

Children's Rights Alliance

End Child Poverty Week - Day 4: Income

The role of income adequacy in ending child poverty – some lessons from the EU

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Introduction

- **Congratulate Children's Rights Alliance**

- For persistent and long-term advocacy on the need to tackle child poverty both in Ireland and EU
- For organising this brilliant End Child Poverty Week

- **I won't make specific suggestions for the Budget**

- Already better done by:
 - CRA Child Poverty Monitor
 - Vincentian MESL Research Centre
 - ESRI's Poverty, Income Inequality and Living Standards in Ireland – 3rd report
 - Fintan O'Toole in Tuesday's Irish Times
- Chair and panel are better qualified than I to highlight specific improvements

- **Broad Overview**

- Based on EU experience & The Escape from Poverty
- Will make 6 points
 - A political obligation
 - Negative consequences of inadequate income
 - Limits access to essential services
 - Give special attention to those most at risk
 - A suite of policies needed
 - An investment not a cost

1. An international and EU obligation

- **UNCRC**

- **Article 27** recognises the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral and social development and stresses the responsibility of government to assist parents and others responsible for the child to implement this right and shall in case of need provide material assistance and support programmes, particularly with regard to nutrition, clothing and housing.

- **THUS**

- access to an adequate income is a **right** and is critical to ensuring the other rights set out in the UNCRC are met
- ensuring an adequate income is not just a possible option but an **obligation** on governments

- **UN Sustainable Development Goals**

- Reduce at least by half the proportion of men, women **and children** of all ages living in poverty in all its dimensions according to national definitions
- Implement nationally appropriate social protection systems and measures

1. An international and EU obligation (cont.)

- EU

- **Lisbon Treaty (2006 – into force Dec. 2009)**

- **Horizontal social clause (Article 9)** basis for mainstreaming social protection and social inclusion across EU & national policies
 - “. . . the guarantee of adequate social protection, the fight against social exclusion . . . ”
- **Introduced explicit objective** to protect children’s rights (Article 3 TEU)
- **Gave Charter of Fundamental Rights of the European Union** same status as Treaties & thus duty to protect rights of the child
 - Children shall have the right to such protection and care as is necessary for their well-being (Art. 24 + Art. 34 Social security and social assistance)

- **Commission Recommendation on *Investing in Children: breaking the cycle of disadvantage* (2013)**

- Pillar 1 – Access to adequate resources
 - Support parents’ participation in the labour market
 - Provide for adequate living standards through a combination of benefits
 - Adequate standard of living compatible with a life in dignity

- **European Pillar of Social Rights November (2017) – principle 11**

- *Children have the right to affordable early childhood education and care of good quality. **Children have right to protection from poverty.** Children from disadvantaged backgrounds have the right to specific measures to enhance equal opportunities.*

- **European Child Guarantee**

- Follows from Investing in Children which provides “an overall framework”
- Emphasises an Enabling Policy Framework – multidimensional
 - Stresses “a critical role of policies supporting parents’ or guardians’ access to a decent income, either through labour market integration or through income support”

2. Negative consequences of inadequate income

- **US National Academies *A Roadmap to Reducing Child Poverty (2019)***
 - on average, a child growing up in a family whose income is below the poverty line experiences worse outcomes than a child from a wealthier family in virtually every dimension, from physical and mental health, to educational attainment and labor market success, to risky behaviors and delinquency” (National Academies)
- Evidence from ***European Child Guarantee Feasibility Studies*** and ***The Escape from Poverty: Breaking the vicious cycles perpetuating disadvantage*** (forthcoming, Policy Press) is that children growing up on an inadequate income contributes to children being at greater risk of:
 - Poor physical and mental health
 - Malnutrition & food poverty
 - Inadequate housing and living in disadvantaged neighbourhoods
 - Educational disadvantage
 - Limited participation in recreational, social, cultural and sporting activities
 - Discrimination & stigmatisation
 - Encountering violence, anti-social behaviour and drug taking
 - Social isolation and limited networks
 - Poverty-related stress and the undermining of their aspirations, self-confidence and hope
- Leads to **Intergenerational perpetuation of poverty**
 - Children growing up in poverty are more likely to be poor as adults (see *The Escape from Poverty*)
 - In US children experiencing poverty at any point during childhood 3 times as likely to be poor at age 30

3. Inadequate income limits access to essential services

- **Access to Essential Services** vital in tackling child poverty and disadvantage
 - 2nd Pillar of *Investing in Children*
 - main focus of *European Child Guarantee*
- **Inadequate income often a key factor** in limiting access to essential services (see Feasibility Studies for the Child Guarantee)
 - Limits participation in ECEC
 - Limits effective and free access to school-based (and extra-curricular) activities and meeting back to school costs (books, computer, clothing)
 - Contributes to living in inadequate housing and experiencing energy poverty
 - Limits access to health services and prescribed medicines
 - Reduces access to sporting, recreational and cultural activities
 - Causes food poverty and limits access to healthy nutrition - also limits access to school meals
 - Limits access to transport essential to accessing public services (esp. rural areas)
- NB New report by the European Social Policy Analysis Network on access for children in need to the key services covered by the European Child Guarantee will be published in the coming weeks and will highlight (among other things) financial barriers to access.

