

The One Hundred Whānau Food and Financial Hardship Report

December 2022



Visionwest
Waka Whakakitenga

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together

| *Kia Tūmanakotia*

The One Hundred Whānau Food and Financial Hardship Report

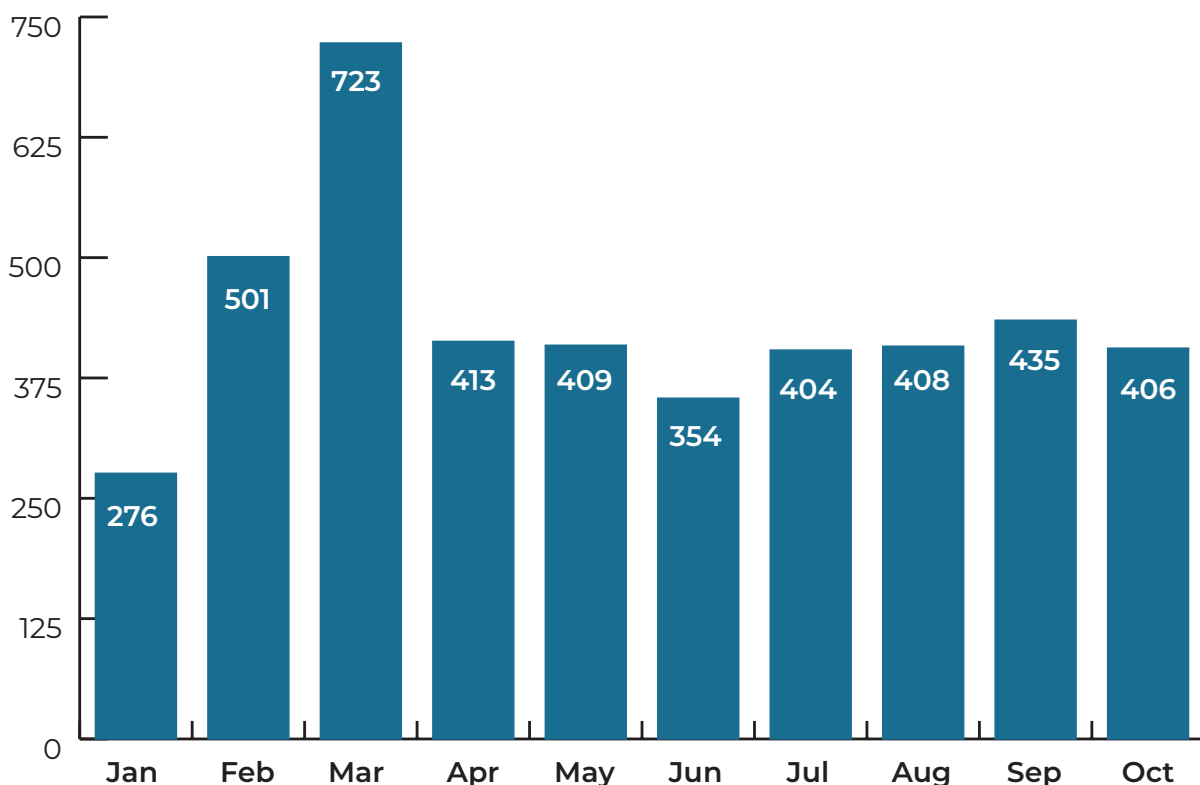
Financial hardship in West Auckland remains high, with whānau finding it increasingly difficult to make ends meet. Stress and deprivation are at levels that will create long term health and social consequences.

The main points

Despite impressions that the impacts of COVID are retreating, the latest food security survey by Visionwest Waka Whakakitenga shows needs in the third quarter of 2022 have not dropped back to pre-COVID levels.

While provision of food to people in COVID isolation is reducing, whānau are still experiencing very high levels of insecurity around their ability to access adequate food and medical care. As a result, food support provided by Visionwest is still close to the same rate as at February 2022.

NUMBER OF PARCELS PROVIDED PER WEEK (Jan - Oct 2022)



110 respondents (representing over 400 individuals) stated there were times they could not afford to eat properly. For 5.6%, inadequate nutrition was their experience every single day. 62% run out of food in their household at least once a week. As well as inadequate food quantity, their options around variety and quality of food are also limited. All reported feeling stressed about inadequate money to buy food, with two-thirds experiencing food related stress at least weekly, 35% constantly.

Of those surveyed:

62%

**RUN OUT
OF FOOD
EVERY WEEK**



5.6%

**EXPERIENCE
INADEQUATE
NUTRITION
EVERY DAY**



66%

**EXPERIENCE
STRESS ABOUT
THEIR INABILITY
TO AFFORD FOOD
AT LEAST WEEKLY**



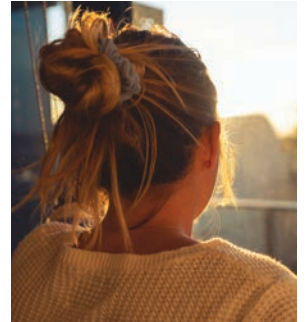
35%

**FEEL CONSTANTLY
STRESSED ABOUT
THEIR INABILITY
TO AFFORD FOOD**



Poor nutrition plus chronic stress has a proven negative impact on health. Added to that, 63% of whānau in the survey have forgone medical care because they can't afford the cost. If this survey truly reflects the experience of those in need in our community, it shows serious health crises must almost inevitably follow from the current levels of financial hardship.

