

**Editorial: Plenty of help in financial crisis** - The Marlborough Express, 09 September 2009

OPINION: The latest report from Treasury on the economic outlook is a mixed bag.

The message from their August briefing is an improved global outlook is on the way, but the world is still very fragile, financially.

Gross domestic product figures for June were surprisingly on the up and up, with Australia, Germany, France and Japan recording positive growth.

New Zealand can look forward to a stronger recovery but there are bits of the New Zealand economy which will not do so well. Unemployment is expected to continue to increase in the next year. However, it will peak at a lower number than previously predicted.

There are signs that domestic spending may be heading north, with retail sales volumes recording their first quarterly increase in seven quarters to June.

Net migration has increased and is likely to rise further as the number of people leaving New Zealand falls.

The housing market is also looking a little rosier, and that net increase in population is helping with that recovery.

News that the economy might be rallying is good news for all, particularly local welfare agencies and the people they help.

However, it may take some time for the knock on effect to reach those being hit hardest by the downturn.

Many may have thought Marlborough was recession proof but there is clear evidence the screws have gone on here.

As reported yesterday welfare agencies are extraordinarily busy, with the Marlborough Family Budgeting Service experiencing a 40 per cent increase in the number of clients coming through its doors. The Marlborough Community Foodbank expects to hand out 1600 food parcels this year.

And it's not just losing a job that can hinder a family, though that is a catastrophe. A cut in hours of wage earners can have a devastating effect and force people to seek help. Those seeking help are not just the unemployed but people on the average wage who this winter have had to budget for increased power bills and other jumps in cost, while not receiving any wage increase, or a commensurate wage increase to cope with increased costs.

Family crises and relationship breakdowns are so much worse when people are having financial difficulties. And, of course, being financially stretched is one of the causes of family strife.

Local welfare agencies undeniably need all the help they can get to look out for Marlborough's vulnerable. However they also point out that the surge in people approaching them for assistance may indicate that folk are now more aware of the help that is out there. Being flat out is a sign that the stigma of needing food parcels or other aid and advice is receding.

Now that really is a silver lining.