

The effects of unconditional cash transfers on child abuse and neglect in early childhood: Evidence from New Zealand

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ABSTRACT

Background: Child abuse and neglect is recorded at higher rates in families with low incomes, and in contexts with lower public spending on families. However, it is not clear whether modest cash transfers could reduce rates.

Objective: To estimate the effects of unconditional cash transfers to mothers with children under 3 years of age on child abuse and neglect.

Setting and participants: In 2018, New Zealand - an ethnically diverse rich democracy with above average child poverty - introduced a “Families Package” of largely unconditional cash transfers for mothers of children aged 0–3. The majority of the package comprised a universal payment for children aged 0–1 of NZ\$60 (US\$37) a week, and a payment of up to that amount for families in all but the top third of incomes for children aged 1–3. Mothers chose whether to receive payments weekly, monthly or annually. We use administrative data for all children born in New Zealand between 2013 and 2019 ($N = 172,170$).

Method: Difference-in-difference estimation compared the difference in child abuse and neglect for 3-year-olds born before and after the introduction of the Families Package in July 2018, with the differences between the same birth month periods for children born in the previous 3 years. **Results:** The Families Package reduced the odds of child protective services’ referrals to family services in non-urgent cases of suspected maltreatment by 19 % overall (OR: 0.81, CI: 0.80–0.81, $p = 0.003$). The reduction was 26 % (OR: 0.74, CI: 0.61–0.91, $p = 0.003$) both for Māori, the indigenous people of New Zealand, and for those for whom child protective services had a record of concern for older siblings. The Families Package also reduced substantiated cases of neglect in single mother families (OR 0.6, CI 0.38–0.93, $p = 0.022$). There were no significant effects on urgent cases, substantiations of physical or emotional abuse, or hospitalizations for traumatic brain injuries.

Conclusions: Small unconditional cash transfers in early childhood can lead to meaningful reductions in non-acute cases of suspected child abuse and neglect among at-risk groups.

1. Introduction

Children, especially young children, who are abused or neglected often suffer profound, lasting trauma, affecting many aspects of wellbeing (Lippard & Nemeroff, 2020; Power et al., 2020). Children are more likely to experience abuse or neglect if they grow up in

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impoverished families or in places with lower public spending on them (Edwards, 2016; Slack et al., 2017). Parents facing low income, economic uncertainty, or material hardship, are at a greater risk of maltreating their children (Kong et al., 2021; Schneider et al., 2017).¹ However, social scientists still reasonably question whether the relationship between parental income and child abuse and neglect is causal. Specifically, can unconditional cash transfers significantly reduce maltreatment?

Sociologists emphasize that entrenched institutional processes of impoverishment, surveillance, and punishment — targeted on minority families and neighborhoods — link low income to child abuse and neglect, typically measured through contact with child protective services (CPS) (Edwards, 2016; Edwards et al., 2021; Fong, 2020). Psychologists and physicians highlight an intergenerational cycle of poor mental health and parenting in families struggling economically underlying child maltreatment. They argue that comprehensive social and psychological interventions — not just financial assistance — are needed to break this cycle (Schilling et al., 2024). Economists especially caution that if both low income and child maltreatment share underlying causes such as low employment and education cash transfers will have little effect. Indeed, if unconditional cash transfers dis-incentivize employment and education, they could theoretically even worsen child maltreatment (Seiglie, 2004).

Studies of changes to income-tested benefits for low-income families in the United States (US) do find that they are inversely related to child abuse and neglect. Mothers receiving Temporary Assistance for Needy Families (TANF) who faced welfare sanctions were more likely than those not sanctioned to be investigated for neglect. Although sanctions were not associated with substantiated cases of abuse or neglect, other reductions in grants were (Slack et al., 2007). Additionally, a randomized policy experiment in Wisconsin found that mothers whose child support payments were not deducted from their TANF benefits were less likely to be investigated for suspected abuse or neglect (Cancian et al., 2013). However, TANF is a temporary work-focused benefit for the poorest, typically single mothers, administered by local agencies often connected to child protective services. It remains unclear whether broad unconditional cash transfer programs would have similar effects on child abuse and neglect.