As well as demonstrating the alarming levels of need in the community, the survey suggests four important trends amongst Tāmaki Makaurau's financially fragile population:



1. **Two thirds of those accessing assistance have started doing so relatively recently.**
2. **The demographic of those in need is changing, with an increasing proportion of NZ European/ Pākehā reporting needs alongside continuing significant needs amongst whānau Māori.**
3. **COVID is not the sole cause of hardship for many.**
4. **The challenges highlighted in this report go beyond a need for food support. Isolation and issues relating to physical and mental health are common.**

None of these findings are a surprise to Visionwest's Financial Mentoring Team Leader. They line up with what her team encounter every day.



"The range of clients we see is changing. More often they are people who have never had to reach out for support before. I dislike the term 'middle-class' but that would describe what some of the people are or were. People lost their jobs in the pandemic – especially people in trades and the hospitality sector – and they had nothing to fall back on." – Jo Wolferstan, Visionwest Money Mentor Team Leader.

The COVID pandemic was certainly a pivotal point of financial downturn for many whānau where sickness, job-loss and isolation led to cut incomes and imposed costs. For those whose finances were already marginal, this put them into a financial tailspin that they were unable to recover from.

In 2022, other factors are also pushing people into financial stress. Housing is increasingly expensive – for 60% in the survey, rent is their single biggest expense. Rising interest rates mean debt, the single biggest expense for 7.5% of whānau, is increasingly expensive. Low incomes are particularly sensitive to inflation, which ran at a 32-year high of 7.2% p.a. in the September 2022 quarter. Income levels are just not enough: all of those surveyed had some income, mostly some form of benefit, but even the 20% who are earning from regular employment face a shortfall between income and expenditure.

The Survey

Visionwest conducted a food security pulse study of 110 whānau. In total, 402 individuals were represented in these households. The survey is closely based on a questionnaire used overseas which is considered the 'gold-standard' for measuring food security.¹

What is Food Insecurity?

The UN's Food and Agriculture Organisation states: "A person is food insecure when they lack regular access to enough safe and nutritious food for normal growth and development and an active and healthy life."

Mild food insecurity is when a person is uncertain about their ability to obtain food, moderate insecurity is when they compromise quality and variety or have to reduce amounts, and severe food insecurity is no food for a day or more.

All the respondents to the survey could be classified by the FAO as either moderately or severely food insecure.

¹ Survey based on Voices of the Hungry questionnaire prepared by Food and Agriculture Organisation of the United Nations.

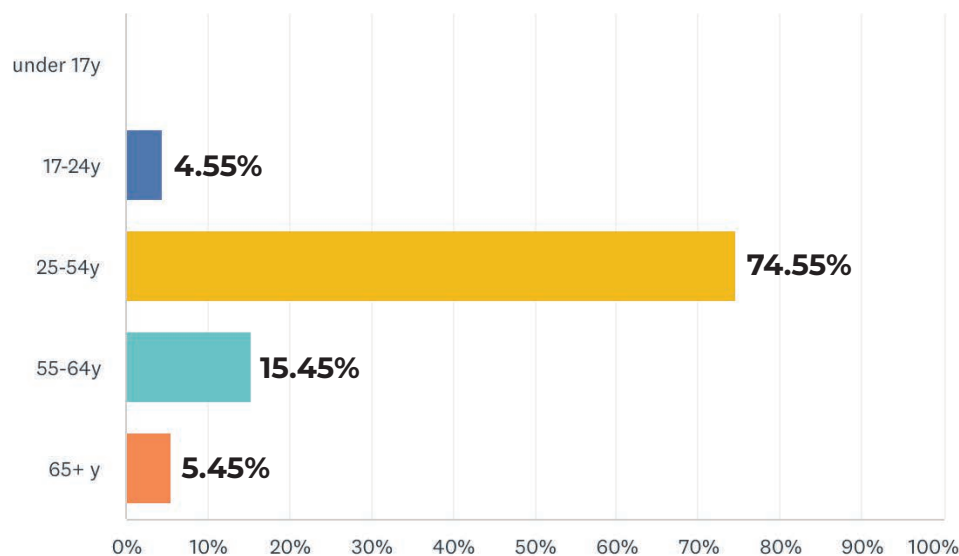


The results

Demographics

Nearly all responding were West Auckland adults aged 25-64; only 5% were younger and 5% were older adults. 62% were female. 74% had children as part of their household.

