

Holiday pressures for low earners

Many island residents who have been hit by a series of price increases this year are at financial breaking point in the lead up to Christmas says Waiheke Budgeting Services manager Amelia Lawley.

Christmas is a time of increased stress for those on low incomes as they struggle to provide the level of celebration demanded by our consumption-obsessed culture. We hear over and over from parents how worried they are that their kids won't get the kinds of presents their friends will be getting. This causes major anxiety in these parents that they are somehow letting their kids down.

While some might dismiss this as conforming to materialism, and falling victim to advertising and the commercialisation of Christmas, anyone with a child - especially a teenager - will know the pressure to cater to their desire to keep up with their peers.

On Waiheke where people of vastly different socio-economic backgrounds co-exist in close proximity, this pressure can be more acute. Many people resort to credit and then have to face their increased debt in the New Year.

The regional fuel tax is hitting our clients hard. Petrol was already expensive on the island. Waiheke is not an easy place to be carless, especially if you are not physically well, or you have children.

There is a growing number of working poor who are being hit hardest by increases for things such as rent, rates, ferry fares, car parking and petrol. These people often do not qualify for government assistance such as the accommodation supplement or rates rebates because their income is considered too high. Work and Income take gross rather than net income to make their assessments, which is completely illogical because this is not the figure people actually have to spend each week.

Their costs have increased but their incomes have not. These clients often

incur high debt through accessing credit to pay for monthly ferry passes, rates installments, or car repairs.

We have had a marked increase in clients wanting to apply for No-Asset Procedures (a form of insolvency) or bankruptcy



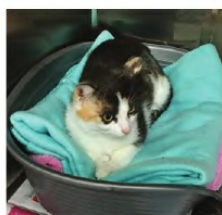
From left: Kay Bentham, Tina Sailer and Amelia Lawley of the Waiheke Budgeting Service say demand for food parcels is at an all time high. Photo Rob Brennan

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because they recognise that their level of debt is too high to service on their current income. Repaying debt on top of week-to-week costs is completely unsustainable.

Food is what is sacrificed in low income households struggling with high rents and the other increased costs of living. This year we have had unprecedented demand on our food bank, almost twice the number of requests for assistance than in 2017.

We have supported the schools with food for breakfast clubs and emergency lunch supplies. We have also opened a Community Pantry for 24/7 access, and

regulatory measures.

The increase in the accommodation supplement earlier in the year was great in that it brought Waiheke into line with the rest of Auckland, but the way the benefit system works means that the increase was clawed back almost dollar for dollar from other payments.

The introduction of Working For Families in 2005 made a huge difference - to families, and primarily working families. The increases to the Working For Families package introduced this year have also helped.



The Waiheke Budgeting Service's community food pantry on Putiki Road.

this is empty every morning.

What this confirms for us is that the increases in government assistance have not made a dent in the increased costs of living. It is a very difficult thing to do, to ask for something as basic as food. People do not generally do so unless things are really tight. It is not usually a "budgeting" issue - it is a "not enough money" issue.

Accommodation costs continue to be the critical factor causing hardship on Waiheke. I had a client in recently who is on the jobseeker benefit with accommodation supplement. His total income is \$390 and his rent is \$280 per week. That is 70 percent of his total income.

This is not uncommon amongst our clients who live alone. Benefits for single people are obviously much lower than for families, yet they are renting in the same market.

While we don't have an official poverty line in New Zealand, Auckland Action Against Poverty consider a household that spends more than 40 percent of its total income on accommodation as potentially in severe hardship. I have written so much about this that *Gulf News* readers are probably sick of it, but the rental market is totally out of control, and there is no end in sight to its upward trajectory without

Single beneficiaries however have had no increase and unfortunately the costs of living - rent, food, power, petrol - have soared, so overall the increases in government assistance have had little real net impact. What we are seeing at Waiheke Budgeting Service is continued struggle. The costs of living on Waiheke far exceed the piecemeal increases in financial assistance.

I canvassed my social service colleagues at our monthly Community Networks Waiheke meeting earlier this month. They all concurred that Waiheke is just a really expensive place to live. The Living Waters Emergency Accommodation is about to get another unit to house people in. They are always full. They have also seen an increase in numbers of people attending their soup kitchen weekly lunch, as has the Sustainability Centre with its Friday Kai Conscious lunch.

People who can still afford to be leaving Waiheke. We have had many clients and ex-clients who have given up the fight and moved to cheaper parts of the country. However many clients do not have the resources to do so - aside from the financial cost (moving costs a lot of money), many people are reliant on supports here (social and medical services for example).

There was a post on the Community Facebook Page some months ago about this - a resident was announcing their reluctant departure due to the unaffordability of remaining. There were scores of responses from ex-Waihekeans all over the country giving their experiences of having had to leave to maintain a sustainable existence.

It probably all sounds very doom and gloom. For all that though, Waiheke is a very supportive community. The social services collaborate closely to share their resources and try to ensure that vulnerable people are looked after. There are initiatives like our community pantry, and the free lunches at Living Waters and the Sustainability Centre.

As well as providing great food, such events also facilitate participation and engagement between people, which is so important for wellbeing, especially for those who live alone and lack the financial means to socialise in other contexts.

We are very grateful for the continuing support from the community with donations to our food bank, which enables us to provide food at Christmas and to keep the Community Pantry stocked over the holidays. •

How you can help spread Christmas cheer

Amelia Lawley says this year the Waiheke Budgeting Service is really concentrating on food and cash for food.

People love to donate presents, but the agency has a lot of gifts stockpiled for this year and distribution of them is already under way. To relieve people's stress around the cost of Christmas the agency delivers items well in advance of Christmas so people know they are covered.

The budgeting service's bank account is 38-9007-0380393-09. Alternatively people can make donations of food and cash to its office at 6 Putiki Rd. The library also has a Giving Tree and it is receiving items for the budgeting service.

Living Waters Assembly of God Church at 92 the Esplanade, Surfdale is holding a Christmas community meal on Monday 17 December and welcomes any help, whether of food, prepared meals or a donation of time to help with the day. Food will be served from 1pm but the work starts before then. Contact Wiremu Te Taniwha on 022 060 9831 if you would like to help.