Studies of tax credits in the US, which are conditional on employment but available to low- and moderate-income families, also show the potential for income subsidies to prevent child abuse and neglect. Exogenous increases in Earned Income Tax Credits (EITC) have been associated with reductions in CPS involvement and with behavioral indicators of neglect in surveys (Berger et al., 2017). Advances of Child Tax Credits, paid biannually or annually in lump sums, have been associated with fewer calls to national hotlines for suspected abuse and neglect (Bullinger & Boy, 2023). Leveraging discontinuity in Child Tax Credit rates in California, Rittenhouse found that a one-time \$1000 transfer to low-income households in a child's first year of life decreased referrals to CPS by 3 %, with reductions persisting through the child welfare system (Rittenhouse, 2023). This reduction was consistent across reporter groups, suggesting the effects reflected actual reductions in abuse and neglect rather than reporting biases. Furthermore, advances from the expanded, fully refundable Child Tax Credit program of 2021 — which was not conditional on employment — were linked to reduced emergency-room visits for child-abuse-related incidents shortly after payments, though reductions were not sustained (Merrill-Francis et al., 2024).

Looking specifically at the effects of increased *unconditional* cash transfers for parents of babies, Bullinger, Packham, et al. (2023) found that an additional \$1000 paid to families in the first few months of a child's life reduced the chance of their being referred to CPS by age 3 by 10 %. There are good reasons to think the positive effects of unconditional cash transfers in Alaska on referrals could be seen elsewhere, and on fuller measures of abuse and neglect. Unconditional, universal child payments typically reach over 96 % of eligible families, while a fifth of eligible families do not receive conditional working tax credits (Kovski et al., 2023). Universal schemes can also increase the uptake of other income supports among eligible recipients.

Such income increases from unconditional cash transfers are expected to directly reduce neglect since child-related payments made to mothers are typically spent on meeting children's needs (Gennetian et al., 2022; Gregg et al., 2006). Income and its security can also reduce stress and improve mental health among parents, and as a result reduce emotional or physical abuse. For mothers of young children, cash benefits do not appear to reduce employment rates long-term but can decrease weekend shifts and long working hours associated with stress (Sauval et al., 2022). Substantial, permanent, unconditional cash benefits paid to Native Americans in the Great Smoky Mountains significantly improved parents' interactions and experiences with their children (Akee et al., 2010). Although child abuse and neglect were not directly measured in this study, improved parental interactions from the cash transfer yielded substantial benefits to multiple aspects of child well-being that persisted into adulthood (Copeland et al., 2022).

Despite such evidence supporting unconditional cash transfers' ability to prevent child maltreatment, questions remain about how generalizable effects are. In Alaska, the cash payment increases were part of large, per-capita, permanent income distributions funded by oil resources. In the Great Smoky Mountains, payments were exclusively for indigenous people, and also substantial, sustained, and funded by casino revenue. Across four locations in the US, a randomized trial of small unconditional cash transfers for mothers of infants as yet shows no significant effects on maternal well-being or child development (Hart et al., 2024; Magnuson et al., 2024). Similarly, in Spain, the introduction of a universal "Baby Bonus" for parents of infants was not associated with improvements in any mechanisms linked to child health or education (Borra et al., 2021). There is a real question remaining, therefore, whether the national implementation of tax-funded unconditional cash transfers can prevent child abuse and neglect.

1.1. New Zealand's "Families Package" policy and its context

In 2018, New Zealand introduced a *Families Package* of policies aiming to reduce child poverty, increase choice for parents over

¹ We use the terms child abuse and neglect, and child maltreatment, interchangeably to refer to physical and emotional abuse, and neglect. Sexual abuse is rarely reported or recorded among our population of study, children aged under 3.

working and caring in the first years of children's lives, and improve child wellbeing (New Zealand Government, 2018). The main policy change was the introduction, for babies born on or after July 1, 2018, of *Best Start*: unconditional cash transfers paid universally to mothers (or first parents in same-sex couples) in the first year of their child's life..² *Best Start* was also paid, progressively, into the child's second and third year to families with incomes below NZ\$94,000 (approximately the 65th percentile).

Best Start payments amounted to NZ\$60 (US\$37) per week. Parents choose whether to receive them weekly, monthly, or as an annual lump sum totaling NZ\$3100. Of eligible families, 97 % signed up for payments, typically online as part of their child's birth registration. About two-thirds chose to receive the payment weekly, with the remainder equally split between monthly and annual options.