AGE OF SURVEY RESPONDENTS



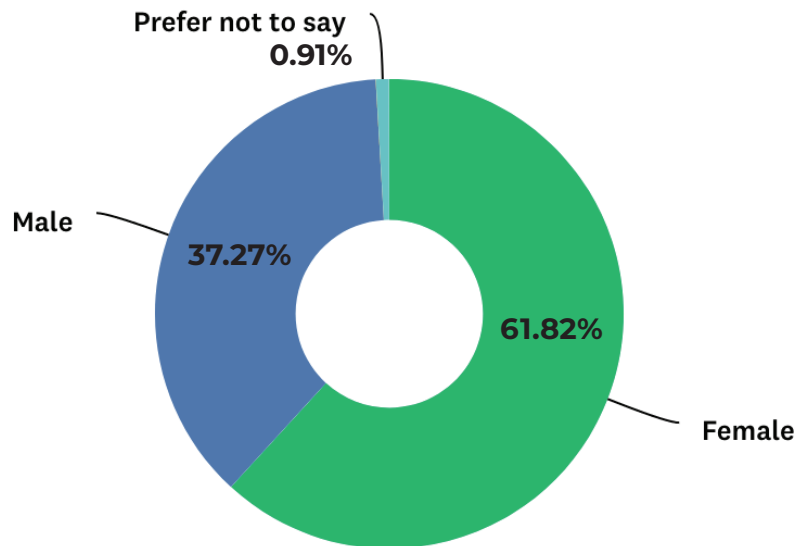
This survey aligns with the findings of numerous other studies in identifying Māori and Pasifika people as being markedly overrepresented in measures of poverty and need. 42% of the respondents identified as Māori (cf. 11.5% in the Auckland population) and 21% were Pasifika (cf. 15.5%)².

The proportion of NZ European/Pākehā in the survey was 38.2% which is in line with the Auckland-wide figure of 43%, however, it is dramatically higher than earlier comparable measures. In the first quarter of 2022, 67% more Māori than NZ European/Pākehā received food support from Visionwest; in this third-quarter report, the difference is only 9%.

Visionwest records show that, typically, the proportion of NZ European/ Pākehā accessing food support from Visionwest is only about 15%.

² 2018 Census population and dwelling counts | Stats NZ. www.stats.govt.nz

GENDER OF SURVEY RESPONDENTS



The level of food insecurity

Approximately 95% of respondents reported that they experience food insecurity (i.e., running out of food, having to eat less, being limited in food choice etc.) at least monthly. Household food shortage was acute in 62% of homes, with food running out at least every week. 11.2% reported that their family had to eat less than optimally every day. 86% rely on assistance from others for extra food or money at least once a month to get by. Nearly all had accessed special food grants to meet the shortfall, with 77.6% accessing them monthly or more.



95%

**EXPERIENCE FOOD INSECURITY
AT LEAST MONTHLY**



62%

**RUN OUT OF FOOD AT
LEAST WEEKLY**



11.2%

**EAT LESS THAN OPTIMALLY
EVERY DAY**



86%

**RELY ON OUTSIDE ASSISTANCE
AT LEAST ONCE A MONTH**

A constant dilemma stalks Lena: should she pay her overdue power bill, or should she buy food? Should she book a much-needed medical appointment for her son, or should she spend that money on groceries? There is never enough money for both and leads to terrible stress. With four intermediate and high school-age boys, the appetites are always there, but the food often isn't. Lena worries they miss out on sport and social events, and they never get trips or holidays away. Formerly a teacher, Lena gave up work to concentrate on her parenting. Even when she was working, she struggled financially. It's been a constant battle for the whole eight years she's been on her own. At times, it has brought her very low.

"I actually came to a crisis point where I felt I couldn't go on. It's a bit better now: lunches at school and food parcels have helped enormously, and I have done a lot of work on myself, but it is still very hard". – Lena, Visionwest client.

Choice and Connection

The survey, which is used internationally, captures information on two aspects of food insecurity that are often overlooked.

The first is choice. Over half of the responders reported that every week they cannot afford the quality and variety of food they would otherwise choose. Almost certainly the rocketing inflation in food prices contributes to this. Also, during the period of this survey, fresh vegetables became extremely expensive. In the September 2022 quarter, compared with the June 2022 quarter, vegetable prices rose 24%, according to stats.govt.nz.

With regards to the lack of choice many people experience when purchasing food, one of the hallmarks of poverty in the Western world is not simply insufficient calories but malnourishment from food of inadequate variety and quality. This leads to something of a paradox where the link between poverty and obesity has become evident throughout the developed world.

The second often-overlooked aspect of food insecurity is connection and how limited people affected by food insecurity are to engage and contribute socially.

Sharing food and extending hospitality is a part of the overwhelming majority of cultures; three-quarters of the people in this survey stated that they experienced stress at least monthly because of their inability to contribute food in social settings and over 51% experienced that stress at least weekly.



When people are deprived of choice and connection, self-esteem and mental health plummet. The large majority of the people surveyed experience these pernicious side-effects of poverty at least some of the time; most experience them constantly.



Abraham Maslow's Hierarchy of Needs would predict that flourishing is impossible without a sense of belonging. Children cannot thrive when dislocated from their culture and society; food is often the enabler of connection between an individual and others.

