He Ara Hou: The Pathway Forward

Getting it right
for Aotearoa New Zealand’s
Māori and Pasifika children

This report, commissioned by Every Child Counts, explores the nature of factors contributing to Māori and Pasifika child poverty.

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Foreword

This report complements the earlier one published by Every Child Counts in August 2011 (The economic cost of public investment in New Zealand children). Where the first report examined national and international data, He Ara Hou – The Pathway Forward looks at the situation of Māori and Pasifika children in depth.

The report confirms what I have witnessed during more than fifty years of ministry and advocacy on behalf of our whanau. Māori and Pasifika children and families do not share in the success and prosperity enjoyed by other populations of Aotearoa. There is no level playing field and our children are subjected, disproportionately, to the malaise that emerges out of poverty.

This reality has been present in many previous reports like glimpses through the trees; but this is the first time the data has been pulled together comprehensively. The report is much more than a reflection of what is, however. It presents a new way of thinking about these issues, focusing on Māori and Pasifika values and capabilities.

My hope is that it represents a call to action, and that we will seize the opportunity to re-create a future of possibilities for the children of Māori and Pasifika families.

Dr Hone Kaa
Every Child Counts
Key Messages

Key message no. 1  Māori and Pasifika children suffer disproportionately in low living standards. This has high social and economic costs, and is reflected in the low well-being of many Māori and Pasifika children. Just over half of the 200,000 Aotearoa New Zealand children living below the poverty line are Māori and Pasifika. As a result Māori and Pasifika children experience significantly poorer health, educational, and social outcomes than other groups.

Key message no. 2  A combination of high dependency on welfare benefits, high rates of single parenthood, and a concentration of workers in the manufacturing industries keep Māori and Pasifika families trapped in poverty. Working-aged Māori and Pasifika adults are vulnerable to the cyclical nature of Aotearoa New Zealand’s economy and this creates a complex and enduring trap for them and their families. New Zealand is developing a brown social underclass.

Key message no. 3  The causative links and correlation now established between poverty and violence require the development of new models and policies to address family violence, particularly the violence suffered by children in low income communities.

Key message no. 4  Current measurements of Māori and Pasifika well-being are inadequate, because they do not take account of the Māori and Pasifika world views. New measurements and indices need to be developed that reflect Māori and Pasifika values, spirituality and capabilities.

Key message no. 5  If we are to reduce the poverty experienced by too many young Māori and Pasifika children then a poverty removal strategy must sit alongside the already accepted commitment to a wealth creation strategy.
Executive Summary

Extant Situation

In Aotearoa New Zealand there is clear evidence of disparities between Māori and Pasifika and other groups across the health, education, and welfare sectors. This report aims to give an overview of the status and well-being of Māori and Pasifika children. We have come to the conclusion Māori and Pasifika children disproportionately suffer from low living standards as measured by income and indicators of hardship. This has high social and economic costs, and is reflected in the low well-being of many Māori and Pasifika families.

Of the 200,000 children living below the poverty line in our country, just over half are Māori (59,651) and Pasifika (44,120). Māori and Pasifika have hardship rates two to three times higher than other groups. They are more likely than other groups to live in over-crowded households. Māori and Pasifika children have two to three times poorer health than other groups.

There are a number of factors amongst the adult Māori and Pasifika populations that account for this scenario.

25% of working-aged Māori and 30% of Pasifika are on some form of benefit, and child poverty is disproportionately high among beneficiary families. A high proportion of Māori children live in sole-parent beneficiary families – around 43% of all Domestic Purposes Benefit recipients were Māori in the 2007-2010 period. The hardship rate for sole parent families is four times that of those in two parent families.

Iwi-affiliation and ties to one’s rohe potentially make Māori less mobile, and thus more vulnerable to regional labour market conditions. This means that Māori tend to stay in regions with on average 2% higher unemployment. 43% of Pasifika people live in households requiring an extra bedroom, compared to 23% of Māori and 4% of European households. Overcrowded housing is most acute in South Auckland, where there are significant Māori and Pasifika populations.

Māori and Pasifika working-age adults are especially vulnerable to the cyclical nature of New Zealand’s economy. To a large extent Māori and Pasifika families have borne the brunt of economic restructuring of the 1980s with the disappearance of manufacturing jobs. This means entitlement to assistance based on attachment to the labour market creates a complex and enduring trap for these people and their children.
Since the global financial crisis Māori and Pasifika unemployment rates have increased alarmingly. New Zealand’s current economic performance entails repeated cycles of recessions and booms that might be entrenching high levels of unemployment into Māori and Pasifika working age populations. In an economic and social system that is increasingly structured around participation in a skilled or knowledge-based labour market, education is vital. Māori and Pasifika literacy and numeracy has been growing, but not sufficiently fast given the rapid loss of jobs in the economy.

The causative links and correlation now established between poverty and violence require the development of a new discourse and new policies to address family violence, and particularly the violence suffered by children in low income communities.

Within twenty years, two out of every five children in Aotearoa New Zealand will be either Māori or Pasifika. These children will become major contributors to our future economic and social health. We need to find better ways of investing in their childhoods and that of their parents to support them to reach their potential.

**Moving forward**

The comparative analysis that asks “how are Māori and Pasifika children doing compared to other groups of children?” is fundamentally flawed. This question leads to a ‘closing the gaps’ approach where the gap becomes the problem. How do we get Māori and Pasifika children to reach benchmarks and milestones attained by other groups? What do we need to do to make this happen? Viewing Māori and Pasifika well-being through this lens means that any conclusions cannot be authentic, because they do not take account of Māori and Pasifika world views.

Assessing Māori and Pasifika well-being requires measures based on Māori and Pasifika notions of what constitutes a good life. The Māori world view, for example, locates humans within a matrix of spiritual, cosmic, environmental, kinship, and economic spheres of existence. Mauri is the binding force between the spiritual and the physical. GDP (Gross Domestic Product) as a measure of standards of living fails to measure outcomes in all of these spheres. The gap that should be measured is the gap between Māori and Pasifika aspirations and the realities for their children.

New measurements and models focusing on Māori and Pasifika capabilities need to be developed that examine Māori and Pasifika participation in their own worlds and within New Zealand society more broadly.
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# Table of Contents

Māori and Pasifika Capabilities: A New Way of Thinking ........................................ 5  
Introduction .................................................................................................................. 5  
The Wider Context ......................................................................................................... 7  
Toward a New Political Philosophy: A Capabilities Approach ............................... 11  
Conclusion .................................................................................................................... 16  

Getting it Right for Māori and Pasifika Children ...................................................... 19  
Introduction .................................................................................................................. 19  
Focus on Māori and Pasifika Children .................................................................... 22  
Methodology .................................................................................................................. 23  

Incidence of Poverty among Māori and Pasifika Children ....................................... 25  
Poverty Rates ................................................................................................................ 27  
Hardship ....................................................................................................................... 29  

Risk Factors for Poor Outcomes for Māori and Pasifika Children .......................... 34  
Where Māori Live ....................................................................................................... 34  
Housing ......................................................................................................................... 36  
Health for Māori and Pasifika .................................................................................. 39  
Joblessness and Labour Market Outcomes .............................................................. 42  
Benefit Adequacy ......................................................................................................... 44  
Parental Labour Market Skills .................................................................................. 46  

Future Prospects and Policy Issues: Kōkiri .............................................................. 50  
References ..................................................................................................................... 51
Māori and Pasifika Capabilities: A New Way of Thinking

Introduction

Three traditional Māori terms, pōhara, tōnui and kōkiri inform a Māori sustainable response in terms of understanding moral issues and the removal of poverty and its consequences. Pōhara refers to poverty, of being poor or being cut off from opportunity. The other side of pōhara is tōnui, rendered as prosperous or prolific, not in a utilitarian sense but in terms of the common good and the quest for a good life. The plan of action is found in Kōkiri, meaning a group moving forward decisively with a purpose, a goal, a target. This Report addresses these three agenda in sustainable Māori terms (Henare, 2000a).

In this Report we address the current reality of ngā uri pōtiki, the youngest descendants of the ancient Austronesian trader explorers; namely Māori and other Pasifika children living in Aotearoa New Zealand today. We assess this reality against the goal of sustaining their potential, and we do this in terms of a new political philosophy called the Capabilities Approach. Māori and Pasifika development then becomes the expansion of their capabilities to lead the kind of lives they value. Such an approach has a bearing on our interpretation of Te Tiriti o Waitangi/Treaty of Waitangi and the formulation, implementation, and evaluation of social policy. The Capabilities Approach addresses human rights and social justice, and offers better systems for Māori and Pasifika to evaluate the effectiveness of policies in terms of well-being for themselves. Māori require a higher level of sustainability in social and economic policy than the flip-flops associated with the current political process (Mahuta & Henare, 1991; Henare, 1999; cf Henare, 1988; Henare & Douglas, 1988). Māori and Pasifika people need to be involved in the formulation of policies both present and future. They also need to be involved in the implementation of these policies and finally in their evaluation. The Capabilities Approach (Nussbaum, 2011) offers this opportunity to meet these three requirements of policy action.

Te Tiriti o Waitangi/The Treaty of Waitangi continues to shape the emergent partnership of Māori and the New Zealand Crown via the Government and administration of the day. The Preamble of the Māori language version of Te Tiriti o Waitangi 1840 contains a key principle for economic development and business futures: the Māori philosophical ideal of a ‘good life’. The principle of a ‘good life’ is still relevant today and will remain so into the future. In the Preamble Queen Victoria tells the world that a lasting peace and the continuation of a quality of life as determined by Māori is an expected outcome of the relationship between her government and Māori. In speaking to the world through the proposed treaty,
Victoria stated in the Māori text of Te Tiriti, “kiatohungia ki a rātou ō rātou rangatiratanga me tō rātou wenua, kia mau tonu hoki te Rongo ki a rātou me te Ātanoho hoki”. This is rendered as her desire “to preserve to them their full authority as leaders (rangatiratanga) and their country (tō rātou wenua), and that lasting peace (Te Rongo) may always be kept with them and their continued life as Māori people (Ātanoho hoki)” (Henare, 2003, p. 229).

Te Tiriti o Waitangi, being the Māori text, is of significance to Māori because it determines the nature of their relationship with the Crown. The Māori agency of wealth creation feeds the vital essence of the four well-beings of Māoritanga: spiritual well-being, environmental well-being, family, kinship and social well-being, and economic well-being. Despite the agency of wealth creation, the tragedy of poverty among Māori children is now evident on a scale not experienced in recent times. Poverty starves the mauri or life force of ngā uri pōtiki Māori, the most vulnerable sector of Māori society, with potentially dire long-term consequences if not addressed immediately. Today, the injustice of pōhara, poverty, is an issue of significance under Te Tiriti o Waitangi.


...the parties to the Treaty were the Crown and the rangatira on behalf of the Māori people. The Treaty conferred great benefit on the Pākehā and all other immigrants to New Zealand whether from the Pacific Islands or elsewhere. The compact resulted in the establishment of British rule and, later, responsible parliamentary government. It further facilitated the acquisition by the Crown of vast areas of land from the Māori at little more than nominal cost.