4. Special attention those most at risk

- *Investing in children*

- *Ensure a focus on children who face an increased risk due to multiple disadvantage such as Roma children, some migrant or ethnic minority children, children with special needs or disabilities, children in alternative care and street children, children of imprisoned parents, as well as children within households at particular risk of poverty, such as single parent or large families*

- *European Child Guarantee*

- homeless children or children experiencing severe housing deprivation
- children with disabilities
- children with mental health issues
- children with a migrant background or minority ethnic origin, particularly Roma;
- children in alternative, especially institutional, care;
- children in precarious family situations
 - includes: living in a single-earner household; living with a parent with disabilities; living in a household where there are mental health problems or long-term illness; living in a household where there is substance abuse, or domestic violence; children of a Union citizen who has moved to another Member State while the children themselves remained in their Member State of origin; children having a teenage mother or being a teenage mother; and children having an imprisoned parent;

5. A suite of policies needed to ensure adequate income

- **Support parents' participation in labour market**
 - Ensure work pays
 - level of minimum/living wage
 - In work welfare supports for low-income parents (Working Families Payment)
 - Supporting employability and job progression (esp. single parents and second earners)
 - education and training supports
 - Flexible/family friendly working
 - Affordable ECEC
- **Strong core social protection policies**
 - Establish and benchmark adequate minimum income (cf Vincentian MESL Research Centre)
 - Child benefit : universal + targeted (see CRA/ESRI/Commission on Taxation proposals for a Child Income Support Payment)
 - Adult benefits (cf Jobseeker's Allowance, Carer's Allowance, One Parent Family Payment)
- **Support in kind**
 - Housing costs – fuel allowance
 - Heating
 - Free health care/medicines
 - ECEC
 - Education: school books / after-school activities
 - Free school meals
 - Transport subsidies
- **Take account of :**
 - Higher costs faced by particular groups
 - Higher costs for older children
 - Reducing complexity
 - Problem of accessing benefits by some groups
 - outreach needed
 - Children on the margins
- **Mix of universal and targeted support**
- **Integrate income policies with access to services**
 - importance of wrap around/joined up services for those with complex needs

6. An adequate income for children is an investment not a cost

- The **high costs** of children growing up in poverty
 - undermines social solidarity and cohesion;
 - increases social costs;
 - increases family insecurity;
 - damages the environment and undermines efforts to create a sustainable future
 - has high economic costs and reduces economic productivity;
 - 2018 US study estimated that the economic cost of child poverty was 5.4% of GDP and for every dollar spent on reducing childhood poverty, the country would save at least seven dollars spent on addressing the economic costs of poverty (McLaughlin and Rank)
 - In the UK, it has been estimated that child poverty costs the country at least £25 billion a year, including £17 billion that could accrue to the exchequer if child poverty were eradicated; this is equivalent to about 2% of GDP (Hirsch, Joseph Rowntree Foundation 2008)
- **THUS**
- Ensuring an adequate income is:
 - an **investment in children's development** that will improve educational achievement, general health, skills, labour productivity and economic growth, social cohesion and social capital as well as a sustainable environment
 - An **investment in ending Intergenerational Perpetuation of Poverty (IGPP)**

Conclusions

- **Conclusion 1**

- We will have achieved an adequate income for children when the income and resources available for every child's upbringing guarantee a standard of living which ensures their social, emotional and physical well-being and development and their participation in the normal activities and opportunities in the society in which they live.

- **Conclusion 2**

- The future of democracy depends on building more equal, inclusive and sustainable societies. Ending child poverty is key to achieving this. Ensuring adequate income for all children is an essential element in achieving this goal.

- **Conclusion 3**

- We know what needs to be done. Child poverty can be ended. It just requires political leadership and courage. We have waited long enough. The time to act decisively is now.

- **Conclusion 4**

- As we go forward keep listening to children and young people experiencing poverty and their parents/guardians

- **A final thought**

- Ensuring an adequate income for children and their families must increasingly take account of the costs of adjusting to **climate change** which will hit the poorest most. Ensuring a **just transition** is vital for an adequate income for children. But equally ensuring adequate income for children is an essential element in combating climate change and building a sustainable future.