

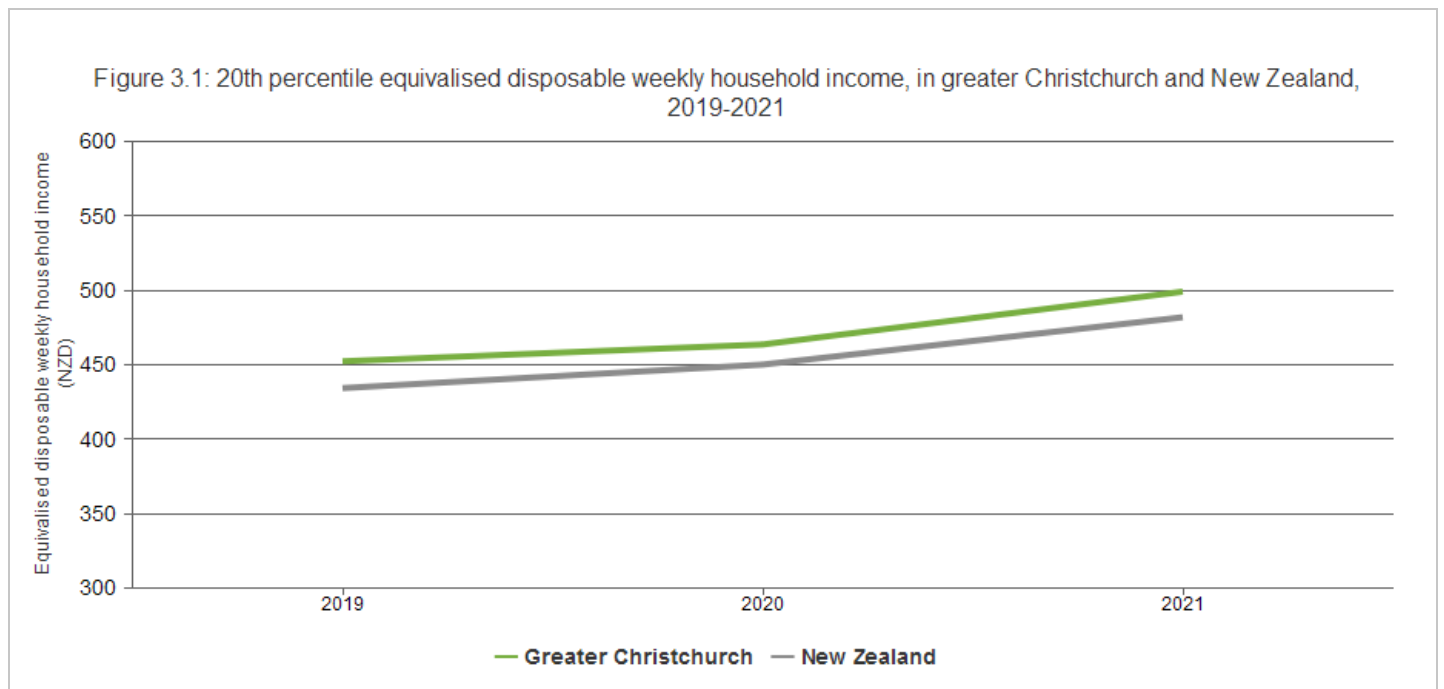
Income: Low household income

Downloaded from <https://www.canterburywellbeing.org.nz/our-wellbeing/income/low-household-income/> on 10/12/2023 4:37 AM

The 20th percentile equivalised disposable weekly household income is used as a threshold that denotes 'low household income'. The 20th percentile for household income is the dollar amount that divides households into the 20 percent of households that have an income below this dollar amount and the 80 percent that have an income higher than this dollar amount. Disposable household income is 'equivalised', which means the dollar amounts have been adjusted based on the number of adults and age and number of children in the household.

