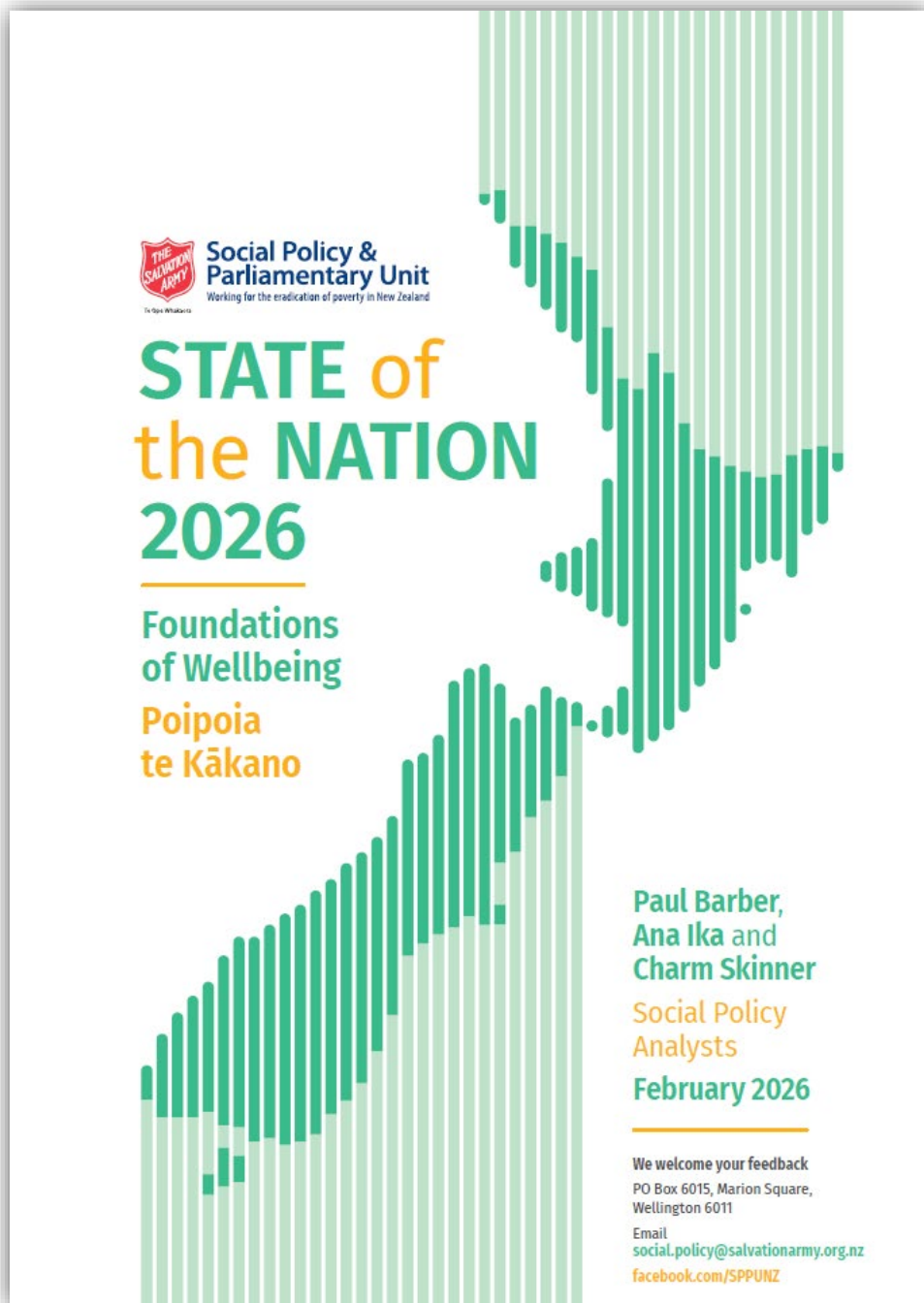


The Salvation Army: State of the Nation 2026 Report

Reflections on the social landscape and the role of philanthropy

April 2026



The Salvation Army: State of the Nation 2026

Bringing for-purpose sector leaders together to discuss the state of the nation

Despite improvements in some indicators, such as reductions in youth offending and stabilisation in rental costs, Aotearoa New Zealand’s wellbeing is in a fragile state. The worsening trends highlight deep structural pressures including children living in material hardship, rising unemployment, increasing housing instability, disproportionate inequality experienced by Māori and Pasifika communities, and elevated levels of family violence and social hazard-related harm.

