



The living standards of the New Zealand Pacific population

■ Introduction

New Zealand went through a period of industrial expansion after World War II. European immigration and the rural-to-urban migration of Māori, who filled low skilled positions in secondary sector industries, occurred in response to the high labour demand generated by the expanding urban secondary sector. To help meet that demand, workers from the Pacific Islands were recruited as a supplementary source of labour for low skilled areas of work.

By the mid-1970s, economic conditions started to deteriorate and workers from the Pacific Islands came to be perceived quite widely as both an economic and social liability, encouraging stigmatisation and political scapegoating (Krishnan et al, 1994). Pacific Islands workers had been actively recruited into certain sectors of the New Zealand economy and primarily occupied low-skilled and low-waged positions in the manufacturing industries. Few attempts had been made to increase the range of occupations and industries in which Pacific Islands workers were employed.

The concentration of Pacific Islands workers in low-waged, low-skilled manufacturing jobs left them in a vulnerable position in the 1980s, as economic recession, restructuring and unemployment had a disproportionately harsh impact on the parts of the economy in which they were concentrated.

Although Pacific people in New Zealand have tended to be stereotyped as a single homogeneous group, they make up a diverse population, comprising people from many different birthplaces and ethnicities whose adaptations to life in New Zealand have been as varied as their origins. In the 2001 Population Census, 6 percent of the New Zealand population were of Pacific Islands ethnicity⁵¹ and 40 percent of this population were born in the Pacific Islands. Over half (58 percent) of the Pacific population are second or third generation New Zealanders⁵². The experiences of this population differ from those of their forebears who immigrated to New Zealand.

Unfortunately, the number of survey respondents of Pacific ethnicity is only 237,⁵³ which makes unfeasible the sort of disaggregation that the preceding comments indicate as being highly desirable. The best that can be done is to pool these respondents for statistical purposes

51 The Pacific population is defined in terms of total responses to the ethnicity question in the 2001 Population Census.

52 The remaining 2 percent were either born in countries outside of NZ or Pacific countries or had inadequately specified birthplace and could not be coded.

53 There were 237 respondents of Pacific ethnicity in the survey. There were also 323 Pacific children in the economic family units of the Pacific respondents. Ethnicity is based on total responses to the ethnicity question. For example, if any adult respondent or child of the respondent had a Pacific ethnic group specified as one of their ethnicities, they are counted as part of the Pacific ethnic group. Refer to chapter 2 for further information on unit of analysis and the ELSI scale.

and give a broad overview of the living standards of the admittedly artificial grouping thus created. It is hoped that future reporting of the living standards of Pacific peoples will not have to be made under such a severe limitation.

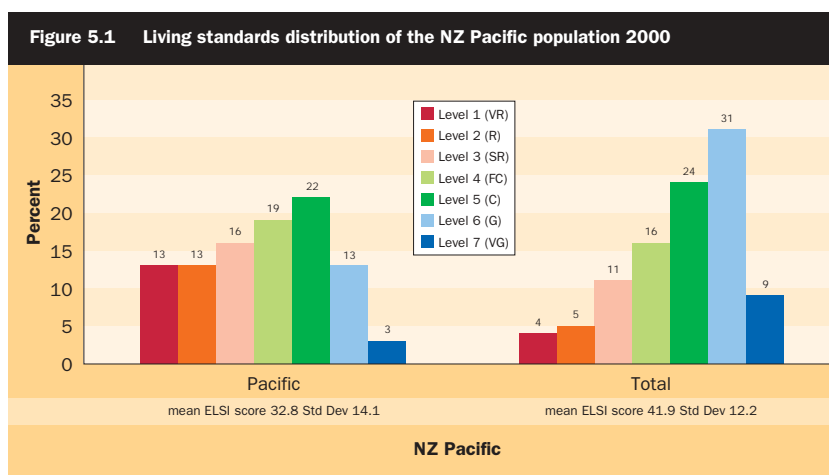
As a further reflection of the small number of Pacific respondents, the results are presented using the four category classification 'restricted' (levels 1 and 2 combined), 'somewhat restricted' (level 3), 'comfortable' (levels 4 and 5 combined) and 'good' living standards (levels 6 and 7 combined). It has been necessary to aggregate many of the other variables used in the analysis and in some cases this has meant that only average living standard scores across some variables are given. Beneath most of the graphs presented in this chapter, a table of average ELSI scores is provided for Pacific people and for all people, to enable comparisons to be made between the living standards of Pacific people and those of the general population.

The analysis presented here is based on individuals who identified a Pacific ethnic group as one of their ethnic groups in the survey⁵⁴.

■ Overall distribution

The New Zealand Pacific population is characterised by very low ELSI scores. Their ELSI distribution shows a disproportionate concentration at the lower living standards end of the scale (see Figure 5.1). The New Zealand Pacific population has the lowest average living standard score of all the ethnic groups examined. This position remains when average living standard scores are adjusted to take into account their youthful age structure. Pacific people are three times more likely than the general population to have living standards scores which place them at the 'very restricted' end of the ELSI continuum, and are three times less likely to have 'very good' living standards.

54 The analysis provided in this chapter is based on total population estimates. The ELSI scale score was derived based on information provided by the respondent on their economic family unit. Population estimates have been calculated using respondent weights to represent the adult population and child weights to represent the children in the respondent's economic family unit.



■ Variation in the living standard of Pacific people across demographic and social groups ⁵⁵

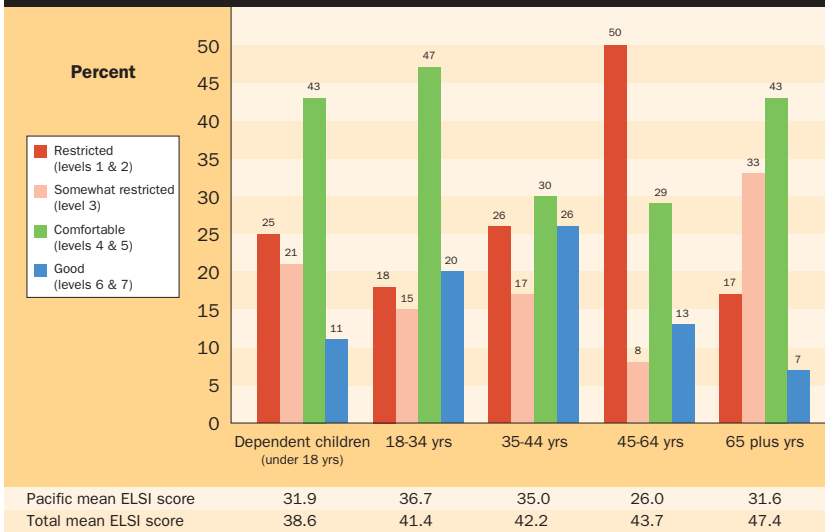
As in the total population, Pacific people's living standard scores vary according to their position on a range of variables that span social characteristics, gender, region and life-cycle. However, the patterns of variation that are observed for Pacific people do not always resemble those found for the population as a whole.

