509	518	583
Non-payment >8 weeks	166	164	75
Unspecified	5	5	5
Other	1,785	2,040	1,137
Total	25,323	27,574	8,737

A client is a client is a client

The welfare reforms were intended to simplify the benefit system but it remains a complex system of benefit entitlements, eligibility criteria and discretions. Advice received indicates training is robust but what seems to be missing is training on the complexity of human situations, particularly where people are living under enormous pressure: a client is a client is a client. Are we expecting too much of Work and Income staff, trained only in benefit payments to give advice to people who with highly complex needs? Staff at Work and Income are not trained social workers but may be required to deal with people with mental health issues, disabilities, or living in family violence situations. Budget 2015 points to funding for up to 10,000 extra places next year for intensive, work-focused case management, particularly for beneficiaries with health conditions and disabilities. This funding *may* go some way to providing the additional support clearly needed to support people with highly specialised issues to return to work.

What's happening in communities? Beware, paradox ahead

At a time when our social service agencies continue to report that some families are under tremendous stress, unable to afford rent, electricity and other basic necessities, and in need of emergency food assistance, the downward trend in hardship assistance continues, along with a declining number of people receiving a benefit (284,260 at the end of the March 2015 quarter, ↓3.7%). It's a paradox that has perplexed NZCCSS for some time. Data obtained from the Ministry of Social Development indicates over a 6 year period (March 2009 to March 2015), most categories of hardship assistance to main benefit recipients have trended down: advances on benefit for electricity/gas (↓42.3%), Number of Special Needs Grants for Food (↓19.1%) and the accommodation supplement (↓0.4%). The exception to this trend are i) the percentage change for Maori recipients of the accommodation supplement (↑9.9%) and ii) the number of main benefit recipients receiving special benefit/temporary assistance (↑3.8% overall and

“Benefits are suspended when clients miss training sessions or reviews are a day late. Reviews handed in to WINZ before the due date are not processed for a few days so benefits are suspended. Payments backdated eventually but clients have to trek back to WINZ offices to get action. Clients have been told to get photo IDs so they can be permitted to enter WINZ offices; not easy when income after rent is only \$86 to cover food/power/medical.”
Presbyterian Support Northern

“We have seen an increased requirement for clients to be seeking work, even when this is not really a suitable option for them (i.e. mental health etc). We've also seen the financial impact of needing to fund transport to attend training etc, having flow-on negative consequences. Clients having WINZ payments suspended, affecting their ability to pay rent, leading to homelessness.” Presbyterian Support

“Increased pressure (on women on benefits with children) put on them: having to find childcare, no transport which leads to stress. Leaving babies with strangers is also an added stress.” Tairāwhiti Support Northern

↑14.1% for Maori). The special benefit was cancelled in 2006 but was grandparented for those receiving the benefit at this time. For the purpose of this report the special benefit and temporary assistance have been combined in the table below. Maori are disproportionately represented in data on hardship assistance. A recent interview with Raewyn Fox, Chief Executive of the Federation of Budgeting Services, reported that the number of Maori budgeting clients has been steadily rising over the past few years. Maori comprise 46% of the budget services' client base followed by New Zealand European at 37% and Pasifika at 12%. A large part of the debt clients present with is not luxury items but backdated electricity and rent bills, often spiralling to \$2,000–3,000.

Affording the basics

For many New Zealanders it is difficult to understand why some parents struggle to put food on the table for children, keep their children from school, delay going to the doctors, or have their children living in suboptimal, often unsafe, housing arrangements. The absence of any financial buffer is one of the main reasons identified by our social services agencies for

such decisions. Often it is an unanticipated additional expense (housing bond, funeral cost, school resources/trips, a broken appliance, health and dental treatment). When there is no extra money around to cover the expense families can be quickly push into crisis mode. Effective public policy and service delivery cannot happen without addressing the underlying causes of poverty and social exclusion; income and wealth inequality. Budget 2015 recognises money matters if you don't have sufficient to cover basic needs: "When families do rely on a benefit, it has to be enough for children to get a decent upbringing." This recognition by the state translates as a \$790 million child hardship package over four years that aims to assist families on benefits and low-income workers.

