

Hi Barbara

I see in UNICEF's Early Childhood Education and Care press release today that you claim that "NZ's child poverty rate was more than double the minimum standard [set by UNICEF]". This is unfortunately not correct. The correct relativity would be captured by saying that "NZ's child poverty rate was around 50 percent above the minimum standard".

The minimum standard set by UNICEF for this report is 10%. The OECD median rate is around 12%. This analysis uses the OECD poverty measure which is a relative or 'moving line' measure set at 50% of median household income. The NZ child poverty figure on this measure was close to 15% in both 2004 and 2007.

What seems to have happened is that those who prepared the UNICEF press release used a figure of 22% for NZ as found in the Barnardos/Children's Commissioner's recent report. This 22% figure is the rate you get using a measure based on household income after deducting housing costs, and using a higher threshold of 60% of the median. Whatever the merits and limitations of the respective approaches, there is no defensible basis for comparing this 22% figure with the 10% figure which is based on a quite different approach and a lower poverty line. Your press release claim is unfortunately based on an analysis that compares apples and oranges.

My concern is that the 'double the minimum standard' claim is likely to lead to dramatic and misleading headlines and that the idea will enter the child poverty discourse in NZ as a bumper sticker slogan creating unproductive noise, detracting from constructive debate and action on the very important matters that do exist around child wellbeing in NZ. Anything you can do to assist in getting the correct relativity out there would be really helpful.

The Ministry of Social Development's Household Incomes report at the link below has a good section explaining all the different poverty measures and another on international comparisons. Happy to assist in future with pre-release 'fact-checks' if you wish.

<http://www.msd.govt.nz/about-msd-and-our-work/publications-resources/monitoring/household-incomes/index.html>

Regards

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