

# Child poverty statistics: Year ended June 2021

24 February 2022, 10:45am

Child poverty statistics provide estimates of low income and material hardship rates for measures listed in the Child Poverty Reduction Act 2018.

All nine child poverty measures, including statistics for annual changes, are available for download below. Statistics are available by region, ethnicity, disability status, and tenure.

## Download data

### [Child poverty statistics: Year ended June 2021 – CSV](#)

Zipped File, 45 KB

### [Child poverty statistics: Year ended June 2021 – supplementary tables](#)

Microsoft Excel Open XML Spreadsheet, 66 KB

### [Child poverty statistics: Year ended June 2021](#)

Microsoft Excel Open XML Spreadsheet, 224 KB

## COVID-19

Child poverty statistics are measured using data from the Household Economic Survey (HES). This is the first time that HES has collected data on household incomes during the COVID-19 pandemic, meaning that any effects on child poverty were captured. However, the impact on a given household depends on the circumstances of the household at the time, in particular whether household members were employed and whether there was uptake of government support such as the wage subsidy. This means that, at the aggregate level, we cannot isolate the effects of the pandemic on child poverty from other events.

[Household income and housing-cost statistics: Year ended June 2021](#) provides more information about COVID-19 impacts on household incomes.

## Key facts

In the year ended June 2021:

- all measures of child poverty were trending downwards over the three years from the year ended June 2018, with five statistically significant decreases
- two of the three intermediate targets for reducing child poverty were met
- the primary measures were relatively unchanged from the previous year:
  - 13.6 percent of children lived in households that had less than 50 percent of the median equivalised disposable household income before housing costs (measure 'a')
  - 16.3 percent of children lived in households that had an after-housing-costs income that was less than 50 percent of the baseline year's median after-housing-costs equivalised disposable household income (measure 'b')
  - 11.0 percent of children experienced material hardship (measure 'c')
- the primary measures were relatively unchanged from the previous year for Māori children, and there was a decrease in measure 'b' for Pacific children
- 17.8 percent of Māori children and 16.3 percent of Pacific children were in low-income households after housing costs relative to the baseline year (measure 'b'), with both rates having decreased over two years
- the child poverty rates for disabled children and children living in households with at least one disabled person were relatively unchanged from the previous year
- children in rented dwellings were over-represented in the poverty measures – for example, more than 1 in 5 children in rented dwellings lived in material hardship, and they accounted for 4 in 5 of the overall number in hardship.

Child poverty rates by primary and supplementary measures, year ended June 2018–2021

Measures	Rate (%)				Change in rate			
	Year ended June 2018	Year ended June 2019	Year ended June 2020	Year ended June 2021	Year ended June 2018–2021		Year ended June 2020–2021	
					Percentage points	Sample error on change	Percentage points	Sample error on change
Primary measures								
a. Percentage of children living in households with less than 50% of the median equivalised disposable household income before housing costs are deducted	16.5 (183,400 children)	13.5 (153,200 children)	13.2 (151,200 children)	13.6 (156,700 children)	-2.9	1.6	0.4	1.7
b. Percentage of children living in households with less than 50% of the median equivalised disposable household income after housing costs are deducted (for the 2017/2018 base financial year)	22.8 (253,800 children)	18.3 (207,700 children)	17.8 (203,300 children)	16.3 (187,300 children)	-6.5	2.3	-1.5	1.8
c. Percentage of children living in households that experienced material hardship	13.3 (147,600 children)	13.2 (149,400 children)	11.5 (131,700 children)	11.0 (125,700 children)	-2.3	2.5	-0.6	1.4

