



*‘Come, you who are blessed by my Father; take your inheritance, the kingdom prepared for you since the creation of the world. For I was hungry and you gave me something to eat, I was thirsty and you gave me something to drink, I was a stranger and you invited me in, I needed clothes and you clothed me, I was sick and you looked after me, I was in prison and you came to visit me.’*

*‘Lord, when did we see you hungry and feed you, or thirsty and give you something to drink? When did we see you a stranger and invite you in, or needing clothes and clothe you? When did we see you sick or in prison and go to visit you?’*

*‘Truly I tell you, whatever you did for one of the least of these brothers and sisters of mine, you did for me.’*

Matthew 25:31-46

## Introduction

This is the 4th Anniversary addition of the Vulnerability Report first published in July 2009. Our first report used government data and community information to illustrate how our most vulnerable citizens had been faring since the 2008 recession. Prior to Better Public Service collaboration, no agency was collating data from multiple sources at this time. There were gaps in publicly available information and much of the information was dated. Four years on and this quarterly report has achieved its aim to track social impacts of economic policies on our communities. The value of the report lying in its mix of official statistics from across government agencies and real stories from our own social service providers. For this quarter (March 2013) the story is one which sees a drop in the rate of unemployment from 6.7% to 6.2%. Good news when looked at in isolation. When seen alongside the rate of labour force participation for some population groups and increasing visibility of hardship this good news is not one that is shared by everyone in our communities. The story also reads about a growing gap between those seeking work and those being supported by the state. The number of people receiving an unemployment benefit continued to decrease over the year to March 2013. This divergence has been officially noted but there is silence on how people without jobs and state support are surviving.

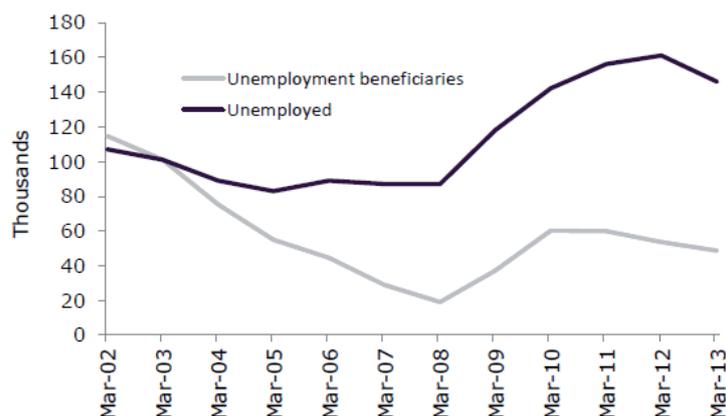
Vulnerability Reports are available on our website [www.justiceandcompassion.org.nz](http://www.justiceandcompassion.org.nz). If you are involved in a social service agency and would like to contribute to future issues please contact:

NZCCSS ph. 04 473 2627 [admin@nzccss.org.nz](mailto:admin@nzccss.org.nz)

**Disclaimer:**

While every effort has been made by NZCCSS to accurately collect and interpret statistics and data provided in this report it is recommended that readers check original data sources where possible.

Figure 11: Unemployment beneficiaries and unemployed



Source: Ministry of Social Development, Ministry of Business, Innovation and Employment

There are some significant price increases for life’s necessities over this quarter (fruit and vegetables, electricity, rentals, medical services). Housing continues to be elusive for some people regardless of whether they want to buy their first home or find an affordable and quality rental.

Our social service providers continue to worry some people looking for work are not receiving state support because they struggle to meet ever tighter requirements. Requests for food parcels, budgeting and counselling services and emergency housing continue to rise for the community sector as the state is slowly drawn back.

This quarter also continues the theme of Māori bearing the brunt of New Zealand’s fiscal restraint. Māori remain at the top of some of New Zealand worst official statistics. Pacifica is similarly affected. When our tangata whenua are consistently faring so poorly what are we really saying about our nation’s commitment to the Treaty of Waitangi and to our partnership with Māori?

There is good news for some young people who are making progress. The ‘not in employment, education or training’ decreased to 12.5%; the lowest NEET rate since September 2011 quarter. However, once again this good news is not the experience of all youth. As we can see from the above graph, whilst promising improvement, the unemployed numbers are heading towards 50% higher than 5 years ago in March 2008. We will need a lot of growth to turn this around to a point where we can meaningfully engage our youth into the job market. Meanwhile our Māori and Pacifica youth are still languishing at the bottom of official statistics. The government’s welfare reforms aimed at young people have been followed by our social service agencies reporting an upswing in young people requesting food parcels and emergency accommodation. New



Zealand as a whole is not served well by this now or in the future if these trends continue. As we know Māori and Pacifica are a young population and likely to become an increasing proportion of our total population - “for whatsoever a man soweth, that shall he also reap” [Galatians 6:7].

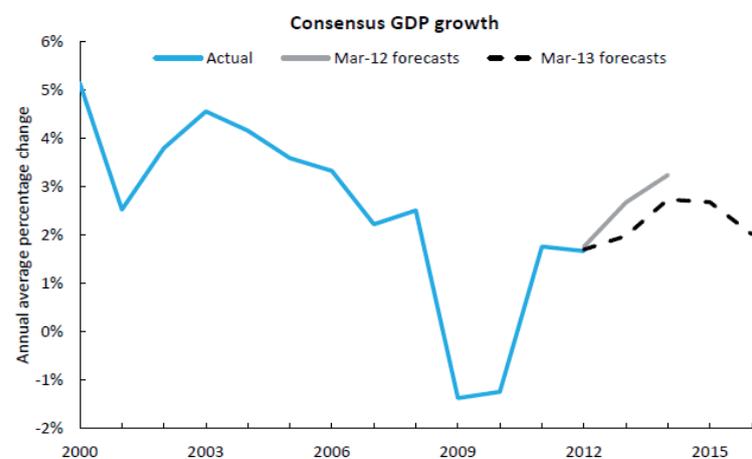
Finally, this quarterly sees finding a part-time job more difficult for sole parents and caregivers, with a significant decrease of 6.4% over the year. Part-time work is a traditional sphere for women wanting to balance work with their traditional role caring for dependants, and more recently a requirement to receive state assistance.