Age

Unlike the total population, there is no clear pattern of increasing living standard scores with increasing age amongst the Pacific population. The lowest average living standards are found amongst Pacific people aged 45-64 years who have a mean ELSI score of 26.0 compared to the total population score of 43.7 for that age group. They are followed by Pacific people aged 65 years and over and children under 18 years of age. The highest average scores are found amongst those aged 18-34 years. The variations by age are possibly likely to reflect the fact that 18-34 years olds are more likely to be second generation New Zealanders and older Pacific people are more likely to be first generation New Zealanders. Furthermore, older Pacific people were disproportionately affected by economic restructuring and high unemployment in the late 1980s and early to mid 1990s. The overall results however, suggest substantially lower living standards across all age groups (see Figure 5.2).

⁵⁵ As stated earlier, the analysis for the rest of this chapter will focus on the four levels of 'restricted' (levels 1 and 2 combined), 'somewhat restricted' (level 3), 'comfortable' (levels 4 and 5 combined) and 'good' living standards (levels 6 and 7 combined).

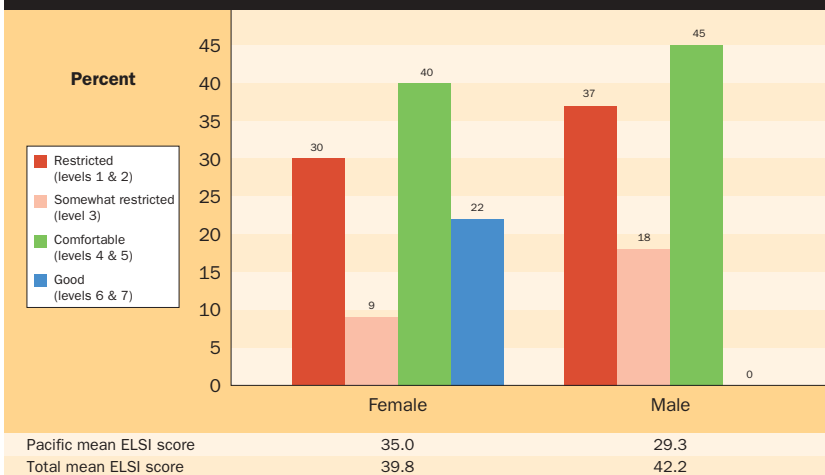
Figure 5.2 Living standards of NZ Pacific population by age 2000



Gender

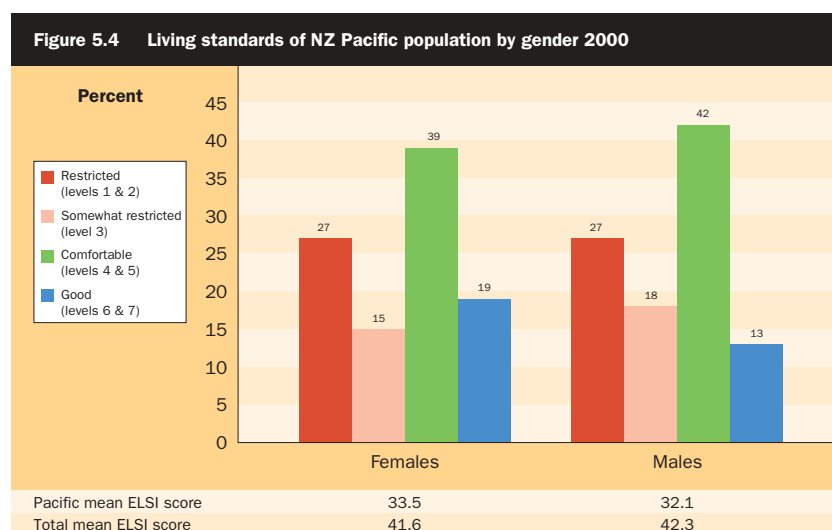
One difference from the pattern found for the total population was that Pacific men who were in single person or sole parent economic family units had substantially lower living standards scores than Pacific women in single person or sole parent economic family units (see Figure 5.3).

Figure 5.3 Living standards of NZ Pacific adults in single person and sole parent economic family units by gender 2000



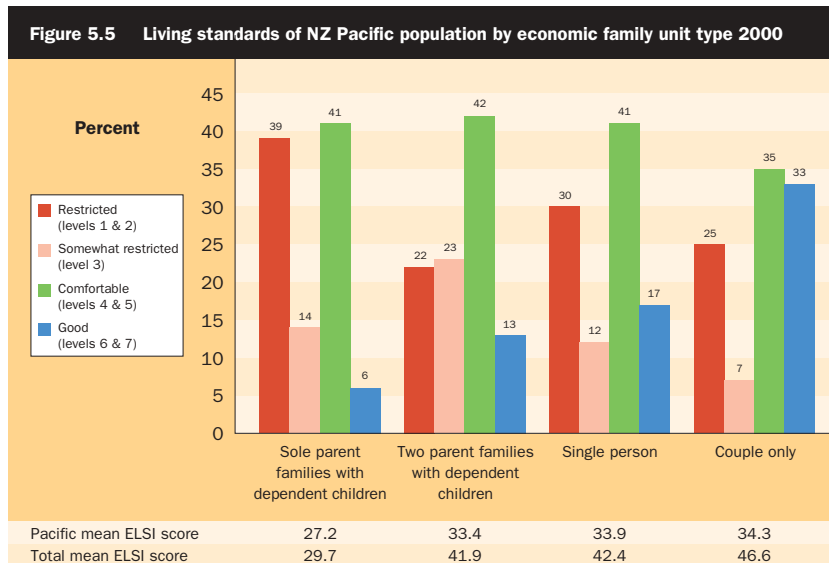
This pattern remains consistent when these economic family units are separated out into single person and sole parent economic family units. The average ELSI score for Pacific men in single person economic family units was 30.6 and sole parent economic family units was 17.2. In comparison, the average ELSI score for Pacific women in single person economic family units was 35.5 and sole parent economic family units was 32.3. Possible reasons for this pattern are not obvious, but may include better educational achievement amongst Pacific women when compared with Pacific men and the higher proportions of Pacific women relative to Pacific men who are employed in higher skilled occupations (Statistics New Zealand, 2002).

When single people and couples are combined, however, there is very little variation in the living standards distribution of the Pacific population by gender. In contrast to the total population, slightly more Pacific males compared with Pacific females have scores that place them towards the 'restricted' to 'somewhat restricted' end of the scale and slightly more Pacific females compared with Pacific males are located at the upper living standards end of the scale (see Figure 5.4).



Economic family unit type

As for the population as a whole, people in sole-parent families amongst the Pacific population have lower ELSI scores than those in other family types. The difference in average scores between those in sole-parent families and those in other family types is smaller for Pacific people than for the total population. This is partly a reflection of the lower living standards of this population across all family types (see Figure 5.5).