The Salvation Army Social Policy and Parliamentary Unit’s latest report, **State of the Nation 2026 (Foundations of Wellbeing – Poipoiā te Kākano)** written by Paul Barber, Ana Ika, and Cham Skinner, offers a compelling overview of these pressures while also identifying pockets of resilience, community strength, and meaningful progress. This is the 19th year The Salvation Army has released the State of the Nation, a testament to the Army’s long-standing work of supporting research that raises public awareness and informs social policy across Aotearoa.

For leaders in government, business and philanthropy, clarity of intention and committed strategic focus is needed. The trends highlighted in this year’s report illustrate the interconnectedness of social challenges—and therefore the need for holistic, multi-year, community-led and systems-aware giving strategies.

JBWere had the honour of hosting The Salvation Army alongside a group of philanthropic and for-purpose sector leaders in our Tāmaki Makaurau Auckland boardroom in March 2026. The attendees heard from the Report’s authors firsthand and discussed the challenges facing the nation and how givers, funders and other for-purpose sector partners can work together to address them.

This brief distils insights from that session, providing a summary of findings from The Salvation Army’s report and identifying opportunities for philanthropy to play a proactive role in addressing key social challenges and improving the collective wellbeing of the nation.

Talk with your JBWere adviser to discuss how the findings in The Salvation Army’s State of the Nation Report may influence your philanthropy or organisation. To learn more about the boardroom event that informed this brief, or to explore hosting a similar event with JBWere Philanthropic Services and Family Advisory, please get in touch.

Download the full report, a summary version and visit an interactive dashboard on the Salvation Army’s website.

www.salvationarmy.org.nz



Source: The Salvation Army



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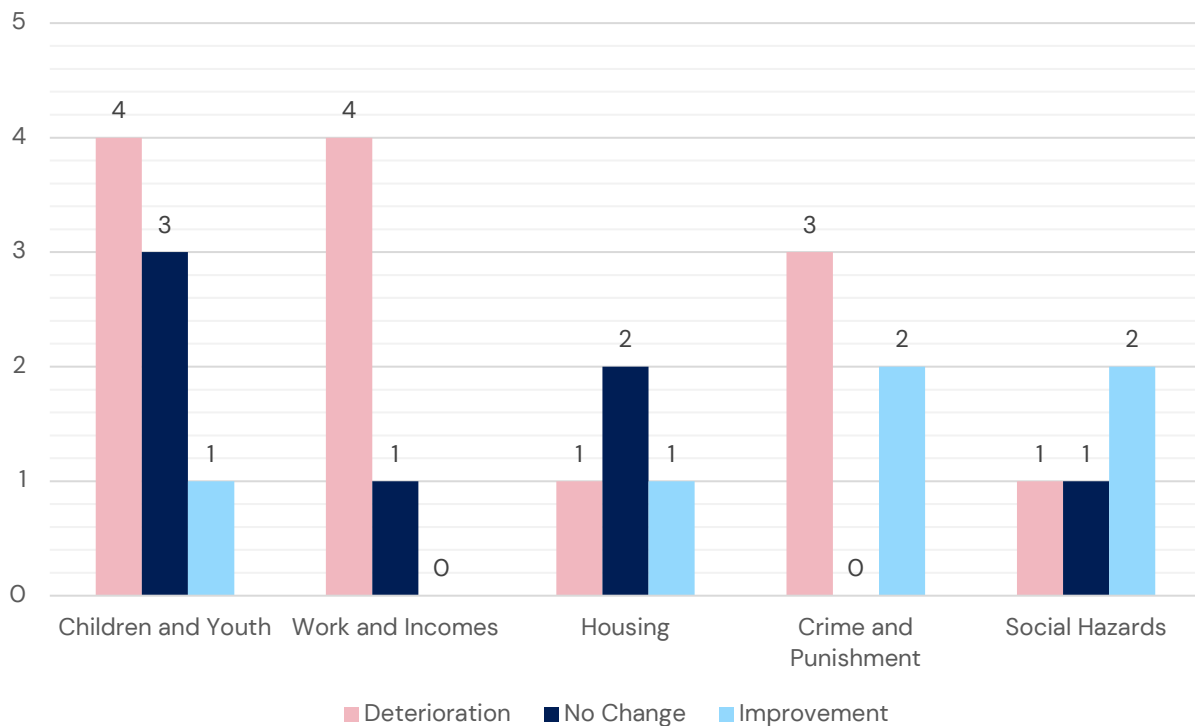
State of the Nation overview

The state of the nation’s wellbeing is mixed. Crime victimisation and youth offending are down. However, child poverty, unemployment, homelessness, family violence, recidivism, and financial hardship are on the rise. The Salvation Army Social Policy and Parliamentary Unit’s latest report, State of the Nation 2026 (Foundations of Wellbeing – Poipoia te Kākano) further highlights and reinforces that holistic, systems-based approaches to understanding and advancing wellbeing are needed.

