THE UNIVERSITY OF AUCKLAND
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Champions Trophy Case Competition

THE UNIVERSITY OF AUCKLAND BUSINESS SCHOOL
CHAMPIONS TROPHY CASE COMPETITION 2010

# PLUNKET

5th February 2010

Case prepared by Lydia Woolley, Eli Nana, Paul Cunningham under the supervision of Mr. Brendon Potter, Director of Student Development, The University of Auckland Business School. This case has been prepared solely for the Champions Trophy Case Competition. All data in this case has been obtained from publicly available sources. This case is not intended to serve as an endorsement, a source of primary data, or an illustration of effective or ineffective management. Portions Copyright © 2010 The University of Auckland Business School. All rights reserved.

Plunket
whānau āwhina
caring for young families

**Pro Bono**

From: Pro Bono Publico
Sent: Friday 5th February 2010
To: Plunket Strategy team
Subject: Plunket Strategy Presentation

Good morning all,
Plunket provides the best start for every child in New Zealand and has been doing so for over 100 years. Through its century of operation, the coverage to all parts of New Zealand and the quality of the services it provides, Plunket has had a significant impact on the health and well being of the nation.

Plunket is a Not for Profit organisation. It is family focused and community driven and is New Zealand's leading provider of Well Child services. Plunket is funded by government to deliver the Well Child framework under a current 2 year contract, and the PlunketLine contract until June 2010.It is still dependant on supplementary sources for other services and programmes. The programmes are provided free of charge to parents and caregivers with local community needs.[1]

Plunket is an iconic brand in New Zealand. It is common for New Zealanders to refer to themselves as Plunket babies. The records of height, weight and development milestones are recorded in a Plunket book and these books are kept for multiple generations. New parents compare the progress of their babies to their own progress or the progress of their grandparents though the Plunket record.

The reputation of Plunket and its role in New Zealand Healthcare is secure for the medium to long term, however all organisations face challenges. For Plunket these challenges include:

- The change in demographic structure of New Zealand and reflecting that change in Plunket.
- The online engagement with the community
- Security and growth of funding for programmes
- Recruitment and retention of local community volunteers

The CEO, Jenny Prince, and members of her executive team are looking forward to your presentation of the issues facing Plunket and the strategies that you propose for its future.

The following documents have been included for your team:

- Plunket case Lydia Woolley and Eli Nana 2006
- Interview with Jenny Prince Dec 2009 (Excerpts)
- Annual accounts 2009
- Extracts from Plunket documents
- Demographic data

Regards
Pro Bono Publico
SYG Consulting

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# PLUNKET

## PLUNKET CASE LYDIA WOOLLEY & ELI NANA 2006

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Plunket

whānau awhina caring for young families

# Plunket: the birth of child welfare in New Zealand

*Eli Nana and Lydia Woolley*

**Plunket: the birth of child welfare in New Zealand**

**Case Profile**

In 1907, the foundation of The Royal Society of Plunket provided the first healthcare initiative for New Zealand babies. From humble beginnings, founder Sir Fredrick Truby King developed a nationwide-wide child welfare system to address New Zealand's high infant mortality rates. Qualified nurses supported the society that eventually attracted national support and extensive government funding. Plunket's services in 2006 included free child health checkups at Plunket Branches, mobile clinics, and a toll free helpline. With nearly 100 years history, Plunket was the leading healthcare provider for 0-5 year olds in New Zealand, seeing approximately 92% of newborns in 2006.

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Eli Nana and Lydia Woolley, University of Auckland Business Case Centre, 2009

## Plunket: the birth of child welfare in New Zealand

ELI NANA AND LYDIA WOOLLEY
UNIVERSITY OF AUCKLAND BUSINESS CASE CENTRE

> "It is wiser to put up a fence at the top of the precipice than to maintain an ambulance at the bottom."
>
> — *Sir Fredrick Truby King, founder of The Royal New Zealand Plunket Society*[1]

### The Birth of Plunket

Between 1901 and 1905, New Zealand's infant mortality rate reached 7.4 deaths per hundred births. Unsanitary living conditions and poor feeding practices caused most of these deaths. Observing the frailty of early human life, Sir Fredrick Truby King, was moved to care for two emancipated babies in his Dunedin home in May 1907. King was greatly concerned with the avoidable loss of infant life, which he believed resulted from general maternal ignorance. King called a meeting to form a community to promote the health of women and children. Child welfare was non-existent in New Zealand at this time. King hoped to encourage initiatives that would educate mothers in childcare, and indirectly reduce the nation's infant mortality rate. Support for King's cause was found and the beginnings of a society formed. In 1908, Lord and Lady Plunket, parents of eight children, offered the society their patronage. Later that year the New Zealand Royal Plunket Society was born.

[1] Sullivan, J. (2007). *I was a Plunket baby: 100 years of the Royal New Zealand Plunket Society (INC).* Random House: Auckland.

Plunket's founding mission was "To help the mothers and save the babies". In its first year, Plunket distributed 5,000 information flyers on how to feed and care for babies, and opened a Karitane Hospital to care for sickly infants. Plunket's focus was preventative care rather than treating illnesses. King's first initiative was to educate New Zealand mothers. By 1911, New Zealand's infant mortality had dropped to 5.3 deaths per one hundred births (Exhibit 1).

### Plunket Branches

King had a dream of making Plunket a nationwide society. In 1908, branches opened in Auckland, Wellington, and Christchurch, in addition to existing branches in Dunedin. Plunket chose New Zealand's major cities and towns to co-ordinated services into surrounding areas. King toured New Zealand in 1912 giving talks about the nation's high infant mortality rates and explaining Plunket's efforts to reduce the statistics. From the tour, 60 new branches opened across New Zealand, each with its own nurse. By 1914, 72 Plunket branches were operating, increasing to 106 by 1962, with approximately 500 sub-branches. Plunket employed 220 nurses at this time. Six-hundred and fifty clinical staff (nurses) along with 8,000 volunteers served the community in Plunket services in 2006.

As of 2006, Plunket had broken New Zealand into 18 regional areas. Area teams oversaw the running of all services in the region. Each regional centre had a representative on the New Zealand Council to voice concerns and address governance issues. A Governance Board oversaw the strategic national governance for Plunket. A Maori Caucus joined the Board in 1995 to reflect the changing needs of the population. These seven Maori Board members represented Maori health at a national level.

### Plunket Nurses

Since its foundation, Plunket Nurses have cared for New Zealand babies. Their role was to help King teach mothers correct feeding techniques, manage Dunedin's Karitane hospital, and inform the public of Plunket's services. In 1908, Plunket employed its first full-time paid nurse who received £109 ($14,000) per year. By 1912, the Government contributed funds to Plunket of up to £200 ($25,000) per trained nurse. As Plunket grew so too did the number of employed nurses. By 1920, Plunket employed 55 nurses, and by 1939, the figure increased to 131. Over the 'baby-boomer' years (1940s – 1970s) the number of Plunket nurses nearly doubled to cope with the greater demand for Plunket services.

In the 1970s, the New Zealand government made a financial commitment to Plunket enabling it to extend its services. Plunket now catered for infants up to the age of five years. Government funding provided for an extra nurse per thirty newborn babies. These funds also enabled Plunket to employ 55 nurses to work in multicultural areas; this was a new development for Plunket. By the late 1980s, Plunket employed Maori women as Plunket Maori Health Workers. In 1995, Kaiawhina (Maori health worker) training courses were established to train nurses to serve New Zealand's increasingly bi-cultural communities.

Plunket Nurses had to be qualified registered nurses who had completed additional 'Well Child' qualifications. In 2006, there were 99 registered nurses enrolled in the Postgraduate Certificate in Primary Health Care Specialty programme, a qualification that all Plunket nurses were required to complete. Of those graduating from the course, Plunket employed two thirds; while the remainder found employment with other health care providers.

**Karitane Hospitals**

In addition to Plunket Nurses, Karitane Hospitals were set up to provide free additional infant healthcare to mothers. These hospitals developed from King's initiative to care for emaciated children at his cottage and became a core service until 1978. Karitane Hospitals cared firstly for prematurely born or severely underweight babies. Services quickly grew to assist stressed mothers and babies with minor temporary conditions such as a cold. Low socio-economic families were significant beneficiaries of Karitane Hospital services. The number of babies placed into Karitane care peaked in the 1950s and 1960's at approximately 2,100 cases per year. About 17% of babies in Karitane Hospitals were prematurely born. Karitane Hospitals were situated in Dunedin, Invercargill, Christchurch, Wanganui, Wellington, and Auckland.

By the 1970s, the Karitane Hospitals faced difficulty generating enough funding to stay open. In 1978, it was resolved that Plunket would have to close the hospitals. Despite the public's efforts to keep the hospitals open, the last Karitane Hospital closed in 1980.

**Karitane Products' Society**

In addition to opening his home for to care for babies, King developed a humanised cow's milk formula for babies. He gradually expanded his range of baby food

products to support his vision for well nourished, health babies throughout New Zealand. King set up the Karitane Product Society to commercialise his products. In 1920, a factory in Wellington was established to produce a line of baby food products that carried the Karitane brand.

