



Cabinet Business Committee

Minute of Decision

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Continuing to Reduce Child Poverty: Setting the Third Intermediate Targets

Portfolio Child Poverty Reduction

On 10 June 2024, the Cabinet Business Committee:

- 1 **noted** that the Child Poverty Reduction Act 2018 (the Act) requires the third intermediate targets to be set by the end of June 2024;
- 2 **noted** that the forecast rates for 2026/27 are:
 - 2.1 projected to decrease to ~14 percent of children on the after-housing-costs income poverty (AHC50) measure, and to increase to ~15 percent on the before-housing-costs income poverty (BHC50) measure;
 - 2.2 expected to decrease to ~11 percent of children on the material hardship measure;
- 3 **agreed** that the Government set the third intermediate (2026/27) targets at:
 - 3.1 11 percent of children on the material hardship measure;
 - 3.2 14 percent of children on the AHC50 measure;
 - 3.3 12 percent of children on the BHC50 measure;
- 4 **noted** that the Minister for Child Poverty Reduction (the Minister) will set the targets by notice in the New Zealand Gazette, and present a copy to the House of Representatives, as required by the Act;
- 5 **noted** that employment will be a primary lever for making progress towards the child poverty targets, with a particular focus on reducing the number of children in benefit-dependent households;
- 6 s 9(2)(f)(iv) [REDACTED]
- 7 **noted** that the Minister will also be updating the Child Poverty Related Indicators as part of the Child and Youth Wellbeing Strategy refresh, and will report to SOU later in 2024.

Jenny Vickers
Committee Secretary

Hard-copy distribution: (see over)

Present:

Rt Hon Christopher Luxon (Chair)
Hon David Seymour
Hon Nicola Willis
Hon Chris Bishop
Hon Brooke van Velden
Hon Dr Shane Reti
Hon Simeon Brown
Hon Erica Stanford
Hon Judith Collins KC
Hon Louise Upston

Officials present from:

Office of the Prime Minister
Department of the Prime Minister and Cabinet
Office of the Minister for Child Poverty Reduction
Ministry of Social Development