### The New Zealand Economy: What the Economists Are Saying?

The unemployment rate has dropped from 6.7% to 6.2% between March 2012 and March 2013 and economists have taken this as a sign the economy is making a slow recovery. The official word from the New Zealand Institute of Economic research [NZIER] is the New Zealand economy is making a “slow and steady” recovery, and that “economic growth will pick up over the next two years, boosted by the Canterbury rebuild and gradual underlying recovery”. Our economic environment remains precarious, however. NZIER’s 2014 forecast has a mixed message for New Zealanders. “The drought will flatten growth in 2014, but economic growth will remain sound. The labour market is improving, which will see more jobs, fewer unemployed and wages growth but the pace of recovery in incomes is slower than previously forecast.” [source NZIER, June 2013]

Source: Quarterly Labour Market Report May 2013

Figure 1 Gradual acceleration in economic growth



Source: Statistics NZ, NZIER

### What We Are Seeing In Our Communities?

In our communities people are coping with some big job losses around the country. There is a climate of uncertainty around the availability of traditional state support to people seeking work. The Government believes “by far the biggest fiscal benefit” in achieving its saving targets is from reducing the number of people receiving welfare by 28,000-44,000 between 2013 to 2016 [The New Zealand Herald January 22 2013]. The Welfare Reforms reflect this policy intent with ever tighter requirements to receive basic state support. Allowances for individual circumstances and unforeseen life events (death, serious illness, disability, pregnancy, natural disaster) are now a secondary consideration.

Job losses announced in 2013:

- Fonterra – 300 jobs cut nationally
- Solid Energy – 105 jobs cut in Christchurch
- Sealed Air – 112 jobs cut in Rotorua
- Telecom – 1,230 jobs cut nationally
- Geon – 185 jobs cut in Auckland and Wellington, and
- recently announced 500 job losses at NZ Post in Wellington, Waikato, Dunedin and satellite offices (mostly dotted around our smaller rural communities)

The narrative from our social service providers is consistent and compelling. People seeking work, and those on low incomes or who have experienced an unforeseen life event are struggling to afford day-to-day necessities. This situation is seriously affecting the quality of their family life along with their individual health and wellbeing. People are increasingly looking to food banks, budgeting services, and family counselling services for help.

- “An older (working) lady came, whose husband had been made redundant and then had suffered a stroke. Her daughter who was now an adult was also at home and was suffering from a mental illness. For the most part of their lives, they had lived well but with these things happening in recent years, she finally found herself at the food bank with no spare money for groceries and medical bills. Not only did she receive help for food but was able to find a listening ear and a kind word which she said had helped her to carry on a difficult task”.

–VisionWest Community Trust

- “Tom (not his real name) has five children and recently lost his job. While looking for a new job, he still has a family to keep. He was appreciative of the fact that when he came



*looking for help to feed his family, he was given a hand up not a hand out”.*

–VisionWest Community Trust

- *“Financial hardship is still impacting on families resulting in students being absent through illness, no lunches, clothing, food (basic essentials). This impacts on children’s attendance and behaviour”.*

–VisionWest Community Trust

- *“The biggest change I have seen is the presence of older clients who are on superannuation and experience difficulty because of rising prescription costs.”*

–VisionWest Community Trust

- *“Children over six years do not get access to medical care and in many instances. School may pick up an issue”.*

–Christchurch City Mission

- *“Cost of Doctor visits means adults especially mothers are often ignoring chronic conditions. Early signs of mental health issues are not picked up”.*

–Christchurch City Mission

There is no evidence that economic growth is evenly spread across New Zealand. Two key variables determine whether you are an economic ‘asset’ or ‘liability’ i) type of employment/skills ii) region. The reality of this is that some people are destined to wait a very long time before they experience any improvement to their job prospects. This is not motivation but rather the structure of our economy. Economists expect a slow recovery from this economic recession. For those with no work the outlook is bleak, especially if they cannot receive or maintain an unemployment benefit as is increasingly the case.

**Overview**

**Employment grew** in the year to March 2013 in:

- retail trade and accommodation (up 10,600 or 3.1%)
- health care and social assistance (up 8,900 or 3.9 %)
- professional, scientific, technical, administrative and support services (up 6,900 or 2.8 %)

**Employment fell** in the year to March 2013:

- wholesale trade (down 11,100 or 11.5 %)
- manufacturing (down 10,800 or 4.2 %)
- agriculture, forest and fishing (down 6,500 or 4.3 per cent)

**Reduced government spending** continues making the job market in the state sector remains tight.

Source : HLF5 March 2013

**Canterbury labour market figures** reflect the significant amount of work underway to rebuild Christchurch following the 2010 and 2011 earthquakes:

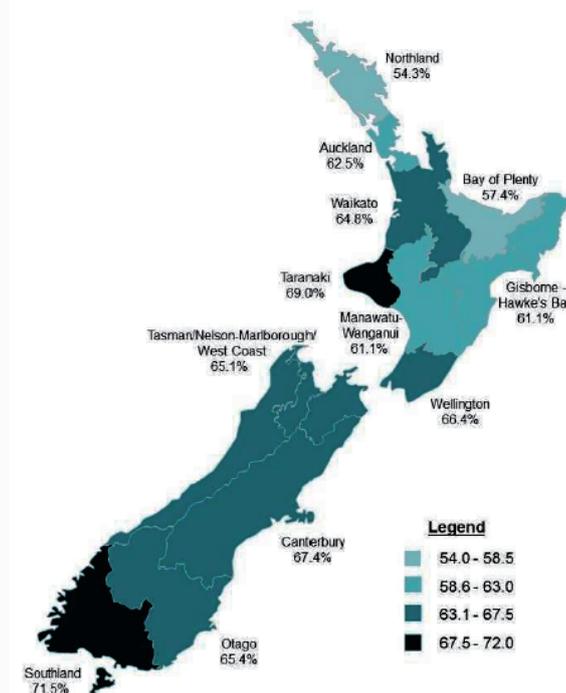
- Unemployment rate in Canterbury is down to 4.3% – much lower than the national figure of 6.2%.
- Employment growth in Canterbury between March 2012 and March 2013 was 7% – the highest rate of growth in the country.
- The number of people employed in construction in Canterbury increased by almost 10% in the same period.
- The rebuild of Christchurch is likely to be a major influence on national employment figures until at least 2018, although recent reports indicate that this growth is still somewhat fragmented.