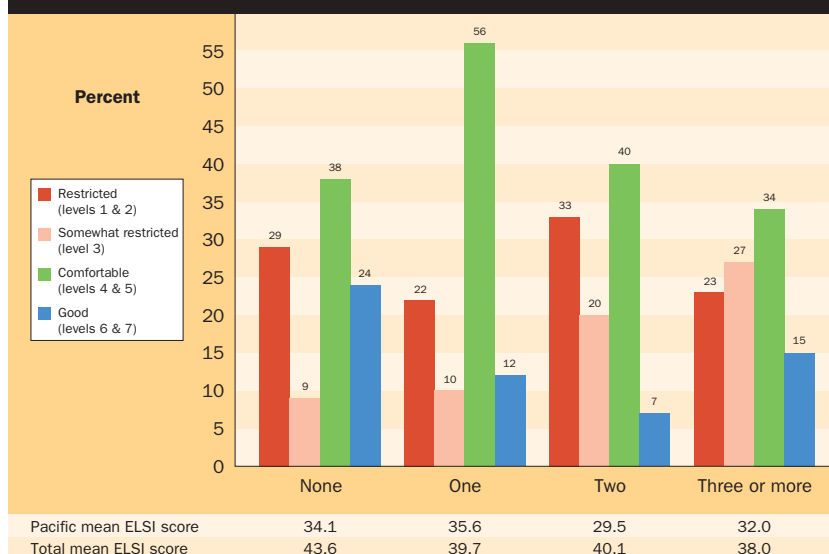


Number of dependent children ⁵⁶

The number of dependent children amongst the Pacific population showed no clear influence on Pacific living standard scores. The most obvious pattern was that the Pacific population had lower scores than found for the total population, regardless of the number of dependent children that were in the economic family unit (see Figure 5.6).

⁵⁶ This is based on the under 65 population only.

Figure 5.6 Living standards of NZ Pacific population by number of dependent children in the economic family unit 2000



Region

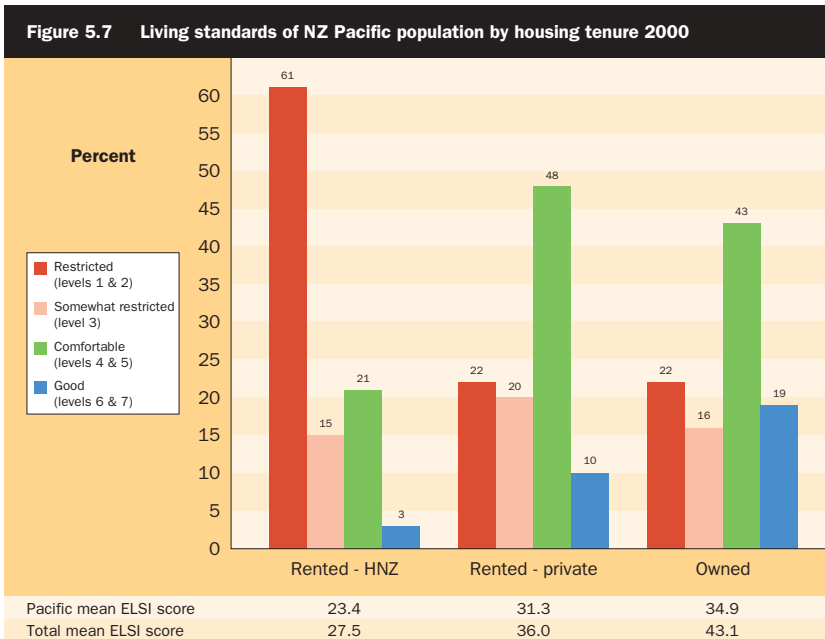
The New Zealand Pacific population is largely urbanised and the majority (69 percent) reside in the Auckland region. Despite this concentration, Table 5.1 shows that Pacific people living in the Auckland region have lower average living standards than Pacific people living in other regions.

Table 5.1 Average living standards of New Zealand Pacific population by region (2000)

Regions	Pacific ELSI mean	Total ELSI mean
Auckland	30.6	41.4
Other regions	37.8	42.2
Total	32.8	41.9

Housing tenure ⁵⁷

The average ELSI score for Pacific people who owned their homes (with or without a mortgage) was higher than it was for those who rented. Pacific people who rented from Housing New Zealand had the lowest average score with the majority of this group being placed in the 'restricted' living standards category (see Figure 5.7). The average living standard score for the Pacific population renting from HNZ was also lower than for the total HNZ population. Amongst Pacific people who owned their own homes the average score was substantially lower than that found for the total home-owning population.

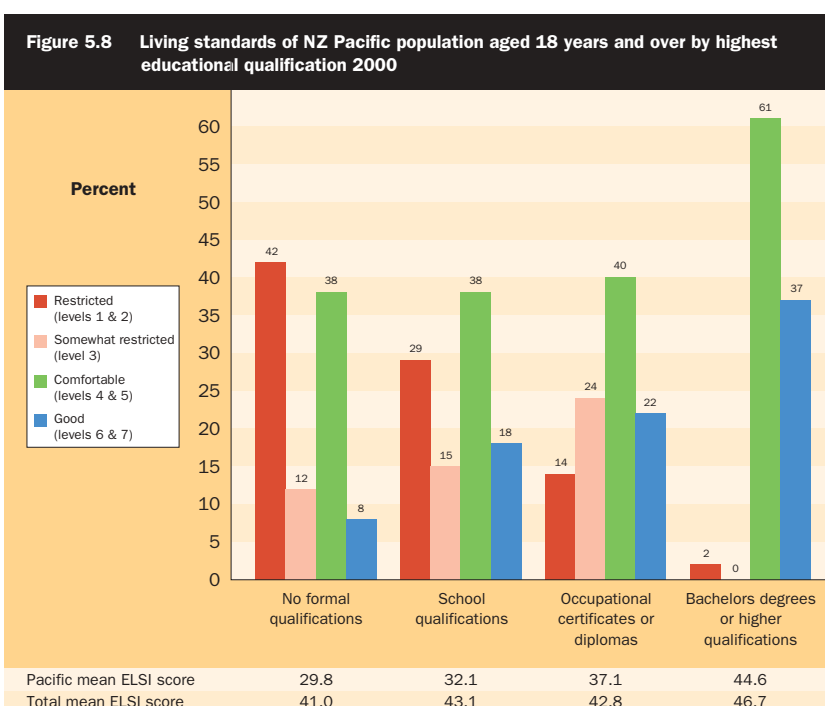


⁵⁷ Rented - private category includes those who rent from local authorities as less than 1 percent of Pacific people rent from local authorities. Local authority rentals have been occupied primarily by older European New Zealanders. In 2000, 67 percent of local authority rentals were occupied by Europeans aged 65 years and over. The criteria for allocating HNZ rentals involves assessing the applicants' household circumstances and allocates according to level of need. By the 1970s, the opening up of state housing to Māori, Pacific people, sole-parent families and other low income families produced a concentration of these groups in state housing. Consequently, local authorities provided housing to pensioners while HNZ provided housing to families with children (Ferguson, 1994). The younger age structure of the Pacific population and the need for low income family housing has meant that this population does not feature amongst those in local authority rentals. The owned category includes those who own with or without a mortgage as well as those who own as part of a family trust.

