

Taking another look at changes in child poverty from 2002 to 2009

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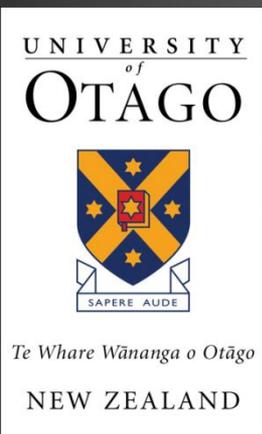
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Objectives

- To inform current policy debates around child poverty
- To compare cross-sectional estimates of low income in children with longitudinal estimates
- To provide a more comprehensive picture of children's experience of low income

Definitions

- Relative low income = <60% of median gross equivalised household income, before housing costs
- Cross sectional prevalence of low income
 - % children in low income at one point in time
- Persistence of low income
 - % children in low income for four or more out of seven years
- Chronic low income
 - % children below the average low income line (<60% of median) over time

Methods

- Survey of Family, Income and Employment
- Eight year longitudinal survey (seven waves, 2002-2009)
- Annual collection of income, demographics, etc

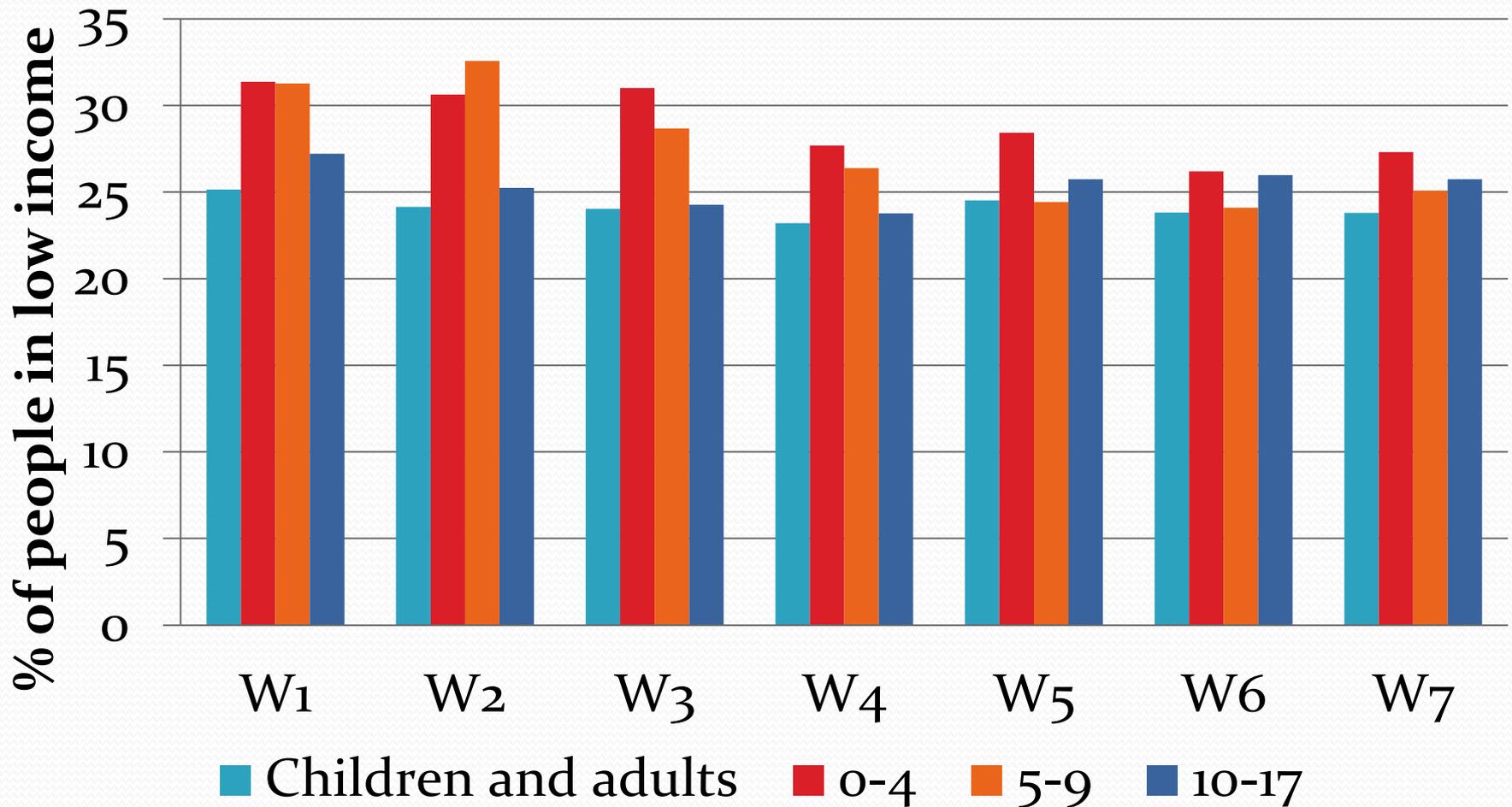
Disclaimer and data access

- Access to the data used in this presentation was provided by Statistics New Zealand under conditions designed to give effect to the security and confidentiality provisions of the Statistics Act 1975
- The results presented are the work of the researchers, not Statistics New Zealand
- We take full responsibility for the results, and Statistics New Zealand will not be held accountable for any error or inaccurate findings within this presentation
- All graphs are based on numbers rounded to base five