In addition to *Best Start*, the Families Package increased income for low-income families, both in and out of paid employment, through a 17 % average increase in housing cost subsidies (the Accommodation Supplement) effective April 1. For employed parents, the package also extended paid parental leave from 18 to 22 weeks, adding up to NZ\$2255 in benefits from July 1. (Table S1 details the policy changes for babies born before April 1 and after July 1, 2018). The Families Package was therefore overwhelmingly unconditional, with both universal and progressive elements. Two-thirds of the transfer income changes for mothers of children 0–3 born before April 1 and after July 1 came from *Best Start* payments. What is more, three-fifths of the value of *Best Start* payments were paid to people not receiving income-tested (including unemployment) benefits (Wilson & McLeod, 2023). For mothers in the most deprived neighborhoods, the FP represented a 7.5 % increase in total income and a 13 % increase in financial assistance. For those in the least deprived neighborhoods, the gains amounted to a 4 % increase in total income, and a 33 % increase in financial assistance (Wilson & McLeod, 2023).

On average over the first 3 years of their child's life, Wilson and McLeod (2023) found the Families Package increased mother's income by more than NZ\$6600 (US\$4000), a 5 % increase in income, and 16 % increase in income assistance. For indigenous Māori mothers, the average income increase was more than NZ\$9600 (US\$5800), an 8 % increase in income and 13 % increase in income assistance (Wilson & McLeod, 2023). Notably, there were no adverse effects on rents, employment or non-transfer income (Hyslop & Maré, 2022; Riggs et al., 2022; Wilson & McLeod, 2023).

In the years following the introduction of the Families Package, both poverty and inequality among families with children reduced. The percentage of children in families in poverty (defined as a household with <50 % of the median income after housing costs) fell by 6.5 percentage points, from 22.8 % in June 2018 to 16.3 % in June 2021. However, material hardship (defined as lacking 6 or more of 17 measures of material wellbeing, such as the ability to pay a \$500 bill over a month without borrowing) reduced only 2 percentage points (13.3 to 11.0 %) (Statistics New Zealand, 2022a).

The Families Package was implemented in a diverse population. Nearly a quarter (24.7 %) of children were identified (non-exclusively) by their parents as Māori, 12.5 % as Pacific people, and 17.4 % as Asian. New Zealand's family incomes are below the OECD average, and income inequality is higher than average. Consequently, in 2018, its child poverty rate (defined as the proportion of children in families earning below half the national median income) exceeded the OECD average, with levels like those in Italy and Spain (OECD, 2024). The Families Package was introduced in a policy environment that included some unconditional minimum income payments and universal public healthcare, including nurse home visits after childbirth, but where childcare costs at the time for under threes were some of the highest in the OECD relative to incomes (Gromanda & Dominic, 2021).

Child abuse and neglect is a significant problem in New Zealand. By age five, 2.7 % of children born between 1998 and 2015 had a substantiated case of maltreatment. While this compares favorably to the 5.3 % in California and 6.6 % across the US, it is higher than rates observed in Western Australia over similar periods (Rouland & Vaithianathan, 2018; Wildeman, 2018). Like indigenous peoples and other racial and ethnic minorities elsewhere, Māori are overrepresented in child abuse and neglect statistics in New Zealand (Rouland et al., 2019). However, regression analysis does show that, in recent years, this can be accounted for by the overrepresentation of Māori among families with risk factors for abuse and neglect, including low income (Oranga Tamariki - Ministry for Children, 2023).

1.2. Objective

Our objective was to use the population-wide introduction of the Families Package in New Zealand as a natural-experimental case to ask: Do unconditional cash transfers for children aged 0–3 reduce child abuse and neglect in that age group?

We aimed to observe effects on child abuse and neglect, rather than engagement with child welfare agencies and services. Like most researchers, we rely on administrative data primarily composed of measures from child protective services agencies, which overall undercount child maltreatment (Slack & Berger, 2020). However, we exclude the measures most vulnerable to biases or fluctuations driven, for example, by public media about child abuse and the state care system, such as all notifications or reports of concern made to CPS with an initial assessment, and placements of children outside the home. Instead, we focus on the five measures detailed below.

² *Best Start* is paid after any Paid Parental Leave. It replaced a Parental Tax Credit, worth up to \$2200, that was paid for 10 weeks from birth only to mothers not receiving paid parental leave or benefits for low-income.

