

Working Paper no. 20: How Substance Abuse, Problem Gambling and Family Functioning Impact on Child Poverty

Expert Advisory Group on
Solutions to Child Poverty

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Purpose

1. This paper was prepared to provide the EAG with an overview of the extent that children living in poverty are deprived of income or other resources needed to develop and thrive due to parental substance abuse, problem gambling, or poor family functioning. We acknowledge the extensive literature on each separate topic. While we draw from it, we do not attempt to present a comprehensive review of that literature here. The paper is divided in two main components. The first section focuses on substance abuse and gambling, while the latter section addresses family functioning.
2. This paper has informed the direction and recommendations of the EAG's *Solutions to Child Poverty in New Zealand: Issues and Options Paper for Consultation*. These are preliminary findings, and a final report will be published in December 2012. The findings in this paper do not necessarily represent the individual views of all EAG members.
3. The EAG wish to acknowledge members of the Secretariat for their work on this report.

Substance abuse and problem gambling

This section explores how parental substance abuse and problem gambling affects children living in poverty. This is an issue not only of how parental dependence may negatively impact on family functioning, but also how expenditure on these items is often portrayed as wasting scarce family income.

Problem drinking

4. There is limited New Zealand data on alcohol consumption by household income. The Alcohol Liquor Advisory Council's (ALAC) most recent drinking behaviours survey in 2009/10 (Research NZ, 2011) found that compared with 'non-drinkers', 'drinkers' were significantly more likely to have household incomes of \$50,000 or more per annum (this

might be a function of an older age profile). Compared with 'moderate drinkers', 'binge drinkers' were significantly more likely to earn less than \$50,000 per annum (again, this might be a function of their younger age profile).

5. The Ministry of Health alcohol and drug use survey 2007/08 (2010b) reported the following results with regard to alcohol consumption by deprivation (NZDep2006 quintiles).

Table 1: alcohol consumption by deprivation

| | 1 <i>least dep</i> | 2 | 3 | 4 | 5 <i>most dep</i> |
|--|------------------------------|----------|----------|----------|-----------------------------|
| Ever had an alcoholic drink | 97.2% | 96.2% | 94.8% | 93.4% | 91.8% |
| Drank daily in past 12 months | 5.5% | 5.2% | 4% | 4.2% | 3.9% |
| Drank 3-6 times a week in past year | 22.5% | 21.9% | 18.1% | 14% | 10% |
| Drank 1-2 times a week in past year | 33% | 28% | 29.3% | 26.5% | 24.9% |
| Drank at least weekly in past year | 61.1% | 55% | 51.4% | 44.7% | 38.8% |
| Drank less than once a week in past year | 29.4% | 35.4% | 34.7% | 37.5% | 37.8% |
| Did not drink in past 12 months | 9.5% | 9.5% | 14% | 17.8% | 23.4% |
| Ever had large amount on one occasion | 78% | 78.9% | 78.3% | 75.6% | 77.2% |
| Consumed when pregnant* | 34.9% | 31.3% | 25.4% | 23.6% | 28.4% |
| Was advised not to drink when pregnant | 77.2% | 68.7% | 65.7% | 64.2% | 67.8% |

* Frequency or amount consumed not reported.

6. In 2010 Huckle, You and Casswell published the first study using New Zealand data to assess socioeconomic status (SES) and alcohol consumption and harm among the adult population. They note *"There is currently no consensus in the research literature if an independent relationship exists between SES and alcohol-related consequences"* (p 1193). Huckle et al found that *"lower SES groups drank heavier quantities while higher SES groups drank more frequently. A key finding of this study was that SES did not play a major role as a predictor of drinking consequences in the last 12 months once drinking patterns were controlled for, although there were some exceptions"* (p 1201).
7. Internationally there are also relatively few studies directly addressing poverty and alcohol abuse. Canadian research (Khan, Murry & Barnes, 2002) found that *"conflicting findings have been reported"* (p 406). They note *"Among studies of the relationship between alcohol use and unemployment, each of the following conclusions have been supported:*
 - a) *unemployment increases problem drinking, alcohol use and abuse*
 - b) *unemployment reduces alcohol use and abuse*
 - c) *unemployment does not alter drinking behaviour, no significant relationship exists between alcohol consumption and unemployment*
 - d) *some drink more, some less, and some do not change.*
... It is difficult to determine whether alcohol use causes unemployment or is mainly one of the symptoms of unemployment" (p 407).