Plunket Nurses initially sold the products to teach mothers the correct way to feed their baby. As demand for the product grew, nurses spent more of their time selling products than attending to children. To refocus nurses on their core role, King began distributing the Karitane product through chemists. By 1927, King could no longer manage the Karitane Product Society's daily operations. A group of local business leaders stepped in to run the Karitane Products Society on King's behalf. The society returned profits into Plunket funds. By 1935, Karitane Products were available across New Zealand in Plunket Branches, chemists, and grocers. The society also exported products to Australia, the United Kingdom, South Africa, and Canada. In the 1930s, the Karitane Product Society generated the modern equivalent of $80,000 through product sales, and by the 1980s it was generating Plunket revenue of (a modern) $350,000 per year. In the 1970's, Karitane Products society was sold to Douglas Pharmaceuticals. The proceeds from the sale were used to establish a trust and Plunket makes applications to the trust for grants. Recently, the trust has made donations for the Plunket Nurses' Conference, development of a customer relationship system, and contributed funds to several Plunket services.

## Plunket Clinics

Plunket Clinics were the frontline for Plunket services in the community. They provided practical support for parents during key stages of young children's development and developmental assessments. Parents could discuss parenting and family issues, and their child's health and development with a qualified Plunket nurse. Nurses and volunteers staffed the clinics. In accordance with Plunket's preventative, approach the clinics identified potential issues for children in their infancy. Due to popularity, Plunket expanded clinic visits to run in community facilities, such as preschools and marae. In 2006, New Zealand parents made 22,600 clinic visits.

One barrier to New Zealand mothers and babies receiving Plunket assistance was transport. Many parents in state housing areas could not easily access a clinic. Plunket introduced Mobile Clinics in 1946 to increase accessibility to services. Plunket nurses staffed the Mobile clinics.

## Mothers' Clubs

Another core service since 1936 is mothers' clubs. Plunket believed many mothers would benefit from meeting other mothers and discussing parenting. The Mothers' Clubs organised social events, such as concerts, trips, and fundraising, to provide mothers a social meeting place at a time when a women's place was in the home. The groups also provided a place for children to interact and learn social skills. The Plunket Mothers' Clubs have remained a popular service. In 1953, Plunket organised a Plunket Mothers' club regional meeting and concert that attracted 250 women representing 24 mothers' clubs with more than 5,000 members in total.

Mothers' clubs, now called Parent Groups, reflected changing societal norms with fathers and caregivers among those who attended the gatherings in recent years. Plunket facilitated over 300 coffee groups Plunket in 2006.

## Serving the Community in 2006

King maintained close ties with Plunket throughout his life despite taking up several roles in New Zealand and abroad to advance child welfare systems. King received a knighthood in 1925. He passed away in 1932 and was the first New Zealand citizen to receive a state funeral. King's work has continued and Plunket remains the major Well Child provider in New Zealand. Reflecting this, Plunket's mission in 2006 was "to ensure that New Zealand children are among the healthiest in the world". Plunket saw 92% of all newborns in New Zealand in 2006. It made a record 615,700 contacts with families; the New Zealand government funded over 84% of these visits under the Ministry of Health's Well Child contract. Staff made 44% of staff client contacts in clients' homes, and 36% of contact was through clinic visits. Plunket offered seven main services in 2006. These consisted of both government funded Well Child contracts and Plunket's own initiatives.

As a not for profit society, Plunket has relied on public support, corporate sponsorship, and government funding for its services. In 1925, the government funded one third of Plunket's operations; public donations, fundraising activities, and corporate sponsorship made up the rest of Plunket's resources. Funds raised by local branches helped support local services such as car seat rental schemes and family centres. Funding from the Government has traditionally subsidised Plunket's core services.

### *Well Child Assessments*

In 2006, the Ministry of Health again contracted Plunket to provide Well Child services as specified in the government's Well Child Framework. For Plunket this contract consisted of two types of contact with parents: Core Contacts and Additional Contacts, both were government funded. The Core Contacts included clinical assessments, health promotion, and parent education for every child in New Zealand free of charge. Plunket provided Additional Contacts for first time parents and families with greater needs. The government funded Plunket $33,644,000 to deliver these Well Child services.

### *Family Centres*

Family Centres offered hands on assistance and additional support to families as well as practical advice and information. Centres offered tailored services to meet specific needs of local communities. Some centres focused on families who had specific issues such as breastfeeding and parent support, while others offered rest for exhausted mothers while nurses cared for their babies.

In 2006, there were 12 Family Centres operating throughout New Zealand: located in Whangarei, Waitemata, Auckland City, Counties Manakau, Napier, Palmerston North, Wanganui, Wellington, Christchurch, Timaru, Dunedin, and Invercargill. The Family Centres required significant local volunteer committees to contribute financially. Family centres account for 5% of staff client contacts.

### *Child Seat Rental Scheme*

The Child Seat Rental Scheme focussed on renting and promoting child restraint safety seats in New Zealand. In 2006, the initiative operated in more than 160 locations over the country. More than 26,000 infant and child restraints were available for hire at a minimal cost to families. The staff and volunteers who ran the service educated parents in the correct use of restraint seats. The scheme started in 1981 in Dunedin with four car seats for hire.

### *Parenting Education*

In 2006, Plunket ran three educational programmes to help parents improved their parenting skills and knowledge; the Plunket Parenting Education Programme (PEPE), Parents As First Teachers (PAFT), and Tots and Toddlers.

The PEPE, offered in 14 areas across New Zealand, aimed to assist parents to better understand child development and apply parenting techniques. Plunket collaborated with several community organisations to provide the PEPE programme, including schools are Marare.

PAFT had 11 contracts throughout the country. The course ran on the philosophy that parents or primary caregivers are children's first and most important teachers. The community-based, home visiting programme fostered the development of trusting relationships with families. The programme included early intervention to avoid ongoing developmental problems. The course aimed to improve health, social, and educational outcomes for disadvantaged families. PAFT educators also worked with social issues like family violence and isolation. In 2006, the government provided Plunket with $1,988,000 funding to deliver PAFT.

The Tots and Toddlers programme targeted secondary school students to help prepare them to be parents. In 2006, Plunket offered 110 courses throughout New Zealand high schools to over 4,700 students. Eleven schools made the nationally accredited course offered through Plunket compulsory for year 11 and 12 students. The Ministry of Health and the Karitane Product Society funded this initiative.

***Antenatal education***

Plunket offered antenatal classes to educate parents on childbirth and support them during the transition into parenthood. Qualified Child Birth Educators supported by Plunket Nurses led the antenatal programmes. Again, Plunket tailored the courses to meet specific needs of different communities and often delivered them in collaboration with other health providers.

***Parents' Support Groups***

These groups have developed out of the original mothers' support groups that began in 1936. Plunket volunteers led Parent Support Groups to foster friendship and peer support amongst parents and caregivers. The groups aimed to build parents' confidence to strengthen families and communities to build social capital among New Zealanders. Parents' support groups took many shapes in 2006 including coffee groups, playgroups, walking groups, and teenage parent groups.

### *PlunketLine*

PlunketLine is a toll free helpline for parents unable to visit a Plunket branch for advice that has been active since 1994. Concerned parents could ring a qualified Plunket Nurse for advice. Call topics ranged from crying babies to child car seats and common cold queries. Plunket nurses answered many of the calls without difficulty (Exhibit 4). In 2005, PlunketLine answered 76,000 calls from 135,000 incoming calls. PlunketLine staff levels increased to 19 fulltime Plunket Nurses and 22 part time staff.

### Supporting New Zealand's Future Generations

King's society for child welfare has endured and many New Zealanders remember visits with Plunket nurses. Kay Crowther, Plunket's president in 2006, was carrying on King's legacy. As a not for profit society Plunket presidents like Crowther, vice presidents and CEOs, faced the ongoing challenge of raising funds. Plunket has relied on public support, corporate sponsorship, and the government to fund their services. In 1925, the New Zealand government funded one third of Plunket's operating costs. The remaining two thirds were funded by the public, fundraising activities, and corporate sponsorship. Government funding has traditionally subsidised Plunket's core services.

Corporate sponsors included organisations, such as ANZ bank, New Zealand food product specialists Heinz Watties, which had supported Plunket for 16 years, and Huggies Nappies, who had 13-year history of sponsoring Plunket. Plunket's business partners have provided them with a significant level of resources. In 2006, the ANZ 'Fives for under 5s' campaign in which people donated their soon-to-be withdrawn five-cent coins to Plunket, raised a total of $650,631.90. In 2006, Plunket raised a total of $6 million through non-governmental funding to help subsidise their services. Central funding from the New Zealand government totalled $33.6 million with Plunket being New Zealand's leading provider of Well Child and family health.

Exhibit 1 Extract from 2009 Annual Report

## Vision

Together, the best start for every child.
Ma- te mahi nga-tahi, e pua-wai ai ata- tou tamariki.