1.3. Measures of child abuse and neglect

1. **Referrals to Family Services:** These occur when a social worker's initial assessment or investigation of reports of concern made to the child protective services (CPS) identifies likely cases of maltreatment. Where the safety of the child is *not* an urgent concern, families are referred in the first instance for a Family Group Conference.
2. **Urgent Child Protection Cases:** These are cases where a social worker's immediate assessment, following a report of concern, is that the child's safety is a high and urgent concern. In these cases, investigations and interventions are begun without referral to a Family Group Conference.
3. **Emotional Abuse findings:** These are substantiated cases where social worker investigations confirm that the child has been emotionally abused. Emotional abuse includes any act or omission that results in adverse or impaired psychological, social, intellectual, and emotional functioning or development. Examples include patterns of isolation, degradation, constant criticism, or negative comparison with others, as well as exposure to family violence.
4. **Neglect findings:** These are substantiated cases where social worker investigations confirm that the child has been neglected. Neglect may involve failing to provide necessities (adequate shelter, food, or clothing), emotional support (comfort, attention, and love), medical care, or supervision (leaving children without safe caregivers).
5. **Physical Abuse findings:** These are substantiated cases where social worker investigations confirm that the child has been physically abused. Physical abuse includes acts such as hitting, burning, bruising, and shaking.
The measures are recorded for a given period and child. A given referral to family services, or abuse event can and typically does involve more than one type of maltreatment.
6. **Traumatic Brain Injury:** Unlike the measures above, this does not rely on contact with child protective services. Among infants and young children, physical abuse often results in Traumatic Brain Injury (TBI) or Pediatric Abusive Head Trauma (PAHT), also known as "Shaken Baby Syndrome". [Kelly \(2020\)](#) finds that TBI rates are similar in New Zealand to those in the United States, and that in New Zealand CPS records poorly predict TBI presentations. We measure all cases of overnight public hospitalizations for infants 0–3 where TBI was recorded as a reason.

1.4. Participants and setting

We sourced administrative data on the entire population of interest: children born in New Zealand between 2013 and 2019. We used the Integrated Data Infrastructure (IDI) managed by Statistics New Zealand (Stats NZ), a comprehensive database containing linked individual-level microdata with national coverage. This includes data from the child protective service agency, the Ministry for Children (Oranga Tamariki, formerly the Ministry of Children, Youth, and Families) and all hospitalizations occurring in the public health system ([Milne et al., 2019](#); [Statistics New Zealand, 2022](#)). All data are probabilistically linked and deidentified. Access is granted only to approved, trained researchers through a secure lab environment. Before releasing any findings, Stats NZ aggregates and verifies all outputs to ensure confidentiality and anonymity. Stats NZ approved access to the data for this project (application number MAA2019–70), and ethical approval was obtained from the University of Auckland Human Participants Ethics Committee (ref. 027005).

Our study population includes all children born in New Zealand who were – or would have been – eligible for Best Start, based on their parents' continuous residence in the country for at least 12 months or holding citizenship or permanent residence. We also restrict the population to those who resided in New Zealand for at least 30 of their first 36 months of life. To validate our difference-in-difference model (see below), we excluded children born in April, May, or June. To establish parallel trends before the introduction of the Families Package, we also excluded children born in 2013 and 2014. This gave us an analytic sample of 173,170 children (approximately 60,000 births per year), of which 29,262 were "treated" with the Families Package.

As well as for the eligible population overall, we considered effects separately for five subgroups of children at increased risk of suffering abuse and neglect:

1. **Māori:** children who were identified by their parents in their birth registration as being of Māori ethnicity.
2. **Pacifica:** children who were identified by their parents in their birth registration as being Pacific peoples. Children could be identified as of multiple ethnicities, and Māori, Pacifica, and other ethnic groups are not mutually exclusive.
3. **Deprived Neighborhood:** children who lived in the tenth % most socio-economically deprived neighborhoods in New Zealand. This is based on NZ's neighborhood Deprivation Index 2018, which measures the proportion of households in the meshblock (a small geographic area where typically 100–200 people live) without access to the internet at home, as well as other factors such as low income, unemployment, single-parent households, rented accommodations, overcrowded living spaces, and poor housing conditions (e.g., damp and moldy) ([Atkinson et al., 2019](#)). The measure is based on the parents' address at birth registration, and so is unaffected by any movement into or out of the most deprived neighborhoods after the introduction of the Families Package.
4. **Single Mother:** children whose father was not listed on the birth certificate or was not registered at the same address within six months of the child's life (and who did not have a second same-sex parent). Children whose parents separated at a later stage are not included in this subgroup, to avoid confounding effects if the Families Package influenced parental separation or cohabitation.
5. **CPS Notified Regarding Siblings:** children for whom child protective services (CPS) had recorded a notification of concern for an older sibling, including half-siblings.