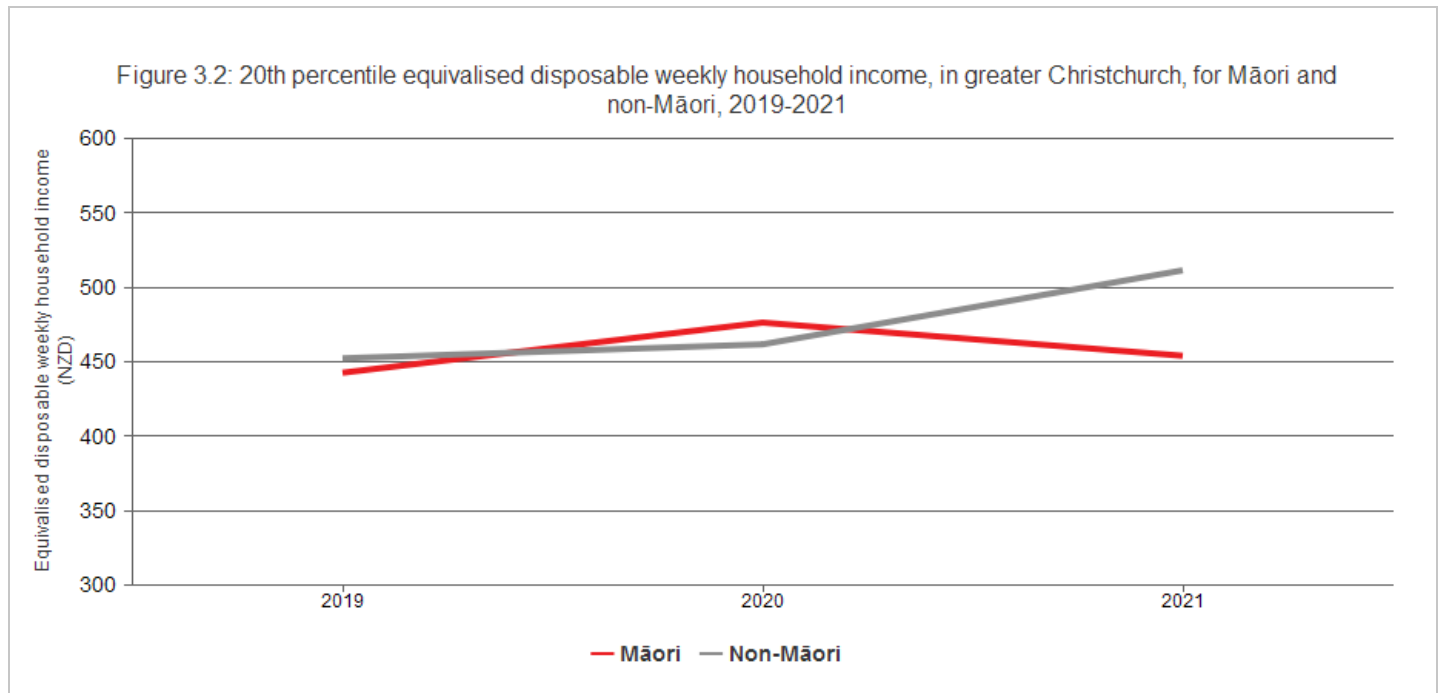
The 20th percentile is a useful measure for illustrating the income level below which households' real-life consumption possibilities will be severely limited, largely because meeting accommodation costs requires a large proportion of their weekly income. The 20th percentile income threshold indicates that the actual living conditions that households will experience are likely to be less than adequate [8]. The 20th percentile equivalised disposable weekly household income is most sensitive to the employment rate, and hours worked, and to a lesser degree hourly wage (the wage component having more influence towards the top end of the income distribution).

This indicator presents the 20th percentile equivalised disposable weekly household income for greater Christchurch and New Zealand, from 2019 to 2021.



The figure shows that the 20th percentile for equivalised disposable weekly household income increased in greater Christchurch from 2019 to 2021 (\$452 and \$499, respectively). The overall trend is comparable to that for New Zealand overall, but at a slightly higher income level (greater Christchurch, \$17 higher than New Zealand, 2021).

Breakdown by ethnicity



The figure shows similar disposable weekly household income for Māori and non-Māori in greater Christchurch in 2019 and 2020, and a substantial income disparity in 2021. In 2021, the 20th percentile equivalised disposable weekly household income in greater Christchurch for Māori was substantially below that of non-Māori (\$454 for Māori and \$511 for non-Māori; \$57-difference).