## Mission

Plunket believes in supporting the development of healthy families.
E whakapono ana Te Wha-nau A-whina Ki te tautoko te kaupapa o te hauora i te wha-nau.

## Our Guiding Principles

The following principles underpin the Plunket Well Child / Tamariki Ora and Family/Wha-nau Programme:

**Treaty of Waitangi** – we're committed to the principles of partnership, protection and participation inherent in the Treaty.

**Health promotion** – we're committed to health promotion, providing services according to principles implicit in the Ottawa Charter.

**Cultural safety** – we're committed to providing a culturally safe range of services.

**Integration** – we recognise the importance of integrating our service with other services to achieve optimal health outcomes for both the children and their whanau/family.

**Best practice** – we're committed to using standard guidelines founded on evidence based best practice.

**Socio-ecological perspective** - we're committed to working from a socio-ecological perspective.

**United Nations Convention on the Rights of the Child** - we're committed to compliance with the provisions of the United Nations Convention on the Rights of the Child.

**Plunket's Values**

As an organisation Plunket values:

- **Trust** – our underlying value because it is both an input and an outcome; it influences how well people work together, and it is self reinforcing so that the more trust is used and honoured, the stronger it becomes.
- **Quality of Service** – the value that orients what we do towards achieving excellence in pursuit of the Plunket vision.
- **Inclusiveness** – the value that unites all stakeholders through the recognition of our shared commitment to the Plunket vision.
- **Commitment** – the value that describes the spirit of service that people bring to the Plunket vision.

Exhibit 2: Plunket Timeline

| | |
|---|---|
| 1907 | The Royal Society for the Health of Women and Children formed Later renamed to The Royal New Zealand Plunket Society |
| 1914 | 72 Plunket Branches and 27 nurses employed |
| 1919 | 104 babies cared for at the Dunedin Karitane |
| 1920 | 19,142 babies in Plunket care and 94,194 visits to Plunket rooms |
| 1924 | Total of 83 nurses employed |
| 1925 | Truby King knighted |
| 1931 | 67,036 babies in Plunket care, nurses made 196,759 visits, and 606,513 visits to Plunket rooms |
| 1933 | Government provided a total of 20,000 pounds ($1.8 million) in subsidies |
| 1936 | 68 Plunket Branches and 1,151 babies were cared for in Karitane Hospitals |
| 1938 | Truby King dies |
| 1943 | 25,764 (80% of new births) babies were in Plunket care, nurses made 166,929 visits, and mothers made 443,977 visits to Plunket rooms |
| 1945 | 159 Plunket Nurses employed |
| 1947 | 81 Plunket Branches and 360 sub-branches |
| 1953 | Infant death rate at 38.42 per 1000 births was the lowest figure yet |
| 1955 | 205 nurses were employed across 97 branches |
| 1958 | 46,553 (87% of new births) babies were Plunket care, nurses made 275,580 home visits, and mothers made 467,318 visits to Plunket rooms |
| 1965 | A new Head Office began being built which would cost 160,000 pounds ($5 million) |
| 1971 | A government grant increased to pay 100% of nurse salaries and 40% instead of 20% of new car costs |
| 1973 | 112 Plunket branches across New Zealand |
| 1977 | Of 54,087 new births Plunket was caring for 43,053 |
| 1978 | 118 Plunket branches, nearly 700 sub branches with 365 nurses employed |
| 1982 | Annual Plunket fundraising appeal raised $503,990 ($1.3 million) |
| 1983 | 215 part time and 185 full time Plunket nurses employed |
| 1985 | Of 51,800 new births Plunket was caring for 45,094 |
| 1990 | Sponsorship from Watties and Century car seats saw the Plunket name appearing on baby food and car seats |
| 1991 | The government grant remained at $17 million ($22 million) in spite of a request for an increase |
| 1993 | Plunket saw 53,531 (92.3%) of the babies born and made 234,405 home visits |
| 1994 | PlunketLine established |
| 1999 | Government offered two year funding for PlunketLine after mounting deficits saw its closure |
| 2000 | Government funding of $20 million was only just keeping up with inflation rates |
| 2001 | Visits to a Plunket centre and home visits by Plunket nurses totalled 538,505 |
| 2003 | PlunketLine took more than 100,000 calls, about 40 calls a month required a call back to check more serious situations |
| 2005 | Face-to-face client contacts totalled 514,951 |
| 2006 | Announcement of PlunketLine closure attracted petition of 53,000 signatures |

Source: Royal New Zealand Plunket Society. (2006). Annual Report 2006. Plunket: Wellington.

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# PLUNKET

## INTERVIEW WITH JENNY PRINCE
## DECEMBER 2009

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**Explain to me how Well Child works in the community?**

Well Child works in the community in a way that we are looking at what I call anticipatory advice to parents. What we're doing is ensuring that the baby has all of the best possibilities available and support for the family to ensure that baby gets the best start in life. For example once a baby is born, we visit them in their home, the first contact is often around breastfeeding, around nurturing, around bonding. So we're ensuring that the relationship between the mother and the baby is the best it can be. What support does the mother need to ensure she's getting the best start for her baby?

And those supports may have to come from external to the family. We may need to ensure that she's accessing some other services, because perhaps she needs some support at that time in other areas. So if you're looking at going through the continuum from first visit, often it is around feeding, it's around settling. It's around sleeping, it's around ensuring that the baby has been nurtured into that family, that there are good support networks for that family.

And as the baby is growing we're ensuring that the baby is reaching developmental milestones at the correct time. We can be looking and making assessment, and seeing, - what I always say is that a Plunket nurse knows the wellness of a baby so well, they can certainly soon identify when there is an issue with a baby. And say to the mother "right I think you should be doing this, or I'll refer you here, or I suggest you go there", so that we're supporting the mother with access to other services if required

**So what are some of the other services Plunket provides?**

Okay we've got to start with our family centres. In some areas we provide extra services, not in all parts of the country, but we provide family centres where we have a Plunket nurse, and often a Karitane nurse that the mother can go to and get expert advice and support for a longer period of time. When a nurse is visiting a mother in their home, or clinic visit, it's probably only a half hour - 45 minute contact. But they can go and spend 2 or 3 hours at a family centre and get some extra support, so there's family centre services.

In some areas our volunteers, and we'll come onto that a little bit later, will contribute additional funding to provide extra breastfeeding support that perhaps isn't covered by our contract from the Ministry of Health. We've got car seat rental schemes throughout the country, ensuring availablity for parents to access car seats. We have toy libraries in some areas. We have what we call PEPE, Parent Educating

Programmes, that we run - a series of parenting programmes in different communities throughout the country.

We tailor those to the community, In Wellington to give an example, in Rintol Street where we've got a Somali community., we've had a translator working alongside one of our Karitane, translating the information so we're able to get this information across to the parents. We go into Plunket line, how can I forget Plunket line? Plunket line, a very important service that we offer, we started in the 1990's, funded internally.

We then got government funding, it's probably been quite an up and down exercise with Plunket line. But we've now got funding secured for a period of time We get 78 thousand calls a year, and can offer expert parenting advice 24 hours a day, seven days a week, so that's another very valuable service that we have. Each year we go through planning, and we've got 18 areas in different communities around the country. In each area they look at what are the services we want to provide? And we get a certain amount funded through the Ministry of Health as part of the Well Child framework funding. But that community, and the volunteers that work in that community, might want to provide other services for their clients.

So at the planning time areas identify what are the other services that we might like to provide in this community? Anti-natal is one, and then they will look at how will we find the funding, and how are we going to provide those services? So sometimes we can say that the services are not a hundred percent up and down the country, but the Well Child Service, the home visiting and the clinic visiting are. But some of these other services depend on the funding that is raised in different communities.

**So aside from central and local government funding sources how does Plunket support its many other services?**

Okay lots of different ways., As I mentioned earlier, in the different communities volunteers raise funds, and they raise funds by all manner of means. Cake stalls has been a traditional way in the past of course, and sausage sizzles, you often see those sorts of things happening outside a supermarket. But they also put on events which not only raises the profile of Plunket, but will bring funds in for the local areas. Nationally we have a marketing and communications and sponsorship team at National Office, who will seek national funding.

We look for sponsorship and we have some existing sponsorship partners at the moment. We're working with Huggies and Watties, we've got a bank that we've involved with at the moment. So we're always looking at partnership opportunities

with corporates, and I think that's something that we're working on quite strongly at the moment.To look at that corporate social responsibility, and working in partnership with them. If their values align with ours, then we are quite comfortable in working in a sponsorship relationship. We also look at grants and look at a lot of the big community funders such as Lion Foundation, and other organisations that give out grants. And we work quite closely –

(Interruption)

And we'd go to them to look for paying for specific programmes that we provide. Donations and bequests, we get quite a few donations and bequests. So when I say that 80 percent of our funding comes from government, the 20 percent comes through these other means. Some from District Health Board, some from our volunteers, and some from those corporate partnerships that we have.