8. In their own survey Khan et al (2002) found that *"(a) increased poverty causes increased alcohol use and alcohol problems, and (b) recent unemployment decreases alcohol use while longer unemployment increases it. It is concluded that the effect of unemployment on alcohol abuse changes direction with time and, thus, both cross-sectional and longitudinal data are required to assess any meaningful relationship between them"* (p 405).
9. In their 2010 report the Law Commission notes that *"Whether alcohol abuse is a driver or exacerbator of social harms, or a consequence of them has been the subject of vigorous debate over several centuries"* and that *"...alcohol's contribution to most social harms is complex"* (pp 75-76).
10. The impact of adult drinking on children is well established. In their submission to the Health Select Committee's Inquiry into Preventing Child Abuse and Improving Child Health Outcomes, ALAC (2012) note:

"Adults' alcohol drinking can significantly and permanently impact on young children, including before they are born. The key impacts are that:

- *adults' drinking, in particular heavy drinking, can contribute to anger, arguments, interpersonal violence and relationship breakdown for adults and this can have a detrimental impact on children*
- *for some children, the impact of adults' drinking results in child abuse, neglect, alienation and sometimes death of children*
- *alcohol consumption during pregnancy can result in a child being born with lifelong physical, mental, behavioural and learning disabilities (known as fetal alcohol spectrum disorder (FASD)).*

Reducing the impact of alcohol on young children requires action in the following areas:

- *earlier identification and effective interventions for parents/caregivers/whānau who are heavy drinkers of alcohol*
 - *any signs of child abuse to immediately trigger a range of interventions, including alcohol related interventions*
 - *promotion of advice on not drinking during pregnancy, alcohol screening and brief advice for pregnant women and referral to treatment services for those unable to stop*
 - *availability and access to diagnosis services, follow-up interventions and support for children with FASD and their families/caregivers/whānau"* (pp 1-2).
11. Recent New Zealand research has focused on the location and density of alcohol outlets in low SES neighbourhoods. For example, a study into the impact of liquor outlets in Manukau City (ALAC, 2012) found that off-licence liquor outlets tended to locate in areas of high social deprivation. In a review of the international and New Zealand literature,

ALAC (2012) found *“The international literature provides mixed results for the relationship between liquor outlet density and a range of outcome variables. There are studies showing that liquor outlet density has significant positive effects on alcohol consumption, violence and other crime, drink-driving and motor vehicle accidents, child abuse and neglect, drunkenness and property damage, hospitalisations and public health problems. However, other studies show no statistically significant effects, or even significant negative effects.”* Further, *“as with the international results, it appears that the relationship between liquor outlet density and outcomes variables in New Zealand are highly context specific, especially as each of the New Zealand studies noted above focused on a very limited range of social harms”* (pp 3-4).

Drugs

12. Data from the Ministry of Health 2007/08 alcohol and drug use survey (2010a) indicates that men (but not women) living in more socioeconomically deprived neighbourhoods (NZDep2006 quintile 5) were significantly more likely to have used any drug for recreational purposes in the past year than people living in less socioeconomically deprived neighbourhoods (quintile 1), after adjusting for age. For many specific drugs (including ecstasy, stimulants (amphetamines, cocaine), hallucinogenics, sedatives, opiates, BZP party pills), there was no overall trend by neighbourhood socioeconomic deprivation in past-year drug use.
13. Among past-year drug users, the prevalence of having received help in the past year to reduce the level of drug use was significantly higher for people living in neighbourhoods of higher socioeconomic deprivation compared with people living in the least deprived areas, after adjusting for age.
14. With regard to cannabis use, among men, the prevalence of having used cannabis in the past year was significantly higher for men in the more socioeconomically deprived neighbourhoods (NZDep2006 quintiles 3, 4 and 5) than men living in the least deprived neighbourhoods (quintile 1), after adjusting for age. Among past-year cannabis users, there was no consistent trend in the prevalence of using cannabis at least weekly in the past year by neighbourhood deprivation, although women living in the most socioeconomically deprived areas were significantly more likely to use cannabis at least weekly than women living in the least deprived areas, after adjusting for age.
15. The New Zealand Drug Foundation (2011) notes *“Internationally, there is very little evidence for significantly higher rates of substance abuse among welfare recipients than non-welfare recipients when socio-demographic factors are controlled for. A recent review indicates that substance abuse among welfare recipients is not a major cause of continued welfare dependency”* (p 4). US research (Metsch & Pollack, 2005) on the prevalence of substance abuse among welfare recipients found *that “substance abuse*

disorders are less widespread among welfare recipients than was originally thought and are less common than other barriers to self-sufficiency” (p 65).