Education

Average living standard scores of the Pacific population aged 18 years and over increased from 29.8 for those with no formal qualifications to 44.6 for those with bachelors degrees or higher qualifications. Although this pattern is similar to the one for the total population, ELSI scores were much lower, on average, than they were for the total population, irrespective of qualification level (see Figure 5.8). The

difference between the average ELSI score for Pacific people and for total population, however, declined as the qualification levels increased, with the difference being lowest for those with bachelors degrees or higher qualifications.



Income source ⁵⁸

Pacific people in receipt of income-tested benefits had lower average ELSI scores than those in receipt of market incomes. This is the same as the pattern for the total population. Where Pacific people differed from the total population was that those in receipt of New Zealand Superannuation did not have markedly better living standards (on average) than those in receipt of market income. Pacific Superannuitants had a much lower average ELSI score than Superannuitants generally (the averages being 36.2 and 47.2 respectively) (see Figure 5.9). The difference between average living standards of the Pacific population and those of the total population was smallest between those in receipt of income-tested benefits and greatest amongst New Zealand Superannuitants.

58 The above analysis divides the population into three mutually exclusive groups:

- * those in economic family units where there was receipt of an income-tested benefit (core benefit) in the last 12 months and no one was in full-time employment at the time of the survey;
- * those in economic family units where there was receipt of New Zealand Superannuation;
- * those in economic family units who are in neither of the above two categories and therefore their income is primarily from market sources.

Some of the population here may have been in receipt of an income-tested benefit at some time during the past 12 months, but were full-time employed at the time of the survey. Similarly, some NZS recipients may have received an income-tested benefit before qualifying for NZS during the year. Some in the income-tested benefits group may also have received income from market sources during the year but were not in full-time employment at the time of the survey.



■ Living standards of Pacific population by financial characteristics

Chapter 3 has shown that income, asset position and accommodation costs are associated with the living standards of the wider New Zealand population and are also likely to be associated with the living standards of the Pacific population in New Zealand. A variety of other factors which are not examined are also likely to be associated with Pacific living standards. These factors include support from other family members and the wider ethnic community but also responsibilities to family, church and community that cause some income to be diverted out of the household. In some cases, this is likely to involve transfers of income beyond New Zealand.

Income

The average ELSI score for Pacific people increases from 25.9 for those with equivalent disposable incomes of \$10,000 or less to 42.4 for those with incomes of \$20,000 or more (see Table 5.2).

Table 5.2 Average living standards of Pacific population by equivalent disposable incomes of the economic family unit (2000)

Equivalent disposable income	Pacific ELSI mean	Total ELSI mean
\$10,000 or less	25.9	31.9
\$10,001 - \$20,000	30.4	40.2
\$20,001 or higher	42.4	47.9

Asset position ⁵⁹

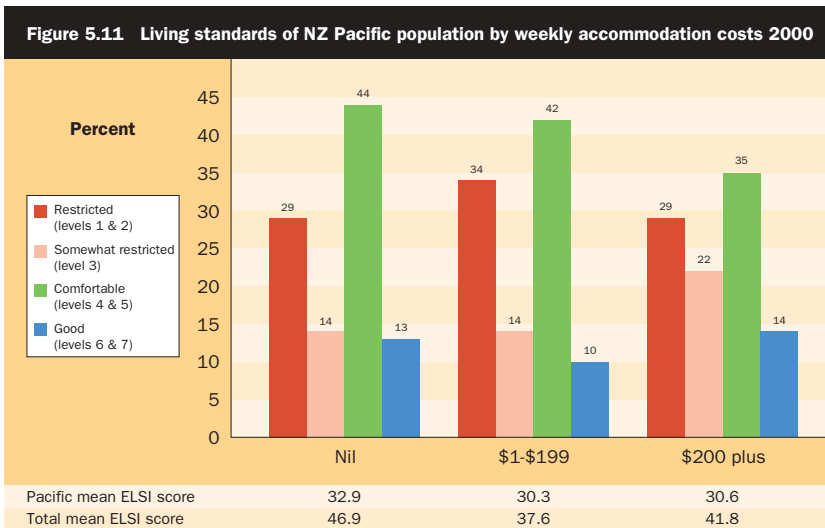
In general, Pacific people with assets over \$10,000 in value had higher living standard scores than those with assets under \$10,000 (see Figure 5.10). However, the differences in average ELSI scores between Pacific people with high and low assets were lower than for the total population (a difference of 3 compared with a difference of 7, respectively). The living standard differences for Pacific people should however be treated with caution due to small effective sample sizes, producing high confidence intervals.

Figure 5.10 Living standards of NZ Pacific population by asset position 2000

⁵⁹ A substantial group of Pacific people (55 percent) did not specify a response for this variable and it is likely that non-response is not randomly distributed across the ELSI categories.

Accommodation costs

Unlike the total population, those with no accommodation costs were not much better off than those with accommodation costs (see Figure 5.11). The results of each accommodation cost category reflect the lower living standard of this population as a whole. There does not appear to be any relationship between accommodation costs and living standards for this population. However, this does not mean that accommodation costs are not a source of hardship for some individuals, as is suggested by anecdotal evidence⁶⁰. It is likely that Pacific people are subject to many sources of hardship with the result that those with no accommodation costs are no better off due to other sources of hardship. These may include reliance on benefits, over-crowded living circumstances etc.



⁶⁰ *New Zealand Herald* 8/06/2002 'Living conditions breed illness'.
The Evening Post 23/08/2001 'Clash of opinion on rental housing'.
 New Zealand Press Association 20/10/1999 'Housing a failure, national co-operative strategy needed'.
The Dominion 24/09/1999, 'Survey details hardship due to high housing cost'.

■ Summary

The distribution of living standard scores for the Pacific population is skewed more to the lower end of the scale than it is for the total population. Of all the major ethnic groups in New Zealand, the Pacific population has the lowest ELSI scores. This disadvantaged position remains even when living standards are adjusted for age.

Amongst the Pacific population, the relationship between living standard score and gender is quite different from that nationally, with slightly more Pacific males than Pacific females having lower living standards. The relation between living standard and age also departs from the national pattern, with disadvantage amongst Pacific people being pronounced at both ends of the life cycle, in childhood and old age.

As with other ethnic groups, Pacific people in sole-parent families have particularly low scores. Other Pacific people who have lower living standards include those in receipt of income-tested benefits, those who lack formal qualifications and those with low incomes and assets. However, even those in employment and in receipt of market incomes have low ELSI scores when compared with all employed people. The difference in average living standard score between Pacific people and the total population is lowest for those with bachelors degrees or higher qualifications, and highest for those with no formal qualifications.