Continuing, Professor Gordon Orr said:

Pacific Islanders and other members of minority groups, while not within the contemplation of the Treaty partners of the time it was signed, have likewise been subject to the dominant culture...While the Māori have gained much from the Treaty they have also, because of so many breaches, suffered grievous loss and deprivation. Pākehā, Pacific Islanders and members of other minority cultures of New Zealand have suffered no loss but rather great benefit from the Treaty. (Henare & Douglas, 1998, p. 130)

Yet ngā uri pōtiki Pasifika, the young children of the Pasifika communities living in Aotearoa New Zealand are also affected by the starving of their life force and potentialities. This injustice while not a Tiriti o Waitangi matter is a human rights, social justice, and equity issue.
The Wider Context

Meri Ngaroto, Te Aupōuri tribal leader of the early Nineteenth century, dramatically challenged her people about a form of behaviour of the time, namely He kōhuru tangata, the killing of another by stealth. Posing a question in poetic form upon hearing such plans, she said:¹

**He aha te mea pai?** What is the most important good?

**He Tangata, he tangata, he tangata!** Humanity! humanity! humanity!

Meri is part of the genre of Māori-Polynesian-Austronesian humanistic and reciprocal thinkers. Humanism and reciprocity is a philosophical duality that informs the ethical and moral basis of living a responsible life and a life of obligation that constitutes ‘a good life’. Meri’s question remains relevant today. As the late Mahbub Ul Haq wrote in the first United Nations Development Programme *Human Development Report* in 1990, “[t]he real wealth of a nation is its people. And the purpose of development is to create an enabling environment for people to enjoy long, healthy and creative lives. This simple but powerful truth is too often forgotten in the pursuit of material and financial wealth.” (Nussbaum, 2007, pp. 111 - 112) Nobel Prize winning Economist Amartya Sen maintained that a truly developed society would enable humans to be and do, and to live and act, in certain valuable ways. Both actual achievements and the freedom to achieve are intrinsically valuable ingredients in a *good human life*.²

While Meri’s question and response appear to put humanity above all other, in the Māori world view humans are part of and not separate from the spiritual, cosmic, environment, kinship and economic spheres of existence. Humans are part of an integrated whole, a unified two-world system in which the spiritual is the higher order that interpenetrates the material/physical world of te ao mārama. The material proceeds from the spiritual. Tangata can exert some control over the natural world. At the core of Māoritanga is a belief in life forces – tapu, mauri, hau, wairua – that are significant in society and nature (Henare, 2000b). Furthermore, philosophically speaking Māoritanga consists of four well-beings: spiritual well-being, environmental well-being, family and kinship well-being, and economic well-being (Henare, 2011, In press).


Mauri, rendered as life force is a holistic belief that permeates Māori and wider Pasifika thinking. The land, forests, waters, and all the life they support (including human thoughts and words), together with natural phenomena such as mist, wind, and rocks possess mauri (Marsden, 1975, pp. 196 - 197). Mauri is the binding force between the physical and the spiritual (Durie, 1998, pp. 23 - 24), the glue that makes the existence of everything possible by holding these elements together in unison (Morgan, 2006, p. 171). If this bond is weakened the whole system’s capacity to support life can be diminished and result in dysfunctionality or ultimately the death of some of its elements.

Within our nation, the 2002 Local Government Act requires our regional and territorial authorities to provide for democratic and effective local government and to promote the social, economic, environmental, and cultural well-being of their communities taking a sustainable development approach. Sustainable development is defined in the 1991 Resource Management Act as sustaining the potential of natural and physical resources to meet the reasonably foreseeable needs of future generations. This goal is to be met by two approaches, one that actively protects these elements and the other that seeks to combat adverse effects:

1. Safeguarding the life-supporting capacity of air, water, soil, and ecosystems, and
2. Avoiding, remedying, or mitigating any adverse effect of activities on the environment

Given that the Māori world view envisions humans as inseparably integral to their environment, we argue in this report from a policy perspective that sustainable development necessarily involves a similar approach to humans. That is to sustain the potential of humans by safe-guarding their capacity and combating adverse effects, which would constitute sustainable life.

The Chinese use the term ‘harmonious development’ as an alternative to sustainable development. This term combines the Confucian concept of a xiaokang society with a Taoist reference to a harmonious balance of human lifestyle with nature. China’s vision is based on its ancient philosophies, aiming to find a balance between GDP growth, sustainable natural capital stewardship, and ensuring an equitable distribution of income and financial wealth throughout the country, which is consistent with a Genuine Wealth model (Anielski, 2007, p. 100).

Mark Anielski, among others, exposes fundamental flaws in using GDP as a measure of standards of living, as it fails to measure well-being and human capabilities. He argues instead that sustainability should be founded on the key
principle of genuine wealth, “the conditions of well-being of a community or organization in accordance with the values of its citizens” (Anielski, 2007, p. 98). As the values of citizens are diverse, it follows that well-being will be perceived differently by various cultural groups. Therefore, it may be inappropriate to assess well-being by one benchmark or to make comparisons between ethnic groups. For Māori and Pasifika, what is important is the gap between their aspirations (based on their values) and the reality for their children, rather than any gap between their data and national measures or non-Māori/non-Pasifika data, or even between Māori and Pasifika themselves. Nevertheless this report presents some comparative material as a means of highlighting the differences between what is possible and what is the reality.

Within populations circumstances will arise where differences in values between groups of citizens conflict. In these circumstances French Philosopher Paul Ricoeur (2002) suggested applying ‘practical wisdom’, which he explained consists of “inventing conduct that will best satisfy the exception that solicitude requires by breaking the rule to the smallest extent possible”. The critical guide in this approach is mutual recognition of one another as capable, vulnerable selves, and has three distinctive features:

1. Practical wisdom never denies the principle of respect for persons
2. Practical reason always seeks a way to reconcile opposed claims that is more fitting than either claim (unlike a simple compromise), and
3. Practical wisdom avoids arbitrariness by consulting the most competent advisers available.

At the base of both ethical and moral reflection are two fundamental capabilities that Ricoeur described in his anthropology, namely action and imputation. Capable human beings are capable of initiating some new action and what they do is imputable to them as their own freely chosen deed. An event is not an action unless it is imputable to an agent who has a durable identity. Recognition of the imputability of action opens the way for consideration of the ethical and moral determinations of action.

Ricoeur speaks of significant distinctions between ethics and morality. In his usage, ethics

*deals with the domain of that which is taken to belong to a good human life. It is concerned with the overall aim of a life of action. Morality refers to the expression of this aim in terms of norms that are regarded as somehow*

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See also 2011 BERL Report on the Māori Economy, for comment on Genuine Progress Index (GPI).
obligatory. Moral norms are taken to be universal and to exercise some constraint on conduct. In standard terminology, ethics is teleologically and morality is deontologically oriented. For Ricoeur, these orientations are complementary, not incompatible. In his philosophical anthropology and historical study of Māori traditional thought and action on the good life, Manuka Henare developed He Korunga o Ngā Tikanga: Matrix of Ethics and Morality (Henare, 2000b, 2003).

Sustainable development is a holistic approach. It involves whole of life sustainability, but in this report we recognise the importance of investment in the formative stage of life: the youngest. This is not to reduce humans to the mere status of ‘resources’. Instead we can think of such an investment as having an important economic as well as non-economic return. Nevertheless, well-being and improvement in GDP should not be confused.

When the data of this report is measured against Māori and Pasifika capabilities and aspirations, the level and extent of material poverty of Ngā Uri o Te Moana Nui a Kiwa ki Aotearoa grows at an alarming rate. The poverty of Ngā Uri, specifically Māori and Pasifika children of Aotearoa New Zealand, who are both the descendants of the common Austronesian-Polynesian ancestor Kiwa, is both unsustainable and ethically and morally wrong. The new generation is at risk. The term ‘poverty’ describes an undesirable gap. In development thought, the poor are seen to be lacking income, or the ability to satisfy basic needs, or the capabilities to lead a fully human life. A focus on basic needs erroneously positions commodities as alleviators of poverty (Levine & Abu Turab Rizvi, 2005, pp. 41, 46).

Someone whose basic needs are satisfied would still be poor if her or his potentialities as a human being were not sustained. As Durie, Fitzgerald et al (2002) have already said:

... ultimately, Māori development is about Māori people and if there is economic growth but no improvement in health well-being, then the exercise is of questionable value. Equal recognition of both social and economic goals is therefore imperative. (p. 25)

4http://plato.stanford.edu/entries/ricoeur/#3.6. Deontology is an approach to ethics that judges the morality of an action based on the action’s adherence to a rule or rules. Rules bind you to your duty. It contrasts to teleological ethics in which the rightness of an action is determined by its outcomes or consequences.

Toward a new political philosophy: a capabilities approach

Returning to Meri Ngaroto’s proposition, what constitutes a *good human* life in Māori terms? Sen answered in general terms “both actual achievements and the freedom to achieve”. A good life in Māori and Pasifika terms is one in which the mauri is not only maintained, but enhanced.

As noted above, many have criticised the use of GDP as the primary indicator of national standards of living. Moves have been made to develop much broader measures than the GDP/GNP ‘standard-of-living’ index. One of these is the Human Development Index (HDI) adopted by the United Nations and the OECD “to shift the focus of development economics from national income accounting to people-centred policies”. This index was developed by the Pakistani economist Mahbub Ul Haq in 1990, based on Nobel laureate Amartya Sen’s work on capabilities and functionings (see below) and has been used since 1993 by the United Nations Development Programme (UNDP). The index has standardised a system of measuring well-being and uses specific measures for the well-being of children. It is a summary measure for assessing long-term trends in three basic dimensions of human development: health (life-expectancy at birth), knowledge (literacy and education), and standard of living or Gross National Income (GNI) per capita.

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*Morgan, 2006. Mauri model*
Access to knowledge is measured by a combination of mean years of adult education (average number of years of education received in a life-time by people aged 25 years and older), and expected years of schooling for children of school-entrance age (the total number of years of schooling a child of school-entrance age can expect to receive if prevailing patterns of age-specific enrolment rates stay the same throughout the child’s life). Standard of living is based on GNI per capita in US$ purchasing power parity (PPP) instead of GDP per capita, because GDP does not reflect a country’s disposable income. And, this is not the only problem with GDP, for example it does not show distribution nor does it consider what is actually produced, for example, guns or butter. Aotearoa New Zealand ranked third on this measure in a list of ‘very high development’ countries in 2010, behind only Norway and Australia.

A second measure, the inequality-adjusted HDI, was introduced in 2010 to indicate the inequalities within a nation’s population in the three basic dimensions of income, life expectancy and education. Data for the inequality-adjusted HDI 2010 survey was not available for Aotearoa New Zealand. However, data from the 1980s to 2005 ranked Aotearoa New Zealand well above OECD average inequality (i.e. adversely), which suggests that our inequality-adjusted HDI ranking could be lower than the comparatively favourable unadjusted HDI rank. Within our population, Māori and Pasifika peoples are at the lower end of the spread.