16. Like alcohol use, it is important to make a distinction between problematic drug use, addiction or dependence and occasional drug use (NZ Drug Foundation, 2011).

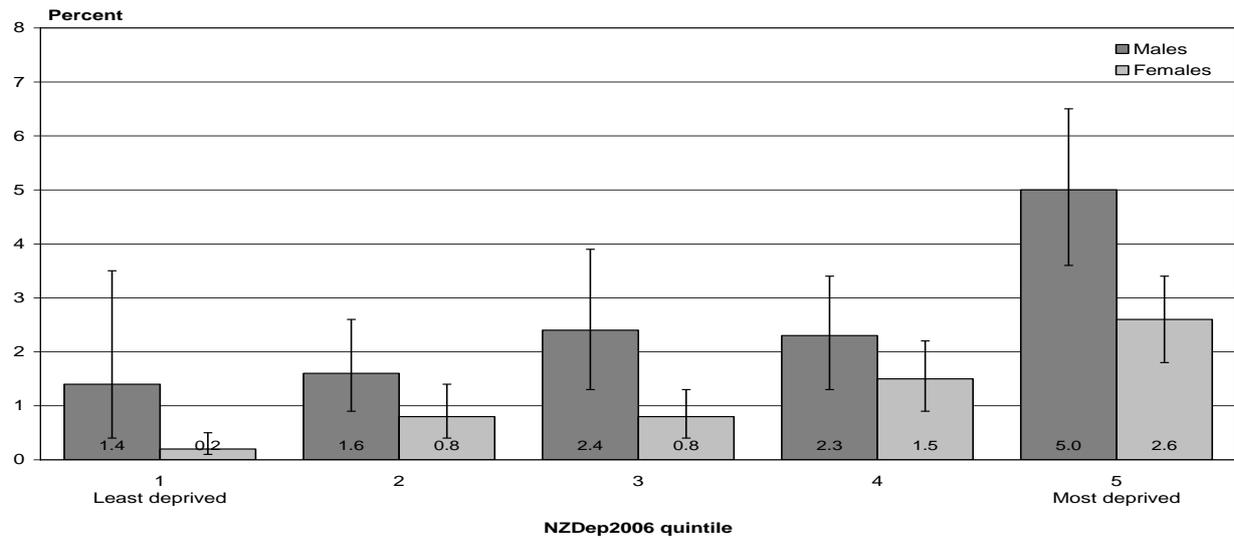
Tobacco smoking

17. After adjusting for age, both males and females living in the most deprived neighbourhood areas are significantly more likely to be current smokers than males and females living in the least deprived neighbourhood areas. Long-term there is a pattern of decline in smoking rates with the exception of little change for males and Māori (Ministry of Health, 2010c).
18. Using the 1996 Census and HES data, Thompson et al (2002) found that 11 percent of New Zealand children lived in households with smokers, where the income was less than \$15,000 per adult. Māori children are at even greater risk, as they are more likely to be in a low income household and their parents are more likely to smoke. In low income households with smokers, *“potentially 10 percent of their spending was on tobacco”* (p 375).

Gambling

19. The Gambling Act 2003 requires a public health focus to be taken in addressing gambling harm. The Department of Internal Affairs is the primary regulator of the gambling sector. The Ministry of Health has responsibility for funding and co-ordinating problem gambling services.
20. The results of the 2006/07 New Zealand Health Survey (Ministry of Health, 2009) indicate that 1.7 percent of the adult population were problem or moderate-risk gamblers, representing 1 in 58 adults in the population, or an estimated 54,000 people. People living in more socioeconomically deprived areas were significantly more likely to be problem gamblers than other people, after adjusting for age. Half of problem gamblers lived in quintile 5 (most deprived) areas, compared to approximately 20 percent of the total population (figure 1).