## Supplementary measures

e. Percentage of children living in households with less than 60% of the median equivalised disposable household income before housing costs	25.3 (281,200 children)	22.1 (250,300 children)	21.8 (248,900 children)	21.7 (249,000 children)	-3.6	1.8	-0.1	1.9
f. Percentage of children living in households with less than 60% of the median equivalised disposable household income after housing costs	30.6 (341,100 children)	27.7 (313,200 children)	27.8 (318,100 children)	28.1 (322,900 children)	-2.5	2.8	0.3	2.2
g. Percentage of children living in households with less than 50% of the median equivalised disposable household income after housing costs	22.8 (253,800 children)	20.1 (227,900 children)	19.5 (222,800 children)	20.6 (236,900 children)	-2.2	2.4	1.1	1.9
h. Percentage of children living in households with less than 40% of the median equivalised disposable household income after housing costs	15.7 (174,300 children)	13.8 (156,100 children)	13.2 (151,400 children)	13.1 (150,400 children)	-2.6	2.5	-0.1	1.7

i. Percentage of children living in households that experienced severe material hardship	5.8 (64,800 children)	5.7 (64,600 children)	4.6 (52,600 children)	4.9 (56,100 children)	-0.9	1.7	0.3	1.1
j. Percentage of children living in households with less than 60% of the median equivalised disposable household income after housing costs and experiencing material hardship	8.8 (98,300 children)	7.7 (87,100 children)	6.9 (78,400 children)	6.6 (76,100 children)	-2.2	2.0	-0.2	1.2
<b>Source:</b> Stats NZ, Household Economic Survey								

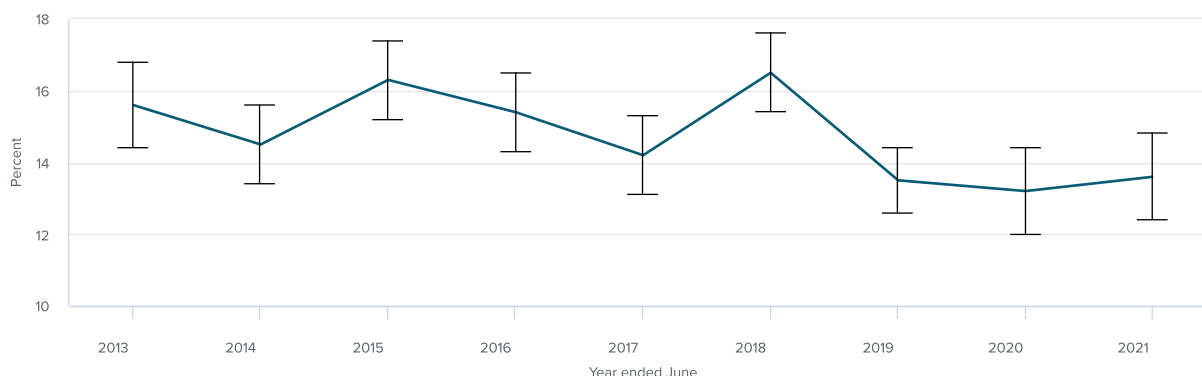
## Low-income before housing costs are deducted

In the year ended June 2021, 13.6 percent of children lived in households that had less than 50 percent of the median equivalised disposable household income before housing costs were deducted (measure 'a'). This was relatively unchanged from the previous year, and a decrease of 2.9 percentage points, over three years, from the year ended June 2018.

This measure of child poverty involves comparing a household's income for the previous 12 months to the current median for all households.

For it to decrease over time, the incomes of low-income households would need to rise by more than the median household income.

**Percentage of children living in households with less than 50 percent of the median equivalised disposable household income before housing costs are deducted, year ended June 2013–2021**



See Metadata tab for more information.

Stats NZ

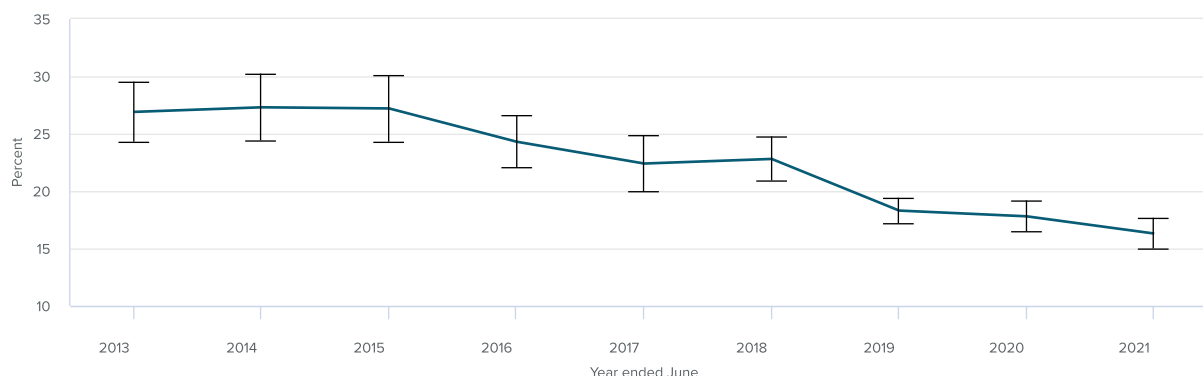
## Low-income after housing costs are deducted – fixed-line measure