“The statistics tell us that we cannot solve social wellbeing deficits one person at a time. Without change to the underlying drivers of the statistics in this report, as a nation we simply farm these issues, helping some, while at the same time more people come through the funnel of need.”

– Dr Bonnie Robinson MNZM

State of the Nation – Five key areas



The report uses a combination of public and private data to assess national wellbeing. Overall, it shows some areas of improvement alongside a larger number of unchanged and deteriorating factors impacting people across New Zealand. The report focusses on six themes including children and youth, work and incomes, housing, crime and punishment, social hazards, and Māori wellbeing through Te Ora o Te Whānau. The first five themes are further divided into 26 categories where an assessment is made on whether there is evidence to support overall improvement (+), no change (NC), or deterioration (–) relative to data from previous years.

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Deterioration

- Child Poverty
- Children at Risk
- Children and Violence
- Educational Achievement
- Employment
- Unemployment
- Income Support & Welfare
- Hardship & Food Security
- Homelessness
- Family Violence
- Sentencing & Imprisonment
- Recidivism
- Problem Debt & Financial Hardship

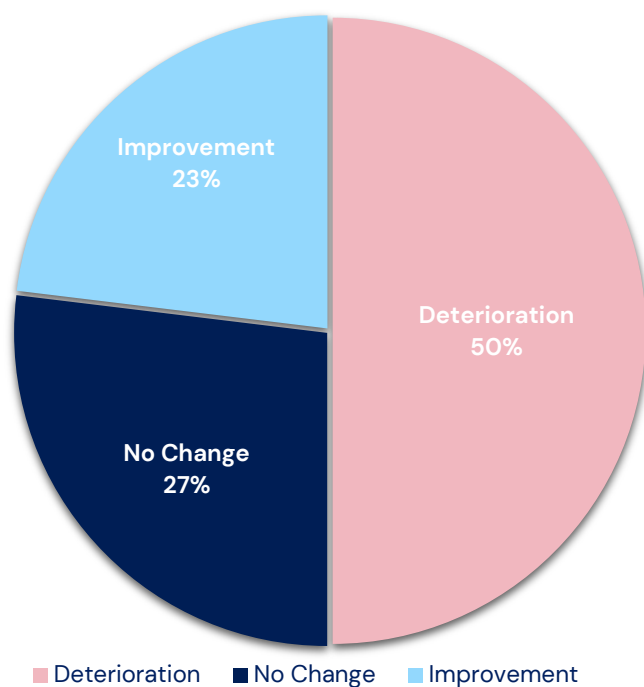
Improvement

- Youth Offending
- Housing Availability
- Overall Crime
- Violent Crime
- Alcohol
- Illicit Drugs

No Change

- Early Childhood Education
- Teenage Pregnancy
- Youth Mental Health
- Income
- Housing Affordability
- Household Housing Debt
- Gambling Harm

State of the Nation – 26 indicators



The social landscape: Key findings and reflections

This section examines the social landscape in more detail. It provides key findings from The Salvation Army’s research ([download a **Summary Version of the State of the Nation 2026 report online**](#)), as well as brief reflections stemming from comments made by sector leaders and philanthropists at the boardroom event.

Children and youth: hardship rising

The wellbeing of tamariki and rangatahi remains one of the most pressing national concerns.

- Approximately **156,000 children** now live in material hardship—an increase of 36,000 from 2022, with disproportionate impact on Pasifika (1 in 3) and Māori (1 in 4) communities.

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- Hospitalisations due to assault, abuse or neglect remain high, with 9,000 children recorded as victims of abuse.
- **Youth mental distress** has tripled over the past decade, with **23% of 15–24-year-olds** reporting high or very high psychological distress in 2025.
- While **youth offending has decreased**, the broader set of indicators suggests long-term risk to social cohesion, workforce readiness, and intergenerational wellbeing.