Source: Quarterly Labour Market Report: May 2013

**Where Should Job Seekers Live?**

Statistics New Zealand’s map indicates the maximum employment areas are Southland on 71.5% and Taranaki on 69.0%. Could be this be the influence of black and white gold (oil and milk to some). At the other end of the continuum, the least employment areas correspond with our sunshine areas of Northland (54.3%) and Bay of Plenty (57.4%)

**Figure 8: Regional employment rates, March 2013**



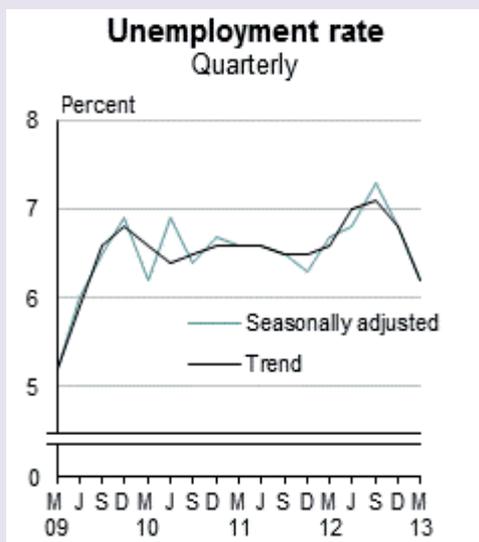
Source: Statistics NZ; Ministry of Business, Innovation and Employment



## Unemployment Trends

*Compared to this time last year, budget referrals have increased from 154 to 257. Welfare changes – undoubtedly we see the effects of policy on our families in terms of poverty – it is telling that the food parcels we give out have increased from 44 (May 2012) to 77 (June 2013). We notice families who struggle with housing issues. Our budgeting clients come from all walks of life. From people who have been small business people, to professional migrant people (who cannot find work in NZ) to people who have difficulty managing on a benefit.*

Catholic Social Services



Source: HLFS March 2013

### Overview

During the March quarterly 2013, 6.2% of the labour force was unemployed. This compared to 6.7 in March 2012 and 6.6% in 2011. As at the end of March 2013, the Household Labour Force Survey (HLFS) was recording 146,000 people aged 15 and over without a paid job, available for work, who either actively sought work in the past four weeks ending with the survey reference week, or had a new job to start within the next four weeks. This compared with 160,000 people over the previous year to March 2012.

The HLFS official measure of unemployment shows over the past 5 years there are annual increases in the numbers of people

unemployed in New Zealand. By the end of March 2013 this trend changed to a decrease of people unemployed by 32,000.

### Māori

The unemployment rate for Māori was 14.1% in the year to March 2013, up 0.8% from March 2012 and 6.2% higher than five years ago (2008). When this rate is compared to the unemployment rate for all people (6.8%) in the year to March 2013, the Māori rate has increased more severely.

### Pasifika

The unemployment rate for Pasifika was 15.4% in the year to March 2013, up 0.9 % from March 2012, 8.5% higher than level five years ago (2008). As above, when compared with the unemployment rate for all people, the rate of unemployment for Pasifika pushes our tangata whenua off the top of the chart.

### Female

The unemployment rate for females was 7.3% in the year to March 2013, up 0.5 % March 2012, 3.3 % points higher than five years ago (2008).

## Official Statistics Defying Gravity

Another indicator of unemployment is the number of people on unemployment benefits. There were 48,756 people aged 18-64 years receiving unemployment benefits at the end of March 2013. Between 2009 and 2010, numbers on unemployment benefits increased. From March 2010 to March 2013, the number of people on unemployment benefits decreased by 11,455.

While the gap between HLFS unemployed and benefit numbers did increase between 2009 and 2012, this gap narrowed slightly from 2012 to 2013. It is interesting the Quarterly Labour Market report (May 2013) reports “an increasing divergence between the number of people officially unemployed and the number of unemployment beneficiaries over the last decade”. (Refer to diagram on front page.)

	HLFS unemployed	Numerical change	Annual change	Unemployment benefits	Numerical change	Annual change
March 2009	114,000			37,146		
March 2010	140,000	+ 26,000	22.8%	60,211	+ 23,065	62.1%
March 2011	155,000	+ 15,000	10.7%	59,940	- 271	- 0.5%
March 2012	160,000	+ 5,000	3.2%	53,479	- 6,461	-10.8%
March 2013	146,000	- 14,000	- 8.8%	48,756	- 4,723	- 8.8%

Sources: Department of Labour, *Employment and Unemployment*; Statistics New Zealand, *Household Labour Force Survey*, Ministry of Social Development, *Benefit Fact Sheets* March 2012, March 2013.



This divergence between the unemployment rate and the number of people receiving unemployment benefits is greatest for Pasifika followed by Māori and then Female. If we have higher actual unemployment rates for these groups but decreased unemployment benefits, how do the 'least of these' eat, clothe themselves and where do they sleep at night? Are these the people showing up in our emergency departments because they cannot afford to see a doctor? Are these the people showing up at our social services agencies desperately in need of food parcels, emergency accommodation and counselling?