2. Method

We leverage the implementation timing of the Families Package, which was introduced for babies born between April 1 and July 1, 2018, to evaluate its effects. Mothers of babies born before April 1 were not eligible for the increased Accommodation Supplement, while those of babies born or due before July 1 were not eligible for Best Start or the four additional weeks of Paid Parental Leave. To evaluate the impact of the Families Package, we compare measures of child abuse and neglect for children born from January to March 2018 with those born from July to December 2018. We then contrast this difference with differences in the same measures for the same birth month periods over the previous three years, 2015–2017. This Difference-in-Differences (DiD) model improves upon simple pre- and post-policy comparisons by accounting for any seasonal variations in family income, child maltreatment patterns, and social work recording practices (Deutscher & Breuning, 2018).

All our outcome measures of child abuse and neglect are binary, so we use binomial Logistic Regression. Formally, we model y_i as the binary outcome for child i in the following equation:

$$y_i = \beta_0 + \beta_1 z_{2018,i} + \beta_2 z_{\geq \text{July},i} + \beta_3 (z_{2018,i} \cdot z_{\geq \text{July},i}) + \beta_4 \text{BirthYear}_i + \epsilon_i$$

where variable $z_{2018,i}$ is a binary indicator for whether child i was born in the year the policy (treatment) was introduced, 2018, or in the years 2015–2017. The variable $z_{\geq \text{July},i}$ is a binary indicator for the period of birth being after July 1, compared with being born before April 1. The interaction term $z_{2018,i} \cdot z_{\geq \text{July},i}$ is the Difference in Difference (DiD) estimator, representing the treatment effect. β_3 indicates the difference in the outcome attributable to the treatment after controlling for year and time period differences, and is calculated as:

$$\beta_3 = [(Y_{\geq \text{July},2018} - Y_{\leq \text{April},2018}) - (Y_{\geq \text{July},2015-17} - Y_{\leq \text{April},2015-17})]$$

where $Y_{\geq \text{July},2018}$ is the average outcome for the treated group, $Y_{\leq \text{April},2018}$ is the average outcome for those born before the policy in 2018, $Y_{\geq \text{July},2015-17}$ is the average outcome for children born before after July in 2015–2017 and $Y_{\leq \text{April},2015-17}$ is the average outcome for those born before April in 2015–2017.

2.1. Parallel trends

The validity of any DiD estimate relies on the parallel trends assumption, which requires that differences in outcomes between the January–March and July–December birth cohorts are consistent across the pretreatment years. In this study, we observe that trends in urgent cases in 2013 and family service referrals in 2014 were not parallel (Table S2). To ensure robustness, we limit the analysis to the years 2015–2017, during which trends in all measures of child abuse and neglect are parallel.

3. Results

The difference-in-differences estimates (reported in Table 2) indicate that the Families Package significantly reduced the odds of overall referrals to family services made by child protective services by 19 % (Odds Ratio (OR): 0.81, Confidence Interval (CI): 0.80–0.81, p -value (p): 0.003). Subgroup analyses show that the overall reduction was primarily driven by substantial decreases in the odds for Māori children, and children for whom CPS had previously received and recorded a notification of concern for an older sibling. For both groups, the introduction of the Families Package was associated with a 26 % reduction in the odds of referrals (OR: 0.74, CI: 0.6–0.9, $p = 0.003$). The Families Package also likely reduced referrals among children living in deprived neighborhoods (OR: 0.79, CI: 0.62–0.99, $p = 0.044$). There was no significant increase in the odds of urgent cases of suspected maltreatment, for any subgroup, that were not captured through such referrals.

Neglect, as substantiated by social workers, also appears to have decreased among children in single-mother families as a result of the Families Package, with a point estimate suggesting a 40 % reduction in the odds of neglect (OR = 0.60, CI = 0.38–0.93, $p = 0.022$). No significant reductions in neglect were seen for any other subgroups. Furthermore, there were no significant reductions in substantiated cases of emotional or physical abuse, or in cases of Traumatic Brain Injury (TBI) resulting in overnight hospitalizations.