Amartya Sen maintained that a truly developed society would enable humans to be and do, and to live and act, in certain valuable ways. He described a good human life in terms of functioning and capabilities, achievements, and the freedom to achieve. Earlier, we noted that in development thought the poor are seen to be lacking income, or the ability to satisfy basic needs, or the capabilities to lead a fully human life, and that a focus on basic needs positions commodities as alleviators of poverty (Levine & Abu Turab Rizvi, 2005, pp. 41, 46). Whereas poverty might be seen as a lack of capacities or abilities to meet basic necessities for bare survival, the term ‘capabilities’ is used to refer to a wide range of capacities and opportunities required for human well-being as a whole. The term capabilities indicates more clearly the agency and active participation of a person, rather than an entitlement, which implies that the person does not have to do anything (J. M. Alexander, 2008, p. 56).

Alexander quotes Sen (1987), “[a] functioning is an achievement of a person; what he or she manages to do or to be. ... It has to be distinguished from the commodities which are used to achieve those functions” (2008, p. 56). Functionings are the various things a person values being or doing; these are culturally diverse. This is consistent with Anielski’s key principle of genuine wealth, “the conditions of well-being of a community or organization in accordance with the values of its
citizens” (Anielski, 2007, p. 98). On the other hand, “capabilities are the various combinations of functionings that a person can achieve or could have achieved. Capabilities stand for the extent of freedom that a person has in order to achieve different functionings” (J. M. Alexander, 2008, p. 57).

Manuka Henare (2011) follows Sen and Tui Atua Tupua Tamasese Taisi Efi (2007a, 2007b), who teaches Samoan religious tradition. This tradition contains four “key harmonies that hold the balance of peace for Samoans. These are: harmony with the cosmos; harmony with the environment; harmony with one’s fellow men; and harmony with one’s self” (p. 1). Tui Atua Tupua says that when the four harmonies come together there is peace, humility and a meaningful life (pp. 10-11). Henare suggests that Tui Atua Tupua paints a picture of a Samoan understanding of a good life. Henare proposes that functionings are constitutive of Māori and Pasifika being and are the ends, and sometimes the means, of achieving the good life. The good life may be understood in Māori terms of He Korunga o Ngā Tikanga, a matrix of Māori values and ethics.

According to Sen achieved functionings are measurable, observable, and comparable e.g. literacy and life expectancy. They can be elementary, such as escaping morbidity and mortality, nourishment, and mobility. Henare says they can
be complex, involving tapu-manawairua, self-respect, participation in Māori or Pasifika life, or being able to appear in society without shame.

Henare reasons that capabilities or freedoms are therefore such things as mana Māori motuhake, which is autonomy, self-reliance and self-determination. Sen clarified these concepts and the interplay between freedom and capability:

*The freedom to lead different types of life is reflected in the person’s capability set. The capability of the person depends on a variety of factors, including personal characteristics and social arrangements. A full accounting of individual freedom must, of course, go beyond the capabilities of personal living and pay attention to the person’s other objectives (e.g. social goals not directly related to one’s own life), but human capabilities constitute an important part of individual freedom.* (Sen, 1993, p. 32, J. M. Alexander, 2008, p. 57)

Sen’s approach involves five instruments of freedom:

1. **Political freedom** – opportunities for effective political participation and dissent.
2. **Economic freedom** – opportunities for people to access and use economic resources (including finance) for purposes of consumption, production, or exchange.
3. **Social freedom** – access to health care and education, which influence people’s ability to live well and be an effective participant in economic activities.
4. **Freedom to deal with others** – transparency guarantees involve the freedom to deal with members of a community under conditions of certainty, disclosure, and lucidity. This freedom aims to prevent irresponsibility, corruption, and fraud.
5. **Protection** – a social safety net for vulnerable people who suffer adverse circumstances.

Martha Nussbaum built on Sen’s capability approach and, focusing on human dignity, proposed a systematic list of central capabilities that could serve as benchmarks for governments and policymakers (Nussbaum, 2007, pp. 115 - 116).

1. **Life.** Being able to live to the end of a human life of normal length; not dying prematurely, or before one’s life is so reduced as to be not worth living.
2. **Bodily health.** Being able to have good health; including reproductive health, to be adequately nourished, to have adequate shelter.
3. **Bodily integrity.** Being able to move freely from place to place; to be secure against violent assault including sexual assault and domestic violence,
having opportunities for sexual satisfaction, and for choice in matters of reproduction.

4. *Senses, Imagination and Thought.* Being able to use the senses, to imagine, think and reason – and to do these things in a truly human way, a way informed and cultivated by an adequate education, including, but not limited to, literacy and basic mathematical and scientific training. Being able to use imagination and thought in connection with experiencing and producing works and events of one’s own choice, religious, literary, musical and etc. Being able to use one’s mind in ways protected by guarantees of freedom of expression with respect to both political and artistic speech, and freedom of religious exercise. Being able to have pleasurable experiences and to avoid non-beneficial pain.

5. *Emotions.* Being able to have attachments to things and people outside ourselves; to love those who love and care for us, to grieve at their absence; in general to love, to grieve, to experience longing, gratitude, and justified anger. Not having one’s emotional development blighted by fear and anxiety.

6. *Practical reason.* Being able to form a conception of the good and to engage in critical reflection about the planning of one’s life.

7. *Affiliation*
   a. Being able to live with and toward others, to recognise and show concerns for other human beings, to engage in various forms of social interaction, to be able to imagine the situation of another.
   b. Having the social bases of self-respect and non-humiliation; being able to be treated as a dignified being whose worth is equal to that of others. This entails provisions of non-discrimination on the basis of race, sex, sexual orientation, ethnicity, caste, religion, national origin.

8. *Other species.* Being able to live with concern for and in relation to animals, plants, and the world of nature.

9. *Play.* Being able to laugh, to play, to enjoy recreational activities.

10. *Control over one’s environment*
    a. Political. Being able to participate effectively in political choices that govern one’s life; having the right of political participation, protections of free speech and association.
    b. Material. Being able to hold property and having property rights on an equal basis with others, having the right to seek employment on an equal basis with others, having the freedom from unwarranted search and seizure. In work, being able to work as a human being, exercising practical reason and entering into meaningful relationships of mutual recognition with other workers.
Such a capabilities approach would involve developing an MDI (Māori Development Index) using Māori value-based data in its measurement. The same development of capabilities would apply to a Pasifika indices (PDI) for life in Aotearoa New Zealand.

A capabilities approach to Māori development as well-being is concerned with the agency of tangata, human person, as a member of te ao Māori and Aotearoa New Zealand society, and as a participant in economic, social and political actions. Māori development becomes then the expansion of Māori capabilities to lead the kind of lives that Māori value. Mana motuhake enhances the ability of tangata to help themselves and to influence the world.

Sen defines an agent as someone who acts and brings about change, whose achievements can be judged in terms of his or her own values and objectives, whether or not they are assessed in terms of some external criteria as well. Māori-Pasifika agency means that we act to bring about change, and achievements are judged in Māori-Pasifika terms according to kawa atua,7 tikanga tangata,8 ritenga tangata,9 and moemoea/wawata10 Māori-Pasifika.

**Conclusion**

A report prepared for Te Puni Kōkiri, Ministry of Māori Development titled ‘Te Hoe Nuku Roa’, developed a more comprehensive description of Māori well-being and pointed to the appropriateness and benefits of a capabilities approach. The model of well-being can be shown schematically along an outcomes axis (Durie, Fitzgerald, Kingi, Mckinely, & Stevenson, 2002, p. 24):

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7 Spiritual principles that guide human thinking and behavior.
8 Principles developed by humans that give effect to kawa atua.
9 Forms of behaviour devised by humans that give effect to kawa and tikanga.
10 Dreams and visions of atua and ancestors that guide humans.
The report highlights the limitations of current models for measuring well-being, specifically in terms of Māori and Pasifika children and how such measurements are expressed in the county’s GDP. The authors argue that GDP is a very poor way of measuring the good life and all its well-beings. The emphasis has been on health and social well-being with a strong clinical approach to health and social service deliveries. As discussed earlier, these limited notions do not measure well-being on Māori or Pasifika holistic terms. The challenge is to identify culturally appropriate spiritual, environmental, extended family, and economic indicators of quality of life, especially for small children. According to Sen, Nussbaum, and others cited in the report, the capabilities approach denies any distinction between political and civil rights, or social, cultural and economic rights, and acknowledges that “maintaining these rights and political entitlements requires the state to take action and spend money” (Nussbaum, 2010, p. 434).

Using the lens of the capabilities framework, our conclusions and recommendations are set out later in this report. Further, Aotearoa New Zealand’s continued reliance on political and moral philosophy of distributional notions of social justice is welfarism, with its emphasis on economic welfare, material well-being, and limited human agency. However, we argue that the adoption of a new political philosophy as espoused in the Capabilities Approach, will allow us to be better able to systematically assess the four Māori-Pasifika well-beings and therefore measure poverty and wealth levels over time, and at any given time. This report reinforces the idea that a poverty removal strategy must sit alongside the already accepted commitment to a wealth creation strategy if we are to reduce the poverty experienced by too many young Māori and Pasifika children.

Finally, an alarming conclusion of this report is that there is a striking lack of adequate data on Māori and Pasifika people.
Getting it right for Aotearoa New Zealand’s Māori and Pasifika children

Introduction

What are people actually able to do and to be? And are they really able to do or be these things, or are there impediments, evident or hidden, to their real and substantial freedom, in some areas that are agreed to be of central importance to a rich human life, a life worthy of human dignity? More specifically, how have the basic constitutional principles of a nation, together with their interpretation, promoted or impeded people’s abilities to function in some central areas of human life?

The idea that all citizens in a nation are equally entitled to a set of basic opportunities, a set of substantial preconditions for a flourishing human life that includes opportunities to unfold themselves, to develop a set of basic human abilities to choose and act, has had a lasting appeal over the centuries in the Western tradition of political and legal thought. A familiar understanding of the purpose of government is that it should, at a minimum, secure those central entitlements. If it does not, it will not have a claim to be even minimally just. (Nussbaum, 2010, p. 431)

This report, commissioned by Every Child Counts, is designed to develop the report “The first 1000 days. The effectiveness of public investment in New Zealand children” (Grimmond, 2011) with particular focus on Māori and Pasifika children. The evidence shows that however successful Aotearoa New Zealand appears to be on the basis of international comparisons of health, education, and labour market outcomes, Māori and Pasifika children are not sharing in the success.

These children comprise a significant subset of children missing out on support from government services. A consequence of this lack of support for these children and their families, particularly in the very early years, is diminished personal prospects in terms of health, education, and positive participation in the wider economy.

The rationale for public investment in children adopted in Grimmond’s 2011 report is realising the best return on the human capital of the nation. Interventions investing in children and their families address issues before they become serious problems for individuals and their communities and thus may represent a cost-effective social investment. In addition to the impact this investment would have

Thanks to Susan St John for her contributions and comments on earlier drafts.
on the affected individuals and their families, timely support would remove a significant financial burden on the rest of society.