The Child Hardship Package in brief

Increasing benefit rates for families with children

- Benefit rates for families with children will increase by \$25 a week after tax (minus adjustment to accommodation supplement/temporary additional support). Approximately \$23 received in the hand.

- Beneficiaries receiving Sole Parent Support will have to reapply for their benefit every year.
- Student Allowance rates for families with children will also increase by \$25 a week.

Changes to Working for Families

- Low to middle-income working families not on a benefit will get up to \$12.50 a week more from Working for Families, depending on income.
- Very low-income working families (receiving the Minimum Family Tax Credit) will receive \$24.50 more a week from Working for Families, approximately matching the increase in benefit rates.

Extending work obligations for parents on a benefit

- 'most' sole parents, partners of beneficiaries, will have to look for part-time work when their youngest child turns three. Parttime work is defined as work averaging 20 hours a week.

Consumer Price Index

In the year to March 2015 the Consumer Price Index increased 0.1%. Annual increases included:

- Petrol ↓ 15%
- Purchase of newly build houses, excluding land ↑ 5%
- Rentals for housing ↑ 2.3%
- Electricity ↑ 3.6%

Food Price Index

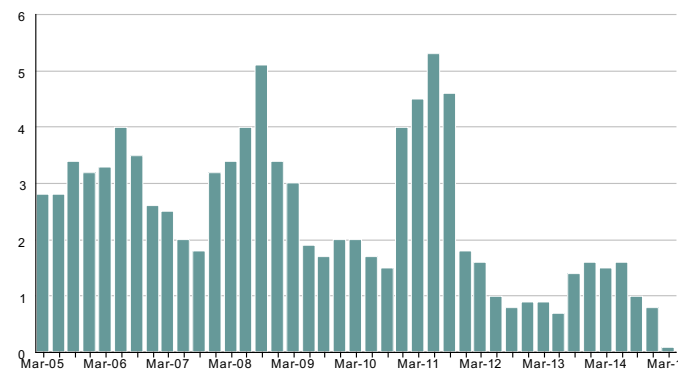
The latest food price index (April 2015) shows a mixed bag for consumers. Biscuits and snack foods are cheaper but if you want to eat something more nutritious it will cost you more. The annual cost for food staples are on the rise over the year to April 2015.

- Food prices ↑ 1.0%
- Fruit and vegetables ↑ 5.3%
- Meat, poultry and fish ↑ 2%
- Grocery food ↓ 1.5%

"It can be the extra things needed that bring people to the foodbank. **It takes a lot of courage for people to ask for help.** People need support without feeling intimidated. Often their confidence has been knocked and they might be estranged from family. The giving of food makes people feel cared for and builds trust. From here, the foodbank is the gateway to other services. **Wellington City Mission food bank**

"Housing related costs – private rental charges, water, and power – are the biggest concern and outcome of genuine hardship. Arrears and debt are common. Most of these are ending up in debt collection agencies. **The shortage of affordable and suitable housing is escalating.** Overcrowding is often the only answer which poses a whole heap of other problems and challenges." **VisionWest**

Consumers price index, annual percent change. Statistics NZ



Working your way out of poverty: the reality for low skilled workers

The employment statistics presented in the Labour Market Statistics Quarterly only provide a glimpse into the well-being of the New Zealand labour force. The reality for many people with low skills looking for work is part-time, short-term employment. A person only needs to work one hour during the survey week and they are deemed employed. What this means is employment that is short-term, often without regular hours. There is a perpetual cycle of signing on and off social welfare, and applications for special needs grants to fill in the gaps. The relationship with a Work and Income office is not one-off but ongoing, often with

different staff each time. Time, energy, transport and additional costs to cover requirements for identification, GP letters, and photocopied documents are required for clients each time they reapply for a benefit. For those with good social supports this relationship can be managed but our members describe a very different story for a group of people, often sole parents, isolated and without supports.

Fr Jeff Drane is a member of the Society of Mary and has worked extensively in communities. He recently shared with the NZCCSS secretariat his insights into poverty and vulnerability and the impact on children.