In the year ended June 2021, 16.3 percent of children lived in households that had less than 50 percent of the baseline median equivalised disposable household income after housing costs were deducted (measure 'b'). This was relatively unchanged from the previous year, and a decrease of 6.5 percentage points, over three years, from the year ended June 2018.

The fixed-line measure uses the year ended June 2018 as the base year. It compares after-housing-costs household income in the current year with the median after-housing-costs income for all households in the year ended June 2018, adjusted for inflation. As such, it cannot be compared directly with the other low-income measures

This measure indicates whether household incomes were rising or falling over time, regardless of what happened to the incomes of other households.

**Percentage of children in households with less than 50% of the baseline median equivalised disposable household income after deducting housing costs, year ended June 2013–2021**



See Metadata tab for more information.

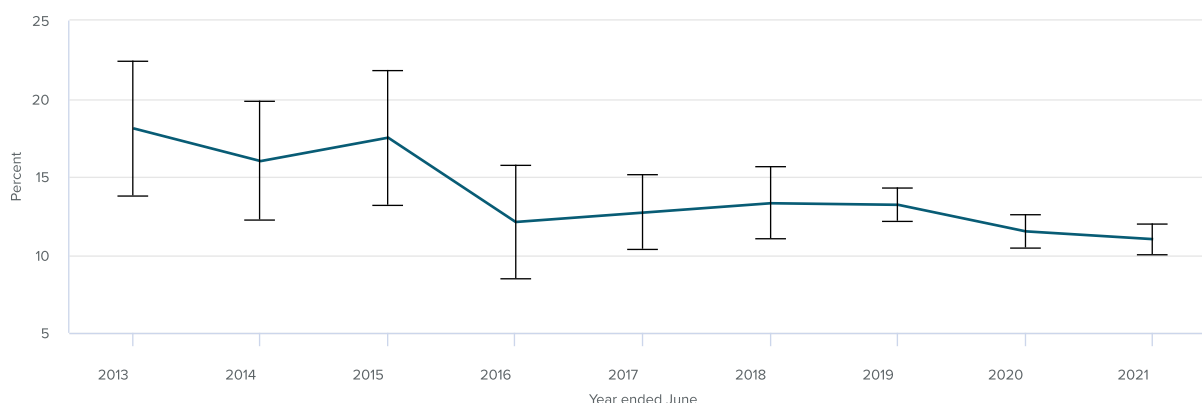
Stats NZ

## Material hardship

In the year ended June 2021, 11.0 percent of children lived in a household experiencing material hardship. This was relatively unchanged from the previous year, and trended downwards, over three years, from the year ended June 2018.

A household is defined as being in material hardship if it lacks 6 or more of 17 items on the DEP-17 index (the list of 17 deprivation items). The material deprivation measures of child poverty determine the proportion of children who live in households that cannot afford specific consumption items that most people regard as essential.

Percentage of children living in households in material hardship, year ended June 2013–2021



See Metadata tab for more information.