**So explain to me the kind of volunteers Plunket has?**

Our volunteers predominantly have been users of our service, and they are wanting to put something back into the service that they have accessed. Because none of our services cost anything to those that use them, we don't charge for anything that we provide. Because we're contract funded we don't charge for any of our services, so a lot of our clients then want to put something back. And it may be they form a play group and they support a play group. They may run a coffee group, or they may run a toy library, they may provide hostess services in our daycares, in our family centres sorry. And they will look at ways to raise funding to provide the services in that community, so they are looking at fundraising opportunities as well.

Some of our volunteers have been around a long time, and some of them are only there for a short period of time because they then go back to work. So our volunteers are a real mix of people from across the community., We have some male volunteers - some fathers now - something that we have in many of our committees now. We have fathers that are at home, and quite prepared to support Plunket, which is something that perhaps didn't happen a few years ago.

**The word relevance is getting used quite a bit and it would be nice to jump back and take a step to get an inside view. From what I understand Plunket over the next 5 years looks like it might move into reflecting society more and more.**

Okay can I, perhaps one of the things that we haven't talk about is our strategic vision for the next 5 years, so perhaps we can touch it in there, and you can fit it in how you need to. We've been doing quite a bit, you know let me think about this… 2

years ago we set a strategic direction for the next 5 years, and we made some pledges, which we called 5 years for under 5's. And those pledges were to deliver more support to families, because we believe that that's going to deliver best outcomes for children, so we need to deliver more support for families. That Plunket enrolled clients get all of the support that they need, so we're looking at it at a broad universal view, but then we're looking at our Plunket view.

That parenting education is important to achieve outcomes, because if we get, if the parents are understanding, and the caregivers are understanding, what's going to get best outcomes for their children, then they will be talking with others about what they've discovered. So parenting education is critical. We want to double the investment in the under 5's, so Plunket invested around 50 million dollars 2 years ago, we're wanting to double this to a hundred million by 5 years. And we want a database for all children so all children can access the services that they need, not necessarily Plunket services, but support for all children.

Those 5 pledges were made prior to me starting. I was part of developing those as a general manager, so that's sort of what drives me and keeps my focus. And as we talked through our business planning for the next 2 years last year, and I was a part of this, there were 3 things that came up, and we've called them our 3 pillars that we are now focussing all of our work on. And if they don't fit within these 3 pillars, then we're asking why are we doing it?

One of those pillars is relevance, are we relevant to, you know for our clients of today? What does that look like, how do we have to change to be relevant for the different communities that we're working in? The second one was social innovation. The very beginning of Plunket was started by Truby King, a real social innovator. We've lost some of that, we've got to go back and look at social innovation and look at it, and that's why we say it at each individual community.

Make them look at their own social innovation and what has to be done there. And don't squash it from a national perspective, and support areas around social innovation. And the third pillar is our growth, and services, and funding. So we're looking at those 3 pillars now and if it doesn't fit within those we're asking ourselves really carefully why are we doing this? Is that actually going to achieve the outcome which is best felt for every child? So we've sort of tried to look at all of our work now, and when we're doing our business plan we've quite simply got those 3 pillars, and all we do fits within that. So does that bring in your relevance for you? Yeah, so that's when it comes back when I'm talking a lot (laughter), what drives us.

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# PLUNKET

## ANNUAL ACCOUNTS 2009

Case prepared by Lydia Woolley, Eli Nana, Paul Cunningham under the supervision of Mr. Brendon Potter, Director of Student Development, The University of Auckland Business School. This case has been prepared solely for the Champions Trophy Case Competition. All data in this case has been obtained from publicly available sources. This case is not intended to serve as an endorsement, a source of primary data, or an illustration of effective or ineffective management. Portions Copyright © 2010 The University of Auckland Business School. All rights reserved.

Plunket
whānau āwhina
caring for young families

# STATEMENT OF FINANCIAL PERFORMANCE
# FOR THE YEAR ENDED 30 JUNE 2009

| | Notes | 2009 $000 | 2009 $000 | 2009 $000 | 2008 $000 |
|---|---|---|---|---|---|
| **CORE CHILD HEALTH SERVICES** | | | | | |
| **Income** | 3 | | | | |
| Contract Income | 4 | 45,956 | | | 37,767 |
| Volunteer Funded Additional Services | | 1,403 | | | 1,028 |
| **Total Income** | | | 47,359 | | 38,795 |
| **Expenses** | 5 | | | | |
| Salaries and Wages | 9 | 34,382 | | | 28,874 |
| Service Delivery Expenses | | 7,866 | | | 5,812 |
| Depreciation & Amortisation | 6,10 | 1,240 | | | 1,259 |
| Rental and Operating Lease Expenses | 8 | 3,181 | | | 2,705 |
| Loss on Sale of Fixed Assets | | 1 | | | 1 |
| **Total Expenses** | | | 46,670 | | 38,651 |
| **SURPLUS / (DEFICIT) FOR CORE CHILD HEALTH SERVICES** | | | | 689 | 144 |
| **PARENTS AS FIRST TEACHERS (PAFT)** | | | | | |
| **Income** | | | | | |
| Contract Income | 3 | | 2,472 | | 2,398 |
| **Expenses** | | | | | |
| Rental and Operating Lease Expenses | 8 | 252 | | | 257 |
| Salaries and Wages | 9 | 1,609 | | | 1,517 |
| Other Expenses | | 478 | | | 457 |
| Total Expenses | | | 2,339 | | 2,231 |
| **SURPLUS / (DEFICIT) FOR PARENTS AS FIRST TEACHERS** | | | | 133 | 167 |
| **OTHER INCOME AND EXPENDITURE** | | | | | |
| **Special Funds Income** | 3,24 | | 29 | | 60 |
| **Investment Income** | | | | | |
| Interest from Stocks and Bonds | | 208 | | | 158 |
| Other Interest Income | | 381 | | | 526 |
| Dividends | | 59 | | | 65 |
| Profit on Sale of Investments | | 175 | | | 40 |
| Other Financial Income | | 8 | | | 8 |
| **Total Investment Income** | 3 | | 831 | | 797 |
| **Centralised Accounting Income** | | | | | |
| Interest Income | | 724 | | | 669 |
| Accounting Fees | | 79 | | | 91 |
| Profit on Sale of Investments | | - | | | - |
| **Total Centralised Accounting Income** | 3 | | 803 | | 760 |

# ROYAL NEW ZEALAND PLUNKET SOCIETY INCORPORATED

## STATEMENT OF FINANCIAL PERFORMANCE
## FOR THE YEAR ENDED 30 JUNE 2009

| | Notes | 2009 $000 | 2009 $000 | 2009 $000 | 2008 $000 |
|---|---|---|---|---|---|
| **Other Income** | 3 | | | | |
| Sponsorship/Donations/Grants Income | | 3,337 | | | 3,204 |
| Sundry Income | | 1,210 | | | 1,419 |
| Levies Charged to Branches | | 462 | | | 410 |
| Education Fees External Students | | 261 | | | 300 |
| Donated Services from Branches | 6 | - | | | - |
| Donated Goods and Services from Sponsors and Service Providers | 6 | 585 | | | 1,200 |
| **Total Other Income** | | | 5,855 | | 6,533 |
| TOTAL OTHER INCOME | | | 7,518 | | 8,150 |
| **Less Other Expenses** | | | | | |
| Centralised Accounting Expenses | | 857 | | | 829 |
| Bad Debts | | 18 | | | 1 |
| Education Expenses External Students | | 362 | | | 300 |
| Donated Goods and Services from Sponsors and Service Providers | 6 | 585 | | | 1,200 |
| Governance Expenses | 7 | 423 | | | 433 |
| Marketing and Development Expenses | | 2,430 | | | 2,016 |
| National Support Costs – Non Core Health | | 1,396 | | | 1,097 |
| Parenting Education | | 607 | | | 634 |
| Special Fund Expenses | 24 | 79 | | | 25 |
| Volunteer Support Services | | 995 | | | 735 |
| National Conference | | 478 | | | - |
| Other Financial Expenses | 21, 22 | 240 | | | 92 |
| **Total Other Expenses** | | | 8,470 | | 7,362 |
| SURPLUS / (DEFICIT) FOR OTHER INCOME AND EXPENDITURE | | | | (952) | 788 |
| OPERATING SURPLUS / (DEFICIT) FOR THE YEAR | | | | (130) | 1,099 |

# ROYAL NEW ZEALAND PLUNKET SOCIETY INCORPORATED

## STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE YEAR ENDED 30 JUNE 2009

| | Notes | 2009 $000 | 2008 $000 |
|---|---|---|---|
| Net Change in Fair Value of Available for Sale Financial Assets | 23 | (474) | (133) |
| **Income and Expenses Recognised Directly in Equity** | | (474) | (133) |
| Surplus/(Deficit) for the Period | | (130) | 1,099 |
| **Total Recognised Income and Expenses for the Period** | | (604) | 966 |
| Attributable to: | | | |
| General Funds | 23 | (554) | 931 |
| Special Funds | 24 | (50) | 35 |
| | | (604) | 966 |

KPMG Wellington
Marked for Identification

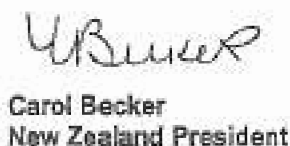
# ROYAL NEW ZEALAND PLUNKET SOCIETY INCORPORATED

## STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE 2009

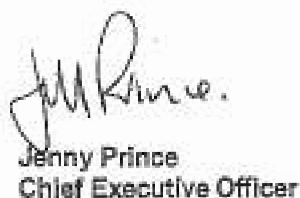
| | Notes | 2009<br>$000 | 2008<br>$000 |
|---|---|---|---|
| **EQUITY** | | | |
| **SOCIETY'S FUNDS** | | | |
| General Funds and Reserves | 23 | 5,557 | 6,111 |
| Special Funds | 24 | 818 | 868 |
| **TOTAL FUNDS HELD** | | 6,375 | 6,979 |
| **CURRENT LIABILITIES** | | | |
| Trade Payables | 16 | 1,718 | 2,178 |
| Accruals | | 527 | 304 |
| Volunteer Reimbursement | | 109 | 81 |
| Employee Entitlements | 17 | 3,141 | 2,642 |
| Income Received in Advance | | 4,387 | 4,239 |
| Finance Leases | 28 | 101 | 136 |
| **TOTAL CURRENT LIABILITIES** | | 9,983 | 9,580 |
| **TERM LIABILITIES** | | | |
| Finance Leases | 28 | 29 | 125 |
| **TOTAL TERM LIABILITIES** | | 29 | 125 |
| **TOTAL EQUITY AND LIABILITIES** | | 16,387 | 16,684 |

For and on behalf of the Royal New Zealand Plunket Society Incorporated:

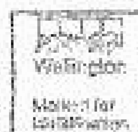
26 August 2009



**Carol Becker**
**New Zealand President**



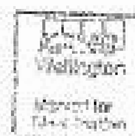
**Jenny Prince**
**Chief Executive Officer**



## ROYAL NEW ZEALAND PLUNKET SOCIETY INCORPORATED

## STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE 2009

| | Notes | 2009 $000 | 2008 $000 |
|---|---|---|---|
| **CURRENT ASSETS** | | | |
| Cash and Cash Equivalents | 13 | 5,843 | 5,198 |
| Accounts Receivable | 15 | 950 | 690 |
| Government Contract Grants Receivable | | 4,106 | 4,509 |
| Prepayments | | 137 | 290 |
| Inventory | 14 | 327 | 266 |
| Other Receivables | | 277 | 470 |
| **TOTAL CURRENT ASSETS** | | 11,640 | 11,423 |
| **NON CURRENT ASSETS** | | | |
| **Property, Plant and Equipment** | 19 | 691 | 755 |
| **Intangible Assets** | 20 | 370 | 502 |
| **Investments - General Funds** | | | |
| Fixed Interest Investments | 21 | 1,704 | 1,593 |
| Perpetual Interest Investments | 21 | 178 | 220 |
| Shares in Quoted Companies | 22 | 947 | 1,268 |
| Loans to Branches | | 39 | 55 |
| | | 2,868 | 3,136 |
| **Investments - Special Funds** | | | |
| Fixed Interest Investments | 21 | 548 | 511 |
| Shares in Quoted Companies | 22 | 270 | 357 |
| | | 818 | 868 |
| **TOTAL NON CURRENT ASSETS** | | 4,747 | 5,261 |
| **TOTAL ASSETS** | | 16,387 | 16,684 |



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# PLUNKET

## EXTRACTS FROM PLUNKET DOCUMENTS

Case prepared by Lydia Woolley, Eli Nana, Paul Cunningham under the supervision of Mr. Brendon Potter, Director of Student Development, The University of Auckland Business School. This case has been prepared solely for the Champions Trophy Case Competition. All data in this case has been obtained from publicly available sources. This case is not intended to serve as an endorsement, a source of primary data, or an illustration of effective or ineffective management. Portions Copyright © 2010 The University of Auckland Business School. All rights reserved.

Plunket

whānau āwhina caring for young families

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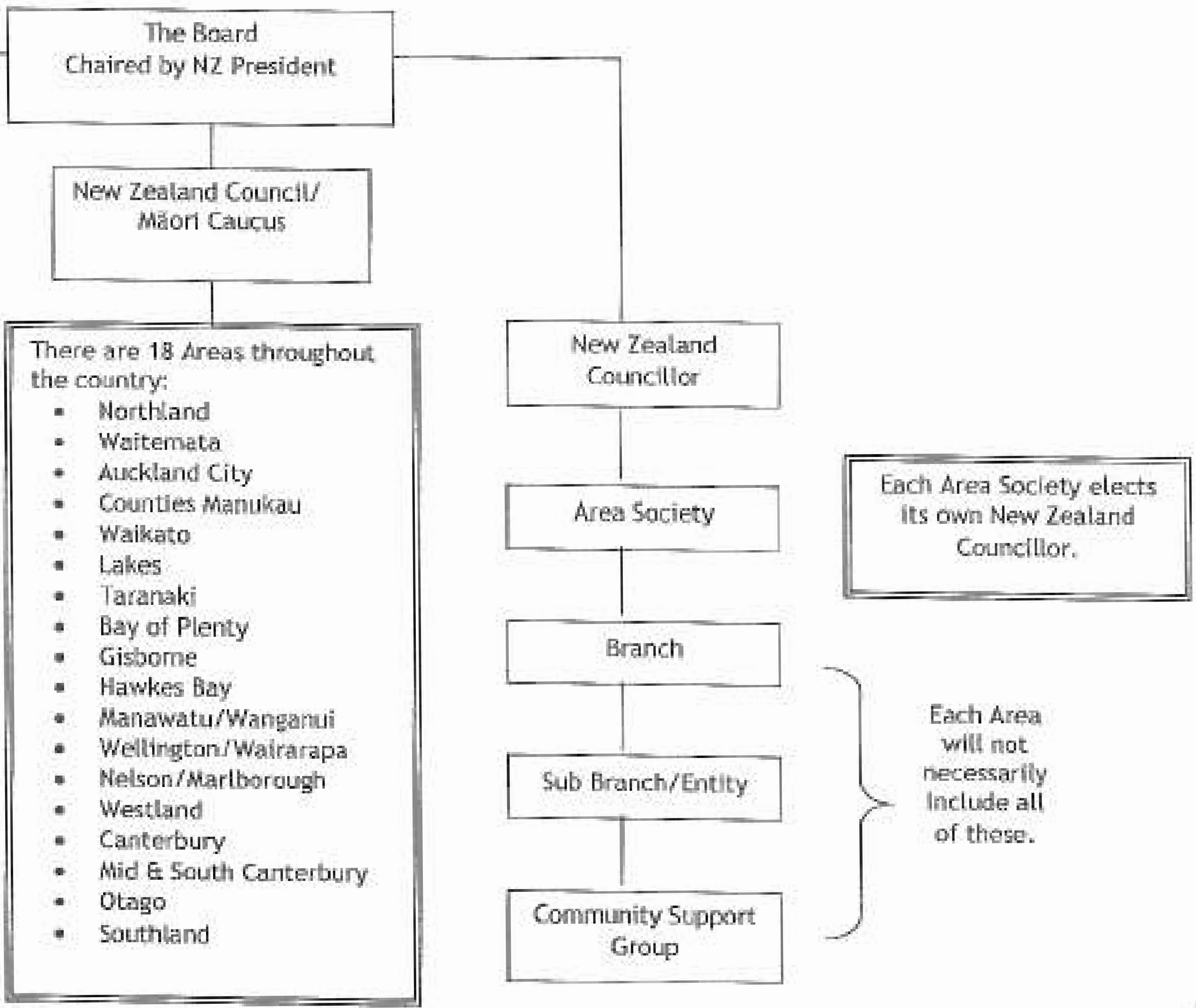
whānau awhina / caring for young families

# PLUNKET STRUCTURE - GOVERNANCE




Plunket Structure May 2009

## New Structure

CEO

Quality & Risk

Leadership / Executive Team

Service Delivery Team

- GM Service Delivery
  - Area Managers
- Chief Operating Officer (COO)
  - Service Development Manager
    - Clinical Education & Advisory Teams
    - Parenting & Community and Pacific Teams
- GM MHS
  - MHS Team
- General Manager Marketing, Funding & Comms
  - Managers Marketing & Comms
  - Manager Funding
- General Manager Finance & IS
  - Managers Finance, CA & National Admin
  - Manager IS (CIO)
- General Manager People & Capability
  - Managers HR & Payroll
  - Manager OD

= Newly Created Role

= Re-aligned Role

Plunket

## Future Focus

Vision - "Together, the best start for every child. Mā te mahi ngātahi, e puāwai ai ā tātou tamariki."

What we do - we care for young families by:

- Providing advice and support to parents (Well Child Champion Service)
- Facilitating parent to parent support in the community
- Providing parenting education
- Advocating for young families

We will achieve our vision by - Advocating for an integrated universal framework of support for families.