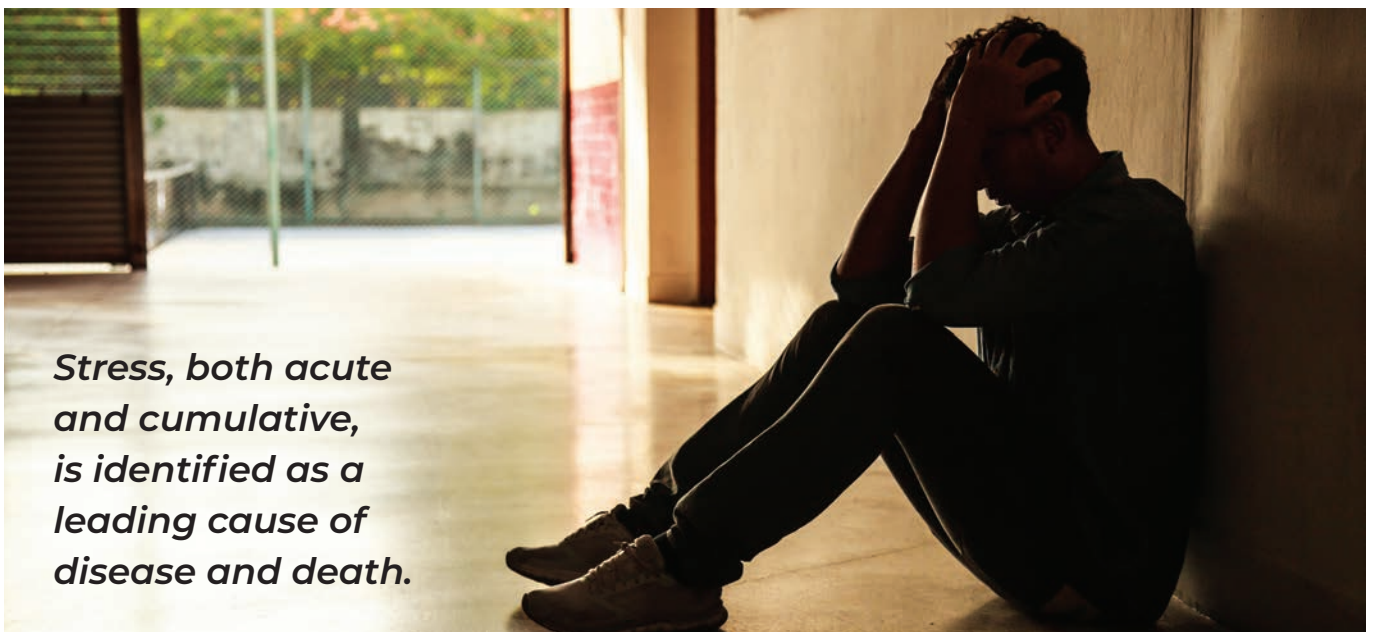
"As a Community Connector team, we are seeing an increase in stress and anxiety within whānau and individuals caused by issues relating to the cost of living, shortfall in income, housing, and food insecurity. Encompassing signs of this presenting decline include; tinana – physical health, wairua – spiritual health, whānau breakdown and disconnection, and hinengaro – mental health and struggling to find purpose". – Debbie Griffiths, Team Leader, Community Connector.

Stress

One of the grimmest indicators of hardship evident in the survey was the experience of stress reported by every person responding to the survey. 70% are stressed at least weekly and nearly a third of responders live in constant stress about their ability to feed themselves and their family.

Stress, both acute and cumulative, is identified as a leading cause of disease and death. The American Psychological Association links stress to heart disease, cancer, lung ailments, accidents, liver disease and suicide. Even if you lay compassion aside, the reality that morbidity and mortality are hugely expensive for a country remains and reducing stress by increasing income could, from a purely economic perspective, be incredibly cost effective.

Inevitably, huge health costs, and terrible morbidity and mortality increases lie ahead for Aotearoa New Zealand if chronic poverty-related stress remains unabated.