Here are the facts.

**Maori** - unemployment rate for Maori is up (14.1%) **and yet** the number of Māori on an Unemployment Benefit has fallen from 19,531 as at the end of March 2012 to 18,860 as at the end of March 2013. A decrease of 3.4%.

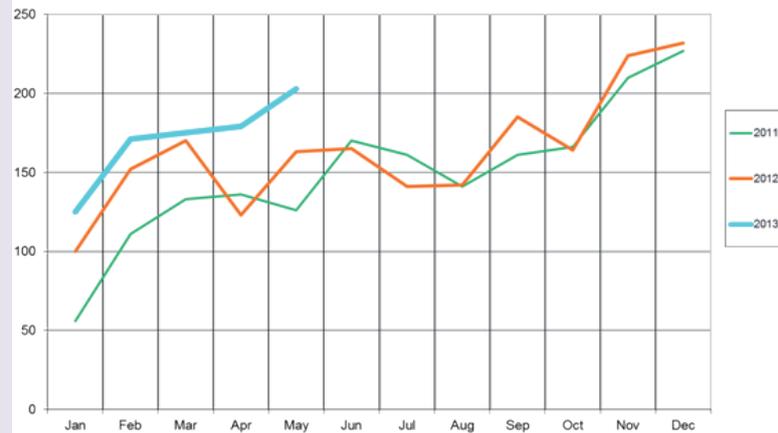
**Pasifika** - unemployment rate for Pasifika is up (15.4%) **and low and behold** the number of Pasifika on an Unemployment Benefit has fallen from 4,935 as at the end of March 2012 to 4,343 as at the end of March 2013. A drop of 12.0%.

**Female** - unemployment rate over the past year is up (7.3) **and you guessed it** the number of females on an unemployment Benefit has fallen from 16,570 as at the end of March 2012 to 15,923 as at the end of March 2013. A drop of 3.9%.

### What Are NZCCSS Service Providers Seeing?

- *“Christian Social Service agencies are becoming the default option to provide basic levels of support to people who cannot get any other help. This high level demand has drained the resources of our members who are struggling to keep up with demand. We need a more responsive benefit system so families can live in dignity and support their children”*  
-NZCCSS
- *“The issue I have heard over and over again this term from families is regarding the financial hardships that they are experiencing. This is due in part to unemployment, rent rises, the rising cost of uniforms, stationery, activity fees along with the general cost of living. Food parcels given out by Presbyterian Support Services in Auckland have grown in demand over the previous 2 years”.*  
-Presbyterian Support Services

Food Parcels - 2011 / 2012 / 2013 Comparison



Source: Presbyterian Support Services

### Policy Changes

This decline in unemployment benefit, along with other forms of state assistance has coincided with the introduction of the Future Focus Policy, implemented in September 2010. A summary of the key policy changes are below. Our social service providers have consistently told us that people find it more and more difficult to negotiate work and income to obtain benefits.

#### Since September 2010 there have been:

- Part-time work tests for Domestic Purposes Benefit-Sole Parent clients with children aged six years and over;
- Unemployment Benefit recipients need to reapply after 12 months, and undergo comprehensive work assessment;
- Graduated sanctions if obligations are not met;
- More frequent medical assessments for Sickness Benefit clients in the early stages of receiving a benefit.

#### Since May 2011:

- Sickness Benefit recipients for more than 12 months have received compulsory reviews.

#### Since August 20 2012:

- 16 and 17 year olds needing benefits have been required to work with a youth service provider, have their finances managed, and be engaged in education or training. Failure to meet all the requirements risks the payment being stopped.
- A similar approach is being applied to 16-18 year old parents who must enroll their child with a medical provider, send them to an early childhood education program while the parent is in training, and ensure all, early childhood medical checks, vaccinations occur.



### Since October 15 2012:

- People on the Domestic Purposes Benefit and partners of people on Unemployment, Sickness, Emergency and Invalid's benefit whose youngest child is aged between five and 13 years have been expected to be available for part-time work, and accept any offers of suitable work.
- If their youngest child is aged 14 or older or they don't have any children, they are expected to be available for full-time work, and accept any suitable offers.
- If a person on a benefit has another child after 15 October 2012, once that child turns one year old, their work obligations are based on the age of their next youngest child.

### Since July 15 2013

- The government introduced some new obligations called social obligations. Parents or caregivers with dependent children receiving a benefit will be required to 'take reasonable steps' (term not defined) to make sure their children are:
  - Enrolled in and attending an approved early childhood education programme from the age of three, until they start school;
  - Enrolled in and attending school, starting from age five or six years;
  - Enrolled with a GP or with a medical centre that belongs to a Primary health organisation
  - Up to date with core Well Child/Tamariki Ora checks until they turn five years old.

### All previous categories of benefits will replace by three new categories:

- 1) Jobseeker Support for those actively seeking and available for work
- 2) Sole Parent Support for sole parents with children under 14 years
- 3) Supported Living Payment for people significantly restricted by sickness, injury or disability.

