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So the Treasury and Statistics NZ made a mistake. No conspiracy theory holds water. We are so lucky to live in a country where these mistakes are owned up to and rectified.

But the error is worrying. Figures from the Statistics New Zealand and Treasury show the impact of the global financial crisis and subsequent sluggish economic growth has been much more severe for poor children than previously believed. Child poverty figures for 2010, 2011 and 2012 have been significantly revised upwards.

Child Poverty Action Group was puzzled in 2010 that the numbers produced by the Ministry of Social Development did not fully reflect what was reported in the community and what social agencies were saying. It seemed implausible that there was no explanation in lower incomes for the increased numbers of people seeking help from food-banks and budgeting agencies.

It’s bad enough that there are now in fact 285,000 not 265,000 children below the 60% (after housing costs) poverty line. Worse, the new figures show 25,000 more children living below the very low 50% income line. There are now 150,000 children below this line. We find that instead of 65% of children in benefit dependent families being below the 60% constant value line, there is, in fact, 75%. This is a huge indictment of the failure of government policies to protect the poorest children in a recession.

Remember the Ministry of Social Development itself wrote in the 2013 report:

"From 2007 to 2012, [the poverty rates were] around six to seven times higher for children in workless households. This to a large degree reflects the greater Working for Families assistance for working families than for beneficiary families."

The figures are now even more stark. Of course job losses and low benefits are big factors but government should pay more attention to its own policies that make child poverty worse.

The design of Working for Families is deeply flawed. Children whose families lost work in the deep and painful recession are likely to have lost entitlement to the In Work Tax Credit worth $60 a week as part of their weekly income assistance paid to the caregiver. The revised poverty figures are now corroborating this effect.

In 2013 the Court of Appeal said that the In Work Tax Credit policy discriminated with harmful effect against 230,000 of New Zealand’s poorest children. While the Court failed to declare this discrimination illegal, government is now left with facing the unpalatable truth of its own unfortunate polices now made plain by these new ‘corrected’ figures.

It is time for the moral bankruptcy of a social security tax-funded payment for children that deliberately excludes the poorest children to be corrected as well.