Scenario 1: single families

Vulnerable single-parent families are mostly single mothers, often raising two/three children, and in many cases there is a special needs child. Mum is in temporary and low paid work but the reality is that there is great variation to the number of hours worked and earnings received. And what this means to her is that each week she must front up to the Work and Income Office to declare her earnings, so that this amount can be abated (deducted) from her benefit. When it's a good week (say 20 hours work) all goes well but these number of hours are not guaranteed and the struggle starts when she has had a bad week with maybe no paid hours worked. Because her benefit is based on the week's previous earnings, this can mean she receives insufficient benefit to cover her basic costs. Her children still need to eat and have a safe roof over their heads. So the mother goes to Work and Income for a special needs grants to cover food or rent (rent is generally chosen over food) but she needs an appointment, and might have to wait 48 hours. So the mother goes to a food bank but is told she can't receive a food

Employed: people in the working age population who during the reference week, did one of the following:

- worked for one hour or more for pay or profit in the context of an employee/employer relationship or self-employment.
- worked without pay for one hour or more in work which contributed directly to the

operation of a farm, business or professional practice owned or operated by a relative.

- had a job but were not at work due to: own illness or injury, personal or family responsibilities, bad weather or mechanical breakdown, direct involvement in an industrial dispute, or leave or holiday. (Labour Market Statistics Quarterly)

parcel unless she can verify she has used up her food grant allocation... While the intent of the system is to 'empower' in the end the 'hurdles' these mothers must jump to secure a 'living' leave her 'disempowered', mentally and physically exhausted.

But there is much more happening in this mother's life...

Scenario 2 – special needs children

This mum also has to be home (from paid work) by 3pm to pick up the children because it's not safe for them to walk home alone. The school talks to the mother about her special needs child who has become disruptive in the classroom due to the child's learning difficulties. The school advises the mother her child would benefit from some learning assistance outside the classroom,

“Thresholds for working families often result in their ineligibility for assistance. Unfortunately not every family fits or ticks these boxes but genuinely strive to provide the fundamental necessities and live within their means”. **VisionWest**

“There is a constant need to juggle transport, children's school hours and holidays, and sickness in the family. These are significant stressors.” **Christchurch Methodist Mission**

“Equally disturbing, particularly in Waikato and the central North Island ... a rise in domestic violence as families come under immense pressure from redundancies or simply the inability to cope with rent increases on subsistence incomes. . . For those earning the least, it only takes an unexpected cost or two or a redundancy to lose your accommodation, your credit rating, your good tenancy record, and you then become effectively homeless.” **Salvation Army**

Our free e-newsletter **Policy Watch** will keep you up to date on the latest social services news, research and policy developments.

Email admin@nzccss.org.nz to subscribe.



but it costs. The mother must now go back to Work and Income to request an extension to the disability allowance she already receives, but she is told she must go to the school to apply for additional costs as she has reached the max of the disability allowance. Meanwhile, this mother is also trying to find a better paid job with regular extra hours, and that fit around the needs of all her children. More pressure... and yet more hurdles to jump... on her own ... the stress and worry about how she will manage ... are simply ... relentless.

The needs of children and families vary greatly, with some needing just a little help while others are living in complicated and difficult situations. These

needs do not exist in isolation but within the context of local communities. NZCCSS members provide a continuum of services and support that range from general family support, early intervention and prevention services. Regardless of the level of need or complexity, these supports and services all presuppose that *change happens within* in a context of *hope, trust and respect*, supported by good social work practice.

Feedback from member agencies indicates the well-being of children and families is not the same for all New Zealanders. For some children and families there is increased complexity, with issues snowballing with each new generation. Family violence and addiction and mental health

Care and Protection (C&P) notifications and FARs (Further Action Required).
CYF

Quarter	C&P notifications	C&P FARs	C&P FARs with ethnicity Maori
Oct–Dec 2014	39,285	10,972	5,160
Jan–Mar 2015	35,779	11,152	5,079

Children and young people in out of home care and protection placements (Children in Care, CIC).
CYF

As at	CIC	Maori CIC
31 Dec 2014	4,103	2,362
30 Mar 2015	4,119	2,395

C&P notifications: The numbers in the tables do not represent the number of distinct clients. Some clients may have multiple notifications during the period.