Data limitations have meant that it has not been possible to provide a more extensive analysis of the living standards of the Pacific population. Such an analysis would give recognition to the various distinct Pacific ethnic groups and would examine the contribution of birthplace and duration of residence to variations in living standards.

However, the analysis that has been possible has been able to demonstrate the extent to which the average living standards of Pacific people in New Zealand fall below those of the population as a whole.



Families with dependent children⁶¹

■ Introduction

Over the past twenty years there have been changes in the composition and situation of many New Zealand families that have affected their material and social well-being. Fewer families now reflect traditional male bread-winner/female home-maker family structures. Sole-parent families have come to form a larger proportion of all families, there are more multi-family households, many containing sole-parent families, and a higher proportion of families use state income support.

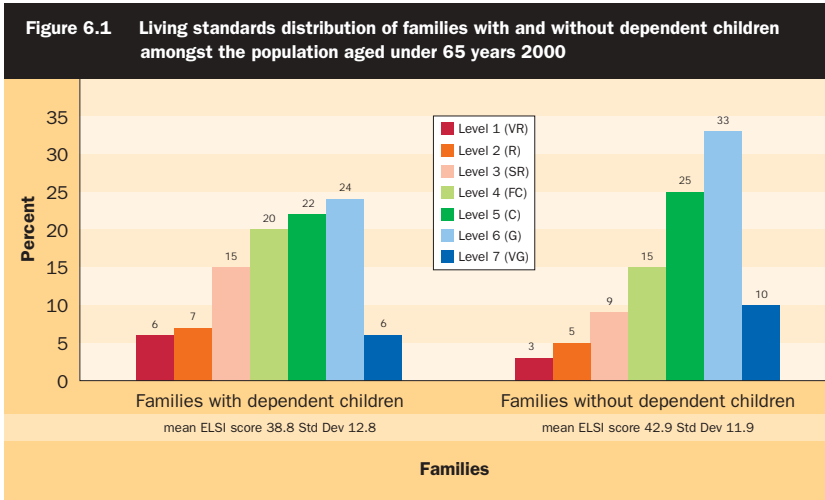
This chapter will describe how the ELSI scores of families with dependent children distribute along the scale. It differs in two respects from other chapters. The unit of reporting is the economic family unit rather than individuals, and the characteristics and circumstances that it highlights are those with a particular relevance to those families with dependent children⁶². The chapter also differs from others in offering an analysis of the types of consumption restrictions that children with different living standard scores might face. For this particular analysis, the unit of reporting is the child.

■ Overall distribution

The overall distribution of living standard scores for families with dependent children is skewed toward the higher living standard categories, with 42 percent having scores that placed them in the 'fairly comfortable' or 'comfortable' categories of the scale and 30 percent having scores that placed them in the 'good' or 'very good' living standards categories. Conversely, 28 percent of New Zealand families with dependent children had scores placing them at the lower end of the scale in the three categories from 'somewhat restricted' to 'very restricted'. This latter proportion is in particular contrast to the scores obtained for economic family units without children. Only 17 percent of this group had scores that placed them in the lower (levels 1 to 3) end of the scale. The mean ELSI score for families with dependent children is four points lower than it is for families without dependent children (38.8 compared with 42.9). Figure 6.1 shows that families without dependent children are also more strongly clustered in the higher scale categories.

61 This chapter is based entirely on the under 65 population.

62 As stated, the unit of reporting is the economic family unit. A reference to families with dependent children means the number or proportion of families with dependent children. Economic family units of the respondent are weighted to represent the population of economic family units with one or more working age people. A child is defined as a person aged less than 18 years who is dependent and who does not have a partner or child of their own. By contrast, a person aged less than 18 who is self-supporting or has a partner or a child is counted as a separate economic family unit (or part of a separate unit). Refer to chapter 2 for further information on unit of analysis and the ELSI scale.



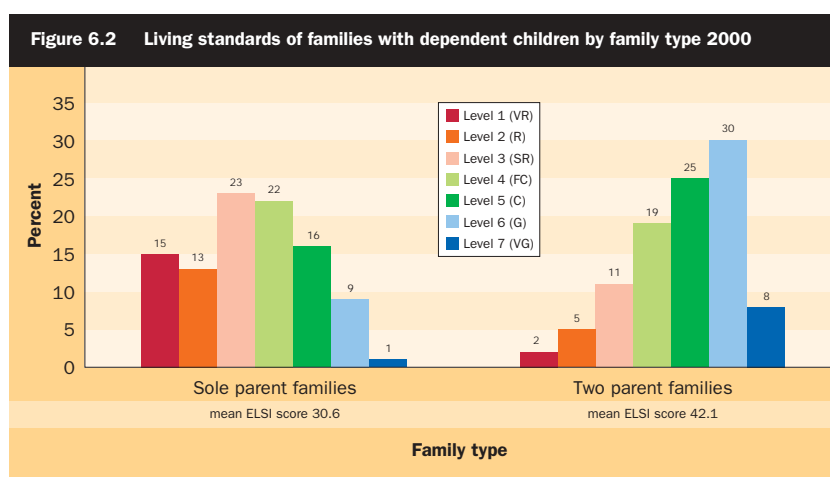
■ Variations in living standards across demographic and social groups

As for the total population, the living standard scores of families with dependent children vary by a number of social and demographic characteristics. The following sections examine this variation according to type of family, ethnicity, number of dependent children, age of youngest child, age of mother and income source of the family and educational status of the respondent parent.

Family type

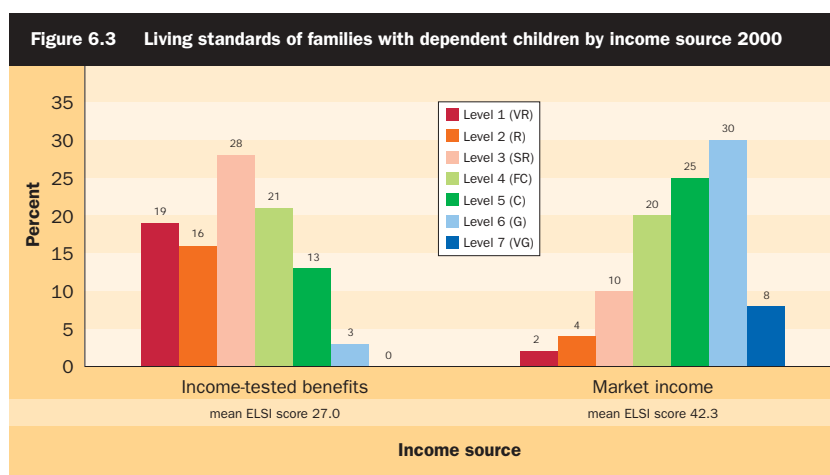
Figure 6.2 provides a stark illustration of the difference between sole parent and two-parent families in the way that their ELSI scores are distributed. Twenty-eight percent of sole-parent families had scores that placed them in the bottom two categories of the scale, and a further 23 percent had scores that placed them in the third ‘somewhat restricted’ category. Only 7 percent of two-parent families had scores that placed them in the bottom two categories, and 11 percent in the ‘somewhat restricted’ category. At the other end of the scale, only 10 percent of sole-parent families had scores that placed them in the ‘good’ or ‘very good’ living standards categories. This compares with 38 percent of two-parent families.