### Benefits : More Facts

- *"Budgeting service has noticed continued trend for assistance with Kiwisaver hardship applications. We are noticing more clients returning for follow up interviews and actively considering their options – triggered we think because WINZ is bringing in new rules and processes in July. It will be more difficult*

*financially for many of our clients in the future. Already some benefits have been cut because the clients are deemed to be not actively seeking work".*

–Presbyterian Support Services

- *"There is no assistance for those dealing with the rise in costs related to living in Christchurch. Time lag and hidden costs (eg cost of bank statements) to access budget services. We are seeing more people who have been told they have "no entitlement" with WINZ. WINZ requires a budget from a budget advisor before any WINZ services are given".*
- *"Clients are finding it very difficult to access resources, changes to your benefit can result in no income at all for periods of time"*
- *"Benefit changes - men are becoming stressed due to changes of benefit and being ill informed by W&I, they must have a budget set up, a SEEK alc and they must apply online even if they do not know how to, also must have a professional voice mail on their personal cell phone. W&I have long waiting times to see a case manager but will not see clients if they are a few minutes late this creates anxiety, bad tempers and if clients become upset they are asked to leave by a security guard.  
People are financially stressed and stretched – paying mortgage and other insurance bills. Rent and power are big issues. Growing demand from beneficiaries unable to cope".*  
–Christchurch City Mission

## Who Is Receiving What State Benefit?

At the end of March 2013:

### DPB Related

**Includes DPB Sole Parents, DPB Caring for Sick or Infirm, DPB Women Alone and Emergency Maintenance Allowance.**

- There were 106,000 people receiving the DPB at the March 2013.
- DPB recipients are more likely to be female (88.0%), aged 25-39 years (46.4%) and caring for a child under 6 years (51.4%).
- DPB recipients have decreased by 6,623 compared to the end of March 2012.
- Maori comprise 43.1 % of recipients.



**Sickness**

- At the end of March 2013, 58,000 people were receiving sickness benefits, which was a decrease by 250 or 0.4 % compared to March 2012.
- Maori were over represented (28.1%).
- The most common reason for being on a sickness benefit remains psychological or psychiatric conditions (42.3%), followed by musculo-skeletal system disorders (15.7%).

**Invalids**

- There were 83,000 people receiving invalids' benefits at the end of March 2013. This is a decrease of 248 compared to the end of March 2012. Of those recipients, 74% were aged 40 to 64 , including 36% who were aged 55 to 64.
- 34.2% had been receiving invalid's benefit for 10 years or more.
- 31% of recipients have a psychological or psychiatric condition.
- 12.8% of recipients have an intellectual disability.

**Hardship Assistance**

Māori continues to be over-represented among those receiving grants for life's necessities.

March Quarterly	Special Benefit	% Maori	Temporary Additional Support (TAS)	% Maori	Total
2012	7,410	19.9%	54,199 (1.9% ↑)	27.9%	61,609 (1.1% ↓)
2013	5,982	18.9%	53,037 (2.1% ↓)	27.8%	59,019 (2.1% ↓)

Source: MSD

**Special Needs Grants (for food) and Benefit Advances for Electricity and Gas as at the end of March 2012 and March 2013**

March Quarterly	Special Needs (Grants For Food)	% Maori	Benefit Advances for Electricity and Gas	% Maori
2012	99,295	43.2%	7,488	48.8
2013	90,093	43.8%	6,246	48.0

Source: MSD

**Number of Benefit Dependent Children Nationally by Benefit Group between March 2012 to March 2013**

Number of Benefit Dependent Children						
	DPB Related	Invalid Benefit	Sickness Benefit related	Unemployment Benefit related	Other main benefits	Total
March 2012	182,859 (46% Maori)	13,271 (33% Maori)	12,739 (25% Pasifika)	13,841 (35% Maori)	4,677	227,387 (43% Maori)
March 2013	173,056 (46.6% Maori)	12,716 (33.2% Maori)	12,324 (28.3% Maori)	2,002 (38.6% Maori)	5,538 (31.4% Maori)	215,636 (43.9% Maori)

NOTE: This reflects the ethnicity of the carer and not necessarily the child.



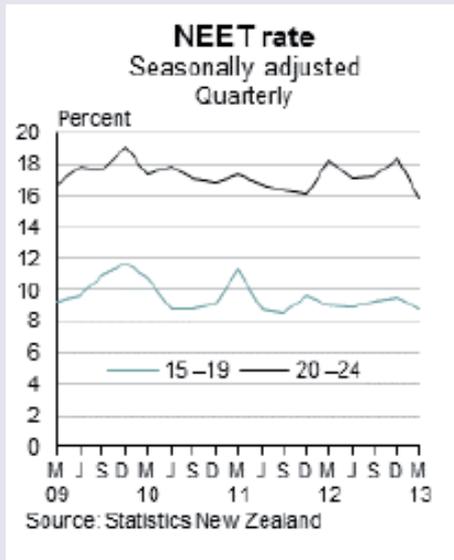
## How is New Zealand's Future Faring?

*“We have seen some change in that we have had several young men in need of counselling. We have seen an increase in the number of people presenting with depression and anxiety issues”*

–Catholic Social Services

### Policy Changes

- Refer to page 9 for an overview of key policy changes affecting young people needing support.



Source: Ministry of Business, Innovation and Employment, Youth Labour Market Factsheet, March 2013.

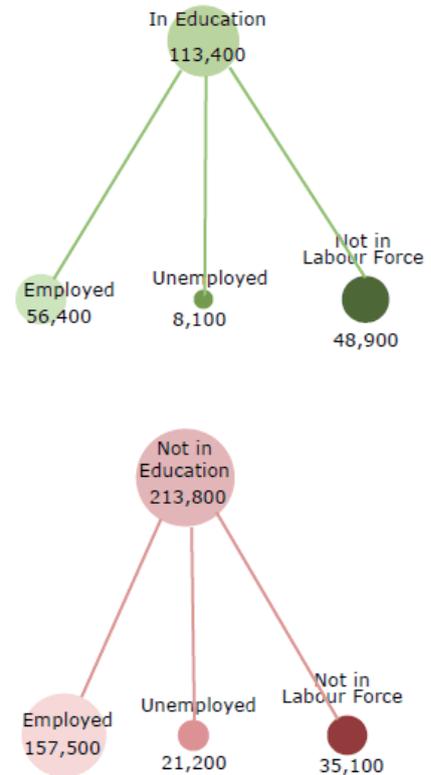
### Young People (15-24 years)

17.1% of our young people are unemployed, up by 0.1% since March 2012 and 7.2% higher than 2008. However, the unemployment rate is influenced by the ‘large number of youth who are unemployed but involved in study’. Over the year there was a rise in the number of young people outside the workforce who are studying (up 25,000) HLFS, March 2013.