Snapshot on Christchurch families from the Christchurch Methodist Mission

The impact of the Christchurch earthquake is still at the forefront of the work of social service providers in Christchurch. Parenting takes second place when money is short and you can't find a stable roof over your head. Children who may not have required support before the quake require counselling.

We have a waiting list for home-based social work re parenting and managing children/young people's behaviour. Referral sources: self-referrals, schools, health, other agencies, CYF. Three months usually – this is a long term situation – it seems that however much we try to increase capacity the need fills

the available resource and more. A factor in this is definitely that family situations are more and more complex therefore to reach clients' (and funders') goals takes longer, e.g. basic, and stressful, needs of enough money to live on and a stable roof over a family's heads have to be met before they can think about their parenting.

- Parental separation – related to stress of housing/insurance issues in Christchurch.
- Children with anxiety; this is getting in the way of them doing things that they should be doing, e.g. sleep overs, trying new things, problem solving.

- Rise in the referrals to the children's mental health teams.
- children having trouble keeping and forming positive relationships with their peers
- Social skills and children struggling to make and maintain friendships.
- Children with parents with addiction and mental health.
- Parents feeling lost and unsure where to go for help financially and help for their children
- We are working with quite a large number of grandparents caring long term for grandchildren.

issues often sit underneath these family situations and make positive change more long-term.

The children represented in the tables below are among our most vulnerable children. There is a lot going on in this space that includes the roll out of the Children's Action Plan for vulnerable children, and a new community investment strategy to ensure good outcomes for vulnerable children, children in hardship and to reduce child maltreatment. Government's

focus on the high end of the vulnerable children continuum is intended to reduce the conditions in which children become highly vulnerable within families/whanau. There are benefits and risks to this approach. One thing that is clear Maori children are disproportionately represented in at-risk data and any effective solution need to be culturally meaningful to the children/whanau and the community in which they live.

“The issues for children and families we see are: Family violence, neglect, harm, alcohol and drug use, mental illness (diagnosed and undiagnosed). Alcohol and drug services and mental health services are under severe pressure and difficult to access. If whanau are receiving counselling then the social work input may be reduced in the interim to meeting immediate needs. **We are continually told there is no more money to increase service levels despite the good work we do and the initiatives we take to provide a robust wrap-around service.”**
Hawkes Bay Presbyterian

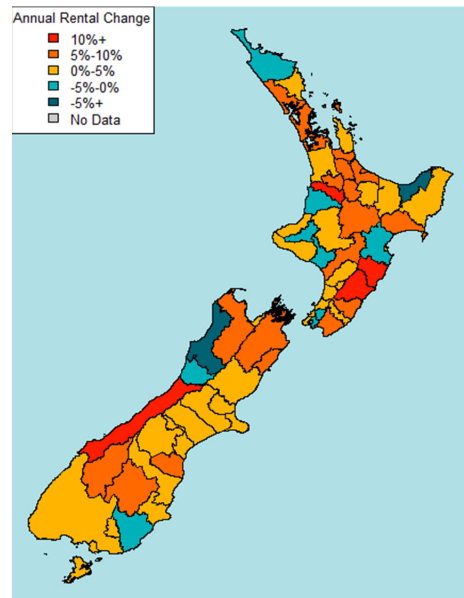
Housing

It is the status quo on the housing front for this report. A 'market failure' in low priced housing has been acknowledged as one of the key drivers of New Zealand's housing crisis. A crisis that has snowballed to encompass every level of housing need from emergency housing, social housing, private rentals to first home ownership. Feedback from member agencies indicates no real improvement to New Zealand's housing crisis. Some agencies report a deepening of this crisis for families who cannot make it to even the first rung on the housing continuum (emergency housing), and who call home a temporary dwelling or a car. For these families the economic reality of their kiwi dream extends only to social housing and an income related rent subsidy (IRRS). An affordable private rental, regardless of its condition remains well out of the reach of these families, along with homeownership. Official data indicates there are approximately 4,808