Figure 1: Problem and moderate-risk gambling, by NZDep2006 quintile and gender (age-standardised prevalence)



Source: Ministry of Health, 2009

21. People living in quintile 5 (most deprived) areas were significantly more likely to have gambled on non-casino gaming machines (NCGM or pokies), or played Keno and housie in the last 12 months, compared to people living in quintile 1 (least deprived) areas, after adjusting for age. By comparison, people living in quintile 1 areas were significantly more likely to have participated in sports betting in the past 12 months than people living in quintile 5 areas.
22. Among both males and females, people living in the most deprived areas were significantly more likely to have experienced problems in the last 12 months due to someone's gambling, compared to people living in quintiles 1, 2 and 3 areas, when adjusting for age.
23. A study investigating the impacts of gambling and problem gambling for Māori whānau/hapu/iwi and communities found the most commonly cited reasons for gambling were the need to win money and socialising, enjoyment or fun. The need to win money was in direct relation to people's ability to pay bills or debts, and pokie machines were seen as the quickest mode by which to make money (Te Runanga o Kirikiriroa Trust (2007 unpublished), cited in Francis Group (2009)).
24. In their Gambling Needs Assessment report, Francis Group (2009) note "... Pacific peoples are at substantially greater risk of developing problems related to gambling than other population groups, and that Pacific peoples have a 'bimodal' distribution for gambling, whereby fewer Pacific peoples take part in gambling than the general population, but those that do participate in gambling have a higher expenditure than other population groups (Abbott & Volberg, 2000 and Abbott, 2001, as cited in Bellringer, Abbott, Williams, & Gao, 2008). Preliminary results from the first data collection in the Pacific Islands

Families study (mothers at six weeks post-partum) indicated that the Pacific population was not homogeneous in relation to gambling, with Tongan mothers more likely to gamble, and spend more when they gamble, than Samoan mothers” (p 26).

25. Francis Group (2009) report that almost half of NCGMs (48 percent) are found in areas of highest deprivation. Between 2005 and 2008 there was an overall 9 percent drop in the numbers of NCGMs. Despite this overall reduction, most new NCGMs (52 percent) were installed in decile areas 4 to 8. 56 percent of all NCGM expenditure occurs in the most deprived areas.
26. The Ministry of Health (2009) notes *“There are a number of possible explanations for the associations between gambling problems and living in areas of higher socioeconomic deprivation. People in more socioeconomically deprived neighbourhoods have less disposable income, and therefore may feel the negative effects from excessive gambling more easily. Alternatively, gambling accessibility may have contributed to the inequalities of gambling-related harm by socioeconomic deprivation. Studies have shown that gambling venues, including NCGM venues and TABs, are more likely to be located in more deprived areas (Ministry of Health 2006b), which increases access to gambling venues. A recent study has also shown that living closer to gambling venues is associated with increased risk of problem gambling (Ministry of Health 2008d)” (p 89).*
27. The Problem Gambling Foundation New Zealand (2012) notes *“When parents have problems with gambling, it is often children who suffer most. Young children can miss out on basic essentials if a parent has gambled away household money... One in six New Zealanders say a family member has gone without something they needed or a bill was unpaid due to gambling” (p 1).*

Discussion – substance abuse, problem gambling and child poverty

28. Problem drinking, problem gambling, drug taking and tobacco smoking all cause significant social and health problems, irrespective of socioeconomic status. The adverse impacts on family members, including children, are also clear. The research evidence leads the EAG to conclude that parental problem drinking and drug use are not significant *causes* of child poverty. However, parental tobacco smoking and problem gambling are probably *correlated* with child poverty. Substance abuse and problem gambling certainly *exacerbate* child poverty. Parents who abuse alcohol, drugs, smoke tobacco around their children and have a gambling problem are adversely affecting their children’s well-being; they are less likely to parent well; they will have less money to spend to meet their family’s needs; and they may be less able to work.
29. There is significant work underway both at the government and community level to address social hazards, including social marketing campaigns, and population and public health based efforts. The EAG endorses the following:

- Early detection of problem drinking, drugs or gambling, and tobacco smoking through antenatal services and universal Well Child service, and referral to treatment services, this may require ongoing training for LMCs, maternity services and Well Child service providers.
 - Continued promotion of advice on not drinking during pregnancy.
 - More rapid access to publicly funded gambling, drug and alcohol rehabilitation services, prioritised for parents living in poverty.
 - Continued focus on the regulation of the geographical location of alcohol and gambling outlets.
 - Continued implementation of the objectives of the Ministry of Health's (2010) Preventing and Minimising Gambling Harm: Six-year Strategic Plan, especially where prevention efforts target socioeconomically deprived neighbourhoods and families with children.
 - Continuing development and funding (through tobacco tax revenue) of comprehensive, evidence based tobacco control programmes including smokefree environments, mass media campaigns and smoking cessation programmes, including programmes and services specifically for Māori.
 - The government health target of expanding smoking prevention and reduction initiatives, including increased screening in primary health care.
30. Chaotic, dysfunctional, vulnerable families with multiple problems benefit from specific interventions. These types of families are the subject of the Government's White Paper for Vulnerable Children and Action Plan.

Family Functioning

This section of the paper explores family functioning. The effect financial stress has on parenting capacity is discussed, followed by interventions that have sought to reduce child poverty by influencing family composition.

Financial stress, parenting and child well-being

31. In the Prime Minister's Chief Advisor's Report on young people (2011), Harold discusses how family functioning heavily influences child well-being. In relation to child poverty, he notes *"Children are at increased risk for negative psychological outcomes (anxiety, depression, aggression and antisocial behaviour) from within a family context when they are exposed to [inter alia] acute or chronic economic strain"* (p 179). One key mechanism linking financial stress with child well-being is parenting behaviour (Kalil, 2003).

32. Research shows that in all cultures parents with lower SES are more likely to use 'authoritarian' parenting styles¹ than those in higher SES groups (Katz et al, 2007). *"[Financially] poor parents are more erratic in their discipline behaviours, provide fewer opportunities for their children, are less involved in their children's lives and supervise and monitor their children less than their non-poor counterparts"* (Kalil, 2003, p 42).
33. In their review of the relationship between parenting and poverty, Katz et al (2007) identify three main theories that attempt to explain the apparent difference in parenting style and practices by income level: stress theory, culture of poverty (or role-model) theory, and environment of neighbourhood theory.
34. In summary, stress theory hypothesises that:
- *"Materially disadvantaged parents face more stress than affluent parents.*
 - *This causes them to be more depressed, irritable or angry than affluent parents.*
 - *Higher levels of stress negatively affect parenting style, and these parents tend to be more authoritarian or inconsistent.*
 - *This in turn affects their children's outcomes in a negative way"* (Katz et al, 2007, p 18).
35. Katz et al (2007) note *"Despite the clear link between poverty, parental stress and negative outcomes for children, there is still an unresolved question about the direction of causality. While it is intuitive to believe that poverty causes stress, it is also possible that parents who are temperamentally more likely to feel stressed are also more likely to be poor"* (p 37).
36. The culture of poverty theory *"... asserts that parents living in poverty form a different 'culture' from that of middle-class parents. This, rather than the effect of material deprivation itself, is seen as influencing outcomes for children"* (Katz, 2007, p 19). It is hypothesised that this parenting style is transmitted through generations, for example where families have lower expectations of work and education, or higher tolerance of group binge drinking. Similarly, Mayer's (1997) role-model theory suggests that a culture of intergenerational dependency can be reinforced by increasing income support which has a negative impact on child outcomes.
37. Environment of neighbourhood theory asserts that parenting style is affected by the neighbourhood environment as well as the personal characteristics of parents. However, research has generally found that *"while there are factors within neighbourhoods which*

¹ The four common parenting styles are: permissive, authoritarian, authoritative and uninvolved.

affect some aspects of parenting (such as perceptions of high crime levels), there is no consistent neighbourhood effect on parenting” (Katz, 2007, p 25).