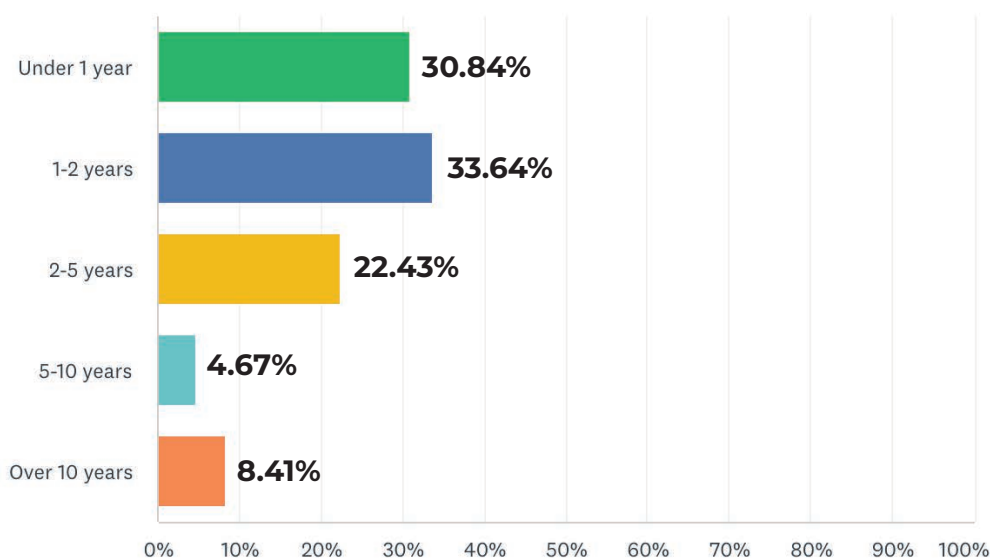


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The new poor

Our survey results align with the impression that the financial mentors at Visionwest have had for a while: that an increasing proportion of their clients have only recently tumbled into dire financial straits. 64.5 % report that their current inability to afford food has arisen with the last two years; for 30.8%, it is within the last year.

HOW LONG HAVE YOU/YOUR HOUSEHOLD BEEN DEALING WITH THE CHALLENGES ASSOCIATED WITH NOT HAVING ENOUGH MONEY FOR FOOD?



Jo Wolferstan, Financial Mentoring Team Leader, is seeing huge changes in her client base. Reversals of fortune in formerly financially stable people are reasonably common.

“COVID is often blamed, but is everything COVID related? It is too easy to make it a scapegoat. COVID provided a final layer of pressure that was already coming from increased living costs and high rents or high interest rates on home loans. When [people] start to skip paying bills, they get into a spiral of debt. And the thing is – they don’t know how to survive on a low income, how to be frugal, how to access services and advice.” – Jo Wolferstan, Visionwest Money Mentor Team Leader.

The financial mentors at Visionwest commented that very few people ever accumulate a financial cushion to protect them from tough times. When that happens, financial collapse can happen amazingly quickly.

More often than not, females with dependent children and who identify as Māori or Pasifika show up in large numbers when measuring hardship. In 2019/20, the New Zealand Health Survey³ showed Māori and Pasifika children are disproportionately represented in food insecurity numbers. Over 45% of children in Pasifika households and nearly 30% of children in Māori households lived in households where the food runs out 'sometimes' or 'often'. The proportion of European and Asian children in the 2019/20 survey, between 10–15%, are significantly lower than Māori and Pasifika children. There remains a question on the role and impact of colonisation and discriminatory policies that have led to this reality. In every measure of hardship within Visionwest's pulse survey, Māori and Pasifika tended to be impacted more. For example, 63% of Māori surveyed ran out of food once a week, compared with 52% NZ European/Pākehā, and Māori are 10% more likely to forego medical treatment because of costs.



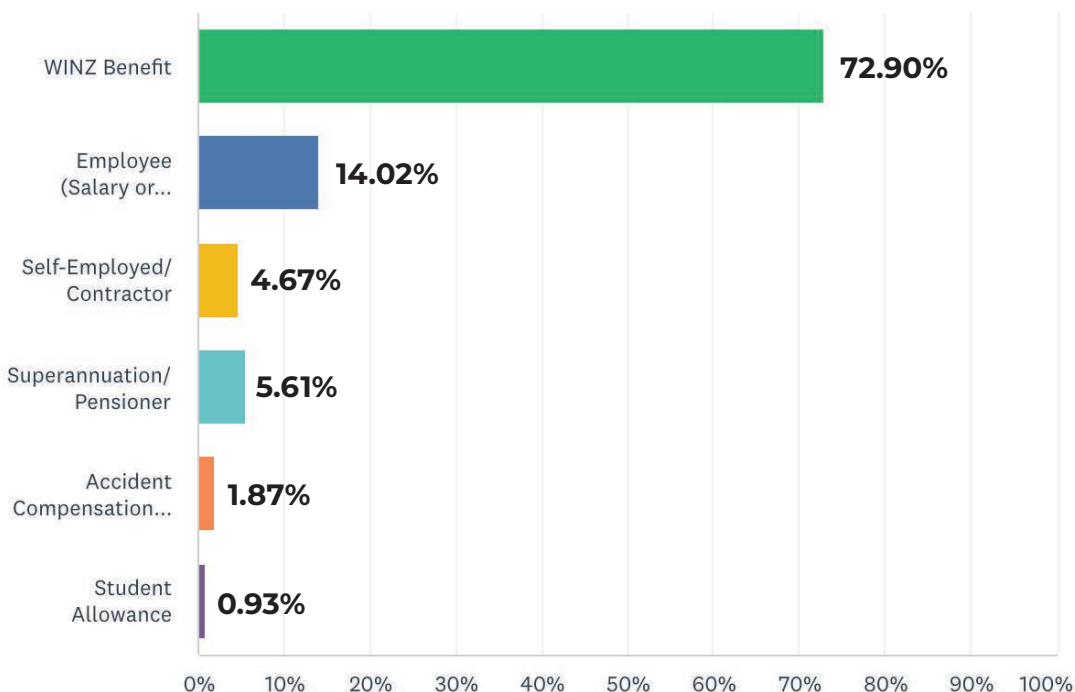
"During the height of COVID the demand on Visionwest's Pātaka Kai for food support was unprecedented. Since that time, while easing to a point, the demand for food support has remained much higher than usual. Decreases in income and increases in the cost-of-living have resulted in a significant growth in need to the point where many whānau legitimately depend on this support regularly".