Synthetic lower quartile rent, January 2015.
MBIE

	SLQ rent	Annual change
National	\$265	+2.5%
Auckland	\$350	+4.5%
Gtr. Christchurch	\$314	+5.9%
Wellington	\$273	-0.1%
1 bedroom	\$187	+0.5%
2 bedrooms	\$258	+2.8%
3 bedrooms	\$290	+2.4%
4 bedrooms	\$376	+4.3%
5+ bedrooms	\$470	+4.7%

Annual change in rents for the three months ending January 2015.
MBIE



“There has been an increase in the number of tenants who have been given notice to vacate as owners are selling properties or moving back into their homes. Some just need something in the interim / breathing space to be able to get back into long term rentals. **Housing has a constant 50–60 on the waiting list each month.**” **VisionWest**

“At our city housing units, we had one unit vacant. **We had a number of people apply and had to turn away people who were in dire situations:** a family of three with preschool child sleeping on different friends' couches each night but having to be out every day – just to have a roof over their heads. We are concerned about the hope we give families when showing them a vacant unit and then not being able to offer to them, knowing that they are going back to nothing.” **Christchurch City Mission**

“Auckland is extremely dear. Currently assisting a solo mother (with 3 children and 3 grandchildren) paying **\$650 weekly for a 3 bedroom house + garage in Manurewa**. Other clients only able to get six monthly rental agreements and then landlords evict them and increase the rent to the next tenant by \$50. Always difficult to get the bonds back from these landlords – even when the houses are left in perfect condition.” **Presbyterian Support Northern**

“**Very limited emergency accommodation options in Gisborne community.** People are living in overcrowded homes due to the restrictive criteria and limited amount of homes available. Rents are too expensive.” **Tairāwhiti Presbyterian Support**

CLOSER TOGETHER WHAKATATA MAI



REDUCING INEQUALITIES

Closer Together Whakatata Mai is an NZCCSS programme to build public knowledge about the effects of high income inequality on New Zealand. Check out our website: www.closertogether.org.nz

For ideas and discussion about economic inequality and what we can do about it, join the conversation at facebook.com/closertogethernz

In a more equal New Zealand we'll all be better off

people are on the social housing register (no longer a waiting list). The story about what happens to these families and children whilst waiting to access social housing doesn't appear in official statistics but is captured in ongoing feedback from our members.

National summary of housing register and transfer register (31 March 2015).
MSD

	Register type		
	Housing register	Transfer register	Total
Priority A	1,833	515	2,348
Priority B	1,729	731	2,460
Total	3,562	1,246	4,808

“Housing insecurity and overcrowded housing is no longer a problem confined to Auckland and Christchurch... Many of the Army's social service centres across the country are now reporting an increasing number multiple families in one dwelling and some families living in cars. The problem is seen in towns and cities as diverse as Hamilton and Greymouth”. **The Salvation Army**

“We have had people living in cars who have no money and no access to Work and Income resources to fund a bond and rental. They are reliant on whanau for accommodation but whanau are often under stress themselves. If you have no money and debt you cannot afford bonds or rent in advance.” **Hawkes Bay Presbyterian Support**

“Almost impossible to get any housing, let alone emergency accommodation.” **Presbyterian Support Northern**

“Housing has seen an increase in women and children who have been in refuges for a long period of time, staying longer than intended but having nowhere to go enquiring about the availability of emergency and long term housing. We have also seen an increase in enquiries about emergency and long term housing for single people of all ages from hospitals, health professionals and community agencies.” **VisionWest**

“There is instability at present with private rental housing. **Home owners / landlords are riding the real-estate wave; selling the homes leaving tenants homeless.** In one case I have had a single working mum with 3 dependants who had 3 moves last year due to the rentals been sold from underneath her. This meant each time she had an increase in bonds & letting fee that put her into additional debt including moving costs incurred. My client become quite sick with the stress and the strain.” **VisionWest**

CHILDREN IN POVERTY ARE MORE LIKELY TO LIVE IN CROWDED HOUSING

16% OF KIWI KIDS LIVE IN CROWDED HOMES



Children are considered to live in crowded homes where one or more extra bedrooms are needed for the number of people living in the house

CROWDING CAN CAUSE SERIOUS HEALTH PROBLEMS IN NEW ZEALAND IT HAS BEEN LINKED TO MENINGOCOCCAL DISEASE AND RHEUMATIC FEVER

CHILD POVERTY MONITOR

47% PASIFIKA 25% MĀORI 21% WĀHIO/WHĀIO 5% EUROPEAN CHILDREN LIVE IN CROWDED HOMES

How is New Zealand’s future looking?