We also use the term NEET for our 15-24 age groups. NEET means ‘not in employment, education or training’ and is a category to identify vulnerable young people who are disengaged from both employment and education. These young people are likely to be those not living at home due to family issues, with limited educational qualifications and skills and in contact with our social service providers.

Over the year to March 2013, the NEET rate for youth decreased to 12.5%. The lowest NEET rate since September 2011 quarter. While the signs are positive, when read against NEET rates by ethnicity group, we gain a different insight into who is doing well within the youth population and who isn't.

### 20-24 year old labour market, year to March 2013



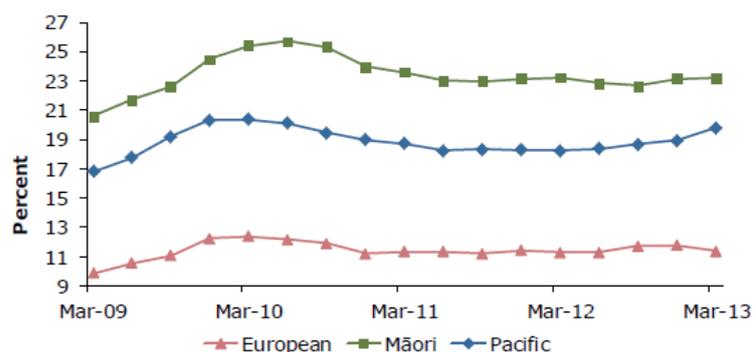
Source: Ministry of Business, Innovation and Employment, Youth Labour Market Factsheet, March 2013.

### NEET rate

In the year to March 2013,

- 17.6% of Māori males and 27.7% of Māori females were NEET.
- 12.9% of Pasifika males and 26.0% Pasifika females were NEET
- The NEET rate for total females experienced the highest rate of growth over the past year.

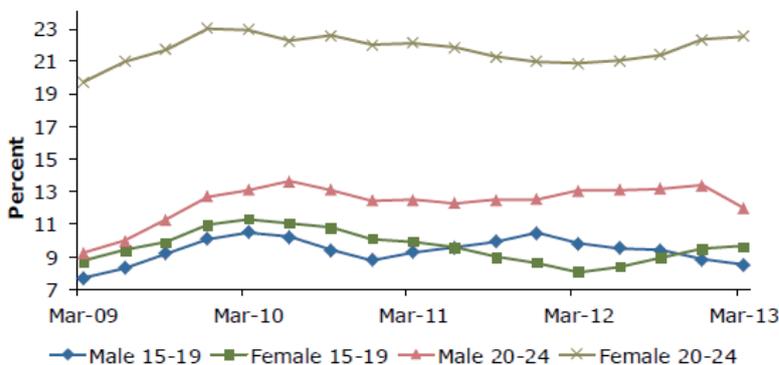
### NEET rates by ethnic group, 2009-2013





Female NEET

NEET rates by age-group and gender, 2009-2013



Significant Drop in Labour Force Participation Rate

**Labour Force Participation Rate** – The proportion of the working-age population who are either employed or unemployed.

Here are the Facts. In the year to March 2013 the labour force participation rate for:

- Māori is 65.4% (0.9% decrease since March 2012)
- Pasifika is 59.9% (2.4 % decrease since March 2012).
- Females is 62.6% (0.1 percentage increase since March 2012).
- All people in New Zealand, is **68% in the year to March 2013.**

Male Labour Force Participation Rate

Male	2009	2010	2011	2012	2013
European	76.0	75.4	75.3	75.8	74.5
Maori	74.5	72.8	72.4	72.6	71.4
Pacific Peoples	74.1	70.5	69.2	69.6	67.2

Female Labour Force Participation Rate

Female	2009	2010	2011	2012	2013
European	63.9	63.8	64.0	64.1	64.2
Maori	62.6	61.3	60.6	60.5	60.0
Pacific Peoples	56.5	54.3	53.5	55.3	53.6

Labour Force Participation Rate

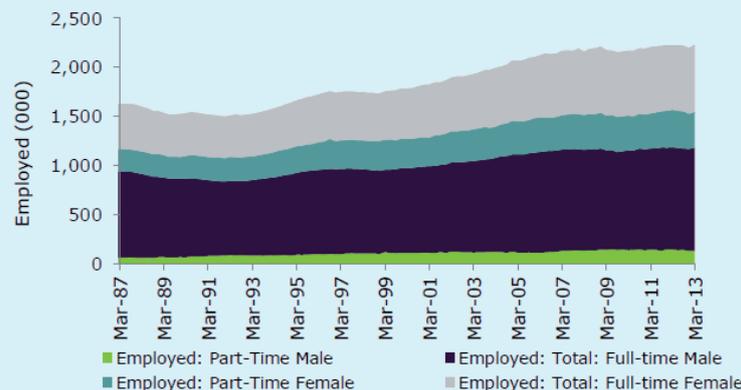
Total both Sexes	2009	2010	2011	2012	2013
European	69.8	69.4	69.5	69.8	69.2
Maori	68.2	66.8	66.2	66.3	65.4
Pacific Peoples	64.8	61.9	61.0	62.3	59.9

Source: Statistics New Zealand, 2013

The data indicates a significant drop in the labour force participation for Māori and Pasifika. This has been a trend identified over a long period of time. Unless we create opportunities to turn this around and re-engage this group with meaningful work yet another generation of Māori and Pasifika people will be left behind.

Full Time Up, Part- Time Down

Figure 5: Full and part time employment by gender\*



Source: Statistics New Zealand, Ministry of Business, Innovation and Employment  
\* Figures are seasonally adjusted by the Ministry

Things have got harder for sole parents and caregivers looking for part-time work. Over the year to March 2013 part-time employment decreased by 6.4%. In contrast to 40,000 more people in full-time employment (up 2.3%). At the same time a year ago, part-time employment saw a 13,000 increase (2.5%) “to reach the highest number of people in part-time employment since 1986”. One possible interpretation of this downward trend in part-time work is employers increasing the hours of existing employees and not bringing on board new workers.