Stats NZ

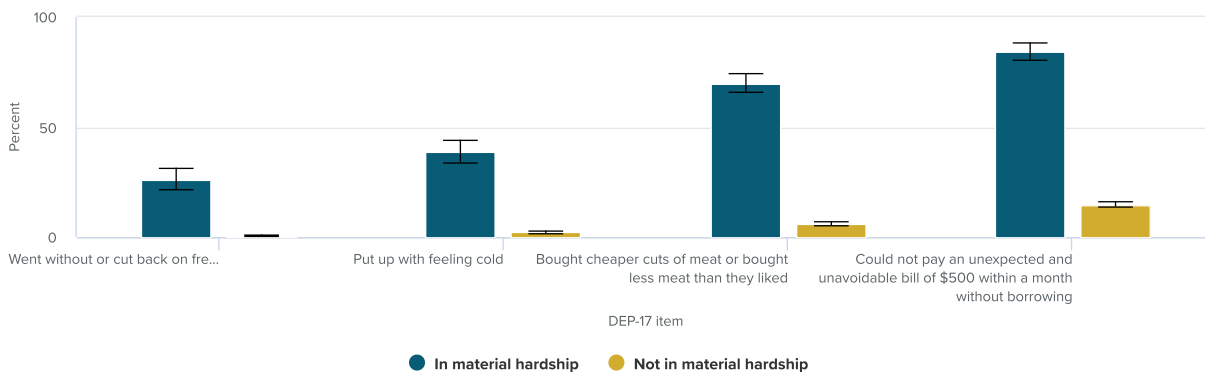
For example, among the children in material hardship, 84.5 percent were in households that could not pay an unexpected \$500 bill within a month without borrowing. This was the case for 14.7 percent of children not in hardship.

About 2 in 5 children in material hardship were in households that had to put up with feeling cold due to the cost, compared with about 1 in 40 children not in hardship.

[Child poverty statistics: Year ended June 2021 – supplementary tables](#) contains a full list of the items in the DEP-17, and the percentage of children in households deprived of each item, by hardship status.



**Percentage of children living in households that went without selected basic needs due to financial constraint, by material hardship status, year ended June 2021**



See Metadata tab for more information.

Stats NZ

## Interpreting child poverty targets

Under the Child Poverty Reduction Act 2018 (the Act), the Government is required to set intermediate (three-year) and long term (10-year) targets for reducing child poverty in Aotearoa New Zealand. The Minister for Child Poverty Reduction set targets for three primary measures. The first intermediate target period ends with the statistics reported for the year ended June 2021.

[Notification of setting of targets under the Child Poverty Reduction Act 2018](#) is the Gazette notice for the targets for reducing child poverty.

Because HES only surveys a sample of New Zealand, the estimates it produces are subject to some uncertainty on the true value. We can create a confidence interval around the estimate with an upper and lower bound. A target is met if the lower bound for the end-of-period rate is lower than, or equal to, the target rate.

The following table shows the estimates used to assess compliance with the targets under the Act.

#### Estimates used to assess whether targets were met under the Child Poverty Reduction Act 2018

Measure	Intermediate target	Lower bound	Estimate	Upper bound	Result
Percentage of children living in households with less than 50 percent of the median equivalised disposable household income before housing costs are deducted	10.5% of children in the 2020/21 financial year	12.4	13.6	14.8	Not met
Percentage of children living in households with less than 50 percent of the median equivalised disposable household income after housing costs are deducted (for the 2017/18 base financial year)	18.8% of children in the 2020/21 financial year	15.0	16.3	17.6	Met
Percentage of children living in households that experience material hardship	10.3% of children in the 2020/21 financial year	10.0	11.0	12.0	Met
<b>Source:</b> Stats NZ, Household Economic Survey					

[Interpreting child poverty targets](#) sets out how to interpret whether a target was met under the Child Poverty Reduction Act 2018.

## Māori and Pacific children

We have been able to produce child poverty statistics for Māori and Pacific children since the year ended June 2019, allowing for two-year comparisons.

In the year ended June 2021:

- the primary measures were relatively unchanged from the previous year for Māori children, and there was a decrease in measure ‘b’ for Pacific children
- 17.8 percent of Māori children were in low-income households after housing costs (measure ‘b’), a decrease of 4.6 percentage points over two years
- 16.3 percent of Pacific children were in low-income households after housing costs (measure ‘b’), a decrease of 5.2 percentage points over two years.