In particular, through Plunket's call to action "5 Years for Under 5's" which calls for:

- Expanding "Well Child" to embrace "Well Family"
- A "Well Child Champion" for every family to connect them to the support they need
- A national database so no one misses out
- Parenting education to be freely available to all and on the core curriculum
- Increased investment in the early years

Delivering on Plunket's 5 year pledge:

- More support for families
- Plunket enrolled families will get the support they need
- Parenting education freely available to all and on the national curriculum
- Working Better Together - with families and other agencies
- National coverage/database seamless services for families

That means improving and growing Plunket's core services by:

- Engaging early and extending support to embrace Well Family
- Better understanding families needs and ensuring those needs are met (the family partnership way of working)
- Partnering (Better Together) to ensure a seamless service to families
- Strengthening and growing volunteer support
- Growing Plunket's resource base
- Expanding technology driven services and information systems



Plunket

## Plunket Structure

Plunket is a not-for-profit national organisation that is community-owned and driven. This means Plunket is driven by the needs of families/whānau with young children (tamariki) who determine what we do and how we do it.

Plunket provides a wide range of services, which are provided by both paid and voluntary staff.

Plunket is unique as no other provider of Well Child Health services has the community ownership and involvement that Plunket does through its volunteers. Volunteers have an important role providing support, funding and provision of services in the community. Volunteers also have a responsibility through elected representatives at an area level and on Plunket's Board to provide governance for the organisation.

Plunket in touch

Issue 2 2009 www.plunket.org.nz

Last month we held our biennial conference in Rotorua. This is the first conference where staff and volunteers came together for professional development, to share ideas, and to find solutions to the challenges ahead. Our staff and volunteers support parents and caregivers as peers, and influence their communities. Our conference was an opportunity to upskill them to do their job well and connect families to the relevant services they need.

It was also an opportunity to discuss local issues at a national level and to influence the direction of the Society. Many of our staff and volunteers work in isolation so this is an excellent opportunity for networking and teambuilding.

Another first was our professional MC, Jackie Clarke. She did a wonderful job of connecting ideas, providing a smooth transition between business sessions, key note speakers and other presentations - as well as adding some light relief! Our events team did an amazing job of transforming the conference theatre to the lights and stars of Matariki for our conference dinner.

Our speakers included international guests. Mary Gordon is recognised internationally as an educator, best-selling author, child advocate and parenting expert, and founder of Roots of Empathy. Martin J Cowling, is founder and CEO of People First -Total Solutions, an international consulting and training firm focusing on volunteer engagement, strategic planning, and board development.

It was a thoroughly enjoyable and beneficial time, with attendees revitalised and inspired for the year ahead.

Carol Becker
New Zealand President

## What our conference speakers had to say

Mary Gordon

- Children have very minimal needs - they need to be loved and understood unconditionally.
- Love grows brains.....loving relationships with families allows babies to cope with stress.
- This attachment relationship is the template for every other relationship in their life. If it goes well so does their life, if it doesn't it causes all sorts of problems.
- Where has the wisdom gone that has been lost to knowledge? What is the knowledge we have lost to information? We are flooded with information and it can be difficult to pull knowledge out of that. We have knowledge but we are losing the wisdom to know how to use it.
- Solutions sit in the family and if we can break generational cycles of violence and poor parenting we have a chance to have children who will be compassionate and empathic citizens who will realise they can personally change history.

Martin Cowling - 5 challenges for volunteering

1. Who will volunteer and how

   To be successful we need to recruit, retain, manage and motivate people in volunteer capacities.

   - **Silent generation** - built infrastructure we use today, volunteer every week, make coffee, and bring chairs, represent 60% of social service volunteers in New Zealand.
   - **Baby boomers** - volunteer very differently. Highly skilled so react to doing basic things like stapling or photocopying. Want to do something but what's in it for me.
   - **Gen X** - latchkey generation who lived with childhood uncertainty. Different again. Don't want to be president, secretary, or on a committee. Do it by MSM chat.

Juggling more things than have ever before - careers, kids, study and get to the gym. Want to come in and do it and go home.

- Gen Y - click and go generation. Watch DVDs, listen to ipod, text and chat on MSM - all at the same time. Very confident, eager to volunteer, want to be in charge, want their ideas to be listened to. And if you can't text it to me! Volunteering in large numbers.
- i-gen - kids under 14, not sure how they will volunteer. This generation have spent the least amount of time outdoors, and the least amount of time without adult supervision. Taught to volunteer at school - could expose them or inoculate them.
- Average age in 2051 will be 46 - social services delivered to greater number of older people by fewer younger people. This will be a problem as most social services delivered by volunteers. How do we recruit more volunteers from a smaller pool?
- 2021 census projections - Pakeha will grow by 5 per cent, Maori by 29 per cent, Pacific Island by 59 per cent and Asian by 145 per cent. The ethnic composition of New Zealand is changing and volunteering needs to reflect that.

2. **What about the rules?**
   - There are more rules - OSH, application forms for volunteering more complex because of the number of checks eg clearance, police. Protects vulnerable people but makes volunteering more difficult - almost impossible in some parts of the world.
   - Volunteering is changing anyhow - people are volunteering because the government/ organisations/schools are making them - they are called voluntolds. Is it volunteering when people are made to be there?

3. **World is changing**
   - People are more concerned about cost of volunteering eg financial and time cost. We need to be honest how much time it really does take. If job too big need to break it down. People don't have the time anymore nor can they afford it either eg petrol costs if they have to travel long distances regularly.
   - Natural disasters are a great example - people want to help once, not be signed up for life.

4. **How serious are we about volunteering?**

If all volunteers went on strike for 48 hours the country would come to a stop - the contribution to society is incredible. We need to:

- make it easy for people to volunteer for 3 hours if that's all they can give
- build family and friendship into volunteering - bring kids/parents along
- make volunteering meaningful - don't make me sit in the corner and staple
- include learning opportunities
- support those who make volunteering happen.

5. **Removing gatekeepers**

The biggest challenge is how to help people who've been there forever but should have been let go. We can:

- create a meaningful mentoring role
- put them on different times eg put them on by themselves to keep them away from other volunteers
- tell them and their time is finished.

## The Lion Foundation

The Lion Foundation is one of New Zealand's oldest and most trusted charitable trusts. In the past 23 years they have returned over $480 million back to local communities.

As at 31 March 2009, The Lion Foundation has given Plunket $620,865. Of that, $500,000 was a grant, most of which ($315,000) is going to fund family centres in Auckland, Canterbury, Counties Manukau, Hawkes Bay, Manawatu/Wanganui and Northland. The rest of the money will cover the salaries of volunteer services leaders, with a contribution also made to Plunket's conference, held every two years.

Plunket

## Area Societies

1 Northland
2 Waitemata
3 Auckland City
4 Counties Manukau
5 Waikato
6 Lakes
7 Taranaki
8 Bay of Plenty
9 Gisborne/Wairoa
10 Hawkes Bay
11 Manawatu/Wanganui
12 Wellington/Wairarapa

13 Nelson/Marlborough
14 West Coast
15 Canterbury
16 Mid South Canterbury
17 Otago
18 Southland

## Operations Areas

1 Northland
2 Waitemata
3 Auckland City
4 Counties Manukau
5 Waikato
6 & 8 Lakes/Bay of Plenty
7 Taranaki
9 & 10 Gisborne/Wairoa/Hawkes Bay
11 Manawatu/Wanganui
12 Wellington/Wairarapa

13 & 14 Nelson/Marlborough/West Coast
15 & 16 Canterbury/Mid- South Canterbury
17 & 18 Otago/Southland

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# PLUNKET

## DEMOGRAPHIC DATA

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Plunket
whānau awhina caring for young families