This report finds a small improvement in the aggregate Not in Education or Training (NEET) rate for March 2015 – 11.8% (↓0.3% over the year), which may reflect a sustained policy focus on improving the NEET rate. When we consider this aggregate rate across ethnicities, Maori and Pasifika youth remain most at risk of inclusion in the NEET statistics.

The report finds that where youth lives also matters. The Salvation Army’s report *Mixed Fortunes: A Geography of Advantage and Disadvantage in New Zealand* captures the significant variations in NEET rates across the regions (page 60):

Across both age groups, NEET rates are highest in Northland and lowest in Otago, although

there is a wide variation in regional fortunes between the experiences of 15 to 19 year olds and those of 20 to 24 year olds. For example, Bay of Plenty has a relatively low NEET rate for 15 to 19 year olds, at a rate of 7.4% in 2014 or around 0.9 of the national average rate. At the same time amongst 20 to 24 year olds this rate was 24.9% or 1.7 times the nationwide rate.

In six of the 12 regions covered by the NEET data the rates are higher in 2014 than they were in 2007, suggesting that the post GFC recovery in some parts of New Zealand has been weak or at least fragile. Slowest in this recovery has been Waikato.

So who are the NEET youth that are getting through and what are the lessons learned so far? Feedback from member agencies suggest those young people who

come through are generally those who manage ‘moderately well in school’ found training and jobs, or places at tertiary institutes and have family support. The road seems far harder for young people who struggle their way through school, have family issues, and have no clear pathways after school. A recent conversation with a provider of alternative education talked about the difficulty providing alternative education when many of the young people at NCEA level 2 are still working at year 7/8. If we add reports of youth homelessness, couch surfing and transience, we see more clearly the reasons behind an intractable NEET rate for some groups of young people. Much more work is needed to support at risk youth before issues spiral out of control.

“The issues of most concern to youth are housing for youth, career pathways – getting their first job, social issues – relationships, health issues, alcohol and drug problems, Transportation for courses, lack of literacy and numeracy skills, An education system that does not cater for at-risk youth and youth experiencing issues”
VisionWest

“It appears as though people, in regions such as Northland, Gisborne, and Waikato to a degree and also Manawatu and Whanganui, have tended not to do so well through the education system and that young people in particular seem to be more prone to committing crime and being prosecuted for the crime... Those areas tend to be in those communities where a large proportion of the population is Maori and in particular... A large proportion of the younger population is Maori.” Salvation Army (Radio NZ interview)

“The main issues for young people leaving their family homes looking for work in central Auckland. Lack of jobs, training opportunities, safe accommodation and family back up.” Presbyterian Support Northern

“The issues we see of most concern to youth include: there is no work for them so low self-esteem and confidence. Low aspirations. They become insular and remain in the home playing computer games. Those who do moderately well in school are ok. They get training places and jobs if they don’t go off to tertiary studies. The ones who don’t do well academically find it difficult to find work or training. High schools need to provide for this group – pre trade training experience would be good.” Hawkes Bay Presbyterian Support

“90% of youth attending our Mission for Youth Service are Maori. Mostly their mothers are on a benefit. The ingredient for turning a young person’s life around is youth wanting to be there and support of family”. Wellington City Mission

NEET rate March 2015
MBIE

	Maori	Pasifika	European
Aged 15-19	12.5	9.6	6.6
Aged 20-24	28.1	26.5	12.4
Male	14.4	14.0	7.9
Female	25.0	20.8	11.1

Labour force and education status of those aged 15-24 years
Statistics NZ

	NEET rate
March 2013	12.8%
March 2013	12.1%
March 2015	11.8 %

Debt and health

If you can't afford to see a GP you can choose to A) not go and shut the medical problem out of your mind until it becomes a medical emergency B) beg or borrow the money or C) see how many times you can visit your GP and pay another time. There are no right answers here but the 'constrained choices' of sick people living on a very low income. Members agencies

report debt to the GP/medical centre as a significant barrier to seeking medical attention at the time it is needed. Access to occupational therapy and physiotherapy are accessed only if ACC provides coverage. The prohibitive cost of dental and orthodontic services for children is also captured in consultations for this report.