Child poverty measures for Māori and Pacific people, year ended June 2019–2021

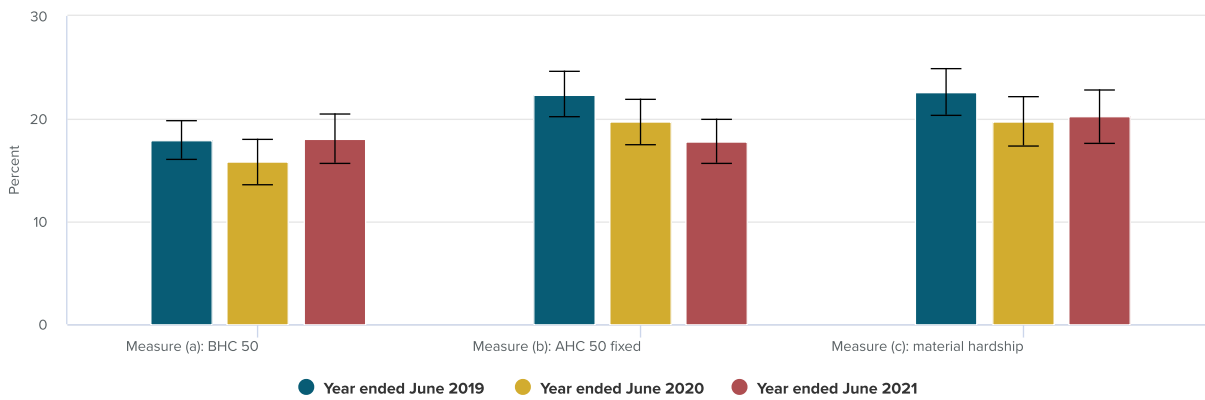
Measure	Year		Māori	Pacific people	Total population
a. Percentage of children living in households with less than 50 percent of the median equivalised disposable household income before housing costs are deducted	Year ended June 2021 percentage		18.1 (53,600 children)	17.2 (25,000 children)	13.6 (156,700 children)
	Year ended June 2020 percentage		15.8 (45,500 children)	18.8 (27,600 children)	13.2 (151,200 children)
	Year ended June 2019 percentage		17.9 (52,800 children)	18.6 (26,200 children)	13.5 (153,200 children)
	Year ended June 2019-2021	Percentage points	0.2	-1.4	0.1
		Sample error on change	3.1	4.5	1.5
b. Percentage of children living in households with less than 50 percent of the median equivalised disposable household income after housing costs are deducted (for the 2017/2018 base financial year)	Year ended June 2021 percentage		17.8 (52,600 children)	16.3 (23,800 children)	16.3 (187,300 children)
	Year ended June 2020 percentage		19.7 (56,900 children)	20.5 (30,000 children)	17.8 (203,300 children)
	Year ended June 2019 percentage		22.4 (66,200 children)	21.5 (30,300 children)	18.3 (207,700 children)
	Year ended June 2019-2021	Percentage points	-4.6	-5.2	-2.0
		Sample error on change	3.1	4.4	1.7
c. Percentage of children living in households that experienced material hardship	Year ended June 2021 percentage		20.2 (60,300 children)	24.0 (34,000 children)	11.0 (125,700 children)
	Year ended June 2020 percentage		19.7 (57,000 children)	26.5 (38,700 children)	11.5 (131,700 children)
	Year ended June 2019 percentage		22.6 (65,700 children)	28.2 (39,700 children)	13.2 (149,400 children)
	Year ended June	Percentage points	-2.4	-4.2	-2.2
		Sample	3.5	6.1	1.5

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**Source:** Stats NZ, Household Economic Survey

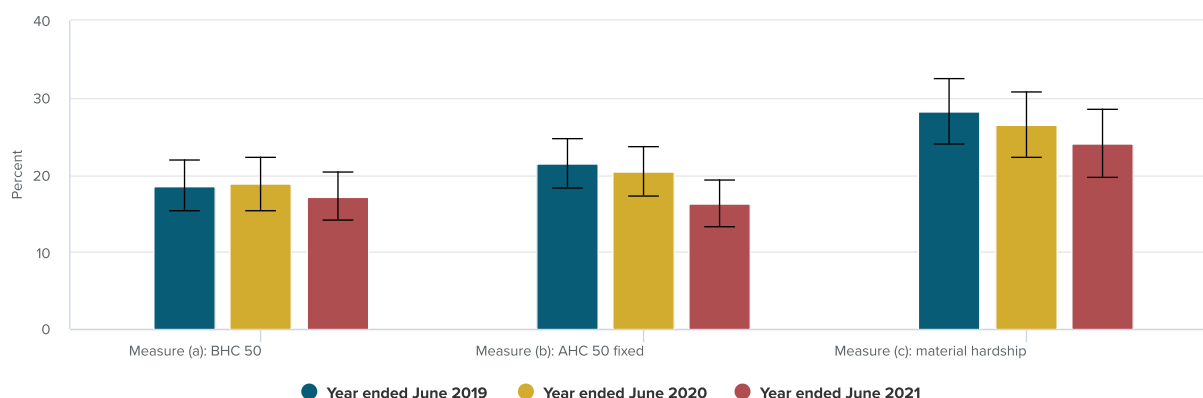
**Percentage of Māori children in poverty, by selected measure, year ended June 2019–2021**