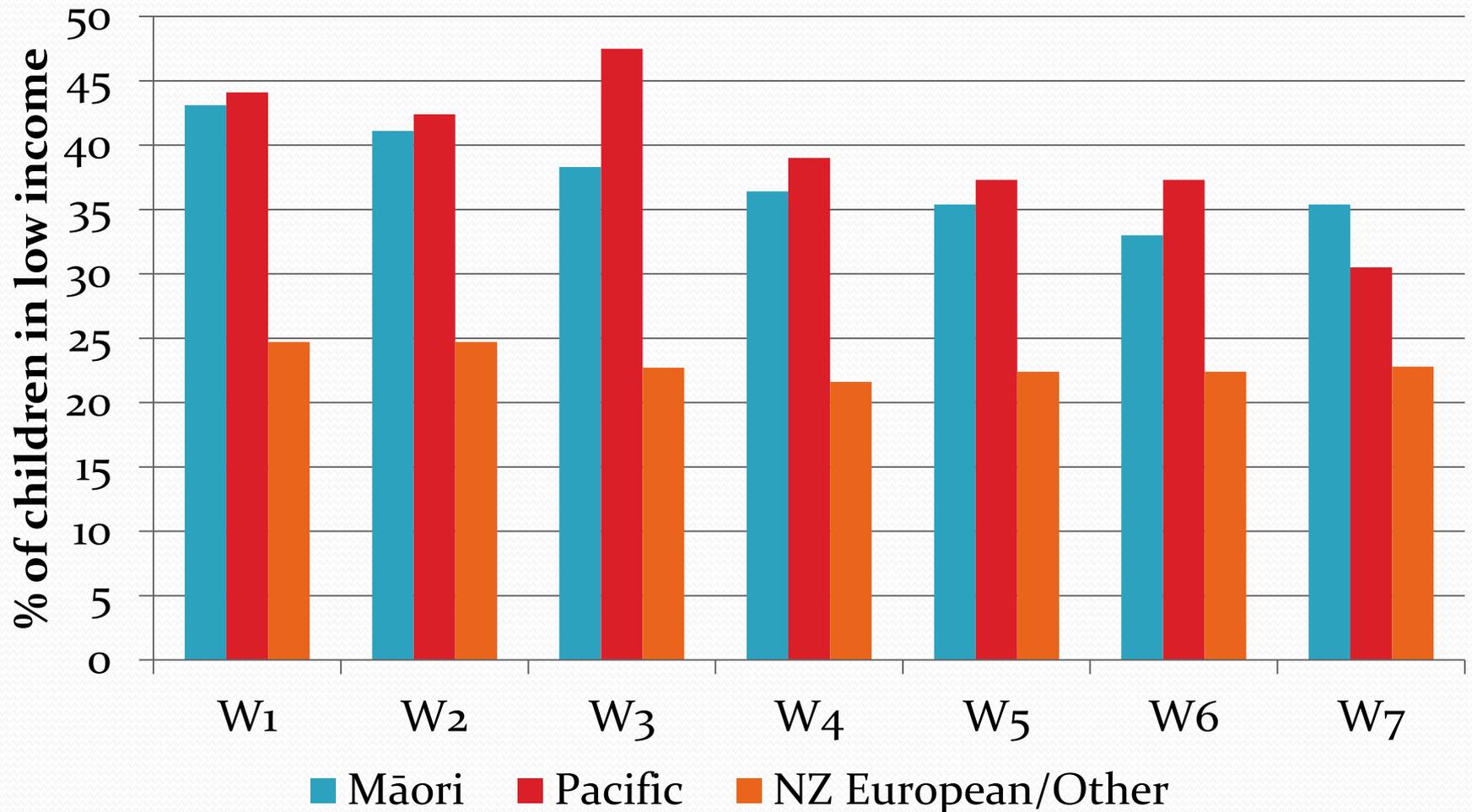
Baseline characteristics

		Age group (years)		
<i>Ethnicity</i>	Total	0 to 4	5 to 9	10 to 17
NZ European/Other	3590	960	1070	1560
Māori	1045	310	365	370
Pacific	295	85	100	110
Total	4930	1355	1535	2040