Fig. 1 visualizes the size of the estimated effects, expressed as percentage changes in the odds of the outcome, with confidence intervals, for the two outcomes where we find some significant effects of the Families Package: Referrals to Family Services, and Neglect findings.³

3.1. Sensitivity

As a sensitivity analysis, we restricted our treatment group to those born July to September inclusive, i.e. we exclude births October–December. This adjustment reduced the maximum difference in birth dates between children born before and after the policy

³ All the measured abuse and neglect events are rare - as Table 1 notes, occurring for at most 3 % of the population under study - and we use data for the whole population, so the odds and probabilities are numerically close. This means a reduction in odds associated with receipt of the Families Package can be interpreted as a reduction in the risk.

Table 1
Descriptive Data by Birth Cohort.

	2015–2017	2015–2017	2018	2018
	Pre-April	Post-June	Pre-April	Post-June
	n = 44,313	n = 85,644	n = 13,950	n = 29,262
Measure (Mean (Variance))				
Family Service Referrals	0.0219 (0.0214)	0.0242 (0.0237)	0.031 (0.03)	0.0284 (0.0276)
Urgent Cases	0.0062 (0.0061)	0.0067 (0.0066)	0.0069 (0.0068)	0.0074 (0.0074)
Neglect	0.0142 (0.014)	0.0136 (0.0134)	0.0131 (0.0129)	0.0123 (0.0121)
Emotional Abuse	0.0247 (0.0241)	0.0243 (0.0237)	0.0243 (0.0238)	0.0229 (0.0224)
Physical Abuse	0.0035 (0.0034)	0.0033 (0.0033)	0.0037 (0.0036)	0.0034 (0.0034)
Traumatic Brain Injury	0.0025 (0.0025)	0.0027 (0.0027)	0.0024 (0.0024)	0.0028 (0.0028)
Subgroup (Percentage)				
Māori	24.6 %	24.9 %	24.3 %	24.4 %
Pacifica	12.4 %	12.5 %	13.3 %	12.4 %
CPS Notified for Siblings	16.4 %	16.3 %	16.4 %	15.8 %
Neighborhood Deprived	15.7 %	15.7 %	16.0 %	15.0 %
Single Mother	6.4 %	5.9 %	5.6 %	6.5 %

implementation from 12 to 9 months, but also reduced our statistical power to estimate these relatively rare abuse events, particularly for subgroups. In these models (reported in Table S3) the effect sizes were similar; however, none reached statistical significance.

4. Discussion

We find that the Families Package expansion of largely unconditional cash payments to mothers with children under three in New Zealand was associated with significant reductions in referrals to family services for suspected child abuse and neglect, particularly for Māori children. We also find the Families Package was associated with reductions in substantiated neglect among single-mother families.

Drawing on nationwide administrative data, our study captures the aggregate effects of a package of family policies implemented across a whole country. As a result, we are unable to distinguish which specific policy elements drove the effects we see. Our subgroup analysis shows effects of the Families Package are greater in, if not exclusive to, lower-income family types. Some might interpret this to indicate that the universal elements of the policy package were not important in reducing child abuse and neglect. However, Best Start, the universal element of the Families Package accessed online as part of birth registration reached a wider group of low-income families than existing benefits and increased the uptake of other income-related benefits (Wilson & McLeod, 2023). The assumption that our Difference-in-Differences model rests on — that the differences we observed in outcomes between children born after July and before April 2018 were due to the introduction of the Families Package — is stronger than assumptions required to infer causality from effects in Randomized Control Trials (RCTs) (Heckman, 2020). While RCTs of unconditional cash transfers for young children have been conducted in rich countries, they typically have tested specific, temporary, non-governmental payments exclusively for low-income families, and have been unable to measure effects on child abuse and neglect (Noble et al., 2021).

Administrative data provides a sufficiently large sample to analyze even relatively rare cases of child abuse, such as resulting in hospitalization for traumatic brain injuries, and model effects for subgroups of families most at risk for abuse and neglect. Our use of historical child protection records for siblings, including half-siblings, means the reduction in referrals for suspected maltreatment found in this subgroup can be interpreted as net of unobserved family-level risk factors for abuse and neglect. While we focus on highly suspected and substantiated cases of maltreatment, these measures inherently depend on the involvement and practices of CPS agencies (Slack & Berger, 2020), while our hospitalization data for traumatic brain injuries requires injuries to be presented to hospital staff, and result in an overnight stay. This could downwardly, as well as upwardly, bias the effects we observe, because substantiating physical or emotional abuse requires a high threshold of evidence, and not all traumatic brain injuries will present at hospital. Any reductions in cases of abuse or neglect unknown to CPS or difficult to substantiate, or TBI unknown to hospitals or not involving an overnight stay, would therefore not be captured by our analysis. Furthermore, all our measures of maltreatment are binary and so any reduction in the frequency of maltreatment incidents among those ever known to be maltreated would not be observed in our study.