See Metadata tab for more information.

Stats NZ

Percentage of Pacific children in poverty, by selected measure, year ended June 2019–2021



See Metadata tab for more information.

Stats NZ

## Disability status

Since the year ended June 2020, we have been able to produce child poverty statistics for disabled children and children who live in a household where one or more people was disabled, allowing for the first annual comparison.

Disability status is determined using questions from the [Washington Group on Disability Statistics](#) included in HES. These are designed to identify people with activity limitations that may limit how they participate in everyday life, including seeing (even with glasses), hearing (even with hearing aids), and for children, controlling their own behaviour.

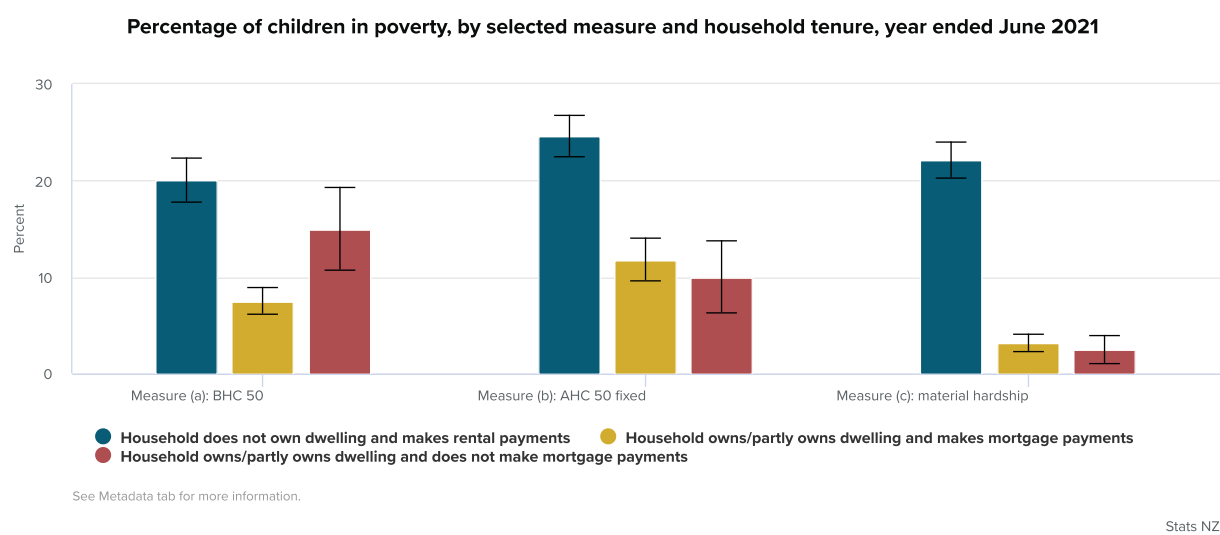
In the year ended June 2021:

- across all measures, the poverty rates for disabled children and children in a household with at least one disabled person were relatively unchanged from the previous year
- disabled children were more likely to experience material hardship than non-disabled children, but were equally likely to live in a low-income household after housing costs (measure 'b')
- children in households with at least one disabled person were over three times as likely to experience material hardship than children in households with no disabled people.

## Tenure

[Household income and housing-cost statistics: Year ended June 2021](#) shows that the economic situation of the average household in a rented dwelling differs from the average household that owns their dwelling. Rising housing costs have impacted renters more so than owners despite rising incomes, and this is also reflected in poorer housing quality.