– Nathan May, General Manager, Visionwest Community Services.

Many whānau were cushioned from the initial impact of the pandemic by special support packages and supplementary payments but when these are withdrawn, they suddenly find themselves in real need. Their reduced income coincides with spiralling increases in the cost of living, pushing even staple foods beyond the reach of many families.

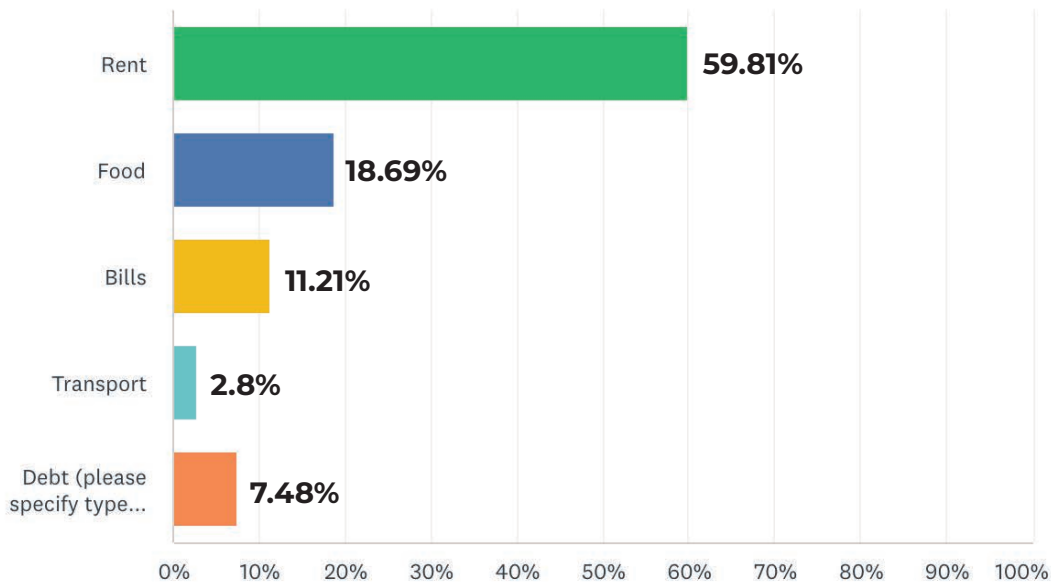
Where money comes from, and where it goes

WHERE DOES YOUR MAIN SOURCE OF INCOME COME FROM?



³ Quoted in The Salvation Army Social Policy & Parliamentary Unit State of the Nation 2022 Summary.

WHAT ARE YOUR HIGHEST EXPENSES EACH WEEK?



Special Needs Grants can be applied for from MSD (including Special Food Grants) and are intended as an emergency supplement in exceptional circumstances. However, nearly all those surveyed accessed these grants multiple times, with 57% obtaining them monthly or more frequently. According to the latest Ministry of Social Development benefit report, \$88.8 million was paid out in benefit advances in the September quarter alone. That compares to \$64.6 million in the 2021 September quarter – a 37.5% increase.

The number of benefit advances has risen by 22.8% (from 155,169 to 190,596) when compared to the same period last year (MSD, 20 October 2022).

Within the survey, a surprisingly large number of those seeking food assistance are waged or self-employed. Unfortunately, the current version of the survey doesn't reveal if other household members bring income into the household.

This aligns with reports that far larger numbers of people who are ineligible for a main benefit are applying for Temporary Additional Support (TAS) and Special Needs Grants (SNGs). Newshub reported, '...data shows that in the year to June 2022, 3006 non-beneficiaries received TAS, up from 2538 people in the year to June 2021. There were 40,242 SNGs provided to non-beneficiaries over the past year, a jump from 34,608 grants the previous year⁴.'

Our survey does not provide many details on expenditure, but it does identify rent as the major expense for 60% of responders. Possibly that figure also includes rent arrears: Kāinga Ora recently reported that 9725 of their tenants are in arrears, an 80% increase from last year. For 7.5% of whānau, debt repayment is their single biggest weekly expense. Kore Hiakai research (zerohunger.org.nz) shows that debt repayments of about \$110 per week are typical.

⁴ Newshub.co.nz Cost of living: Jump in Kiwis not on benefit getting hardship assistance from Government

“Despite benefit and minimum wage increases, most of the households modelled continue to have barely sufficient income to cover their basic fixed household expenses of housing, transport and utilities, basic healthcare and a basic food basket. There is little or nothing remaining to cover the variable costs of essentials such as clothing, insurance, debt repayments, childcare, appliances, school, sport or cultural activities, gifts and any unexpected expenses.”