While we find a significant reduction in substantiated neglect among single mother families, the lack of effects we see on findings of physical or emotional child abuse or TBI contrasts with reductions in overall findings of maltreatment, emergency hospital visits, and fatal injuries, found in some studies of expansions to conditional and unconditional cash transfers in the US. This disparity could reflect the lower incidence of child abuse and neglect, and smaller population in New Zealand, compared to the US states studied, such that a similar proportional reduction in our case might not reach statistical significance. The disparity in findings may also reflect the broader

Table 2

Difference-in-Difference Estimates for the Effects of the Families Package on Child Abuse and Neglect.

Model	Odds Ratio	CI	p-value	Mean	Observations
Referrals to Family Services					
Overall	0.81	0.80–0.81	0.003**	0.025***	135,684
Māori	0.74	0.61–0.91	0.003**	0.052	42,774
Pacifica	0.93	0.67–1.27	0.629	0.042	21,684
Neighborhood Deprived	0.79	0.62–0.99	0.044*	0.060	27,030
Single Mother	0.77	0.53–1.10	0.144	0.068	10,581
CPS Notified for Siblings	0.74	0.60–0.90	0.003**	0.079	28,092
Urgent Cases					
Overall	0.93	2.48–0.35	0.145	0.007	135,684
Māori	0.96	0.66–1.40	0.849	0.016	42,774
Pacifica	0.95	0.49–1.85	0.874	0.009	21,684
Neighborhood Deprived	0.88	0.56–1.38	0.586	0.017	27,030
Single Mother	0.85	0.40–1.83	0.676	0.017	10,581
CPS Notified for Siblings	0.89	0.63–1.26	0.511	0.028	28,092
Neglect					
Overall	0.91	4.92–0.17	0.105	0.014	135,684
Māori	0.90	0.68–1.18	0.430	0.033	42,774
Pacifica	0.73	0.42–1.25	0.251	0.015	21,684
Neighborhood Deprived	0.76	0.55–1.04	0.089	0.034	27,030
Single Mother	0.60	0.38–0.93	0.022*	0.051	10,581
CPS Notified for Siblings	0.92	0.71–1.19	0.530	0.058	28,092
Emotional Abuse					
Overall	0.92	7.81–0.11	0.108	0.024	135,684
Māori	0.95	0.78–1.15	0.582	0.061	42,774
Pacifica	0.84	0.58–1.21	0.345	0.034	21,684
Neighborhood Deprived	0.82	0.65–1.05	0.110	0.062	27,030
Single Mother	0.78	0.54–1.13	0.187	0.063	10,581
CPS Notified for Siblings	0.96	0.79–1.17	0.684	0.098	28,092
Physical Abuse					
Overall	0.99	1.10–0.89	0.201	0.003	135,684
Māori	0.92	0.53–1.60	0.766	0.007	42,774
Pacifica	0.64	0.27–1.55	0.326	0.005	21,684
Neighborhood Deprived	0.77	0.40–1.50	0.447	0.009	27,030
Single Mother	1.41	0.57–3.50	0.454	0.010	10,581
CPS Notified for Siblings	0.92	0.54–1.56	0.755	0.011	28,092
Traumatic Brain Injury					
Overall	1.07	0.63–1.82	0.238	0.003	135,684
Māori	0.74	0.34–1.64	0.460	0.003	42,774
Pacifica	0.51	0.15–1.76	0.284	0.003	21,684
Neighborhood Deprived	0.89	0.29–2.76	0.838	0.003	27,030
Single Mother	0.34	0.06–1.86	0.214	0.003	10,581
CPS Notified for Siblings	0.63	0.24–1.62	0.337	0.004	28,092

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

policy context in which cash transfers are introduced. The Families Package was implemented on top of existing unconditional income supports for families, and policies which are separately associated with lowering rates of child maltreatment, such as paid parental leave, and a high minimum wage (Bullinger, Klika, et al., 2023; Schneider et al., 2022). In such a context, a similar-sized cash transfer could have less impact on parents' risk of abusing or neglecting their child. Qualitative research shows the Families Package's average 5 % increase in income may have been insufficient to offset resulting rises in debt-servicing, or to meet the high costs of childcare for children aged under 3 (Momsen, 2021). It is notable that while poverty decreased in the 3 years after 2018 in New Zealand, material hardship and economic insecurity remained high.