In the year ended June 2021, children living in rented dwellings were more likely to be in material hardship or in a low-income household after housing costs (measure ‘b’) than children in dwellings that were owned by their household, whether these households were making mortgage payments or not.

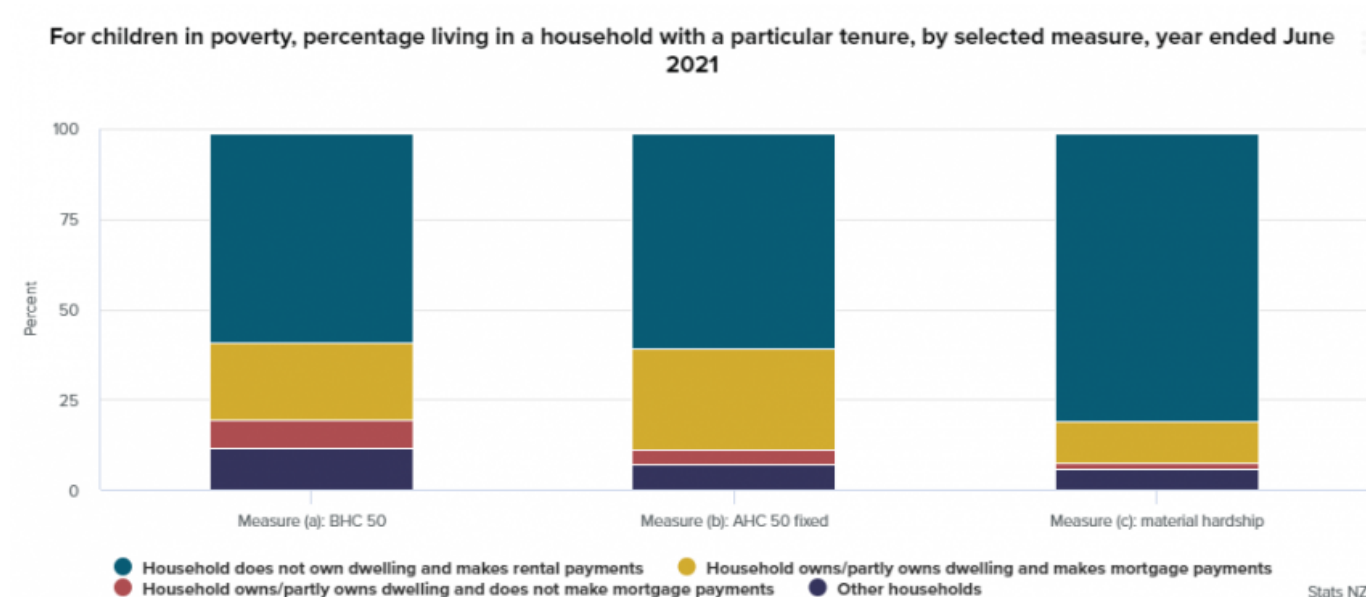


Another way to understand the relationship between tenure and child poverty is to look at the tenure characteristics of *those in poverty* (presented in the graph below), as opposed to the *rate of poverty* for households with each type of tenure (presented in the graph above). This indicates the proportion of each type of household tenure within the overall number of children in poverty.

Children living in rented dwellings made up about 4 in 5 of those in material hardship (measure ‘c’), and about 3 in 5 of those in low-income before housing costs (measure ‘a’) or low-income after housing costs relative to the baseline year (measure ‘b’).

Children in dwellings owned by their household that made mortgage payments were the next most represented among those in poverty, across the poverty measures, while those residing in

owned dwellings without mortgage payments tended to be the least represented group.



[Text alternative for graph For children in poverty, percentage living in a household with a particular tenure, by selected measure, year ended June 2021.](#)

## More data

[Household income and housing-cost statistics: Year ended June 2021](#) includes changes in incomes and housing costs.

[Visualising income, housing costs, and child poverty, year ended June 2021](#) presents more details of child poverty statistics, including for all ethnic groups and different regions.

## Definitions and metadata

[Child poverty statistics: Year ended June 2021 – technical appendix](#) sets out our methodology for producing robust estimates of New Zealand’s child poverty rates.

[Child Poverty Reduction Act 2018](#) lists 10 child poverty measures and was introduced to help achieve a significant and sustained reduction in child poverty.