The New Zealand Treasury note: “[i]ncreasingly, governments and international organisations are broadening the way they define and measure the progress, well-being or living standards of a country” (Gleisner, Llewellyn-Fowler, & McAlister, 2011). Along with enhancing GDP, improving subjective well-being in all its dimensions for Māori and Pasifika communities is an important aspiration. From a human rights perspective, Māori and Pasifika children have an entitlement to live free from poverty and to enjoy a full life along with all other children in Aotearoa New Zealand.

We also want to draw attention to the reality that Māori and Pasifika children do not live in isolation. Percival (2009) describes Pasifika children’s lives as inextricably linked to the well-being of their parents and wider community. Stephens (2002) sets out a *strengths-based approach* where interventions are created by whānau in conjunction with whānau support workers. This approach aims to ensure whānau participation in the community and positive results for whānau rather than focusing interventions on individuals who present with complex needs. The strengths-based approach resonates with Māori and with all Pacific peoples, because of its foregrounding of the resilient and tenacious values and principles of the collective, such as whānau or larger human formations such as communities (Tu‘itahi, 2010).

The capabilities approach denies any distinction between political and civil rights, or social, cultural, and economic rights. Furthermore, it acknowledges that “maintaining these rights and political entitlements requires the state to take action and spend money” (Nussbaum, 2010, p. 434). Using the lens of the capabilities framework, our conclusions and recommendations are set out below.

- Māori and Pasifika children disproportionately suffer from low living standards as measured by income and indicators of hardship approaches. This has high social and economic costs, and is reflected in the low well-being of many Māori and Pasifika families.
- The vulnerability of Māori and Pasifika working-age adults to the cyclical nature of Aotearoa New Zealand’s economy means entitlement to assistance based on attachment to the labour market creates a complex and enduring trap for these people and their children.
- The causative links and correlation now established between poverty and violence require the development of a new discourse and new policies to
address family violence, and particularly the violence suffered by children in low income communities.

- To replace the current ‘gap’ analysis, we recommend a dedicated well-being survey with the sample sizes of Māori and Pasifika increased with over-sampling, and with questions specifically designed to reflect the capabilities approach.

- We recommend developing a new political philosophy reflective of the capabilities approach and well-beings in their totality.
Focus on Māori and Pasifika children

By 2026, Statistics New Zealand (2011) projects that Aotearoa New Zealand’s Māori population will reach over 800,000, increasing by 1.3% per annum, while Pasifika populations are increasing at the annual rate of 2.4% (Statistics New Zealand, 2011) and will reach 480,000 by 2026. Within two decades, two in five Aotearoa New Zealand children will be Māori or Pasifika (Ministry of Social Development, 2010; Statistics New Zealand, 2010). This growth in population means Māori and Pasifika children will be major contributors to Aotearoa New Zealand’s future economic and social health.

These increases reflect the very high total fertility rates of 2.50 births per woman for Māori, and 2.65 for Pasifika women. This Māori and Pasifika fertility rate at least partially protects the Aotearoa New Zealand economy from the deleterious effects of an ageing baby-boomer population. Without the higher fertility rates of Pasifika and Māori, Aotearoa New Zealand’s projected dependency ratio (the ratio of working age to non-working age population) would more than double by mid-century.

Data from the 2006 Census in Table 1 show that 36% of Māori and 37% of Pasifika are aged 14 years and under, making these highly youthful populations.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Māori</th>
<th>Pasifika</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-4 Years</td>
<td>66,426</td>
<td>34,848</td>
</tr>
<tr>
<td>5-9 Years</td>
<td>66,774</td>
<td>33,597</td>
</tr>
<tr>
<td>10-14 Years</td>
<td>66,726</td>
<td>31,899</td>
</tr>
<tr>
<td>15-19 Years</td>
<td>58,533</td>
<td>27,690</td>
</tr>
<tr>
<td>20-24 Years</td>
<td>42,771</td>
<td>20,718</td>
</tr>
<tr>
<td>Total</td>
<td>565,329</td>
<td>265,974</td>
</tr>
</tbody>
</table>

Table 1 Māori and Pasifika Population of Children (Census 2006)

The statistics provided in the following sections confirm that current outcomes for Māori and Pasifika children present a major ethical and economic risk to Aotearoa New Zealand. Children who grow up in hardship lack the resources necessary to thrive in the knowledge economy in which they will participate as adults. Children who grow up in hardship in a comparatively wealthy nation are evidence of the failure of social and economic policies.

12 The European/Other fertility rate in Aotearoa New Zealand is below replacement at 1.85 births per woman (Statistics New Zealand).
13 Representation determines decision-making power. In 2006, 15% of Aotearoa New Zealand’s population self-identified as Māori, and in 2008, 16% of MPs identified as Māori were elected to Parliament, while the 4% of Pacific MPs was smaller than their 7% share of the population (Ministry of Social Development, 2010). It will be important for the level of representation to reflect the ethnic mix as the population transforms.
There is now wide acceptance that early childhood experiences are critical for shaping outcomes throughout life (Gluckman & Hayne, 2011; OECD, 2009). Investing in young children, Heckman and Masterov (2007) argue, reduces the inequality associated with the accident of birth and at the same time raises the productivity of society. For example, Heckman and Masterov (2010, p. 2) state:

*Early interventions that partially remediate the effects of adverse environments can reverse some of the harm of disadvantage and have a high economic return. They benefit not only the children themselves, but also their children, as well as society at large. Investing in disadvantaged young children is a rare public policy with no equity/efficiency trade-off.*

Given the high returns from investing in children and the increasing proportion of Māori and Pasifika children in Aotearoa New Zealand society, it is crucial to establish whether the current rate and pattern of investment in children is in fact serving these communities. Grimmond’s (2011, p. 18) research suggests that Aotearoa New Zealand has had little success in translating positive social or labour market events for sole parent families into the income growth that enables exit from poverty, and “[t]his finding implies a conflict in developing public policy between recognition of the labour market impact upon poverty and changing social and demographic norms.”

**Methodology**

Traditionally, Māori and Pasifika data is looked at in terms of comparatives, usually with Pākehā/European and Other data. There are essentially two reasons for taking such a comparative approach. One reason is to argue that outcomes achieved by a sub-population provide a benchmark against which the outcomes of all other groups ought to be judged. This approach leads immediately to a ‘closing the gaps’ approach, where it is the gap per se that is problematic. Whilst this approach might be valid say for measuring firm productivity against a productivity frontier, or achievement against scientifically validated benchmarks (e.g. vaccination rates against a 100% benchmark), such an approach for comparing outcomes risks a colonising methodology (Tuhiwai Smith, 1999). Non-Māori, non-Pasifika standards do not necessarily conform to a gold standard or benchmark for Māori or Pasifika.

A second reason advanced for taking a comparative approach is to argue that since Māori, Pasifika, Pākehā/European and Other are all subject to the same social and economic systems, what is achievable for one group ought to be achievable by another. This is, however, only valid if the systems are the same. Since Māori and Pasifika peoples have economic systems that pre-date the European arrival, and for which the individualistic market system is an anathema (Johnson, 2011; Ministry of
Education, 2009), the antecedent is not met, “[c]omparative measures do not capture Māori-specific data” (Johnson, 2011, p. 2).

In preparing this paper our aim was to seek out raw data on Māori and Pasifika in an attempt to look clearly at the conditions of these communities. Unfortunately, the paucity of data does not allow comparisons to be drawn between the very best that Māori and Pasifika achieve in well-being and the foregone possibilities experienced by the other Māori and Pasifika populations. Investigating the data in this way, asking “searchingly about the real opportunities and freedoms of people” (Nussbaum, 2010, p. 431) allows the thrust of the report to be toward the shift Al Kahn writes of, where, “[t]he emphasis will no longer be on the problems, rather the limitless potential, of each wondrously individual child.” (Waldfogel, 2009)

The main challenge for achieving this laudable aim is the paucity of data on Māori and Pasifika. For example, the most comprehensive and up-to-date reports on hardship and poverty of Aotearoa New Zealand families are found in Perry (Perry, 2009a, 2010, 2011). However, Perry repeatedly states (and has re-iterated this in private communications) that only limited analysis by ethnicity is able to be conducted because of the relatively small sample sizes for Māori, Other, and (especially) for Pasifika.

Indeed, a conclusion of this report is that there is a striking lack of adequate data on Māori and Pasifika people. We believe this to be derived from the comparative analysis approach where Māori and Pasifika data is collected purely to inform a ‘gaps’ analysis – that is, to identify where Māori and/or Pasifika differ from other ethnic groups, than to collect data which can say something about Māori and Pasifika independently of their comparison to other groups.

Policy-makers reliance on the gap-analysis approach has meant that policy has prioritised areas where Māori or Pasifika are significantly different to the rest of the population, rather than using what is important for Māori or Pasifika as the basis for setting policy priorities. Thus one of our recommendations is that the sample sizes of Māori and Pasifika be increased through over-sampling so that we can make more definitive conclusions about these populations independently of the rest of the population.
Incidence of poverty among Māori and Pasifika Children

- The improvements in low and middle incomes from the introduction of Working for Families have not translated into improved conditions for the poorest children, particularly Māori and Pasifika children.
- To a large extent, Māori and Pasifika families have borne the brunt of economic restructuring in the 1980s and the disappearance of manufacturing jobs.
- Māori and Pasifika people have hardship rates two to three times higher than other groups.
- In an economic and social system that is increasingly structured around participation in a skilled or ‘knowledge’ labour market, education is vital.
- Good quality early childhood education is a determinant for later educational success, and those who miss out on meaningful access to early childhood education (ECE) share a sequence of misfortunes and missed opportunities throughout their lives.

Poverty in Aotearoa New Zealand is often dismissed as an overstatement of the situation when compared with, for example, poverty in Sub-Saharan Africa. But this highlights the fallacy of relying solely on comparative measures of absolute poverty. Poverty, particularly relative poverty for children, has been acknowledged in Aotearoa New Zealand since 2002.  

UNICEF (2000) explained that while absolute poverty is the lack of resources for even a bare minimum existence, a bare subsistence is insufficient for the development of human potential.

Today, despite a doubling and redoubling of national incomes in most nations since 1950, a significant percentage of their children are still living in families so materially poor that normal health and growth are at risk. ...[A] far larger proportion [of children] remain in the twilight world of relative poverty. Their physical needs may be minimally catered for but they are painfully excluded from the activities and advantages that are considered normal by their peers. (UNICEF, 2000, p. 9)

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14 St John and Rankin (2009, pp. 7 - 8) report: “In the 2002 election year, issues of poverty were widely acknowledged. Government’s own research showed that in 1998 three out of every ten children were living below the unofficial poverty line of 60% of the after housing costs (AHC) of household-equivalised disposable income (Mowbray, 2001). In mid-2002 the government promised to eliminate child poverty (Ministry of Social Development, 2002), and in pre-election speeches the Prime Minister pledged to review family tax credits. The MSD noted that: “the declining real value of family income assistance has been a key contributing factor to inadequate family incomes” (Ministry of Social Development, 2002-2004).
Poverty can be measured in many ways, for example in purely monetary terms as income, or using non-monetary indicators (Perry, 2009b), or on a wider participation and belonging measure (Royal Commission on Social Security, 1972), or as access to resources (Public Health Advisory Committee, 2010b). Each of these different measures produces different results. The Ministry of Social Development reports of poverty that “[i]t is about ‘unacceptable material hardship’ arising from limited financial resources” (Perry, 2010, p. 68).