"I have worked with clients who have told me they cannot go to the doctor because they have outstanding accounts at their practice. It does appear that to a certain degree **our clients perceive that GPs will not see them when they have outstanding debts**, when in fact they would, particularly if children require treatment. Maybe this is something GPs need to address." **Christchurch City Mission**

"**Have had clients turned away from their GPs (by the receptionists) because of unpaid arrears** but chemists have released medications without payment. Often clients are unaware that they may have entitlement to Disability Allowance from WINZ for chronic ill health." **Presbyterian Support Northern**

"**If whanau have GP bills they cannot attend the GP.** We know of people who are unable to go to the GP and go to the hospital when their children are sick. Public health nurses are a wonderful resource in the community and support families as best they can." **Hawkes Bay Presbyterian Support**

"**Dentists are beyond all clients' ability to pay.** Consequently we are a nation with poor dental care. Physiotherapy and occupational therapy okay if you need to attend as a result of an accident and ACC pays. Otherwise it does not happen. **Hawkes Bay Presbyterian Support**

"**Most adults in our housing very rarely go to the doctors** unless it is crucial as most cannot afford to go even with a community services card." **VisionWest**

"People with higher socioeconomic position in society have a greater array of life chances and more opportunities to lead a flourishing life. They also have better health. The two are linked: **the more favoured people are, socially and economically, the better their health.**" **Fair Society, Healthy Lives, Marmot Review 2010**

CHILDREN IN POOR COMMUNITIES ARE **3 TIMES MORE LIKELY TO END UP IN HOSPITAL***

HOSPITAL ADMISSIONS FOR INFECTIOUS DISEASES AND RESPIRATORY ILLNESSES ARE FAR MORE COMMON AMONG CHILDREN FROM THE MOST DEPRIVED AREAS OF NZ

SUDI (SUDDEN UNEXPECTED DEATH IN AN INFANT) RATES ARE **5 TIMES HIGHER** FOR INFANTS IN THE MOST DEPRIVED AREAS OF NZ

CHILD POVERTY MONITOR

The big economic picture

National GDP holding on but 'mixed fortunes' for the regions

The New Zealand Institute of Economic Research *Consensus Forecast* (16 March 2015) paints a hopeful picture of the economy with forecasts that indicate the all-important economic growth will 'hold up' over the coming years – 3.3% for March 2015, then trend down to 2.9% and 2.8% in the following two years". NZIER points to 'strong residential construction activity' driven by house building in Canterbury and Auckland as the key drivers for this GDP growth. The story outside of these big centres is, however, mixed. The latest regional GDP data available

from Statistics New Zealand shows GDP growth across all regions in New Zealand but it would reasonable to say this growth highly variable ([Statistics New Zealand](#)).

The March 2015 Labour Market Statistics places Auckland at head of the pack, leading national employment growth, 36,800 people employed, which accounting for over half of national employment growth. Canterbury's employment growth eased to 16% of national employment growth, a significant decrease from the annual change from the year to September 2014 when Canterbury represented one-third of national employment

growth. Meanwhile, in the regions the HLFS notes:

Other contributors to national employment growth included Waikato, Bay of Plenty, and Otago, although growth was not statistically significant in these regions.

A new report from the Salvation Army's Social Policy and Parliamentary Unit *Mixed Fortunes: A Geography of Advantage and Disadvantage in New Zealand* supports this position. The report identifies four indicators: 1) people and populations 2) work and incomes 3) the wellbeing of children and 4) the presence of social and other hazards, and measures 16 local government regions against each

one. The report concludes the results of regional wellbeing whilst mixed, still point to parts of New Zealand where a significant group of people are struggling to achieve social and economic wellbeing.