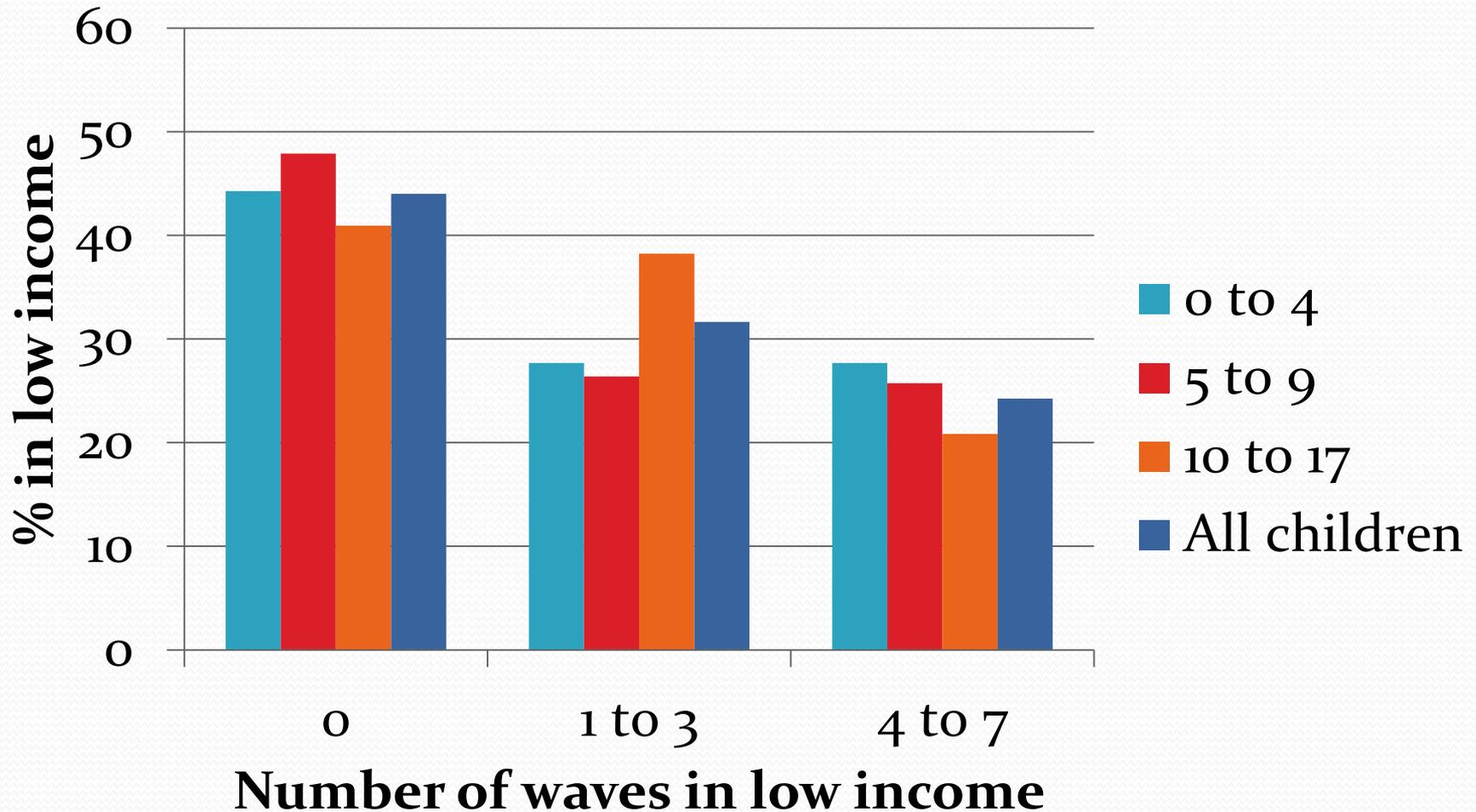
Prevalence of low income by age



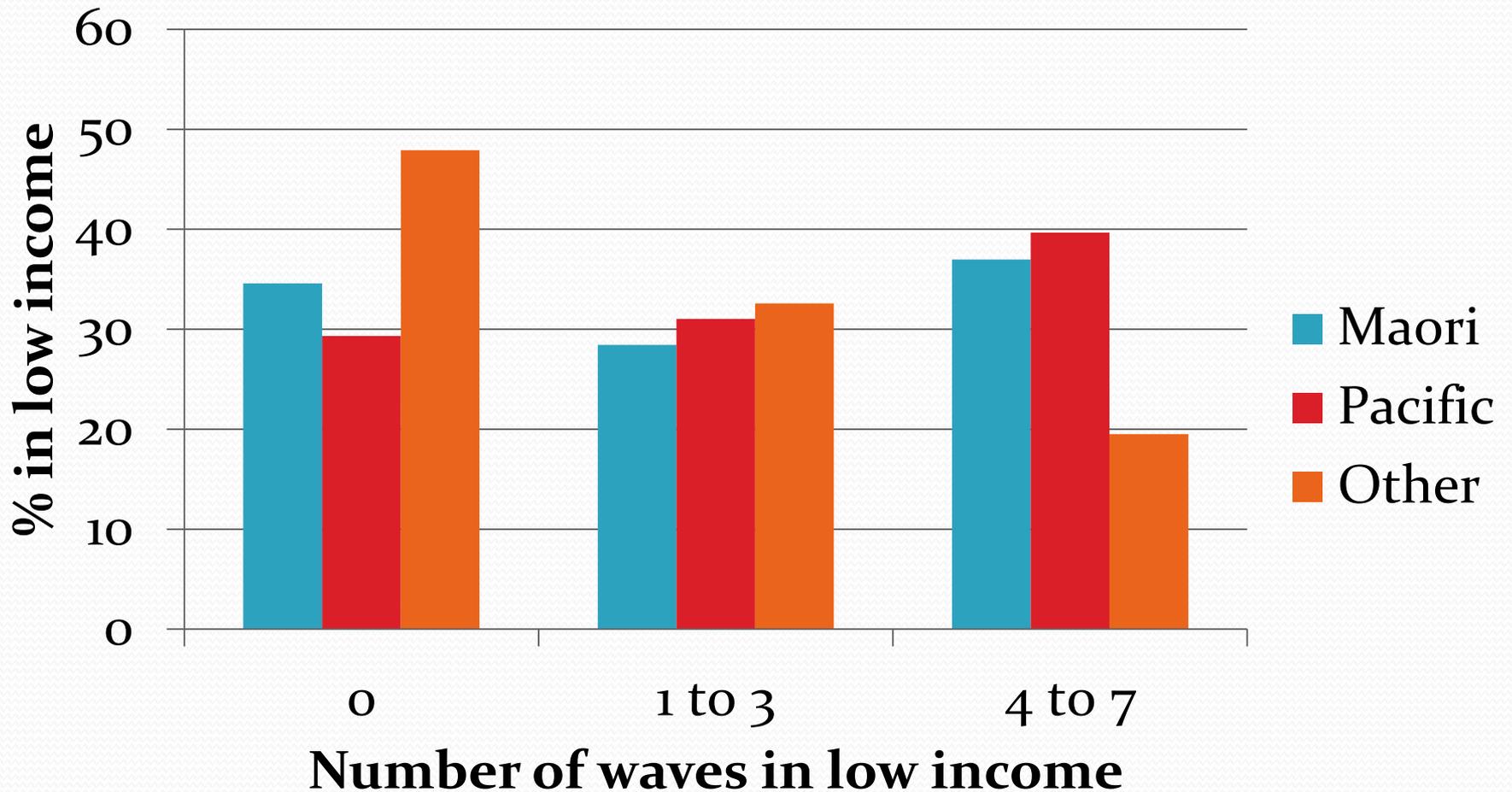
Prevalence of low income by ethnicity



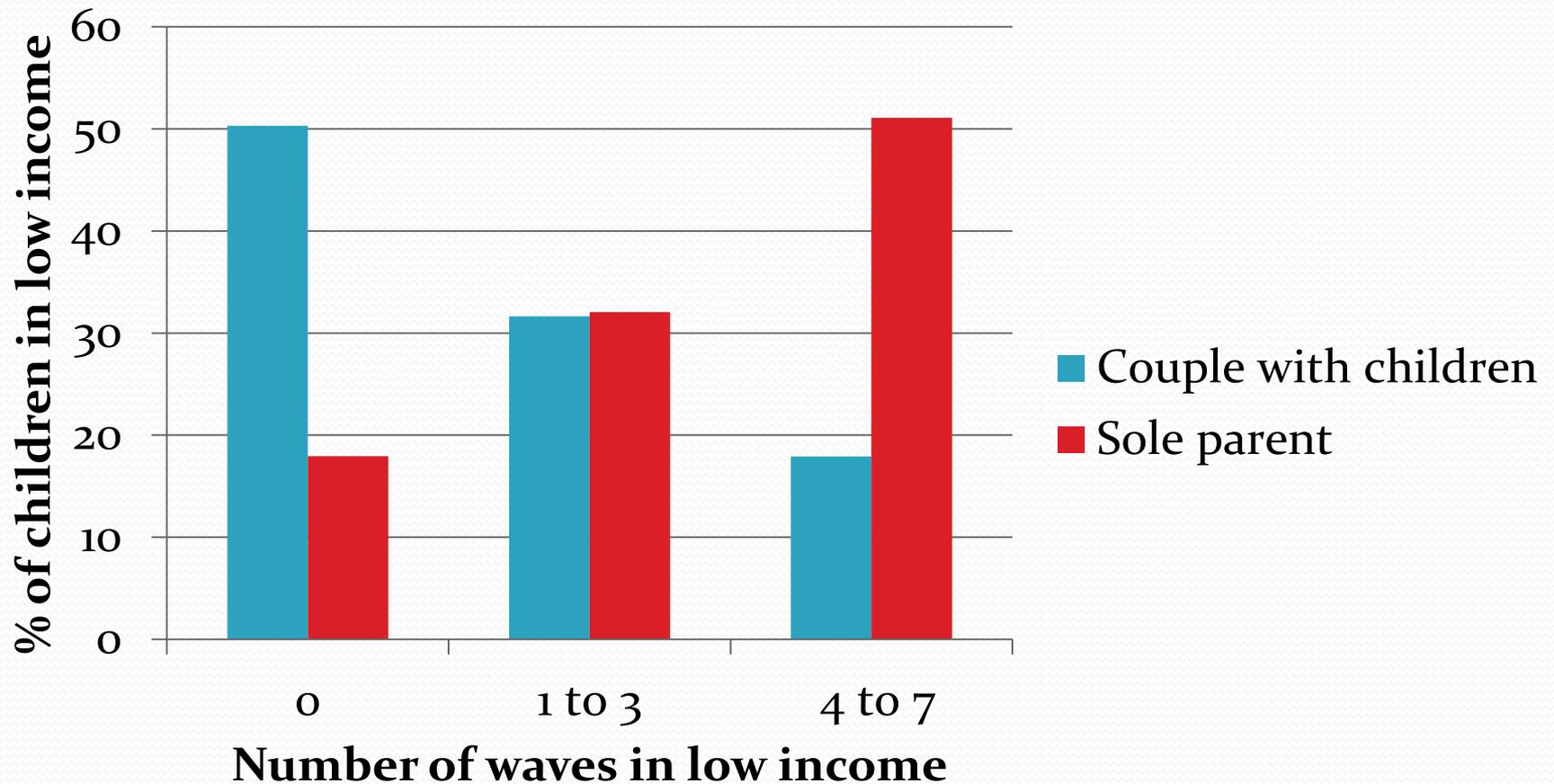
Duration of low income by age



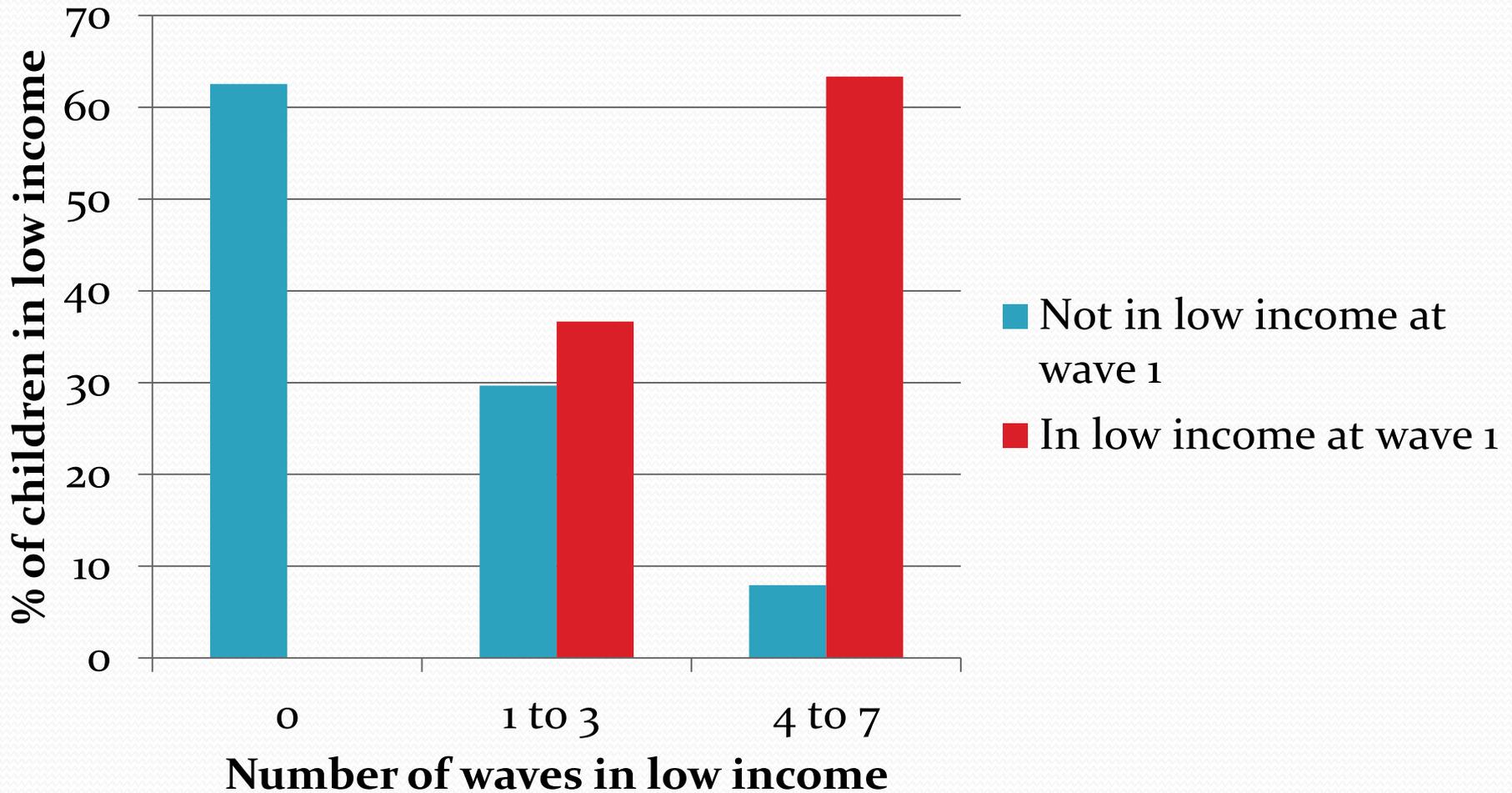
Duration of low income by ethnicity



Duration of low income by family type



Initial low income state



Chronic low income

- Compares the household's permanent income with the average low income line (\$27,337)
- 24% of children aged 0-17 in chronic low income over seven waves of SoFIE (compared to 21% overall)
- Between 59-71% of children in low income at any given wave were chronically in low income
- 6-9% of those not classed as low income were chronically in low income at any given wave
- Chronic low income higher in Māori children (37%)

Conclusions

- Many NZ children experience significant periods of low income over time
 - 56% in low income at least once over 7 years
 - 24% in low income for 4 or more years (persistent low income)
 - Higher rates of persistent low income in Māori and Pacific children, children in sole parent families and children who **start out** in low income
 - Around two thirds of children in low income at any point in time are in **chronic** low income

Acknowledgments

- SoFIE respondents
- A copy of the working paper is available from <http://www.otago.ac.nz/wellington/otago036608.pdf>