Data Sources

Source: Statistics New Zealand.

Survey/data set: New Zealand Household Economic Survey (NZIS). Custom data request for greater Christchurch region.

Source data frequency: Annually.

Metadata for this indicator is available at <https://www.canterburywellbeing.org.nz/our-wellbeing/index-data>

REFERENCES

This is the full reference list for **Income**.

- 1 Braveman P, Sadegh-Nobari T, Egerter S (2011) Early Childhood Experiences and Health. Exploring the Social Determinants of Health. *Issue Brief #2, Robert Wood Johnson Foundation*.
- 2 Marmot M (2004) Social Causes of Social Inequalities in Health In: Anand S, Peter F, Sen. AK, editors. Public health, ethics, and equity. Oxford: Oxford University Press on Demand.
- 3 Marmot M, Bell R (2012) Fair society, healthy lives. *Public Health* 126: S4-10.
- 4 Kawachi I, Kennedy BP (1997) Health and social cohesion: why care about income inequality? *BMJ* 314: 1037-1040.
- 5 Meyer S (2002) *The influence of parental incomes on children's wellbeing*. Wellington: Knowledge Management Group, Ministry of Social Development, Te Manatu - Whakahiato Ora.
- 6 Statistics NZ (2022) Labour market statistics about income. Retrieved from <https://www.stats.govt.nz/information-releases/labour-market-statistics-income-june-2022-quarter/>
- 7 Perry B (2017) *Household incomes in New Zealand: Trends in indicators of inequality and hardship 1982 to 2016*. Wellington: Ministry of Social Development.
- 8 Hyslop D, Suresh Yahanpath S (2005) *Income Growth and Earnings Variations in New Zealand, 1998—2004: New Zealand Treasury working paper 05/11*. Wellington: New Zealand Treasury.
- 9 Levin KA, Torsheim T, Vollebergh W, Richter M, Davies CA, et al. (2011) National Income and Income Inequality, Family Affluence and Life Satisfaction Among 13 year Old Boys and Girls: A Multilevel Study in 35 Countries. *Social Indicators Research* 104: 179-194.
- 10 Diener E, Tay L, Oishi S (2013) Rising income and the subjective well-being of nations. *J Pers Soc Psychol* 104: 267-276.
- 11 Diener E, Ng W, Harter J, Arora R (2010) Wealth and happiness across the world: material prosperity predicts life evaluation, whereas psychosocial prosperity predicts positive feeling. *J Pers Soc Psychol* 99: 52-61.
- 12 Kahneman D (1999) Objective happiness. In: Kahneman D, Diener E, Schwartz N, editors. Well-being: The foundations of hedonic psychology. New York: Russell Sage Foundation. pp. 3–25.
- 13 Sengupta NK, Osborne D, Houkamau C, Hoverd WJ, Wilson MS, et al. (2012) How much happiness does money buy? Income and subjective well-being in New Zealand. *New Zealand Journal of Psychology* 41: 21-34.
- 14 Chaudry A, Wimer C (2016) Poverty is not just an indicator: The relationship between income, poverty, and child well-being. *Academic Pediatrics* 16: S23-S29.
- 15 Cooper K, Stewart K (2017) Does money affect children's outcomes? An update. CASEpaper 203, London, United Kingdom.
- 16 Gibb S, Fergusson D, Horwood L (2012) Childhood family income and life outcomes in adulthood: Findings from a 30-year longitudinal study in New Zealand. *Social Science and Medicine* 74: 1979-83.
- 17 Poulton R, Caspi A, Milne B, Thomson W, Taylor A., Sears M, Moffitt T (2002) Association between children's experience of socioeconomic disadvantage and adult health: A life-course study. *The Lancet* 360: 1640-1645.
- 18 Department of the Prime Minister and Cabinet (2020) Child poverty measures, targets and indicators. Retrieved from <https://dpmc.govt.nz/our-programmes/reducing-child-poverty/child-poverty-measures-targets-and-indicators>.