Sole-parent families had an average living standard score of 30.6 (which is in the 'somewhat restricted' score interval) while two-parent families had an average score of 42.1 (in the 'comfortable' score interval).



Income source ⁶³

As for the total population, families with dependent children who were in receipt of an income-tested benefit had much lower average living standard scores than families who received market income. The difference in ELSI means between them was 15.3, which is very large. Figure 6.3 shows that beneficiary families were at least five times more likely to have 'restricted' or 'very restricted' living standard scores than market income families.



⁶³ The above analysis divides the population into two mutually exclusive groups:

- * those in economic family units where there was receipt of an income-tested benefit (core benefit) in the last 12 months and no one was in full-time employment at the time of the survey;
- * those in economic family units who were not in the above category and therefore their income is primarily from market sources.

Some of the population here may have been in receipt of an income-tested benefit at some time during the past 12 months, but were full-time employed at the time of the survey. Some in the income-tested benefits group may also have received income from market sources during the year but were not in full-time employment at the time of the survey.

Table 6.1 suggests that it is the considerable overlap between source of income and family composition that underlies the results portrayed in the previous two graphs. The table makes clear that there are large differences in mean ELSI scores between economic family units that receive income from benefit or market sources, regardless of whether they are one-parent or two-parent families. These differences in mean range between 10.6 and 17.6. At the same time, the majority of sole-parent families (68 percent) received income from benefit sources whereas the majority of two-parent families received income from market sources (95 percent).

The overall lower living standard distribution for families with dependent children is not so much due to the presence of children, since two-parent families have similar mean ELSI scores as those without children. It is also not so much the fact of sole parenthood, but that this is so strongly associated with receipt of income-tested benefits. It appears that much of the reason why families with dependent children tend to have a lower mean ELSI score than families without dependent children may be due to the relatively large proportion of all families with dependent children (29 percent) that are sole parent ones in the 2000 Living Standards Survey.

Table 6.1 Living standards of economic family units by income source and presence of dependent children amongst the population aged under 65 years (2000)

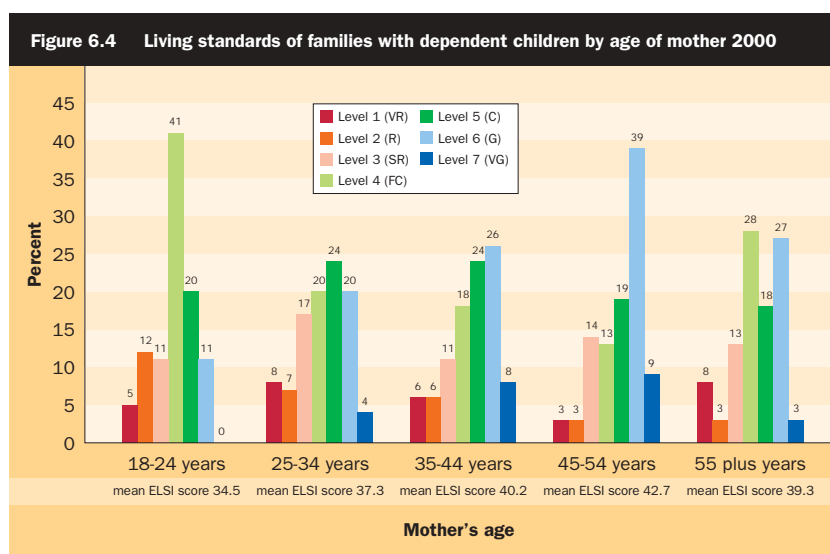
Economic family unit type		Income-tested benefits	Market income
Sole parent families	% of sole-parent families	67.9%	32.1%
	Mean ELSI score	27.3	37.9
Two-parent families	% of two-parent families	4.4%	95.2%
	Mean ELSI score	25.3	42.9
Economic family unit with no children	% of families with no dep. children	20.8%	76.3%
	Mean ELSI score	33.0	45.4
Total	% of all economic family units	21.4%	76.5%
	Mean ELSI score	31.1	44.5

Age of mother

As for the total population, mean ELSI scores tend to rise as the age of mother rises. This pattern is found across the first four age groups shown in Figure 6.4 (below), but does not hold for the fifth group

(mothers aged 55 years and older), which shows a drop in the ELSI mean. Average living standard scores increase from 34.5 for families with very young mothers (18-24 years) to 42.7 for families with older mothers (45-54 years). The results for older mothers aged 55 years and over need to be treated with caution as they are based on a small effective sample size (19) giving rise to a large confidence interval.

These results on age need to be interpreted with some caution. Careful multivariate analysis will be required to determine what the independent contribution of age is to variation in ELSI scores. The patterns observed here may not be the result of age alone. For example, young mothers may be less likely to have high educational qualifications or significant workforce experience.

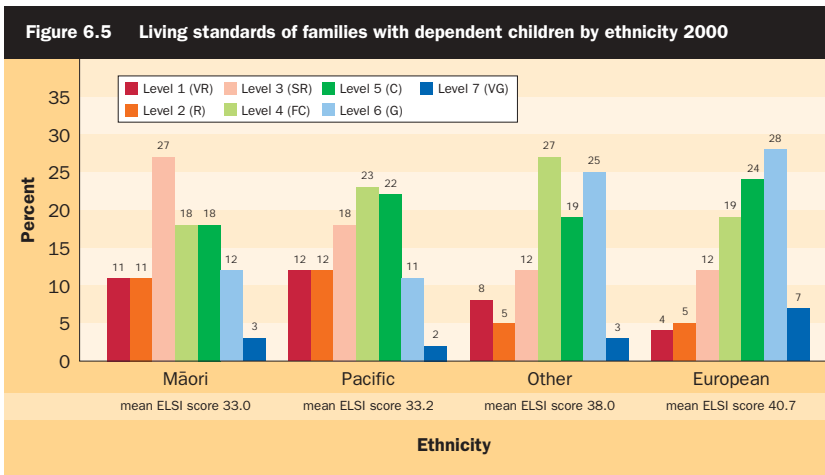


Ethnicity ⁶⁴

The overall scores of Māori families with dependent children are considerably lower than those of other groups, with almost half (49 percent) of Māori families with children having scores that place them at the lower end of the scale (levels 1 to 3) (see Figure 6.5). A high proportion (42 percent) of Pacific families with dependent children have similarly low scores. This compares with 25 percent of other non-European families and 21 percent of European families with dependent children. Only 15 percent of Māori families and 13 percent of Pacific