## About the release

This is the third report on child poverty rates, as required under the [Child Poverty Reduction Act 2018](#), since the redesign of the Household Economic Survey in the year ended June 2019.

The year ended June 2021 data includes estimates of nine of the measures specified in the Act and compares data over the three years since the year ended June 2018.

These include measures of low-income – before and after housing costs are deducted – and of material hardship at different levels of severity.

The statistics are also produced by region, ethnicity, disability status, and tenure.

## Household Economic Survey changes

### COVID-19 impact on collection period

The COVID-19 pandemic has impacted Stats NZ's ability to conduct face-to-face interviews in respondent's homes and no other means of interviewing were available. Therefore, interviewing for the 2021 Household Economic Survey (HES) was not conducted evenly over the whole year. Consequently, the sample size was reduced to just over 16,000 households from the planned 20,000 households.

This is consistent with what was achieved in HES for the year ended June 2020 when interviewing ceased in March 2020. The reduced sample size means margins of error on the statistics are higher than designed for. Stats NZ analysed the data to check for any impact of this change in interview pattern, but no discernible impact was noted. We are therefore confident that the data is fit for purpose.

Due to lockdowns, we ceased interviews for HES for the year ended June 2021 for the following periods (and regions):

- 1 July – 7 August 2020 (all New Zealand)
- 12 August – 20 September 2020 (all New Zealand)
- 21 September – 27 September 2020 (Auckland only)
- 1 March – 7 March 2021 (Auckland only)
- 24 June – 28 June 2021 (Wellington only).

[Child poverty statistics: Year ended June 2021 – technical appendix](#) provides more detail about the impact of COVID-19 restrictions on data quality and on the child poverty estimates.

## Revisions to previously published statistics



We have revised previously published estimates of all nine child poverty measures for the year ended June 2020 using the most recently available administrative data from the Integrated Data Infrastructure and updated population estimates. The primary measures changed by:

- measure 'a', percentage of children living in households with less than 50 percent of the median equivalised disposable household income before deducting housing costs, decreased from 13.8 percent to 13.2 percent
- measure 'b', percentage of children living in households with less than 50 percent of the median equivalised disposable household income after deducting housing costs (for the 2017/2018 base financial year), decreased from 18.4 percent to 17.8 percent
- measure 'c', percentage of children living in households in material hardship, increased from 11.3 percent to 11.5 percent.

[Applying the Stats NZ revisions policy to outputs from the Household Economic Survey](#) sets out our policy for revising HES data.

## **Text alternative for graph For children in poverty, percentage living in a household with a particular tenure, by selected measure, year ended June 2021**

A stacked column graph shows the tenure characteristics of children in poverty, for the three primary measures. In other words, it provides information about the makeup of the impoverished group, by poverty measure. This is different from the column graph, 'Percentage of children in poverty, by selected measure and household tenure, year ended June 2019–2021', which indicates the poverty rate within each type of household tenure (such as rented dwellings).

Specifically, the stacked column graph indicates that among the children in poverty, the proportion who belong to each of four tenure groups: households in rented dwellings, households that own their dwelling and make mortgage payments, households that own their dwelling and do not make mortgage payments, and other households (which includes dwellings held in a family trust, dwellings not owned but where no rent was paid, and dwellings where payment arrangements were not further defined).

Children living in rented dwellings made up about 4 in 5 of those in material hardship (measure 'c'), and about 3 in 5 of those in low-income before housing costs (measure 'a') or low-income after housing costs relative to the baseline year (measure 'b').

Children in dwellings owned by their household that made mortgage payments were the next most represented among those in poverty, across the poverty measures, while those residing in owned dwellings without mortgage payments tended to be the least represented group.

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ISSN 2624-2915

# Next release

*Child poverty statistics: Year ended June 2022* will be released in 2023.

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## Related pages

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### Child poverty statistics: Year ended June 2021 – technical appendix

24 February 2022

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### How we measure child poverty

24 February 2022

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### Interpreting child poverty targets

24 February 2022

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### Household income and housing-cost statistics: Year ended June 2021

24 February 2022

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**Child poverty statistics show all measures trending downwards over the last three years**