*Summary Table*

## Demographic Indicators

*New Zealand*

2004–2006

| | 2004 | 2005 | 2006 |
|---|---|---|---|
| **Estimated resident population at 30 June** | | | |
| Males | 1,997,700 | 2,017,100 | 2,037,900 |
| Females | 2,083,700 | 2,081,800 | 2,101,900 |
| People | 4,081,400 | 4,098,900 | 4,139,500 |
| Under 15 years (number) | 885,390 | 880,070 | 875,210 |
| Under 15 years (percent) | 21.8 | 21.5 | 21.1 |
| 15–64 years (number) | 2,690,250 | 2,721,180 | 2,751,810 |
| 15–64 years (percent) | 66.2 | 66.4 | 66.5 |
| 65 years and over (number) | 485,770 | 497,610 | 512,850 |
| 65 years and over (percent) | 12.0 | 12.1 | 12.4 |
| Median age (years) | 35.2 | 35.5 | 35.8 |
| Sex ratio (males/100 females) | 96.8 | 96.9 | 96.9 |
| Annual growth rate (percent) | 1.3 | 0.9 | 1.0 |
| **Vital statistics, year ended 31 December** | | | |
| Live births | 58,073 | 57,745 | .. |
| Stillbirths | 483 | 380 | .. |
| Nuptial births | 32,074 | 31,673 | .. |
| Ex-nuptial births | 25,999 | 26,072 | .. |
| Deaths | 28,419 | 27,034 | .. |
| Natural increase | 29,654 | 30,711 | .. |
| Marriages | 21,006 | 20,470 | .. |
| Divorces | 10,609 | 9,972 | .. |
| Abortions | 18,211 | 17,531 | .. |
| **Permanent and long-term migration, year ended 30 June** | | | |
| Arrivals | 84,285 | 79,139 | 80,076 |
| Departures | 62,277 | 70,546 | 69,388 |
| Net migration | 22,008 | 8,593 | 10,688 |
| **Demographic indices, year ended 31 December** | | | |
| Crude birth rate (births per 1,000 mean population) | 14.3 | 14.1 | .. |
| Total fertility rate (births per woman) | 2.01 | 2.00 | .. |
| Crude death rate (deaths per 1,000 mean population) | 7.0 | 6.6 | .. |
| Infant mortality rate (deaths under one year per 1,000 live births) | 5.6 | 5.1 | .. |
| Life expectancy at birth 2003–2005 (years of life) | | | |
| Males | 77.6 | .. | .. |
| Females | 81.7 | .. | .. |
| Difference (female - male) | 4.2 | .. | .. |
| General marriage rate (marriages per 1,000 not-married population) | 13.6 | 13.2 | .. |
| Divorce rate (divorces per 1,000 existing marriages) | 13.2 | 12.4 | .. |
| General abortion rate (abortions per 1,000 women aged 15–44 years) | 20.6 | 19.7 | .. |
| Median age of women having a baby (years) | 30.3 | 30.4 | .. |
| Median age at marriage (years) | | | |
| Males | 32.3 | 32.5 | .. |
| Females | 30.2 | 30.4 | .. |
| Median age at divorce (years) | | | |
| Males | 43.0 | 43.3 | .. |
| Females | 40.4 | 40.8 | .. |
| Median age of women having an abortion (years) | 24.7 | 24.7 | .. |

*Chapter 2*

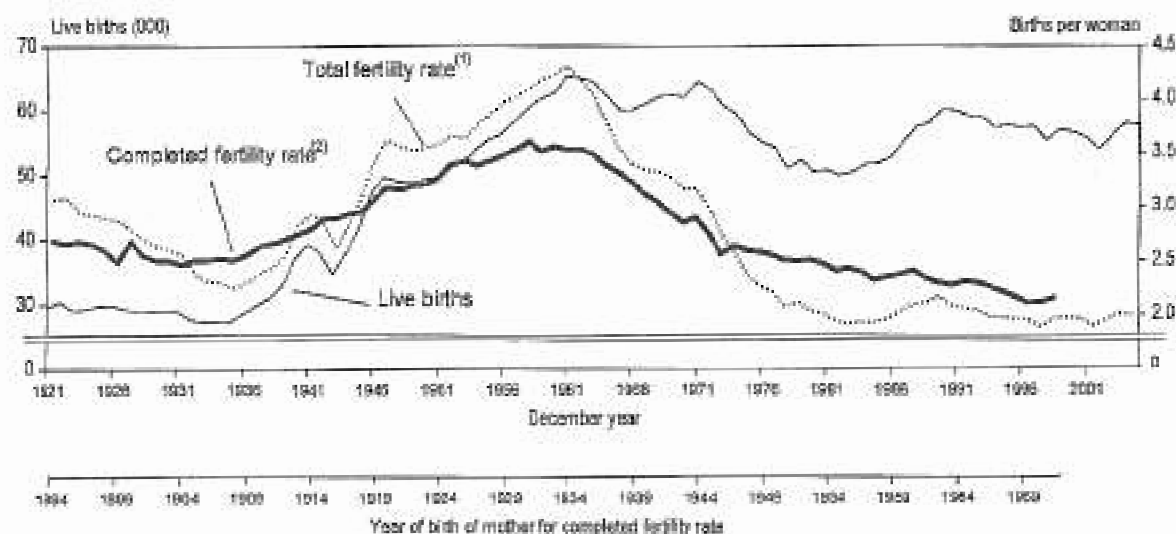
# Births

- There were 57,745 live births registered in New Zealand in the year ended December 2005 – 29,546 boys and 28,199 girls. With the exception of 2004, this is the highest number of live births since 1993, when 58,782 births were registered.
- The highest number of live births registered in one year was 65,390 in 1961.
- The total fertility rate was 2.0 births per woman in 2005; 4.3 births per woman in 1961; and 3.1 births per woman in 1921.
- Women aged 30–34 years had the highest fertility rate (120 births per 1,000 women aged 30–34), in 2005.
- One in every five children born in 2005 had more than one ethnicity. Half as many mothers had multiple ethnicities (roughly 1 in 10).
- Sixty-two percent of Māori children born in 2005 had more than one ethnicity.
- In 2005, the median age of Māori mothers was 26.0 years, four years younger than for the total population (30.4 years). The median age for Pacific, Asian and European women was 27.8, 30.6 and 31.2 years, respectively.
- Māori women had a total fertility rate of 2.6 births per woman in 2005.
- In the Gisborne, Northland, Hawke's Bay and West Coast regions, women aged 20–24 years had the highest fertility rates. In the Auckland, Wellington, Tasman, Canterbury and Otago regions, women aged 30–34 years had the highest fertility rates. In the remaining regions, women aged 25–29 years had the highest fertility rate.
- There were 863 sets of live-born twins (1,726 babies) registered in 2005 and 11 sets of live-born triplets (33 babies).

*Figure 2.01*

**Live Births and Fertility Rates**

*1921–2005*




(1) The average number of births a woman would have during her life if she experienced the age-specific fertility rates of that year. It excludes the effects of mortality.

(2) The average number of children a woman born in a particular year has had during her life. The figures for 1957–1972 birth cohorts are estimates only.

The last century witnessed significant changes in family size, reproductive patterns and population dynamics. The transition in family size, from relatively large to relatively small families, was already under way when the 20th century began. The current low fertility level should therefore be viewed as an extension of the fundamental changes that began more than 100 years ago. New Zealand women now have fewer children, later in their lives, and some may forgo parenting altogether.

Decreasing fertility rates have been accompanied by decreasing mortality rates. The transition from high fertility and mortality to low fertility and mortality has resulted in an overall increase in the median age of the population (known as population ageing).

## Births

There were 57,745 live births registered in New Zealand in the year ended December 2005, 0.6 percent fewer than the number in 2004 (58,073). The 2004 figure was the highest recorded since 1993, when 58,782 live births were registered. The highest number of live births registered in any year was 65,390 in 1961.

## Fertility rates and mother's age

The total fertility rate is the average number of births a woman would have during her life if she experienced the age-specific fertility rates of a given period (usually a year). The fertility rates for the December 2005 year indicate that, on average, New Zealand women are giving birth to 2.0 children. This is equivalent to the 2004 rate, and slightly below the level required for the population to replace itself without migration (2.1 births per woman). It is also less than half the high of 4.3 births per woman recorded in 1961, which was supported by a dramatic trend toward early and near-universal marriage and early childbearing. Forty years earlier, in 1921, the total fertility rate was 3.1 births per woman.

Except for a brief recovery around 1990, New Zealand has been below replacement level since 1980. Sub-replacement fertility is common in developed countries, including France (1.9 births per woman), Australia, Sweden, England and Wales (all 1.8), and the Netherlands (1.7). Some countries, notably Italy and Spain, have recorded fertility rates of below 1.3 births per woman in recent years.

The trend towards later marriage, smaller families and delayed motherhood is consolidating. Fewer New Zealand women in their teens or twenties are having a child. Conversely, an increasing number of women in their thirties and forties are having a child. Fertility rates for the December 2005 year indicate that the 30–34 year age group (120 births per 1,000 women) is the most common age group for childbearing. This is a significant departure from the early 1970s, when age group 20–24 years was the most common for childbearing.

Over the past decade, the fertility rates for women in all age groups under 30 years have dropped, while those for women aged 30 years and over have increased.

The median age of New Zealand women giving birth during the year ended December 2005 was 30.4 years, compared with 28.6 years in 1995 and 26.6 years in 1985. On average, New Zealand women are having children about five years later than their counterparts in the early 1970s.

## Cohort fertility

In general, if there is a significant trend towards having children at a younger age the total fertility rate tends to overstate the number of live births a woman is likely to have over her lifetime. If there is a significant trend towards having children at an older age the total fertility rate tends to underestimate the number of births a woman is likely to have.

The cohort fertility series traces the fertility experience of women born in a particular year. The completed fertility rate is the average number of births a woman born in a particular year has had during her life. The completed fertility rate for women born during the 1930s was about 3.5 births; however the total fertility rate in the early 1960s suggests that these women would have had 4.1 births. In contrast, women born during the 1950s had a completed fertility rate of about 2.4 births per woman, compared with a total fertility rate of about 2.0 births per woman during the early 1980s.

## Ethnicity

Changes to the ethnicity question on the birth and death registration forms were introduced in September 1995. Prior to that, all children with half or more degree of blood were classed as Māori or Pacific (as the case may be). No information was available for other ethnic groups. The current birth registration form collects the ethnic group and Māori ancestry of both mother and child. The introduction of these new questions and the resultant conceptual differences (biological versus self-identification) mean that the birth data by ethnicity from 1996 onwards are not directly comparable with the old series.