Employment trends

Employment growth is described as 'still strong'. The number of people employed increased by 16,000 (0.7%) to 2,355,000. The employment rate, however, remains at 65.5%; the same as the previous quarter. Over the year, the number of people employed increased by 74,000 (3.2%).

"We have a high percentage of Maori families accessing our services and we work in collaboration with iwi-based providers." Tairawhiti Presbyterian Support

"After three years of stabilised demand, following the global financial crisis, demand for Salvation Army social services appear to be on the rise again, much of it driven by provincial New Zealand's economic doldrums." The Salvation Army, Community Mission Division

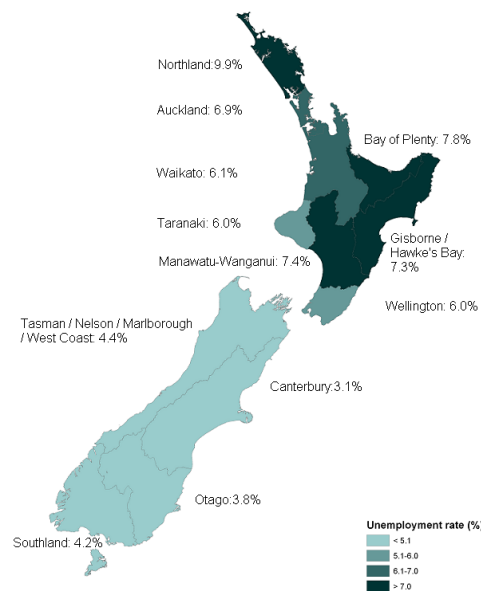
Employment rate by region
Statistics NZ



Employment at a glance
Statistics NZ

	Mar 2015 quarter	Quarterly change	Annual change
Employed	2,355,000	+0.7%	+3.2%
Unemployed	146,000	+2.1%	-0.6%
Filled jobs	1,832,000	+1.8%	+3.3%
Employment rate	65.5%	0.0%	+0.7%
Unemployment rate	5.8%	0.0%	-0.2%
Labour force participation rate	69.6%	+0.2%	+0.6%

Unemployment rate by region.
Statistics NZ



Some more facts from the HLFS March 2015 quarter:

- The labour force participation rate is at a ‘all time high’ at 69.6% (↑0.2% over the quarter and ↑0.6% over the year).
- Significant areas of annual growth came from: accommodation and food services, professional, scientific, technical, administration, and support services and construction.
- A third of annual growth in employment came from construction (↑12.3%). Growth was concentrated in Canterbury (↑8,600) and Auckland (↑6,700).

Unemployment trends

Unemployment is the other side of the economic activity coin and the aggregate unemployment rate stands at 5.8% (↓0.2%) over the year to March 2015. The high Maori and Pasifika rate of unemployment clearly skews the aggregate rate of unemployment.

Employment rate by ethnicity

- European 67.7%
- Maori 58.1%
- Pasifika 55.7%

Unemployment rate

- European rate 4.5%.
- Maori 12.6%.
- Pasifika 12.5%.

Source: Labour Market Statistics: March 2015 quarter.

The limitations of aggregate numbers become evident when comparisons are made across European, Maori and Pasifika. There is still a long way to go before economic growth translates into job opportunities for all New Zealanders.

“Women on benefits (with children) are managing to be available for work with difficulty because **apart from seasonal work there is no work. I am sure this is not factored into Work and Income processes.**”
Hawkes Bay Presbyterian Support

ISSN 2382-0144

© 2015

Vulnerability Report is published by the New Zealand Council of Christian Social Services. While every effort has been made to accurately collect and interpret statistics and data provided in this report, it is recommended readers check original data sources where possible.

New Zealand Council of Christian Social Services is the umbrella organisation of the churches’ social service agencies in Aotearoa. Our members are Anglican Care Network, Baptist Churches of Aotearoa New Zealand, Catholic Social Services, Presbyterian Support New Zealand, the Methodist Church and the Salvation Army.

If you are involved in a social service agency and would like to contribute to future issues, please contact us:

New Zealand Council of Christian Social Services
 Box 12-090, Thorndon
 Wellington 6144

04 473 2627
 sonia.scott@nzccss.org.nz