Nonetheless, the reductions in child abuse and neglect seen among children aged 0–3 attributable to the Families Package add to the social investment case for unconditional cash transfers targeting young families. Child abuse and neglect are as prevalent as major public health concerns and as costly in terms of clinical outcomes, and public expenditure (Fang et al., 2012; Lippard & Nemeroff, 2020). Our findings support the theory that neglect is the form of maltreatment most amenable to cash transfers. Neglect, however, can be especially consequential for babies and toddlers, and infants who experience neglect remain at greater risk for other forms of child maltreatment later in childhood (Dunn et al., 2018; Palmer et al., 2023). The case of the Families Package in New Zealand certainly demonstrates the potential of unconditional cash transfers to prevent harm to children.

CRediT authorship contribution statement

Sophie Moullin: Writing – review & editing, Writing – original draft, Visualization, Methodology, Investigation, Formal analysis, Conceptualization. **Barry Milne:** Writing – review & editing, Supervision, Resources, Funding acquisition, Data curation, Conceptualization.

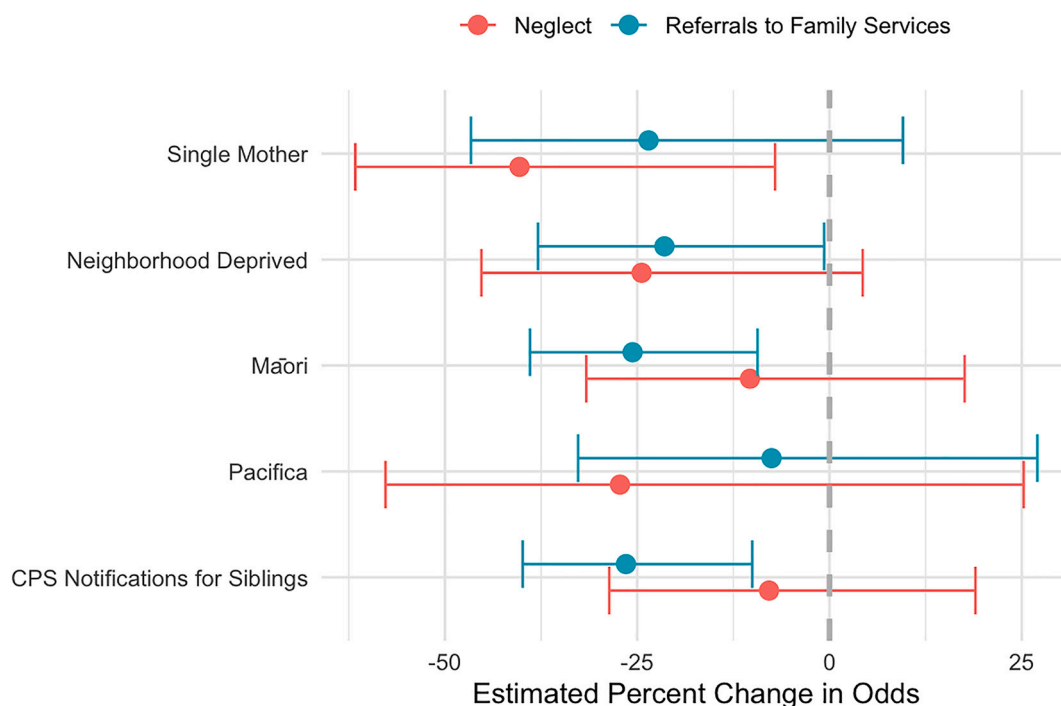


Fig. 1. Estimated Effects of the Families Package on Referrals to Family Child Protection Services and Findings of Neglect by Age 3 Among At-Risk Subgroups

Disclaimer

The results presented in this study are the work of the authors, not Stats NZ or individual data suppliers. The data used in this study was provided by Stats NZ under conditions designed to give effect to the security and confidentiality provisions of the [New Zealand Legislation \(2022\)](#). They have been created for research purposes from the Integrated Data Infrastructure (IDI) which is carefully managed by Stats NZ. For more information about the IDI please visit <https://www.stats.govt.nz/integrated-data/>

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Appendix A. Supplementary data

Supplementary data to this article can be found online at <https://doi.org/10.1016/j.chiabu.2025.107260>.

Data availability

The data that has been used is confidential.

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