However, as Perry notes, it is important to be aware that there is much more to ‘unacceptable material hardship’ than what can be measured through analysis of data from income or deprivation surveys. Surveys can tell us about the material core, “but a different type of research is needed to give insight into how this unacceptable hardship is experienced and understood” (Perry, 2010, pp. 68 - 70). Perry (2010) quotes Lister (2004, p. 7):

*Poverty has to be understood not just as a disadvantaged and insecure economic condition but also as a shameful and corrosive social relation … [The non-material aspects include] … lack of voice; disrespect, humiliation and assault on dignity and self-esteem; shame and stigma; powerlessness; denial of rights and diminished citizenship … They stem from people in poverty’s everyday interactions with the wider society and from the way they are talked about and treated by politicians, officials, the media and other influential bodies.*

A lack of the minimal, basic needs required for survival, such as food and shelter, is ‘absolute’ poverty. Poverty or material hardship, in the context of the richer nations, usually refers to ‘relative’ disadvantage. That is, in comparison to others in the population, a person in relative disadvantage has a day-to-day standard of living or access to resources that falls below a minimum acceptable community standard (Perry 2010). Perry’s definition is explicitly relative: “poverty is understood as exclusion from the minimum acceptable way of life in one’s own society because of inadequate resources” (2010, p. 69 – 70), and includes both resources and outcome elements:

*When the focus is on the outcome (i.e. low living standards), income measures of limited resources are seen as only indirect measures of poverty. It is on this basis that those in households below conventional income thresholds are referred to not as ‘in poverty’ but rather ‘at risk of poverty’ (as in the EU). On the other hand when the focus is on income and equality of opportunity, low living standards can be seen to be a consequence of income*

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15The NZDEP Survey 2006, for example, uses 9 deprivation-related variables: means-tested benefit; household income; access to a telephone; unemployed; single-parent families; no qualifications; dwellings not owner-occupied; access to a car; occupancy/overcrowding (Ministry of Education, 2011, pp. 40 - 41)
Poverty, although other factors may play a part too. Both approaches have their place and their limitations. (Perry 2010, 69 - 70)

Poverty rates

In 2008, the Office of the Children’s Commissioner published “A Fair Go For All Children”. The authors drew on 2003/04 data to show child poverty rates by ethnicity (Fletcher & Dwyer, 2008, p. 25), as shown in Table 2. Note that the small sample size results in a category of ‘Pasifika and Other’.

<table>
<thead>
<tr>
<th>Ethnicity of child</th>
<th>Child poverty rate*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pākehā/European</td>
<td>16%</td>
</tr>
<tr>
<td>Māori</td>
<td>27%</td>
</tr>
<tr>
<td>Other (including Pasifika children)</td>
<td>40%</td>
</tr>
<tr>
<td>All children</td>
<td>23%</td>
</tr>
</tbody>
</table>

*Using 60% of constant value median income after housing costs.

Table 2 Child poverty rates by ethnicity 2003/04

In 2006, the Māori population aged 0 - 14 years was 220,931 (35.4% of the total Māori population of 624,100), while the number of Pasifika children aged 0–14 years was 110,000, being 12.4% of all children aged 0 – 14 years in Aotearoa New Zealand, and 36.5% of the Pasifika population totalling 301,600 (Statistics New Zealand, 2007). Overall, the population in Aotearoa New Zealand in 2006 was 4.18 million, and 21.5% or 898,700 were under the age of 15 years. In Table 3, we use this data to expand Table 2 to develop a sense of the actual numbers of children in Aotearoa New Zealand experiencing significant or severe hardship in 2003/4.

<table>
<thead>
<tr>
<th>Ethnicity of child</th>
<th>Total Numbers of children</th>
<th>Child poverty rate*</th>
<th>Numbers of children in poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pākehā/European</td>
<td>645,300</td>
<td>16%</td>
<td>103,248</td>
</tr>
<tr>
<td>Māori</td>
<td>220,931</td>
<td>27%</td>
<td>59,651</td>
</tr>
<tr>
<td>Pasifika</td>
<td>110,300</td>
<td>40%</td>
<td>44,120</td>
</tr>
<tr>
<td>All children</td>
<td>898,700</td>
<td>23%</td>
<td>206,701</td>
</tr>
</tbody>
</table>

Table 3 Child poverty rates and numbers by ethnicity 2003/04 (Source: Statistics NZ Census 2006)

The picture of poverty among Pasifika and Other children shown in Table 2 is extended backwards in Figure 1. Table 2 and Figure 1 both use income measures to assess poverty rates. The very high child poverty rates of around 50% reflect the effects of the 1991 benefit cuts and very high unemployment rates for Māori during the first half of the 1990s. By 2004, poverty rates for Māori children had

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almost halved from that peak (Perry, 2007, p. 83). Nevertheless, the different poverty rate outcomes for Pākehā/European children, and Māori and Pasifika children, are striking.

Figure 1 uses after housing costs (AHC) income as the measure. As Perry (2011, p. 4) explains, housing is a fixed cost that must be met, at least in the short term. Those people with higher housing costs have less ‘residual income’ or AHC for other necessities such as food, power, transport, health etcetera. “For households with lower incomes to start with, high housing costs place considerable constraints on their living standards.” (Perry, 2011, p. 4)

Perry (2011, p. 9) discusses the before Housing Costs (BHC) and After Housing Costs (AHC) measures, with fixed and moving line:

- **Using the AHC fixed line measure (60% of median), the poverty rate for the population as a whole fell from 2007 (18%) to 2009 (15%), continuing the downward trend that began from 1994.**
- **The fall from 2007 to 2010 using the fixed line measure indicates that the average AHC income for low-income households is higher in real terms in 2010 than in 2007.**
- **Housing costs were a much greater proportion of household income for low-income households in 2010 than in 1980s. This increase cancelled out the gains in BHC incomes for low-income households, leaving fixed line poverty rates much the same in 2010 as in the 1980s.**
- **Using the AHC moving line measure, the population poverty rate remained steady at 18% from 2007 to 2010, much the same as it was through the mid-1990s, but double what it was in 1984.**
- **From 1994 to 2010, AHC incomes for low-income households rose at about the same rate as the rise in the median, producing little change to the moving line poverty rate from 1994 to 2010.**
Hardship

For all the reasons discussed, well-being is not necessarily well-represented by income measures alone. ‘Hardship’ measures include not being able to afford to go to the doctor, being unable to afford shoes and wet weather clothing, not going on school outings because of cost, and children having to share a bed (Ministry of Education, 2009).

Figure 2 uses non-monetary indicators of the Living Standards Survey to illustrate the generally poor living standards experienced by Māori families with children in Aotearoa New Zealand in 2004. It shows that only 17% of Māori families experienced good or very good living standards, while 41% of Māori families with dependent children experienced some hardship, or significant or severe hardship. Māori families made up 26% of those living with severe or significant hardship and included 40% of Māori children.

Figure 2 Distribution of Living Standards of Māori Families with Dependent Children (2004)

In 2008 the living standards survey was repeated and Table 3 shows the changes in hardship rates for children between 2004 and 2008. Data available for Perry in 2009 and 2010 did not have a big enough sample to provide a living standards comparison for later years. The next major living standards survey is due in 2012.

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17 Comparable data for Pasifika families with dependent children is not available because of the small sample size.
<table>
<thead>
<tr>
<th></th>
<th>Hardship rates (%)</th>
<th>Is the change likely to be statistically significant (at 95%)?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2004</td>
<td>2008</td>
</tr>
<tr>
<td>Dependent children (0-17 yrs)</td>
<td>26</td>
<td>19</td>
</tr>
<tr>
<td>Ethnicity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>European</td>
<td>16</td>
<td>14</td>
</tr>
<tr>
<td>Māori</td>
<td>40</td>
<td>32</td>
</tr>
<tr>
<td>Pasifika</td>
<td>59</td>
<td>40</td>
</tr>
<tr>
<td>Other</td>
<td>20</td>
<td>13</td>
</tr>
<tr>
<td>Income source of family</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefit</td>
<td>59</td>
<td>53</td>
</tr>
<tr>
<td>Market</td>
<td>16</td>
<td>12</td>
</tr>
</tbody>
</table>

Table 4 Changes in hardship rates (ELSI Levels 1-2): children (0-17 yrs), 2004 to 2008 (Source Perry 2010 p. 58)

There are two conclusions to draw from Table 4 above. There was a marked improvement in child poverty rates and in particular, from 2004 to 2008, the hardship rate for children decreased from 26% to 19%. However, while the poverty rates fell for Māori and Pasifika children, the samples are too small for a definitive conclusion.

Another important point to note is:

*The gains were mostly from low to middle income working families, with little change in hardship rates for children from beneficiary families.* (Perry, 2009b, p. 57)

The rates of Māori children in the bottom two levels of hardship remained very high reflecting the over-representation of Māori families in benefit households who were largely excluded from the benefits of Working For Families (St John & Dale, 2010). Figure 3 below shows hardship distributions (left-hand red, orange, and pink columns) for the Māori and Pasifika populations are more pronounced than those for European and Asian populations.\(^\text{18}\)

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\(^{18}\) Hardship Distribution on Figure 3 proceeds left to right from extreme hardship (red) to no hardship (blue)
Perry’s (2009) summary of hardship findings for 2008 includes the following statistics: the hardship rate for sole parent families (39%) is around 4 times that for those in two parent families (11%); although beneficiary families with dependent children have a hardship rate of 51% (almost 5 times the 11% of working families with children), nearly half the children in hardship are from working families. Sole parent families in work have a hardship rate of 20%, well below the 54% rate of sole parent beneficiary families. Māori and Pasifika people have hardship rates some 2 to 3 times that of those in the European or Other groups, and families with 4 or more children have hardship rates of 27%, compared to the 17% of those with 1-2 children.

Somewhat surprisingly, the 2011 household incomes report finds that from 2007 to 2010, on average, around one in three Māori children, and one in four Pasifika children were living in poor households (Perry, 2011, p. 12). Perry says the high poverty rate for Māori children is a reflection of the high proportion of Māori children living in sole-parent beneficiary families and households, as around 43% of all Domestic Purposes Benefit recipients were Māori in the 2007 to 2010 period (Perry, 2011, p. 12).

In contrast to the hardship figures in Figure 3 above, the Pasifika poverty rate appears lower than that of Māori, but sample sizes are small. Conjecturally, it may be that a given low income for Pasifika families results in a lower standard of living or consumption possibilities because of possible obligations of transfers to the islands and to church.