Mothers and babies may belong to more than one ethnic group. For example, a baby who has both Māori and Pacific ethnicity would be recorded in both ethnic groups. As a result, the ethnic group totals do not sum to the number of births. Within

the broad ethnic groups (for example European) each birth is counted only once. For instance, a child whose ethnicity is recorded as Asian, New Zealand European and English is counted once in the Asian ethnic group and once in the European ethnic group.

A baby's ethnicity tends to reflect the ethnicities of both parents. In 2005, over three-quarters (77 percent) of births registered belonged to only one ethnic group, 20 percent belonged to two ethnic groups and 3 percent belonged to three ethnic groups. Nearly half as many mothers (12 percent) as babies (23 percent) identified with more than one ethnic group.

In the December 2005 year, 62 percent of Māori babies and 48 percent of Pacific babies belonged to two or more ethnic groups. In contrast, 72 percent of European and Asian babies belonged to only one ethnic group.

The total fertility rate for the Māori ethnic group in the December 2005 year was 2.6 births per woman, well above replacement level (2.1 births per woman). Annual fertility rates are not available for any other ethnic groups because annual population estimates are not calculated.

In the December 2005 year, the fertility rates for Māori mothers under 25 years of age were all more than double the fertility rates for the total population in the same age groups. However, the fertility rate for the total population exceeded the rate for the Māori population in all age groups above 25, with the exception of the 40–45 year age group.

## Regional fertility

To minimise annual fluctuations, regional fertility rates are calculated using the annual average number of live births over three years.

Regional variations in fertility are marked. In 2004, Gisborne had the highest total fertility rate (2.7 births per woman), and its fertility rate was more than twice the national average for women aged under 20 years, 20–24 years, and 45 and over. Otago had the lowest total fertility rate (1.6 births per woman). Regional fertility rates reflect the socio-economic characteristics of the area. For example, the low total fertility rate in Otago reflects the high number of young women studying in Dunedin. These young women tend to delay childbirth until they have completed their studies, by which time they are likely to have moved to other regions. The fertility rates for women living in Otago aged under 20 years and 20–24 years (11 and 30 per 1,000, respectively) are less than half the national rates (27 and 69 per 1,000, respectively).

## Where to find additional information

Births and deaths information releases are available on the Statistics New Zealand website at:

www.stats.govt.nz/products-and-services/info-releases/births-and-deaths.htm

Additional tables on births and fertility rates are available on the Statistics NZ website at:

www.stats.govt.nz/tables/births-tables.htm

The following article and report are available on the Statistics NZ website: "Teenage Fertility in New Zealand" and *Fertility of New Zealand Women by Ethnicity*. These can be accessed via:

www.stats.govt.nz/people/population/births.htm

Information about births statistics can be found at:

www2.stats.govt.nz/domino/external/omni/omni.nsf/outputs/Births

Table 2.03

## Live Births[1]

*By ethnicity of mother and child*
Year ended 31 December 2005

| Ethnic group | | Mother | Child |
|---|---|---|---|
| **Total response[2]** | | | |
| | European | 38,573 | 40,375 |
| | Māori | 13,092 | 16,437 |
| | Pacific | 6,553 | 8,605 |
| | Asian | 5,662 | 6,166 |
| | Other | 772 | 951 |
| **One ethnic group[3]** | | | |
| | European | 32,562 | 28,954 |
| | Māori | 7,458 | 6,270 |
| | Pacific | 4,967 | 4,405 |
| | Asian | 5,202 | 4,396 |
| | Other | 696 | 590 |
| **Two ethnic groups[4]** | | | |
| | European/Māori | 4,794 | 7,209 |
| | European/Pacific | 684 | 1,341 |
| | European/Asian | 148 | 1,002 |
| | European/Other | 48 | 216 |
| | Māori/Pacific | 471 | 1,236 |
| | Māori/Asian | 42 | 102 |
| | Māori/Other | 5 | 32 |
| | Pacific/Asian | 147 | 184 |
| | Pacific/Other | 2 | 14 |
| | Asian/Other | 4 | 17 |
| **Three ethnic groups[5]** | | | |
| | European/Māori/Pacific | 221 | 1,173 |
| | European/Māori/Asian | 59 | 220 |
| | European/Māori/Other | 10 | 50 |
| | European/Pacific/Asian | 31 | 102 |
| | European/Pacific/Other | 0 | 9 |
| | European/Asian/Other | 1 | 7 |
| | Māori/Pacific/Asian | 12 | 46 |
| | Māori/Pacific/Other | 3 | 5 |
| | Māori/Asian/Other | 2 | 3 |
| | Pacific/Asian/Other | 0 | 0 |
| **Four or more ethnic groups[6]** | | 15 | 93 |
| Not specified[7] | | 161 | 70 |
| Live births | | 57,745 | 57,745 |

(1) Excludes late registrations under section 16 of the Births, Deaths, and Marriages Registration Act 1995. (Births which were not registered in the ordinary way at the time the birth occurred. Such registrations can occur as late as retirement age.)
(2) Each birth has been included in every ethnic group specified. For this reason, some births are counted more than once.
(3) Includes births where only one ethnic group was specified or the ethnic groups specified were all in the same broad group.
(4) Includes births where the specified ethnic groups belonged to two different broad groups.
(5) Includes births where the specified ethnic groups belonged to three different broad groups.
(6) Includes all other ethnic combinations.
(7) Includes ethnicity not specified or response out of scope.

**Note:** Births data are based on live births registered in New Zealand to mothers resident in New Zealand by date of registration.

Table 2.11

## Total Fertility Rate[1]

*New Zealand and selected countries*

1993–2005

| Country | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Australia | 1.86 | 1.84 R | 1.82 R | 1.80 | 1.78 | 1.76 | 1.76 | 1.76 | 1.73 | 1.76 | 1.75 | 1.77 | 1.81 |
| Canada | 1.69 | 1.69 | 1.67 | 1.62 | 1.55 | .. | .. | 1.49 | 1.51 | 1.50 | 1.53 | 1.53 | .. |
| Denmark | 1.75 | 1.81 | 1.81 | 1.75 | 1.75 | 1.72 | 1.74 | 1.77 | 1.75 | 1.72 R | 1.76 | 1.78 | 1.80 |
| England and Wales | 1.76 | 1.75 | 1.72 | 1.74 | 1.73 | 1.72 | 1.70 | 1.65 | 1.63 | 1.65 | 1.73 | 1.78 | 1.80 P |
| Finland | 1.81 | 1.85 | 1.81 | 1.76 | 1.75 | 1.70 | 1.74 | 1.73 | 1.73 | 1.72 | 1.76 | .. | .. |
| France | 1.65 | 1.65 | 1.71 | 1.73 | 1.73 | 1.76 | 1.79 | 1.88 | 1.88 | 1.87 | 1.88 | 1.90 P | 1.94 P |
| Japan | 1.46 | 1.50 | 1.42 | 1.43 | 1.39 | 1.38 | 1.34 | 1.36 | 1.33 | 1.32 | 1.29 | 1.29 | 1.25 P |
| Netherlands | 1.57 | 1.57 | 1.53 | 1.53 | 1.56 | 1.63 | 1.65 | 1.72 | 1.71 | 1.73 | 1.75 | 1.73 | 1.71 |
| NEW ZEALAND[2,3] | 2.04 | 1.98 | 1.98 | 1.96 | 1.96 | 1.89 | 1.97 | 1.98 | 1.97 | 1.90 | 1.95 | 2.01 | 2.00 |
| Norway | 1.86 | 1.87 | 1.87 | 1.89 | 1.86 | 1.81 | 1.85 | 1.85 | 1.78 | 1.75 | 1.80 | 1.83 | 1.84 |
| Scotland | 1.61 | 1.58 | 1.55 | 1.56 | 1.58 | 1.55 | 1.51 | 1.48 | 1.49 | 1.48 | 1.54 | 1.60 | 1.61 |
| Sweden | 2.00 | 1.89 | 1.74 | 1.61 | 1.53 | 1.51 | 1.50 | 1.55 | 1.56 | 1.64 | 1.71 | 1.75 R | 1.77 |
| Switzerland | 1.51 | 1.49 | 1.48 | 1.50 | 1.48 | 1.47 | 1.46 | 1.50 | 1.41 | 1.39 | 1.39 R | 1.42 R | 1.42 |
| United States | 2.02 | 2.00 | 1.98 | 1.98 | 1.97 | 2.00 | 2.01 | 2.06 | 2.03 | 2.01 | 2.04 R | 2.05 | 2.06 P |

(1) The average number of live births that a woman would have during her life if she experienced the age-specific fertility rates of a given period (usually a year). It excludes the effect of mortality.

(2) Rates are based on live births registered in New Zealand to mothers resident in New Zealand by date of registration and the mean estimated resident population.

(3) Rates for 1998 are lower than expected because of a small change to the rate at which births were registered during 1998.

**Note:** Sources for international data are located in the references section at the end of this publication.