Affording Basic Living Costs?

*“People are financially stressed and stretched – paying mortgage and other insurance bills. Rent and power are big issues. Growing demand from beneficiaries unable to cope”.*

*“Although community services are all experiencing steady rises, many of the people being helped are accessing services on an ongoing basis. Food banks, curtain bank and opshop have had a steady rise in people accessing these services between 2012/2013”. Foodbank Bank stats remain high because the cost of living for basic needs is difficult for most people”.*

–VisionWest Community Trust



*“A retired couple came to use foodbank for the first time after paying their prescriptions and had no money left for food. They were quite distressed about having to use the service but once they received their parcel and had been reassured that everyone needs a hand up from time to time, they went away thankful and grateful for what they had been given”.*

–VisionWest Community Trust

*“In the Birkenhead, Beach Haven, Birkdale, Northcote and Glenfield suburbs on the North Shore in Auckland for the last 10 years there has been a food bank service which was a coordination of six Christian churches on the North Shore, referred to as Interchurch. This service was only available for referrals for agencies on the North Shore including branches of CAB NS. As of 14 June 2013 Interchurch has closed.*

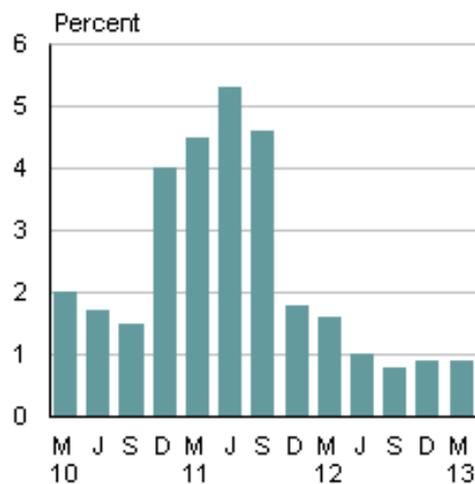
*This has left a significant gap in the North Shore community in food bank services. While the Salvation Army and individual churches may provide food parcels, in most instances the food parcels have to be picked up from these locations. It is widely recognised however that many clients do not have the resources to pick up food parcels. Frequently the requests the CAB made on behalf of clients were based on referrals from other community agencies, including local budgeting services.*

*The statistics for these branches of the CAB show that in a year there are approximately 380 individual requests for food parcels. The majority of these, between 85% and 95% would have been directed to Interchurch*

*to fill. Recent clients since the closure have been directed towards other community agencies. However, there have been clear concern from clients that they are not going to be able to access these agencies, specifically as they have no means of transport. Interchurch has now closed and many are wondering how clients will now fare as the remaining community services many not fill the gap”.*  
–CAB Birkenhead

**The Consumer Price Index (CPI)** increased by 0.9 percent to the year to March 2013.

**Consumers price index**  
Annual change



Source: Statistics New Zealand

Significant price increases during the year to March included:	
Fruit and vegetables	5.3% ↑
Electricity	5.2% ↑
Rentals for housing	2.2% ↑
Medical services	3.4% ↑
Cigarette and tobacco	12% ↑
Insurance	4.3% ↑

**And decreases.....**

Not all prices increased in the year to March 2013.

Significant price decreases during the year to March year included:	
Fresh Milk fell	7.7% ↓
Telecommunications services fell	7.2% ↓
Audio Visual and computing equipment fell	12% ↓
Domestic air fares fell	9.9% ↓

Source: Statistics NZ Consumer Price Index, March 2013 Quarter



Food prices decreased by 1.0% for the year to April 2013.	
Butter	23 %↓
Meat, poultry, and fish prices	0.4%↓
Fresh milk	7.4 %↓
Cheese	7.8 % ↓

However, non-alcoholic beverages increased by 2.5 percent.

Source: Statistics NZ Food Price Index, March 2013 Quarter

## Housing

Whether it is affording your first home, accessing affordable and quality rental accommodation, there are few signs of any change over the year to March 2013.

*“Every day there are people coming to our door in critical need of emergency housing that cannot have their needs met. The issue is that our short term/emergency housing is designed as a temporary hold for families while getting into a HNZN house. This has been almost impossible to achieve since the change to 0800 service have meant there is nowhere for these families to move and provide beds for the next on the list so the situation has forced people back onto streets/cars and overcrowding with no solution. It is our hidden problem.”*

–VisionWest Community Trust

*“Housing in South Auckland still remains a huge concern for many families. With the new policies and processes that were introduced by Housing New Zealand Corporation (HNZN) in April 2012, it has made it extremely difficult to access a HNZN home today. Private rental seems to be the solution for families in need, however a large proportion of the families that I am currently working alongside have poor or bad credit resulting in being declined from many rental outlets. Overcrowding or low standard accommodation seem to be on the rise as families make the most of their situation. I am hoping with the release of the white paper, improved social services and a commitment to work with these families is implemented”.*

–Presbyterian Support Services

*“The women’s night shelter has been full on many occasions over the past month. People staying longer in order to try and access some other accommodation”.*

–Christchurch City Mission

*“The women who access the women’s night shelter are finding it extremely difficult to access any affordable housing options. More mature women than expected ie 55-65 are presenting homeless. Often social isolation, family breakdown, unemployment and sickness are contributing factors in their situation. Intergenerational family violence is exacerbated through overcrowding, lack of resources with no hope of finding alternative accommodation”*

–Christchurch City Mission

*“(We) continue to see people living in sub-standard accommodation and other accommodation issues such as pressures of moving house for earthquake repairs, huge rent hikes, rental being sold. Also extended family staying in an already overcrowded house. She is also seeing people isolated and alone and prevalence of stress, anxiety, illness and depression issues”.*

–Christchurch City Mission

*“Night Shelter and accommodation issue – always full and many men being turned away, landlords raising rents out of Mission clients monetary reach, landlords not fixing property since earthquakes as demand is so high for any form of accommodation, motor camps charging unbelievable prices which ends up with people living in sheds, garages and caravans.*

*Some houses are now being rented out nightly and only for short terms as this is covered by EQC”*

–Christchurch City Mission

*“In the Men’s Services the changes we are experiencing are more men presenting with mental health issues, lack of affordable accommodation, we have more men working than we ever had before and they are staying longer due to lack of accommodation”.*

–Christchurch City Mission

## Social Housing

Our agencies report regularly on the desperate situations of people who cannot access state or community housing and can find no private sector alternatives.