Reflections: Sustainable philanthropic investment is essential in early-years interventions, whānau-centred supports, youth mental health, and culturally grounded educational and identity-building opportunities.

Work and incomes: a growing divide

Despite rising average weekly earnings and a record-low gender pay gap of ~5%, the labour market signals deepening inequities.

- Over **250,000 people want work but cannot secure it**, with unemployment rising fastest among Māori, Pasifika, and disabled workers.
- **NEET rates** (youth not in employment, education, or training) reached a **20-year high** in 2025.
- The Salvation Army distributed **90,000 food parcels** in 2025—a 7% increase from 2024 and 50% higher than pre-Covid levels.

Reflections: Philanthropy can fill strategic gaps by supporting financial-capability initiatives, workforce development pathways, and flexible, whānau-centred supports that respond to immediate hardship while strengthening long-term resilience. Funding for systems-based approaches to addressing food insecurity is increasingly needed across the country, with one-in-four households regularly going without food.

Housing: persistent instability despite increased supply

While overall housing supply increased in 2025, affordability and stability remain critical challenges.

- **Homelessness increased in 2025**, both visible (street homelessness) and hidden (severe housing deprivation).
- Over **19,000 people with high housing need** remain on the public housing register, despite growth in public housing stock.
- **Transitional housing** is now a significant area of need, as emergency housing availability and use declines from its Covid-era high.

Reflections: Donors can support scalable housing initiatives by funding governance, design and predevelopment costs (feasibility, connecting, and community engagement), providing balance sheet support (working capital, guarantee-style support, and first-loss / and other subordinated layers), or capability inside providers (finance, governance, asset management, data). They can also support tenancy sustainment initiatives to ensure the value is protected which may take the form of supporting wrap-around tenancy services, trauma-informed support for high-needs households and Māori and community-led navigators who hold relationships and strengthen identity and connection.

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Crime and punishment: fewer people experiencing more crime

New Zealand's crime landscape shows a complex mix of progress and strain.

- Fewer adults experienced crime in 2024 (29.5%, down from 31.5%), but total **offences increased** due to **repeat victimisation**.
- **Family violence rates increased**, breaking three years of stability.

Reflections: Philanthropy has the opportunity to back prevention and early-intervention initiatives, trauma-informed whānau supports, and restorative, community-led justice pathways. A prevention-focussed strategy supports reducing repeat victimisation and family violence.

Social hazards: mixed findings from short- and long-term trends

- Alcohol consumption and harm showed little change in the short-term, but long-term trends are positive and show availability is at a decade low, although this change is unevenly spread with vulnerable communities still subject to higher numbers of licenced outlets
- Cannabis use dropped to its lowest mark since 2020. However, methamphetamine consumption remains **significantly elevated**, with levels more than double the 2022–2023 average.
- Gambling losses reached **\$2.79B** in 2024, with electronic gaming machines continuing to generate the highest level of harm.

Reflections: Funders can strengthen prevention by investing in community-led alcohol and other-drug harm reduction, expanded treatment and recovery supports, and initiatives that reduce gambling harm, especially from electronic gaming machines.

Māori wellbeing: Te Ora o Te Whānau as a transformative lens

The adoption of **Te Ora o Te Whānau** within the State of the Nation report reflects a shift toward analysing data through a culturally grounded lens, examining the ways that identity, belonging, structural drivers, and systems impact individual and collective wellbeing. Key insights include:

- **24% of tamariki Māori** live in material hardship—almost twice the national average.
- Cultural connection is a key protective factor; rangatahi learning predominantly in te reo Māori achieve outcomes comparable to non-Māori peers.
- Hazardous drinking among Māori has dropped, demonstrating the effectiveness of kaupapa Māori responses.

Reflections: Strengthening Māori capability, identity, and leadership must be a strategic priority in grant-making—not only because it meets unmet need, but because Māori-led solutions deliver proven, scalable impact. This involves shifting power in the funding relationship—engaging leaders of iwi, hapū and other smaller kaupapa Māori organisations to participate in making decisions about strategy, resourcing and the grants being made.

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“The evidence invites us to think differently about vulnerability and to recognise the hope and resilience already present in communities. They highlight the importance of care for tamariki and rangatahi that is grounded in Te Tiriti and protects identity and connection; of income supports and employment conditions that uphold dignity and participation; of housing that provides stability and strengthens whakapapa ties; of justice responses that heal and restore rather than disconnect; and of approaches to social hazards that prioritise prevention and community-led solutions over punitive or profit-driven settings. This is not a set of recommendations, but a reminder that outcomes reflect the design of our systems.”

