

# WAITAKERE WELLBEING SUMMIT

## ALL FAMILIES IN WAITAKERE HAVE ENOUGH TO LIVE ON

### Potential Focus Areas: Low incomes, living standards, debt.

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#### HOW ARE WE DOING?

#### Issues and Indicators:

##### Income:

- The proportion of people on low incomes in Waitakere is dropping. However there are still 19% (27,000) people overall in Waitakere living on low incomes

Percentage of people in Waitakere City on low incomes by ethnic group						
	European	Māori	Pacific	Asian	Other	Total
2001	15%	25%	27%	32%	38%	19%
Ministry of Social Development Social Report 2006						

Note Low incomes are: gross real incomes less than 60% of the median equivalised national income benchmarked at 2001.

- In 2006 the national median personal income was \$24,400. The median personal income in Waitakere City was \$26,100.

##### Living standards:

- 44% of single parent families in New Zealand are in severe hardship or significant hardship. 21.2% of families in Waitakere City (10,479) are single parent families, compared with 18.1% nationally.
- Groups whose situation had worsened from 2002-2004 were:
  - Large families with three or more dependent children
  - Housing new Zealand tenants
  - People with low incomes and few assets
  - People in receipt of an income tested benefit, especially those with dependent children

*Refer: New Zealand Living Standards 2004. Ministry of Social Development.*

##### Multiple disadvantage:

- Very low living standards are usually the result of a number of often complex factors, and reflect the impact of multiple disadvantages.
- This compounding of multiple disadvantage appears to be particularly severe in the case of income-tested beneficiary families with dependent children. Real concerns have been identified around the wellbeing of children in beneficiary families. More than 30% of these are in severe hardship.
- The New Zealand Living Standards Report notes that hardships amongst children have a particularly high social cost as it can have lasting negative effects and compromise child development. (New Zealand Living Standards 2004. Ministry of Social Development pp158).

##### Debt:

- Nationally, levels of household debt have climbed significantly since 2000 (by 73.6%). This is largely driven by the increasing size of mortgages but consumer debt (car loans, credit cards etc) has also increased steadily over this period.

## HOW CAN WE MAKE A DIFFERENCE – WHAT WORKS?

### Proven & Promising Strategies & Activities:

Strategies to reduce the hardship amongst low income families, single parents and beneficiaries that are considered to improve living standards include:

- Maximisation of benefit entitlement
- Priority for social housing
- Free/low cost childcare and training opportunities
- Assistance and advocacy to access government and other support services
- Increasing wage rates of low income earning industries such as cleaners and retail staff
- Free/low cost assistance with home help etc.
- Low interest loans for housing

### Multiple disadvantage:

New responses to families with multiple disadvantages which put them at increased likelihood of suffering severe hardship are needed and could include:

- Increased awareness and addressing of hardship risk factors including stressful life events and other disadvantages as well as simple income status.
- Acknowledgement of the complex nature of some people's circumstances with more flexibility in considering the entitlements of people with multiple disadvantages to support services, financial assistance etc.
- Comprehensive case management and wrap around services for households experiencing multiple disadvantage to assist people to address the range of needs that they have.

### Debt

- Target budgeting assistance for households where debt levels are observed through non-payment of essential service bills (rent, electricity, phone) or hardship grants/food banks are accessed
- Increase the availability of and access to budgeting services
- Regulate lending institutions and lending rates - particularly in 'non-bank financial institution' sector (retail money lenders and loan sharks).