– Kore Hiakai – Ka Mākona Report 2022

The 2022 Ka Mākona report on income inadequacy in Aotearoa New Zealand compared typical incomes and costs in various localities. If South Auckland figures are comparable with West Auckland, then an adult with two children on a supported living benefit has only \$129 a week left after fixed costs – that is, housing costs and utilities etc.

The level of income for beneficiaries is not as clear cut as a search on the WINZ website implies. Beneficiaries often additionally receive an array of housing supplements, Winter Energy Payments, food parcels, Special Needs Grants and other direct and indirect forms of support that effectively equate to income. Complexity, and possibly inconsistency, in the processes means that some miss out on what they are entitled to.

The clearest finding in this survey is that even when maximised, many whānau find income from benefits is insufficient to meet their needs.



Impossible choices

Given the level of need evident throughout this report, it would not be surprising that whānau are unable to pay their bills. The surprising thing is that 32.7% actually do pay all their bills always or often, and another 36.45% do so at least sometimes. Whānau achieve this by making intolerable choices: “Do I buy food this week, or do I pay my outstanding electricity bill?” No wonder 95% of those surveyed report that they worry about finances. Food parcels provide crucial relief ... until the next crop of bills is due. Possibly the biggest sacrifice of these whānau is their health: 62.6% did not go to a doctor when they needed to because the money was required for other things.

“We can’t afford the doctors. We just don’t go. If it is really serious, we go the hospital because it’s free.” – Visionwest client.

Money for food to keep whānau healthy is so much cheaper than medical treatments to make them well again. Social support strategies need to evaluate not only the costs of payments but also the huge costs resulting from inadequate payments, and the obvious increasing pressure and overloading of our public health system. Canadian⁵ figures suggest a food-stressed individual will have double the health costs when compared to the rest of the population.

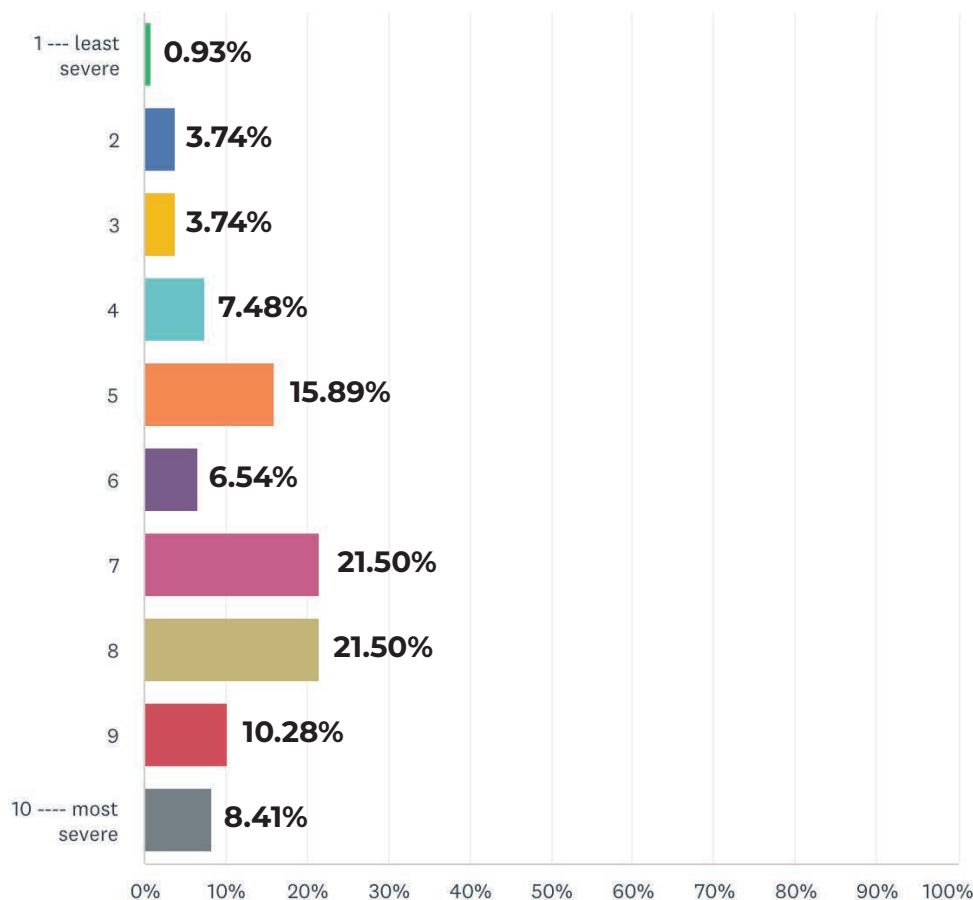
⁵ Household Food Insecurity in Canada. What are the implications of food insecurity for health and health care? Proof.utoronto.ca



Perceived wellbeing, resilience, and hope

The last questions within the survey asked responders to evaluate their current financial hardship on a 1-to-10 scale, and to think ahead about their hopes for the future.