– The Salvation Army, State of the Nation 2026

What this means for philanthropy: Opportunities for 2026 and beyond

Invest in root causes

Many negative indicators, such as poverty, housing instability, violence, and addiction, are systemic challenges. As frontline leaders noted during the briefing, *“poverty is complex and cannot be solved in a single way”*. Philanthropy can bridge this gap by funding:

- flexible initiatives aimed at systems-changing and policy-influencing efforts,
- collaborations between government, iwi, and community providers,
- prevention-focussed programmes that reduce the future need for remedial services.

Support long-term contracting and sustainable capability

Providers emphasised the need for stable funding: *“We need longer-term contracting... philanthropy can take a risk.”* Donors can:

- adopt multi-year grant commitments,
- support workforce development in frontline organisations,
- co-fund with other philanthropists and funders for scale and efficiency.

Elevate community-led and kaupapa Māori solutions

Aotearoa’s most effective wellbeing outcomes emerge when communities drive the design and delivery. The Te Ora o Te Whānau framework reinforces that strengthening identity and connection yields measurable improvements. Philanthropic services teams can help donors:

- prioritise Māori- and Pasifika-led organisations that are serving the communities that are most vulnerable,
- support local capability-building and decision-making,
- invest in culturally grounded education, mentoring, and hauora models.

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Enable innovation at the “top and bottom of the cliff”

One of philanthropy’s unique contributions lies in its agility and ability to take risks in support of social change. As one briefing participant noted, *“Philanthropy is more nimble than government... it can support things that are not popular.”* This includes:

- piloting small and early interventions at the grassroots, including ideas that might not be able to secure government or institutional funding,
- funding collaborative infrastructure that links education, health, and social services,
- supporting blue sky projects with innovative ideas to address social problems.

Support long- and short-term action

Philanthropy can support long-term structural change and address immediate needs in the community. The two are not mutually exclusive. A synchronised short- and long-term project funding approach is both possible and needed to address immediate needs and to scaffold a thriving and sustainable future for all. Donors can:

- pair immediate relief (e.g., food, emergency accommodation, crisis support) with pathways out of hardship,
- fund impact evaluation and learning so promising pilots can be strengthened, or stopped early, and success can be shared in a form that more widely registers with other funder and government social impact models,
- support key infrastructure and partnerships that help communities respond now, while shifting the system over time.

“Real wellbeing comes when we work at all levels—societal, community, family and individual—simultaneously and with a consistent focus on the tangata—the people. State of the Nation 2026 is part of The Salvation Army’s contribution to this collective and urgent work.”

– The Salvation Army. State of the Nation

A call for strategic, systems-focussed giving

The wellbeing landscape of NZ in 2026 paints a picture that is both sobering and hopeful. The pressures highlighted in the Salvation Army State of the Nation report reveal inequities that are entrenched, but not immutable. Communities across the motu demonstrate resilience and creativity. Philanthropy has a role in amplifying this strength.

For individuals and organisations seeking to make meaningful and lasting contributions, the path forward is clear:

- Think long term.
- Fund with flexibility and trust.
- Prioritise community-led and kaupapa Māori approaches.
- Support both immediate need and deep systemic shifts.
- Collaborate across sectors.

As a Philanthropic Services team, we help helping clients navigate this landscape with insight, confidence, community connections and partnership—ensuring that their giving not only responds to today’s challenges but helps shape a more equitable, thriving Aotearoa New Zealand in the future.

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Historically, inequality and blocked mobility are not the only causes of societal collapse, but they are the most consistent internal drivers of instability across complex societies, especially when inequality becomes entrenched, mobility is restricted, and institutions protect incumbents. These conditions do not cause collapse on their own, but they steadily raise the risk of breakdown by weakening trust, legitimacy, and opportunity. In the words of Francis Fukuyama, “Social capital is important to the efficient functioning of modern economies and is the *sine qua non* of stable liberal democracy.”

That is why The Salvation Army’s State of the Nation report matters for all who care about the future of Aotearoa New Zealand and our shared responsibility to build a place where everyone is cared for and has a fair chance to thrive.