38. A key finding of Katz et al’s review of the relationship between poverty and parenting *“is that the majority of parents in poverty (like those living in relative affluence) possess adequate parenting capacity. This belies any assumption that poverty is necessarily associated with a lack of parenting capacity... At the very least, it is clear that parents living in poverty should not be treated as a single group simply because they are materially less affluent” (p 37).*
39. Personal and family resilience and protective factors (such as a good marital relationship or strong social support) can mediate the stress associated with having a low income (Kalil, 2003). In a review of the literature on family resilience and good child outcomes, (Kalil, 2003) discusses the efficacy of intervention programmes which aim to improve parental behaviour, in order to enhance family resilience. She notes that the empirical evidence finds:
 - Intensive programmes for pre-schoolers have shown positive effects, while programmes that target adolescents generally have not.
 - Despite theoretical frameworks that stress the importance of positive parental behaviour for successful child development and that highlight disruptions to parenting as a key mechanism linking economic hardship to negative child outcomes, most parenting programmes appear ineffective at improving children’s outcomes. Exceptions include very intensive and expensive programmes (eg home visiting programmes).
 - Boosting poor families’ economic resources appears to yield improvements in children’s development, especially among younger children.
 - Programmes derived from social capital frameworks that aim to increase family-community ties hold promise, but are still rare and have not been subject to experimental evaluation.
40. In a review of parenting programmes, the Families Commission (2005) notes that in isolation parenting programmes cannot assist families, *“In the first instance, families’ accommodation and income needs must be met. If parents face chronic stress and struggle to meet basic needs, it is a challenge for them to focus on supporting their children’s learning and development.”* Further, they note *“Parenting programme effectiveness is very difficult to determine” (p 5).*
41. The government invests a considerable amount of funding in supporting parents and families. Services range from universal, parent education services (like Parents Centre antenatal classes, SKIP, SPACE, Parents Inc toolbox programmes, Plunket In your

Neighbourhood, Whānau Toko I Te Ora, HIPPY), through to more intensive services targeted to at-risk families (like Early Start, Family Start, Whānau Ora, Triple P, parenting programmes in prisons). Ensuring a range of services is provided for families is appropriate, however, information on what works for who (including children living in poverty), and the return on the investment made, is lacking. More and better evaluation of parenting support services is needed in New Zealand.

Influencing family composition to reduce child poverty

42. In 2009 the poverty rate for sole-parent families in New Zealand was 43 percent (Perry, 2011). In recognition of the relationship between child poverty and rates of lone parenthood and marital dissolution and the associated negative outcomes for children, some overseas child poverty strategies have sought to influence fertility, marriage and patterns of family formation. Initiatives include interventions to reduce teenage pregnancies, removing incentives for young sole parents (eg lowering rates of sole-parent benefits), pro-marriage education campaigns, and support to strengthen couple relationships (Bradbury, 2003).
43. In 1996 the US Congress passed the Personal Responsibility and Work Opportunity Reconciliation (PRWOR) Act. While the PRWOR Act was a 'welfare-to-work' policy initiative, it also specifically aimed to *"end the dependence of needy parents on government benefits by promoting... marriage"* and *"prevent and reduce the incidence of out-of-wedlock pregnancies"*. The Act placed as much emphasis on fertility and marriage as that on labour market involvement. Commentators (eg Rector & Pardue, 2004) argued that US welfare programs such as TANF, food stamps, medical care, public housing and the tax system created significant financial penalties or disincentives to discourage marriage, particularly among low-income couples.
44. To enact the objectives of the PRWOR Act, in 2005 \$750 million was allocated over five years for the Healthy Marriage Initiative. The funding has been spent on advertising campaigns on the value of marriage, education in high schools on marital values, education programmes for engaged couples and expectant and recent non-married parents, skills training programmes for married couples, divorce reduction and relationship skills programmes, and marriage mentoring. In 2011 the Obama administration continued the initiative, spending another \$150 million on Healthy Marriage, and Responsible Fatherhood grants (\$75 million respectively).
45. Evaluation results for these US initiatives have been mixed. Evaluation of marital education programmes, comparing participants and non-participants, suggest no real differences in couples staying married, living together, or divorcing (Karney, 2011). Karney suggests this is because research has showed low-income groups value marriage

as much as middle- to high- income families. He summarises that effects of skills interventions are likely to fade quickly, and marital interaction may not be a skill that can be taught directly.