HOW WOULD YOU RATE YOUR FINANCIAL HARDSHIP IN THE LAST 12 MONTHS?



While 18.7% rated their predicament as extreme, most did not. Half rated their situation as moderately severe and 32% placed themselves in the least severe half of the range. When asked to write about their hopes for the future, there was similar spread of responses. For some, hope was cancelled; they cannot see a future exempt from a struggle to survive. But for most, there are dreams. They see hope as realistic, especially around health, housing, and employment, and they can see pathways of education and recovery to achieve those dreams.

Why do more than 80% of the those surveyed not rate their predicament as extreme? Yes, they acknowledge it's bad, but there is sense of a shrug and a "could be worse" attitude. They are stressed, financially strapped, and meet the FAO's definition of moderate or severe food insecurity.

The facts of their predicament are evident in their empty wallets, fridges, and pantries – but it's encouraging that many still demonstrate they have hope. Hardship does crush and demoralise. They see their situation as bad, but not totally bad, and maybe even improving. They are not stuck. As well as much needed food, the Pātaka Kai and other services also provide a glimmer of hope. They are not abandoned.

Aspirations from responders about their future:

To be financially secure and stable.

Graduate, good job

Be happy and debt free.

Stress-free.

I want to get back to work and recover from my surgeries.

Stability - mentally, physically, financially.

I can budget better.

To be financially stable.

Concentrate on my health and finances.

To pass my course.

Earning good money.

Get a good future for my kids.

I live day by day and going back to studies.

Gain a career in social work.

Let go of my grief and trauma.

Work+ life balance.

Get a job.

Work & independence.

To be financially stable, own a house, car.

Complete my degree and get a better financial stability. Also be able to pay off all my debt and have some savings.

Conclusion

It is clear from the 110 whānau surveyed in this report that, in spite of the increasing support they receive, things aren't getting better and for many they are slowly becoming worse.

Many are experiencing financial struggles and are accessing support services for the first time. Others have been struggling for some time but, following COVID and with the almost unprecedented cost of living rises, have been forced deeper into the challenges that accompany financial insecurity.

This survey of 110 of West Auckland's least food secure whānau highlights some of the challenges facing those in our communities who are struggling with finances impacts food security and other :

1. While many have learned to live with the virus itself, the challenges that the COVID pandemic triggered for society's most vulnerable whānau have not gone away.
2. Many who previously had no need to access support services are now having to do so and the rising cost of living is tipping previously financially stable people into spirals of debt and poverty.
3. There is a pressing ongoing need for food support.
4. Wraparound social services such as financial mentoring help greatly but cannot fix the most basic problem that income levels are insufficient.
5. Figures continue to demonstrate that inequalities persist with Māori and Pasifika people being the most disadvantaged.
6. The cost of housing is a huge burden.
7. Stress is a huge factor in the lives of those with food insecurity.
8. Limited resources mean people often forego medical treatment.
9. Provisions meant as emergency support are now mainstays for many.

In 2019, the Welfare Expert Advisory Group wrote, "We found evidence that the levels of main benefits are well below those levels necessary for an adequate standard of living, let alone the levels necessary for even modest participation in society. Even with modest levels of expenditure across core spending items (for example, food, power and housing), individuals and families receiving a range of income support payments face ongoing financial deficits (total spending levels greater than their income entitlements). These conclusions also hold for many of those in paid employment on low wages. Further, spending that allows people to participate meaningfully in their communities (for example, children's sports fees) results in even larger deficits, as does servicing existing debt.⁶" This pulse report, combined with Visionwest's ongoing experience with low-income whānau, confirms this assessment.

What is evident is that a simple increase in the level of support will not fix all of the problems in society, but it may impact greatly on most of them. The systemic problems of inequality and disparity need to be constantly addressed but, in the meantime, a huge amount of stress and despair could be alleviated by welfare benefits being reset to realistic levels. As housing is the single biggest expense of most whānau in this survey, assistance in this area would rapidly lift many people out of financial stress.

⁶ Welfare Expert Advisory Group Report 2019; Whakamana Tāngata RESTORING DIGNITY TO SOCIAL SECURITY IN NEW ZEALAND. <http://www.weag.govt.nz/weag-report/>.

Visionwest takes this report to heart. We substantially increased our food support during the COVID Pandemic in an effort to temporarily alleviate the exceptional needs people were facing; however, this survey reveals a significant growth in need, even after the pandemic, to the point where many whānau now depend on this support regularly.

The survey also confirms what our staff team see so often: those in need are experiencing high levels of emotional stress, anxiety, dislocation, and isolation making food insecurity more than a physical problem, it is an issue that impacts directly on mental health.

As well as doing all we can to help people secure what they need in their cupboards, the report confirms the value of our financial mentoring services and general social supports; they are vital in helping people survive, maintain hope and, for some, helping them to climb out of the predicament of poverty.

Systemic issues are clearly pushing more and more people into acute need, as such we want to add our voice to the many calling for an increase of the Government's support for whānau in need.

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