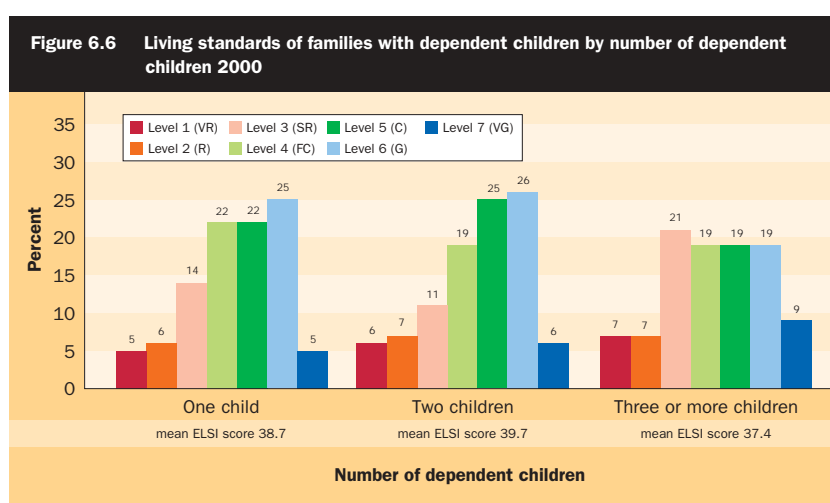
⁶⁴ Family ethnicity is based on total responses to the ethnicity question. For example, if any adult respondent or child of the respondent had Pacific specified as one of their ethnicities, it is counted as a family with Pacific ethnicity. This procedure is followed for all the ethnic groups, therefore the ethnic categories are not mutually exclusive.

families with children have living standard scores that place them in the top two categories. This compares with 28 percent of other non-European families and 35 percent of European families with children. Māori and Pacific families with dependent children had an average living standard score of 33.0 and 33.2 respectively, between 5 and 8 points lower than the average for other non-European families (38.0) and European families (40.7). It is note-worthy that Māori and Pacific families with dependent children have similar average living standard scores, whereas for the total Pacific population, the average living standard score is lower than it is for the total Māori population. This is due to the very low average scores of Māori sole parents. It is worth noting that half of all Māori families with dependent children are sole-parent families. This compares with 31 percent for Pacific families and 29 percent for all families with dependent children. Furthermore, 81 percent of Māori sole-parent families with dependent children receive income-tested benefits. This compares with 68 percent of Pacific sole-parent families and 68 percent of all sole-parent families with dependent children.



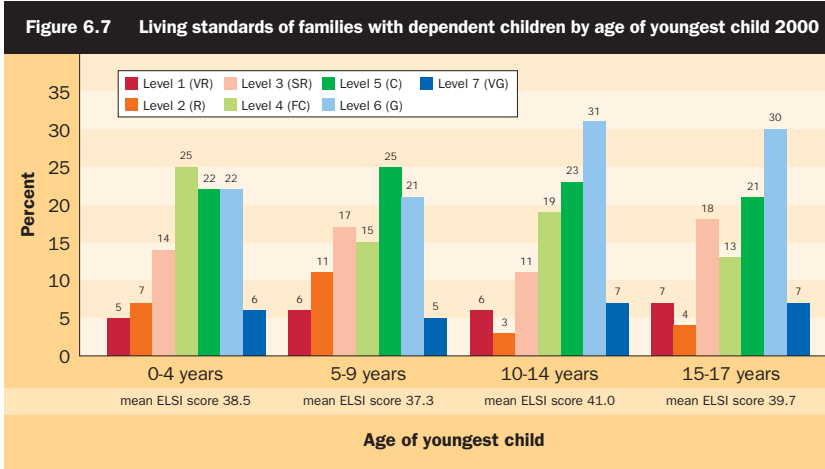
Number of dependent children

Average ELSI scores do not differ greatly by the number of dependent children in a family. Very similar living standard distributions are found for families with one child and families with two children. For families with three or more children, the distribution is rather flatter, but the average is similar (see Figure 6.6).



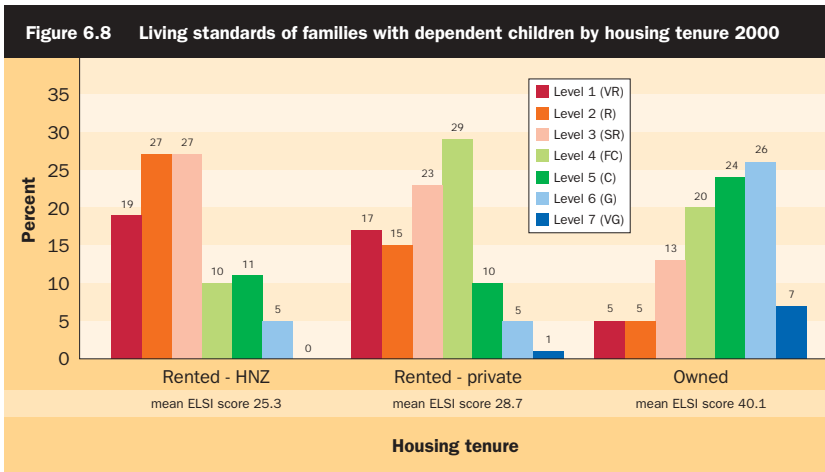
Age of youngest child

Families with children under the age of 10 were less likely than those with a youngest child over the age of 10 years to have living standards in the 'very good' living standards category of the scale. Only 28 percent of families with a youngest child aged 0-4 years and 26 percent of those with a youngest child aged 5-9 years had 'good' or 'very good' living standards. This compares with 37-38 percent for other families with dependent children whose youngest child was 10 years or older. For the first two groups of families, the average ELSI scores were each around 38, while for the two groups where the youngest child was 10-14 years and 15-17 years, the averages were around 41 and 40 respectively (see Figure 6.7). A combination of factors - e.g. the cost of childcare for younger children, younger age of mother, lower employment rates of mothers with young children and families with young children being earlier in the asset acquisition cycle - could be associated with the lower living standard scores of those with younger children.



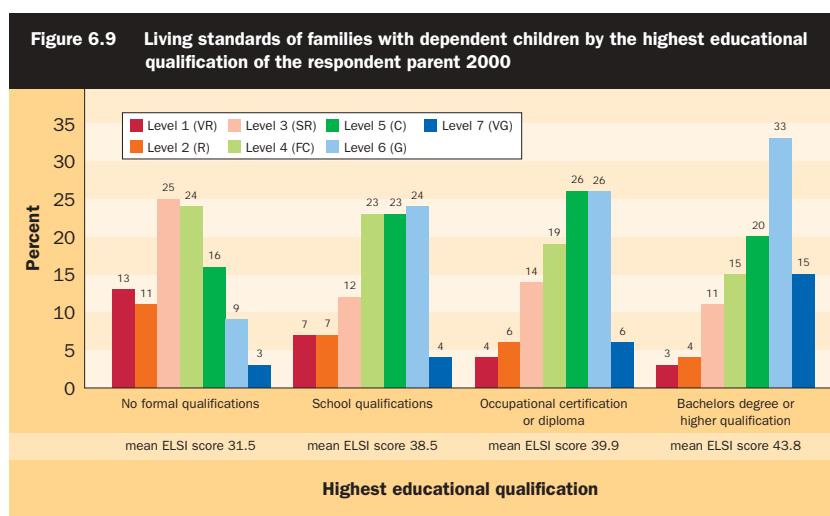
Housing tenure

Amongst families with dependent children, the lowest ELSI scores were found amongst those in Housing New Zealand rental accommodation. They were followed by families who rented privately. Families with dependent children who owned their own homes (with or without a mortgage) were much more likely to have an average ELSI score in the ‘comfortable’ range. For other families with dependent children, the average ELSI score was in the ‘somewhat restricted’ range of the scale (see Figure 6.8).