If inequality hardens and social mobility narrows, the question is not only what markets produce over time, but what happens in the meantime. In Aotearoa New Zealand, we often hear an argument: that building businesses, backing technology, and growing markets is the serious work, while funding charities is inefficient or secondary. That framing misses the role that the for-purpose sector plays in keeping mobility alive and social strain contained while longer-term economic solutions unfold.

Markets are powerful at generating wealth and goods that can be priced. They are far less reliable at responding quickly to hardship, protecting dignity, or supporting people and places that sit outside commercial return. When housing is insecure, food access is fragile, or communities are under stress, charities, iwi, churches, and community-led social services step in where markets cannot; or it is too early for some form of commercial model to sustain the support. This work is not a substitute for enterprise or government. It is part of the social infrastructure that builds connections, protects, innovates and catalyses to prevent inequality from becoming entrenched and opportunity from closing off. To protect what we have as a stable society, New Zealand needs both market-driven and mission-driven work.

Read in that light, The Salvation Army’s State of the Nation report is a warning signal. It asks whether we are willing to invest, collectively, in the conditions that allow people to move forward, stay connected, and be cared for while the economy does what only it can do. In a country that values fairness and mutual responsibility, walking away from that role would weaken the very foundations that help drive lasting social change; and will allow all in Aotearoa New Zealand to have the opportunity to thrive together.

Talk to your JBWere Adviser to discuss how the findings in The Salvation Army’s State of the Nation Report may influence your giving or organisation.

To learn more about the boardroom event that informed this brief, or to explore hosting a similar event with JBWere Philanthropic Services, please get in touch.

Acknowledgements

This brief is based on The Salvation Army’s State of the Nation 2026 report written by Paul Barber, Ana Ika, and Cham Skinner. We would like to extend our thanks to the authors and to Dr Bonnie Robinson, Ana Ika, and Tim Hamilton from The Salvation Army for joining us at the boardroom event in March to share this important work and their expert insights. To find out more information about The Salvation Army visit their website: www.salvationarmy.org.nz

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About The Salvation Army

The Salvation Army has been active in New Zealand since 1883, addressing poverty and social and spiritual distress through a wide range of social and church-based services. Each year it supports more than 120,000 families and individuals with assistance including budgeting advice, food and clothing support, and life skills programmes, delivered by full-time officers and employees alongside volunteer soldiers. The organisation operates as part of a global movement established in 1865 and now working in more than 130 countries, coordinated through International Headquarters in London under the leadership of General Lyndon Buckingham. Across New Zealand, Fiji, Tonga and Samoa, The Salvation Army employs over 3,000 officers and staff and is recognised as a high-value employer.

About JBWere Philanthropic Services

JBWere provides investment advisory, research, and wealth management services to a broad and diverse client base across Aotearoa New Zealand. This includes private wealth holders, charities, tangata whenua, local government, family offices, financial institutions, and other for-purpose clients

We are the leading provider of philanthropic, governance, strategy, and investment advice to the for-purpose sector. These organisations have entrusted us with more than \$6 billion of their financial assets.

Our Philanthropic Services New Zealand team brings more than 80 years of combined for-purpose experience. This includes leading charities, conducting sector research, serving as trustees, and working and volunteering in communities across the country. We also share a long-standing strategic partnership with JBWere Australia and its acclaimed Philanthropic Services team.

JBWere recently released *The JBWere NZ Bequest Report 2025*. This follows *The JBWere NZ Corporate Support Report 2022* and earlier reports in the *JBWere NZ Cause and Support* series. Together, these reports provide practical sector data to support decision-making by our clients and the wider for-purpose community.

We support private clients to move from reactive giving to a more deliberate approach. This means building a clear portfolio of philanthropic commitments while retaining space to respond to new opportunities when it matters.

We also work alongside charities and other for-purpose organisations as they steward capital to sustain operations and advance their kaupapa. We recognise the responsibility that comes with intergenerational resources and long-term mission delivery.

Our investment solutions focus on income stability, capital protection, and alignment with beliefs, and values. Each portfolio is shaped around the purpose it serves.

Being a trusted partner to the sector goes beyond investment management. We provide strategic advice, governance support, and fundraising capability building. This includes initiatives such as our recent Gift-in-Wills masterclasses and the Harvard-supported Social Leadership Programme. We also use our networks to make introductions that can help our for-purpose clients unlock progress on their challenges and priorities.

If you would like to discuss our Philanthropic Services expertise and how we can work with you, please contact your JBWere Adviser or a member of our Philanthropic Services team.

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