The 2011 report on household incomes shows that all population groups in Aotearoa New Zealand have experienced a strong rise in real equivalised median income to 2010 from the opening low point in the mid-1990s (Perry, 2011). In real
terms, overall median household income rose 47% from 1994 to 2010. For Māori, the rise was stronger at 68% and strongest for Pasifika at 77% (Perry 2010, p. 64). The data underpinning the good news of these improvements is shown in Figure 4 and Table 5 below.

Figure 4 Real equivalised median household incomes (BHC) by ethnicity, 1988 to 2010 ($2010) (Perry 2011, p. 64, Figure D.10)

Figure 4 and Table 5 clearly show the steady trend of improvement in incomes for Pasifika households, and the lag of Māori households after 2004.

<table>
<thead>
<tr>
<th>Year</th>
<th>Euro/Pākehā</th>
<th>NZ Māori</th>
<th>Pasifika</th>
<th>Other</th>
<th>ALL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988</td>
<td>26,400</td>
<td>21,900</td>
<td>21,400</td>
<td>23,700</td>
<td>25,200</td>
</tr>
<tr>
<td>1990</td>
<td>26,300</td>
<td>19,700</td>
<td>18,800</td>
<td>22,800</td>
<td>24,600</td>
</tr>
<tr>
<td>1992</td>
<td>23,600</td>
<td>16,100</td>
<td>17,000</td>
<td>22,500</td>
<td>22,200</td>
</tr>
<tr>
<td>1994</td>
<td>23,300</td>
<td>16,300</td>
<td>16,800</td>
<td>17,000</td>
<td>21,400</td>
</tr>
<tr>
<td>1996</td>
<td>24,200</td>
<td>19,300</td>
<td>16,600</td>
<td>19,500</td>
<td>22,700</td>
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<tr>
<td>1998</td>
<td>26,400</td>
<td>20,400</td>
<td>18,000</td>
<td>16,700</td>
<td>25,300</td>
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<td>26,900</td>
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<td>20,600</td>
<td>26,200</td>
<td>27,300</td>
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<td>2004</td>
<td>30,300</td>
<td>22,600</td>
<td>24,200</td>
<td>21,900</td>
<td>30,300</td>
</tr>
<tr>
<td>2007</td>
<td>31,100</td>
<td>22,100</td>
<td>27,600</td>
<td>27,600</td>
<td>31,100</td>
</tr>
<tr>
<td>2009</td>
<td>34,200</td>
<td>23,300</td>
<td>27,300</td>
<td>26,700</td>
<td>34,200</td>
</tr>
<tr>
<td>2010</td>
<td>34,600</td>
<td>27,300</td>
<td>27,000</td>
<td>28,000</td>
<td>31,600</td>
</tr>
</tbody>
</table>

Table 5 Real equivalised median household income (BHC) by ethnicity, 1988-2010 ($2010) (Source: Perry 2011, p. 64, Figure D.10)

Importantly, the improvements in median household incomes have not translated into improved conditions for the poorest children, who live, in many cases, well under the 60% median line, particularly Māori and Pasifika children. Real household incomes for Māori did not increase between 1988 and 2001, and for Pasifika, households did not improve on their 1988 levels until 2003. This striking result indicates the likely extent to which Māori and Pasifika families bore the brunt of the economic restructuring in the 1980s and the disappearance of manufacturing jobs.¹⁹

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¹⁹ See section entitled ‘Parental Labour Market Skills’.
Figure 5 shows how, over time, the same income can result in different levels of material well-being. In particular, for a household that is moving in and out of work depending on the economic cycles, either erosion of assets can occur, or in the worst cases, an asset-base is never accumulated.\(^{20}\)

---

\(^{20}\) Perry (2011, p. 18) writes: Figure A.1 shows at a high level the different factors that can impact on living standards. The level and quality of financial and physical assets, assistance from support networks and government services, and special demands on the household budget can all have significant positive or negative effects on living standards, over and above the effect of current income. As these factors fall differently across different households, households with the same or similar equivalised incomes can have different living standards. For these reasons, current household income, even when adjusted for household size and composition, can only be a rough indicator of actual household living standards.
Risk Factors for poor outcomes for Māori and Pasifika children

- Iwi-affiliation and ties to one’s rohe potentially make Māori less mobile, thus more vulnerable to regional labour market conditions.
- There is also a clear correlation between levels of household income and levels of overcrowding, which manifests in poor child health outcomes. 43% of Pasifika people live in households requiring an extra bedroom, compared to 23% of Māori, and 4% of European households.
- Major contributors to poor outcomes for children are high levels of parental joblessness and low incomes. 25% of working aged Māori and 30% of Pasifika are on some form of benefit. Māori and Pasifika unemployment rates increase alarmingly with any downturn in economic activity. When in employment, Māori and Pasifika are paid at around 14% lower wage rates.
- In an economic and social system that is increasingly structured around participation in a skilled or “knowledge” labour market education is vital, as is good quality early childhood education.
- An operative factor in child maltreatment is poverty.

In this section we review the variety of ‘risk factors’ associated with material deprivation. These include regional distribution, beneficiary status, joblessness, education, and health.

Where Māori Live

The majority of Māori children live in the north of the North Island (see Table 6), with 57% living in one of the four northern regions of (BOP, Waikato, Auckland and Northland). Other populated regions in terms of Māori children are Hawkes Bay, Taranaki, Manawatu-Wanganui, Wellington.

<table>
<thead>
<tr>
<th>Region</th>
<th>0–4 Years</th>
<th>5–9 Years</th>
<th>10–14 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northland Region</td>
<td>7.1%</td>
<td>7.9%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Auckland Region</td>
<td>25.1%</td>
<td>24.0%</td>
<td>23.4%</td>
</tr>
<tr>
<td>Waikato Region</td>
<td>13.7%</td>
<td>13.5%</td>
<td>13.6%</td>
</tr>
<tr>
<td>Bay of Plenty Region</td>
<td>11.7%</td>
<td>12.1%</td>
<td>12.3%</td>
</tr>
<tr>
<td>Gisborne Region</td>
<td>3.3%</td>
<td>3.4%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Hawke’s Bay Region</td>
<td>5.9%</td>
<td>6.1%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Taranaki Region</td>
<td>2.8%</td>
<td>2.9%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Manawatu-Wanganui Region</td>
<td>7.5%</td>
<td>7.8%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Wellington Region</td>
<td>9.8%</td>
<td>9.6%</td>
<td>9.2%</td>
</tr>
<tr>
<td>Tasman Region</td>
<td>0.5%</td>
<td>0.6%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Nelson Region</td>
<td>0.6%</td>
<td>0.6%</td>
<td>0.7%</td>
</tr>
</tbody>
</table>
Table 6 Distribution of Māori Children by Regional Authority (Census, 2006)

<table>
<thead>
<tr>
<th>Regional Authority</th>
<th>Percent 2001</th>
<th>Percent 2006</th>
<th>Percent 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marlborough Region</td>
<td>0.6%</td>
<td>0.7%</td>
<td>0.8%</td>
</tr>
<tr>
<td>West Coast Region</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Canterbury Region</td>
<td>6.7%</td>
<td>6.6%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Otago Region</td>
<td>2.1%</td>
<td>1.9%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Southland Region</td>
<td>2.0%</td>
<td>1.8%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Area Outside Region</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Figure 6 provides a map outlining the areas in Aotearoa New Zealand with high levels of deprivation. The north and east of the North Island are the most deprived regions and as shown in Table 6, there is a strong concentration of Māori children in these areas.

It does not follow that the location of Māori households is causative in material deprivation. The regional pattern of deprivation and Māori settlement could be simply correlational. It is certainly unlikely that moving Māori out of poor areas would directly contribute to reducing deprivation.

However, Vaithianathan (1995) argues that iwi-affiliation and ties to one’s rohe potentially made Māori less mobile than non-Māori, thus more vulnerable to
regional labour market conditions. Using data from the 1991 census she shows that Māori who were affiliated to the local iwi were less likely to move, and that Māori would stay in regions with on average 2% higher unemployment because this was their rohe. Sin and Stillman (2005), updating her study using census data from 1991, 1996, and 2001, find that the 40% of Māori living in areas local to their iwi are 1-3% less mobile than Europeans in the same area.

These studies suggest that regional location might in fact be a contributory factor to deprivation. In this paper we therefore provide, to the extent that data is available, information in a regional context. We also provide, below, data on housing, and home ownership. This data provides some explanation for the densities of Māori populations in particular locations, and it also provides some information on hardship as demonstrated by overcrowding. This also relates to health issues, as contagious diseases are more easily spread in crowded living conditions.

**Housing**

Housing costs aggravate the poverty experienced by low-income households and especially those households with children. Tenant households are generally younger and poorer than owner-occupier households. While 33% of all households rent rather than own their homes, children are over-represented with 39% of all children living in tenant households (James & Saville-Smith, 2010). As Johnson (2010b) notes, tenant households move more frequently than owner-occupiers and this disrupts schooling for their children, especially for families who relocate frequently.

In addition to impacting negatively on children’s education, overcrowding has adverse health effects. In overcrowded households, residents experience more contact with sick people, and limited washing facilities and sharing of linen and towels make adequate hygiene harder to achieve. Overcrowding appears to be a contributing factor to children acquiring severe skin infections requiring hospitalisation (O’Sullivan, Baker, & Zhang, 2010) and also rheumatic fever. Aotearoa New Zealand researchers have called for action to reduce household crowding in order to address our alarming rates of rheumatic fever (Jaine, Baker, & Venugopal, 2011).

The future quality of our housing stock is also an issue. The Price Waterhouse Cooper report (2009), suggested that the number of buildings likely to suffer
Weather tightness failures could be as high as 110,000.\(^{21}\) Wet, overcrowded homes are more likely to be endured by low income families with consequent health implications.

Detailed analysis of the 2006 Census shows that overcrowding was particularly concentrated in a small proportion of neighbourhoods and communities. The poorest 10% of census area units in Auckland, mostly in South Auckland, comprised 9.7% of that region’s population, 14.2% of its children, 35% of the region’s overcrowded households, and 37% of Auckland children living in overcrowded households. These neighbourhoods comprised just over 3% of the national population and nearly 5% of its children but over 14% of the country’s crowded houses and nearly 15% of the children living in crowded houses.

As shown in Figure 7, going by absolute numbers, in 2006, the largest group of those living in households requiring at least one extra bedroom were those who identified as European (32%), followed by Māori (30%), and Pasifika peoples (27%). Of those living in more severe crowding situations requiring two or more bedrooms, the largest groups were Pasifika peoples at 37% and Māori at 32%.

Taking instead the percentage of the specific ethnic group, 43% of Pasifika peoples lived in households requiring an extra bedroom, compared to 23% of Māori and 4% of European households (Ministry of Social Development, 2010, p. 71).