Qualifications of respondent parent ⁶⁵

The highest qualification of the respondent parent has a consistent relationship with the living standard scores for families with dependent children. The average ELSI score steadily increased from 31.5 for respondents who had no formal qualifications to 43.8 for respondents with a bachelors degree or higher qualifications (see Figure 6.9).



Living standards of families with dependent children by financial characteristics

As with the total population, the average living standard scores of families with dependent children differed according to income position, asset accumulation and accommodation costs. The broad patterns of association are essentially the same as for the total population (see Table 6.2). There is a clear relationship between income and living standards for families with dependent children with average ELSI scores increasing from 27.0 for the bottom income group to 52.9 for the top income group. There is also a consistent relationship between ELSI and asset position for families with dependent children, with average ELSI scores increasing from 36.5 to 49.4 between the bottom and top asset group. Similarly, families with no accommodation costs and those with very high accommodation costs had higher average ELSI scores than families in the middle of the range of accommodation costs who tended to have lower average ELSI scores.

⁶⁵ In the living standards survey, a question on the highest educational qualification held was asked of the respondent. In the case of families with dependent children, this person may have been the mother or the father of the dependent children in the family unit.

Table 6.2 Average living standard scores for families with dependent children by financial characteristics (2000)

Financial characteristics	Mean ELSI scores	
	Families with dependent children	Total population
Equivalent disposable income:		
\$10,000 or less	27.0	31.9
\$10,001-\$20,000	37.3	40.2
\$20,001-\$40,000	46.8	46.8
\$40,001 or higher	52.9	52.3
Asset position \$*		
\$10,000 or less	36.5	40.2
\$10,001-\$25,000	41.3	44.7
\$25,001-\$100,000	42.4	45.4
\$100,001-\$300,000	45.2	47.2
\$300,001 or higher	49.4	51.3
Accommodation costs:		
Nil	43.2	46.9
\$1-\$199	35.4	37.6
\$200-\$399	38.4	40.5
\$400 plus	46.4	47.2

* A substantial proportion of families with dependent children (37 percent) did not specify a response for this variable and it is likely that non-response is not randomly distributed across the ELSI categories.

■ Restrictions in consumption experienced by children

The elimination of child poverty is regarded as a fundamental social policy goal all over the world. Concern with child poverty stems partly from a humanitarian desire to prevent suffering amongst children and from the knowledge that there are costs for society associated with child poverty (arising from impaired health and educational achievement, together with poorer employment prospects in adulthood and lower incomes). Ending this cycle of poverty is therefore an important object of policy, in the interest of both efficiency and social justice (which demands that children's fortunes should not be determined solely by those of their parents) (Mayer, 2002).

In seeking to better understand how low family living standards can adversely affect children's development and achievement, it is helpful to examine explicitly the restrictions on children's activities and care that occur.

The following table gives an indication of what life is like for children in families with ELSI scores that place them at different points on the scale. Children have been grouped into the four broad living standard categories from 'restricted' (levels 1 and 2 combined), 'somewhat restricted' (level 3), 'comfortable' (levels 4 and 5 combined), and 'good' living standards (levels 6 and 7 combined). Just to recap, in 2000, 13 percent of all dependent children were in the 'restricted' category, 16 percent were in the 'somewhat restricted' category, 41 percent were in the 'comfortable' category while 30 percent were in the 'good' living standards category. Table 6.3 examined the propensity for children in each living standard category to experience a constraint in consumption of the item examined. For example, 31 percent of children in the 'restricted' category were in families where there was not suitable wet weather clothing for each child because of cost. This compares with 7 percent of children in the 'somewhat restricted' category, 3 percent of children in the 'comfortable' category and no children in the 'good' living standards category.

Constraints on consumption of child-specific goods and services are experienced by a greater proportion of children with ELSI scores that place them at the lower end of the scale. For those with scores that place them in the 'restricted' or 'somewhat restricted' categories of the scale, it is at least twice as likely that they will experience postponement of trips to the doctor or dentist or not have suitable wet weather clothing. It is also at least twice as likely that books (including school books) will go unbought, computers or internet access will be unavailable at home, school outings will be skipped, cultural lessons and sports involvement forgone, and childcare services will go unpurchased (see Table 6.3).

Table 6.3 Constraints in consumption experienced by children by their standard of living (2000)

	'Restricted' living standards (levels 1 and 2)	'Somewhat Restricted' living standards (level 3)	'Comfortable' living standards (levels 4 and 5)	'Good' living standards (levels 6 and 7)
	%	%	%	%
Items not obtained/Activities not participated in because of cost				
Suitable wet weather clothing for each child	31	7	3	0
A pair of shoes in good condition	17	3	1	0
Child's bike	24	9	4	0
Play station	29	23	9	1
Personal computer	59	29	20	2
Internet access	59	30	19	3
Pay for childcare services	28	13	8	1
Have children's friends over for a meal	13	5	2	0
Have enough room for children's friends to stay the night	15	2	2	1
Have children's friends to a birthday party	14	3	2	0
Items of consumption cut back on (a little or a lot) because of cost				
Not gone on school outings	51	23	7	1
Not bought school books/supplies	38	18	5	1
Not bought books for home	58	38	17	3
Postponed child's visit to the doctor	31	13	3	0
Postponed child's visit to the dentist because of cost	18	10	4	2
Child went without glasses	9	8	1	0
Child went without cultural lessons	54	41	20	4
Child's involvement in sports limited	54	34	13	1
Child wore bad fitting clothes or shoes	57	31	13	3
Children share a bed	21	18	3	0
Limited space for children to study or play	45	28	12	5

■ Summary

Families with dependent children generally have a distribution of ELSI scores that is broadly similar in shape to that for the total population. Their average ELSI score falls in the 'fairly comfortable' range of the scale. However, average ELSI scores are appreciably lower for families with dependent children than they are for the population as a whole. Families with younger children have somewhat lower scores (on average) than do families with older children.

Sole-parent families tend to have much lower living standard scores, with around half of these families being placed in the 'somewhat restricted' to 'very restricted' categories of the scale. Only a small proportion of sole-parent families have scores that place them at the upper living standards end of the scale.

Children with scores that place them at the lowest level of the ELSI scale (who are predominantly children in sole-parent families) are much more likely than other children to experience constraints that may adversely affect their health, education and general development.