



*Government of Niue*

# Poverty in Niue The Analysis



**Report Based on the 2002 Household Income and Expenditure Survey**

**June 2004**



## Preface

Fakaalofa lahi atu, greetings!

To live in poverty or extreme hardship are conditions which has no absolute official definition, its boundary and application as it differs from person to person, family to family, one community to another and from country to country. However, it is important to understand that poverty should be defined, measured, studied, and accepted relative to the diverse economic, social, cultural and political environment prevailing in each country and region of the world.

This is the first ever Poverty Analysis Report in Niue in response to the Copenhagen Declaration Programme of Action and the United Nations Poverty Strategies Initiatives (PSI).

Indeed I have much pleasure in endorsing this report for the general information of the People and Government of Niue, the Niue Non-Government Organisations, Researchers, Planners and Policy Makers who are interested to know the situation on poverty, hardship and vulnerability in Niue. There is also an expectation and confidence that the information contain herein will be useful and a valuable tool for donors to use it in considering the level of resource assistance to Niue, its people for overall developments for the betterment of Niue's future.

For the all the hard work put into this report by various people and organisations, your support is fully acknowledged and appreciated.

Fakaaue lahi mo e kia fakamonuina mai he Atua a tautolu oti.  
Thank you very much and may God bless us all.

Honourable Bill Vakaafi Motufoou  
Minister for Economic Development, Planning and Statistics

## Acknowledgement

Hofihofi atu e tau Fakaalofa kia mutolu oti.

I would like to sincerely acknowledge all persons who supported and made this task – the poverty analysis for Niue based on the Niue HIES 2002, a reality.

Special gratitude and appreciation is extended to the staff of the Statistics Programme of the Secretariat of the Pacific Community, Mr Garth Parry(Statistician) and Greg Keeble(Statistics Advisor/Trainer) for helping put together this Poverty Analysis Report for Niue. Without your help and understanding of my endless request for technical advice this report may not have been possible. Also the UNDP office in Samoa for the financial assistance towards this project.

Last but not least, thanks to all my colleagues in-office (Premiers Department) for all assistance given, in our bid to fulfil a common goal, “making this place a better place for us to live in; A prosperous Niue – Niue ke Monuina”.

Fakaaue lahi mahaki, Thank you very much.

KimRay Vaha  
Assistant Statistician

**Abbreviations and Acronyms Used:**

<b>ADB</b>	- Asian Development bank
<b>BNPL</b>	- Basic Needs Poverty Line
<b>FPL</b>	- Food Poverty Line
<b>GON</b>	- Government of Niue
<b>HIES</b>	- Household Income and Expenditure Survey
<b>MDGs</b>	- Millennium Development Goals
<b>NSO</b>	- National Statistics Office
<b>OECD</b>	- Organisation for Economic Co-operation and Development
<b>PPP</b>	- Purchasing Power Parity
<b>PSI</b>	- UNDP's Poverty Strategies Initiative
<b>QPL</b>	- Lowest Quintile Poverty Line
<b>RPL</b>	- Relative Poverty Line
<b>UNESCO</b>	- United Nations Educational Scientific Cultural Organisation
<b>UNDP</b>	- United Nations Development Programme
<b>WSSD</b>	- World Summit for Social Development

## Glossary

- Poverty** - "Being poor"; being in a state of not having means to procure comforts or necessities of life. (*Oxford Dictionaries 7<sup>th</sup> Edition*)  
- "Freedom from the necessity to perform activities that are regarded as subservient and (their) ability to choose self-fulfilling and rewarding life styles." (*Baulch 1996, a discussion of the definitions of poverty.p.3-Nilüfer 1998 p.6, UNDP WP5*)  
- **"An Inadequate Level of Sustainable Human Development is manifested by a lack of access to basic services and opportunities to participate fully in the socio-economic life of the community"** (*ADB 2001*)
- Poverty Line** - Minimum income level needed to get necessities of life. (*Oxford Dictionaries 7<sup>th</sup> Edition*)
- Food Poverty Line** - An indication of the poorest of the poor in society.
- Basic Needs Poverty Line** -  
The incidence of basic needs for food, clothing, and shelter, health care or education hardship.
- World Summit for Sustainable Development (WSSD)** -  
An international meeting held in Copenhagen in March 1995, where the Copenhagen Declaration and the Programme of Action was formulated.
- Equivalent Median Expenditure** -  
A computed median expenditure derived from using methods agreed by OECD in the calculations. Such as the first adult is counted as 1, the next adult as 0.7 and children as 0.5. This was done to ensure the comparison of households with different number of persons.
- Quintile** - A 5<sup>th</sup> or 20 per cent of the whole.

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**Summary of findings:**

- No households fell below the absolute poverty line of US\$1/day.
- All households had total per capita expenditure above the food poverty line.
- Almost all households had sufficient income to meet their daily costs-of-living for both food and other essential expenditure.
- An estimated 8 percent of households spent less than was considered sufficient to meet both essential and discretionary expenditures.
- Around 14 percent of households fall below 50% of median per-capita expenditure.
- On average higher spending households have twice the income and spend twice as much as lower spending households.
- There were differences in the gender of householder, location of household, and number of children and workers of households in the lowest expenditure quintile (20%) compared to higher quintiles.