![Figure 7 Proportion of population living in households requiring at least one additional bedroom, by ethnicity, 1986-2006 (Source: Ministry of Social Development 2010, p. 70, Figure EC75.71)](image)

There is considerable variation across the country in the proportion of people living in households requiring one or more extra bedrooms. In 2006, Manukau City had the highest proportion, with 25%, Opotiki District had 19%, Kawerau District 18%, and Porirua City and Auckland City both had 17% (Ministry of Social Development, 2010, p. 71).

---

\(^{21}\)By 2010, it was suggested that that estimate was light, and the problem and the likely cost was significantly higher (Laxon, 2010).
Primary factors accounting for the extreme variation in crowding levels between ethnic groups include cultural attitudes, economic conditions, and variance in population age structures. For example, Māori and Pasifika peoples both have younger age structures than the European population. Also, households living in rental accommodation were more likely to be crowded (10%) than those living in houses they owned (either with a mortgage, 4%, or mortgage-free, 2%). There is a clear correlation between levels of income and levels of crowding. People with full-time jobs are less likely to be living in crowded households than unemployed people (7% and 20%, respectively). In 2006, 17% of people receiving income support were living in crowded households (Ministry of Social Development, 2010, p. 71).

Table 7, summarises data on child poverty from recent analysis of Statistics New Zealand’s Household Economic Survey (HES) (Perry, 2010, pp. 86 - 87). This analysis indicates that a household dependent upon a full-time, low paid job and receiving three income top ups from Government (In Work Tax Credit, Family Tax Credit and Accommodation Supplement) can still be living with housing-related financial stress.

<table>
<thead>
<tr>
<th>Threshold type</th>
<th>Constant value</th>
<th>Relative to contemporary median</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>2007 median</td>
<td>2007 median</td>
</tr>
<tr>
<td>BEFORE HOUSING COSTS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>16%</td>
<td>30%</td>
</tr>
<tr>
<td>2007</td>
<td>13%</td>
<td>20%</td>
</tr>
<tr>
<td>2009</td>
<td>8%</td>
<td>14%</td>
</tr>
<tr>
<td>AFTER HOUSING COSTS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>22%</td>
<td>31%</td>
</tr>
<tr>
<td>2007</td>
<td>10%</td>
<td>22%</td>
</tr>
<tr>
<td>2009</td>
<td>10%</td>
<td>22%</td>
</tr>
</tbody>
</table>

Table 7 Proportion of children below various poverty thresholds – before & after housing costs (Source: Perry, 2010, pp. 86 – 87)
Health for Māori and Pasifika

- Māori and Pasifika children have two to three times poorer health that non-Māori, non-Pasifika children.
- A child in the greatest poverty has a 13 to 14 times increased risk of hospital admission with bronchiectasis than a child from the most well-resourced areas.
- Pasifika children have an 11 times increased risk and Māori nearly 5 times increased risk of being admitted to hospital with bronchiectasis compared with a European child.
- A Māori child has nearly 28 times increased risk and a Pasifika child nearly 54 times increased risk of being hospitalised for rheumatic fever compared with a European child.
- Māori infants are at relatively high risk of low birth weight.

Poor health in childhood is a risk factor for poor outcomes. Children growing up in poverty are more likely to suffer infant mortality and hospital admissions for infectious and respiratory diseases (Craig, Jackson, Han, & NZCYES Steering Committee, 2007; National Health Committee, 1998). Furthermore, Aotearoa New Zealand research demonstrates that family poverty during the crucial early years of childhood increases the risk of longer term negative outcomes such as heart disease, poor dental health, antisocial behaviour (Boden, Fergusson, & Horwood, 2010), and drug abuse in adulthood (Poulton et al., 2002).

Not only have health outcomes for Aotearoa New Zealand children worsened over the past three decades, disparities in poor health outcomes have widened as well. Children in very low-income and beneficiary families, and children of prisoners have worse health outcomes than other children (Public Health Advisory Committee, 2010a). In addition, ethnic disparities are large. Māori and Pasifika children have two to three times poorer health that non-Māori, non-Pasifika children (Public Health Advisory Committee, 2010a). The February (2011) report of the United Nations Committee on the Rights of the Child recommended that inequalities in access to health services be addressed by a dual approach: coordination across all Government departments, and coordination between policies for health and policies aimed at reducing income inequality and poverty.

The New Zealand Child and Youth Epidemiology Service (NZCYES) developed a new code of conditions in 2007 (Craig, et al., 2007) where there are large socioeconomic and ethnic disparities for children. A focus on access to primary care is important, but the broader issues in these conditions include household income, housing,
nutrition, and exposure to cigarette smoke (New Zealand Child and Youth Epidemiology Service, 2008). For example, a child in the greatest poverty has a 13 to 14 times increased risk of hospital admission with bronchiectasis than a child from the most well-resourced areas. Pasifika children have an 11 times increased risk and Māori nearly 5 times increased risk of being admitted to hospital with bronchiectasis compared with a European child (Craig, et al., 2007; Craig, Taufa, Jackson, & Yeo Han, 2008; New Zealand Child and Youth Epidemiology Service, 2008).

The incidence of acute rheumatic fever, an inflammatory reaction to an untreated bacterial throat infection, is another example of a poverty-related preventable illness. Rheumatic fever usually occurs in school-aged children and can affect the brain, heart, joints, and skin. One of the worst complications from this disease is permanent damage to the heart. Aotearoa New Zealand’s rheumatic fever rates have remained relatively unchanged since the 1990s and are about 13 times higher than those of most other developed countries (The Paediatric Society of New Zealand, 2010). A child from a family in the poorest two deciles is nearly 30 times more likely to be admitted to hospital with rheumatic fever compared to a child from the most well-resourced 20% of areas. A Māori child has nearly 28 times increased risk and a Pasifika child nearly 54 times increased risk compared with a European child (Jaine, et al., 2011).

Childhood ill-health is a major impediment to achieving good outcomes. Table 8 provides data on recent health risk factors and outcome statistics for Māori children. Māori infants are at relatively high risk of low birth weight. The majority of Māori children are not caries-free by age 5, which is another risk factor for poor economic outcomes. Evidence from the US suggests that simply having fluoridation in childhood is associated with a 4% increase in the wage rate for females (Glied & Neidell, 2008). The high rate of smoking amongst Māori 15-17 year olds is another area of concern. Smoking has significant health consequences for adults later in life. Parental smoking is associated with low birth weight infants and exposes children to the hazards of second-hand smoke (Ministry of Health, 2006). Under smoke-free legislation, employers are also able to specify smoking at work as a misconduct offense – and therefore smoking can impede the ability of young Māori to retain jobs.

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22Smoking is very expensive and reduces the ability to save for a house or other assets. Following recent increases in the excise taxes on tobacco, a packet of 20 cigarettes has an excise tax of $7, implying that Government collects around $1.8m in taxes from Māori 14-15 year old smokers. See [http://www.odt.co.nz/news/politics/87942/government-likely-raise-tobacco-tax-bid-cut-smoking](http://www.odt.co.nz/news/politics/87942/government-likely-raise-tobacco-tax-bid-cut-smoking).
<table>
<thead>
<tr>
<th>Health issue, and age</th>
<th>Percentage of the Māori population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overweight 5-14 years</td>
<td>24.60%</td>
</tr>
<tr>
<td>Obese 5-14 years</td>
<td>12.60%</td>
</tr>
<tr>
<td>Daily Smoking(self-reported), 14-15 years</td>
<td>17.30%</td>
</tr>
<tr>
<td>Low Birth Weight</td>
<td>71.8 per 1000 live births</td>
</tr>
<tr>
<td>Infant Mortality rate</td>
<td>7.1 per 1000 live births</td>
</tr>
<tr>
<td>Sudden infant death syndrome (SIDS) mortality</td>
<td>1.8 per 1000 live births</td>
</tr>
<tr>
<td>Breastfeeding (exclusive) at 3 months</td>
<td>53.80%</td>
</tr>
<tr>
<td>Breastfeeding (exclusive) at 6 months</td>
<td>8.20%</td>
</tr>
<tr>
<td>Unintentional Injury Hospitalization (0-14 year olds)</td>
<td>1,743 per 100,000</td>
</tr>
<tr>
<td>Unintentional Injury Mortality (0-14 year olds)</td>
<td>18.6 per 100,000</td>
</tr>
<tr>
<td>Mean number of missing or filled teeth at 5 years of age</td>
<td>2.9 fluoridated supply; 4.2 non-fluoridated supply</td>
</tr>
<tr>
<td>Caries-free at 5 years of age</td>
<td>40% fluoridated supply; 32% non-fluoridated supply</td>
</tr>
<tr>
<td>Mean number of missing or filled teeth at school year 8</td>
<td>1.7 fluoridated supply; 2.7 non-fluoridated supply</td>
</tr>
<tr>
<td>Caries-free at school year 8</td>
<td>44.2% fluoridated supply; 30.8% non-fluoridated supply</td>
</tr>
<tr>
<td>Intentional self-harm Hospitalization (15-24 years)</td>
<td>331.4 per 100,000</td>
</tr>
<tr>
<td>Suicide mortality (15-24 years)</td>
<td>38.6 per 100,000</td>
</tr>
<tr>
<td>Meningococcal disease notifications (0-4 years)</td>
<td>40.3 per 100,000</td>
</tr>
<tr>
<td>Meningococcal disease notifications (5-19 years)</td>
<td>4.8 per 100,000</td>
</tr>
</tbody>
</table>

Table 8 Health Risk Factors and Outcomes for Māori children

Adolescent health and well-being are influenced by healthy families and communities that are able to provide opportunities for teens to contribute and develop. Adolescents’ and their families’ health is also influenced by wider structural factors such as poverty and unemployment. These factors influence young people’s ability to transition successfully into meaningful employment, to further their training and education, and to form long-term relationships and start families (Staff et al., 2010).

Ultimately, the health and well-being of adolescents growing up in Aotearoa New Zealand is a reflection of whether or not we provide an equitable and fair society with opportunities for young people to flourish.
Joblessness and Labour Market Outcomes

- Māori and Pasifika unemployment has remained stubbornly high.
- Since the global financial crisis, Māori and Pasifika unemployment rates have shown an alarming increase.
- Long-term cyclical fluctuations in employment and wages decrease long term income security making it harder for Māori and Pasifika families to take on mortgages and thus achieve home-ownership.
- Aotearoa New Zealand’s current economic performance which entails repeated cycles of recessions and booms might be entrenching high levels of unemployment into Māori and Pasifika working age populations.

High levels of joblessness is a major contributor to poor outcomes for children. Māori and Pasifika unemployment has remained stubbornly high – even when Aotearoa New Zealand was enjoying exceptionally high growth rates in 2007, as shown in Figures 10 and 11 below.

Figure 8 Māori Unemployment rate (Māori in the Labour Market, Department of Labour, 2011)
Since the global financial crisis, Māori and Pasifika unemployment rates have shown an alarming increase. The actual level of joblessness is much higher — given the large exodus of Māori and Pasifika from the labour force (New Zealand Department of Labour, 2011).

Alexander, Genc, and Jaforullah (2006) analysed whether differences in other characteristics could explain the fact that Māori have lower wages than Europeans. Even after accounting for characteristics such as age, education, number of dependent children, household composition, and gender they found that Māori have a 14% lower wage rate than Europeans.