46. The US Fragile Families and Child Well-being study (Sigle-Rushton & McLanahan, 2002) found that *“important differences exist between married and unmarried couples that cannot be altered with a marriage licence. Unmarried parents are vastly different from married parents when it comes to age, education, health status and behaviour, employment, and earnings and earnings capacities, which, in turn, translate into differences in poverty. Proponents of marriage are substantially overstating its benefits when they compare the earnings and poverty rates of single mother families to those of married, two parent families”* (p 523).
47. The US think-tank the Brookings Institution argues that one of the most effective ways (including cost-effective) of reducing the prevalence of fragile families and achieving the goal of encouraging marriage is to reduce births to unmarried and young parents (Sawhill, Thomas & Monea, 2010).
48. In the UK and Australia, the focus has been less on promoting marriage and more on supporting couple relationships and increasing parenting capacities and skills. The UK Department for Children, Schools and Family (2008) has noted:
 - Marriage is associated with successful outcomes for children, however, evidence on causation is weak. Generally, evidence suggests that the quality of relationships matters most regardless of the legal form.
 - Lone-parent families experience more problems than two-parent families. The evidence suggests that it is not being a lone-parent itself that is problematic, but rather the problems that led to the relationship breakdown and the financial consequences that often follow, which account for most of children’s adverse outcomes.
 - Step-families face greater challenges as a result of the consequences of relationship breakdown and the presence of a new partner.
49. As part of its Child Poverty Strategy (Department for Work and Pensions & Department for Education, 2011), the UK government is increasing the amount spent on support for couples experiencing difficulties in their relationship, including online and phone services. It also plans to expand the Family Nurse Partnership programme, which aims to improve outcomes for vulnerable children and families. Other key programmes are Sure Start Children’s Centres, Family Intervention Services, the Westminster Family Recovery Project and interventions based on Multi-Systemic Therapy.
50. One of the UK Child Poverty Unit’s pilot programmes aims to test how best to co-ordinate support services for separating parents (Evans & Gardiner, 2011).

51. In New Zealand, the government has traditionally been reluctant to enter the private sphere of couple relationships. Pryor and Roberts (2005) note *“It is also apparent that, at least in New Zealand, commitment rather than the legal status of their relationship may be much more important in determining whether or not parents stay together... perhaps our energies are best focused on fostering and supporting positive facets of commitment, rather than seeing the legal status of a relationship as a major factor in determining the wellbeing and stability of families.”* (p 31).
52. Recently funding has been directed at support for teen parents, and in May 2012 the Minister for Social Development announced full funding for long-acting reversible contraception for female beneficiaries and their 16-19 year old daughters.
53. In August 2012 the Minister of Justice announced a package of reforms to the Family Court. With regard to services and support for couples with relationship difficulties and for separating parents, the reforms:
 - Make participation in the *Parenting Through Separation* course mandatory, before ex-couples turn to the Court to resolve their differences.
 - Introduce a new Family Disputes Resolution (FDR) service. The FDR will create a formal approach to out-of-court dispute resolution. Parties will work with an approved FDR provider to reach agreements that focus on the needs of their children. FDR will be subsidised for those who meet the legal aid threshold. It will replace most Family Court counseling and mediation services.
54. In terms of reducing or mitigating the effects of child poverty, useful Family Court services would be those that assist parents to work through relationship difficulties (potentially reducing the likelihood of separation), and those that help parents to separate well, mitigating the potential negative outcomes for children (eg minimising conflict, separating shared finances equitably, making sustainable care arrangements). The Family Court reforms appear to be moving in this direction. However, the introduction of user-pays for counselling services (in the reforms one session is free, where formally six sessions were free) will reduce access to Court services for many families. No details are provided by the Ministry of Justice about the subsidy for FDR services that will be available to families who meet the legal aid threshold.
55. Regarding disincentives for cohabiting parents in the income support system, the Welfare Working Group (2011) was of the view that *“the structure of the benefit system creates financial incentives for some low income parents to live apart from their partner and does little to support or expect participation in paid employment”* (p 48).

56. As part of our review of the income support system, the Secretariat will consider how to ensure that policies do not discriminate based on parental relationship, so that perverse incentives that undermine family formation are reduced.
57. Policy initiatives to reduce the prevalence, and mitigate the effects of, parental separation and sole-parent families could include:
- universal access to relationship support services to reduce the prevalence of parental separation
 - information and advice for separating parents to ensure they receive all their entitlements to income support and tax, including child support
 - easy access to services to support parents to separate well ie to minimise conflict, separate shared assets equitably, make sustainable care arrangements, advice on income support and tax entitlements.

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