Here are the facts : as at April 2013 there were:

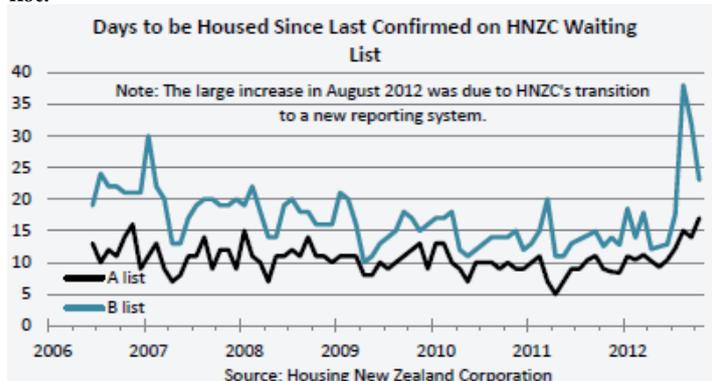
1172 on the ‘A’ Waiting List ↑ 227.4% since April 2012

2207 on the ‘B’ Waiting List ↑ 12.4% since April 2012

Source: Ministry of Business, Innovation and Employment. Update 14 May 2013.

In November 2012, people on the ‘A’ list were housed in an average of 22 days compared to 30 days for those on the ‘B’ list. Note HNZN advises “This data is no longer available and as such this information will not be reported in future issues”.

As discussed in the previous issue of the Vulnerability Report (No.15), The Housing New Zealand Corporation (HNZN) waiting list is no longer a good guide to housing need as people have to meet strict criteria to even be able to join the list.





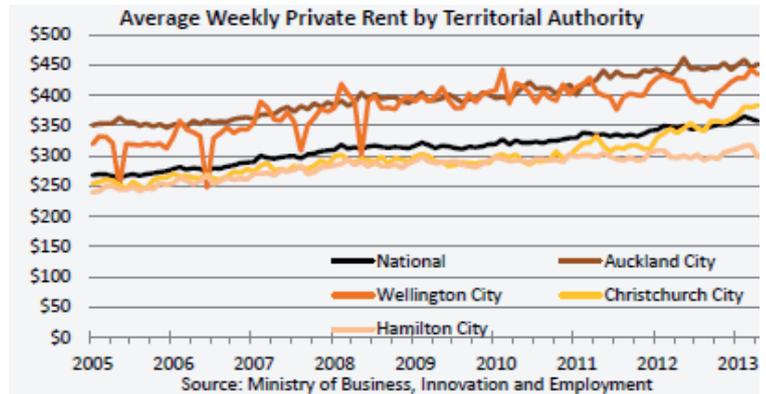
**Home Owner Affordability**

First time home ownership continues to be out of reach for a large proportion of working New Zealanders.

- National Median House Prices have increased 8.1% (\$30,000). Auckland and Canterbury have driven this increase. New medium house prices for these regions are \$562,000 (Auckland) and \$359,000 (Christchurch). REINZ.
- The average house sale price across the Wellington region is up 3% to \$524,558 for Wellington City, \$377,608 for Porirua, \$367,342 for Lower Hutt and \$332,547 for Upper Hutt
- The average house sale price for Taupo District, \$347, 876, Napier \$324,102 , Palmerston North \$285,693

**Private Rentals**

- Average private weekly rents in the year to April 2013
  - \$383 per week in Christchurch City (up 14 %).
  - \$451 per week in Auckland (up 2%)
  - \$434 per week in Wellington (up 2%)
  - \$357 per week is the national average (up 3%)



**Care and Protection**

There were 15,600 care and protection notifications where further action was required between March 2012 and March 2013. Maori comprised 44.1 % of these notifications.

**Number of Care and protection (C&P) notifications and investigations**

Quarter	C&P Notifications	C&P Notifications with Ethnicity Maori	C &P Notifications FARs	C&P Notifications with FARs with Ethnicity Māori	Investigations Completed
Jan-March 2012	39,151	-	15,522	6,752 (43.5%)	6,688
Jan-March 2013	35,993	-	15,600	6,881 (44.1%)	Data not available

Source: CYF

**NOTES:** 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.

**Number of Children and Young People in Out of Home Care and Protection Placements (CIC)**

Quarter	All Out of Home Placements as at the end of the Quarter	Maori Children and Young People in Out of Home Placements as at the end of the Quarter
Jan-March 2012	3,817	1,938 (50.8%) of total placements
Jan-March 2013	3,836	2,070 (53.9%) of total placements

**NOTES:** There were 3,836 children in out of home placements at the end of Jan-March 2013 Quarter. Around 53.9% of all children in out of home placements give their primary ethnicity as Māori.

Ethnicity: Please note that clients may have multiple ethnicities.

Although Child, Youth and Family captures all ethnicities for a client we only report on the primary ethnicity as selected by the client and their family.

Clients and their family are not always consistent in the primary ethnicity that they select.

An ethnicity is not always recorded.

*“When society is organized in such a way that not everyone has the opportunity to work...then there is something wrong with that society: it is not right! It goes against God himself”*

Pope Francis, 2013