The persistently high levels of unemployment and the fact that during recessions Māori and Pasifika are most likely to suffer sharp increases in unemployment is particularly damaging to children. Long-term cyclical fluctuations in employment and wages decrease long term income security making it harder for Māori and Pasifika families to take on mortgages and thus achieve home-ownership.

There are also long-term scarring effects of moving in and out of the labour market (Dixon & Stillman, 2009). During recessions, Māori and Pasifika workers lose jobs at a fast rate, with long term implications for their ability to re-enter the labour market during economic booms. Therefore, Aotearoa New Zealand’s current economic performance which entails repeated cycles of recessions and booms might be entrenching high levels of unemployment into Māori and Pasifika working age populations.
Benefit Adequacy

- 25% of working aged Māori and 13% of Pasifika population are in receipt of government benefits.
- Child poverty is strongly correlated with the benefit status of the family.
- The incidence of violence towards children in Aotearoa New Zealand is particularly high.

Along with having high rates of sole-parent households, 25% of working aged Māori and 13% of Pasifika population are in receipt of government benefits (Ministry of Social Development, 2011). Moreover there is some evidence that Māori do not take up their full entitlements such as for housing assistance (Colmar Brunton, 1996). Therefore, an additional risk of deprivation and hardship for Māori children arises through reduced access to benefits and benefit inadequacy.

Benefits are indexed to prices and have declined relative to the average wage since the benefit cuts of 1991 as shown in Figure 10 below (Perry 2010 p. 44). The relativity of the DPB to wages declined markedly from the late 1980s. The decline was due to the benefit cuts in 1991, growth in real wages in the 1990s and 2000s, and the lack of indexation of family tax credits. There was a very small improvement in tax credits for children in the 2005-2007 period when Working for Families was introduced. But at that time the rate of the DPB was also cut for those with two or more children and Hardship Grants became harder to access.

![Figure 10 Benefits as percentage of average wage, 1982 - 2010 (Source: Perry 2010, p. 44)](image)

Child poverty is strongly correlated with the benefit status of the family. As Perry notes, poverty rates for children in households where at least one adult is in full-time employment are much lower than for children in workless households (Perry, 2010), 11% and 74% respectively in 2009.
Robinson, in “Food costs for families”, Regional Public Health(2010), has calculated benefit adequacy in terms of access to healthy food. Her calculations show that a single parent on the DPB with a boy of 5 years and a girl of 4 will need to spend 42% of their total income (after housing costs) to provide a basic balanced diet.

Benefit adequacy, along with the availability of adequately paid and accessible work opportunities, brings to the fore two further dimensions of importance. Firstly, children from areas with the greatest poverty have nearly three times the likelihood of being admitted to hospital over those from the most well-resourced areas (Salmond, Crampton, & Atkinson, 2007), so poverty poses health risks for children. Secondly, while most children living in low-income homes do not experience violence or maltreatment, and while child abuse is not only experienced in low-income families, there is an observed relationship between poverty and abuse and violence. This relationship has disastrous consequences for some of the most vulnerable children in our society. The incidence of violence towards children in Aotearoa New Zealand is particularly high (Carroll-Lind, Chapman, & Raskauskas, 2011, p. 11). UNICEF research suggests that, while ethnic minorities often have high levels of child maltreatment, the operative factor is poverty, “which disproportionately affects ethnic minority families” (UNICEF, 2003, p. 13). So poverty also poses harm risks for children.
Given the importance of labour force participation in mitigating poverty for children, appropriate parental labour market characteristics in the rapidly changing economy is increasingly important.

In 2009, almost one third of students in Aotearoa New Zealand schools were either Māori (22%) or Pasifika (10%). Literacy and numeracy amongst Māori has been growing but not sufficiently fast given the rapid loss of jobs in the economy. On average 95% of all new entrants have had some ECE when they start school. However, the figure for Māori is 91% and for Pasifika children it is 85%. Most Māori children attend schools, polytechnics, and universities where a Māori dimension is added onto an existing framework. These students find in these pathways support for self-development and self-determination, representing the move away from “a focus on deficit, problems, failure and risks, to a focus on making the most of opportunities for success”.

The rate of increase in attainment over time is higher for Māori students than that for non-Māori. Pasifika students have continued to increase their rates of attainment in NCEA at typical levels and above.

Education in Aotearoa New Zealand begins in early childhood, and the Government has stated that improving ECE participation for Māori and Pasifika children and children from lower socio-economic backgrounds is a priority. On average 95% of all new entrants have had some ECE when they start school. However, the figure for Māori is 91% and for Pasifika children it is 85% (Ministry of Education, 2010a). There is also regional variation. Children entering lower-decile schools are also much less likely to have participated in ECE than their peers entering higher-decile schools (Ministry of Education, 2010a).
<table>
<thead>
<tr>
<th></th>
<th>Under 5’s population (June 2010)</th>
<th>ECE enrolments (July 2010)</th>
<th>Enrolment as % of under 5’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flaxmere</td>
<td>1,205</td>
<td>475</td>
<td>40%</td>
</tr>
<tr>
<td>Hastings urban area</td>
<td>2,530</td>
<td>1,654</td>
<td>65%</td>
</tr>
<tr>
<td>Havelock North</td>
<td>700</td>
<td>757</td>
<td>108%</td>
</tr>
<tr>
<td>HASTINGS DISTRICT (includes home based services)</td>
<td>5,760</td>
<td>4,338</td>
<td>74%</td>
</tr>
</tbody>
</table>

Table 9 Distribution of ECE places in Hastings District 2010 (Source: Ritchie & Johnson data is compiled from Statistics New Zealand and Education Counts (2011)).

The provision of high-quality, affordable, accessible, and available early childhood education benefits both young children and their parents, and ultimately the community. Aotearoa New Zealand and international studies have found that in good quality ECE centres, children from low-income and disadvantaged homes could have greater cognitive gains in mathematics and literacy than most other children (Mitchell, Wylie, & Carr, 2008, p. 3). Thus the lack of provision of early childhood care and education places in rural and low-income areas is a real cause for concern. Research by Ritchie and Johnson (2011), as shown in the table above, reveals that the levels of ECE provision are much higher in middle-class suburbs and neighbourhoods than they are in poorer communities.

Most Māori children attend schools, polytechnics, and universities where a Māori dimension is added onto an existing framework, either as a relatively autonomous unit within the wider institution, or integrated into all aspects of the operation. It is in the Māori-added pathways that most Māori pupils and students are found. These students find in these pathways support for self-development and self-determination, representing the move away from “a focus on deficit, problems, failure and risks, to a focus on making the most of opportunities for success” (Ministry of Education, 2009, p. 13).

Although non-Māori students continue to have a higher overall NCEA qualification rate, the rate of increase in attainment over time is higher for Māori students than that for non-Māori. In year 12, 67% of Māori students, and 55% of year 13 Māori students, gained an NCEA qualification at level 1, 2, or 3 in 2009. Achievement by Māori males is still improving (Education Counts, 2010a).

Pasifika students have continued to increase their rates of attainment in NCEA at typical levels and above. Literacy and numeracy attainment at level 1 is steadily

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23 This is largely a consequence of increasing reliance on private for-profit provision: in 2009, about 40% of ECE services were for-profit and about 60% non-profit, as compared to 2000 when the same split was 26%/74%. (ECE Taskforce Secretariat, 2010, p. 5)
increasing for Pasifika students each year, with the gap between Pasifika and non-Pasifika continuing to decrease. Of the year 13 Pasifika students who gain a qualification at any level, the proportion to gain a Level 3 qualification continues to increase (Education Counts, 2010b).

Government spending on education is significant. Education expenditure amounted to 17.9% of all government expenditure in 2008/9. But the education system is not achieving the success it should. Strategies have been developed for Māori and Pasifika learners, “in efforts to create environments, curricula and delivery of education that is relevant and promotes success” (Ministry of Education, 2010b, pp. 38 - 39). However, success is elusive:

*With the steady decrease in numbers of un-skilled and semi-skilled jobs and the increased demands of jobs of all levels, few doubt the need for education and training in order to make New Zealand an economically viable and socially integrated society. However, across the major social and economic indices, Pacific communities are facing disproportionate levels of negative outcomes. If their aspirations for participation are not met, and their opportunities radically improved, their strengths cannot be sustained.* (Coxon, et al., 2002, p. 13)

Figure 11 Participation rates in tertiary education (Source: Ministry of Education, 2010b, p. 36)

There is a real need for the Government to take sustained action towards addressing the supply of quality teachers to low-decile schools in ways that do not
involve business-based models, which overseas research have shown to be largely ineffective. In addition, teacher education providers need to take greater account of the social justice issues surrounding education and children in poverty (Henare, 2011, in press).

There is also a need for recognition of emerging gaps in the labour market. Demographic change, for example, means that by the late 2030s 25% of the population will be aged 65 and over, compared with 12% in 2005 (NZIER, 2006, p. i). The country will need a pool of specialists, including trained nurses, doctors, and home-care providers to support this large population of elderly people.

A further set of issues emerge out of the challenge of the future: will the prevailing economic structure continue? Or will a more equitable and sustainable model be adopted? In Aotearoa New Zealand, many Māori want to remain on their land, leading productive lives. The Australian Government invests in programmes such as the Indigenous Protected Areas (IPAs), employing indigenous rangers in recognition of their unique knowledge of the land and its cultural and natural resources (Dodson & Gill, 2011). The research shows that the approach makes sense in economic and health terms.
Future Prospects and Policy Issues: Kōkiri

Evidence from many countries shows that the recession following the global financial crisis and subsequent recovery has seen another round of shedding of jobs, especially of the type that have traditionally attracted Māori and Pasifika workers. Adverse effects on household incomes and therefore pōhara, especially poverty amongst children, looks almost inevitable. Too many Māori and Pasifika adults continue to be the ‘reserve’ labour force, being the first to suffer unemployment during a downturn and the last to enjoy the gains of a strengthening labour market.

The polarisation of jobs and wages following the growth of China and India and increased globalisation is an international phenomenon that is affecting many OECD economies. While minimum wage jobs remain and high-skilled jobs see rapid wage rises, mid-level (e.g. white collar jobs in manufacturing) are fast disappearing. Traditionally these jobs, which required only some school qualifications, were stepping stones for breaking inter-generational dependency on low wage jobs. Mid-level, mid-wage jobs provided sufficient household resources to be able to invest in children and enable them to receive further education. The erosion of these jobs suggests that the future for Māori and Pasifika prosperity through the labour market might be squeezed.

The more frequent spells of non-work experienced by Māori and Pasifika adults implies that the current safety nets for children, based on the work status of the parents/caregivers, are particularly harmful to Māori and Pasifika children.

Without a new political philosophy, without Kōkiri, there is a major risk that Māori and Pasifika families will become isolated and trapped in the low wage sector of the economy. The new philosophy would embrace tōnui, prosperity, in terms of the common good and the quest of a good life, for all the peoples of Aotearoa New Zealand.

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