



Policy Submission

Child & Family Poverty

**Submission to the Joint Oireachtas Committee
on the Family**

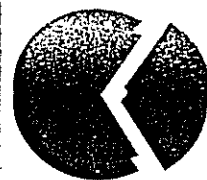
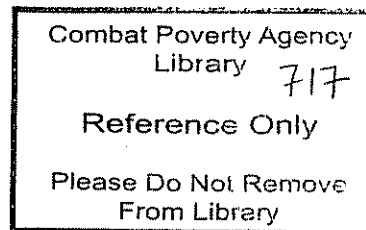
April 1995

**Submission to the Joint Oireachtas
Committee on the Family**

Child and Family Poverty in Ireland

**Combat Poverty Agency
- 1995 -**

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COMBAT
POVERTY
AGENCY

Mr Patrick Timmons,
Secretary,
Joint Oireachtas Committee on the Family,
Leinster House,
Kildare Street,
Dublin 2

April 28 1995

Dear Mr Timmons,

In response to the recent advertisement for submissions to the Joint Oireachtas Committee on the Family, the Combat Poverty Agency wishes to submit the enclosed reports and leaflets which it has published in recent years.

The Agency is primarily concerned with the worrying extent of child and family poverty in Ireland, has undertaken a range of research on the subject, and developed a comprehensive policy response.

In addition to research and policy development which relates directly to child and family poverty, the Agency has also been involved in other areas of work relevant to the deliberations of the Joint Oireachtas Committee.

This includes ongoing research on indicators for identifying and allocating resources to disadvantaged schools at the request of the Department of Education and a pilot programme to support work with disadvantaged youth either at risk of leaving school early or who have already left.

The first stage of this latter initiative involved the allocation of £100,000 in grant aid to support second level schools and community based groups using innovative approaches to the problem of early school leaving among young people in the 14 to 17 age group. An accompanying research component will ensure that the lessons and outcomes from the programme are disseminated to the widest possible relevant audience, particularly policy makers and educators.

Both of these projects are still in the early stages and the Agency would be happy to keep the Committee informed of any progress.

Key research findings on the extent of poverty among families with children are outlined below, and relevant published reports are summarised for reference.

Key Research Findings - *Child and Family Poverty*

in Ireland the incomes of families in general are lower than those of non-family households and therefore families face a higher risk of poverty than other types of households

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* *two-parent families with three or more children and lone-parent families in particular have a higher than average risk of poverty*

* *children face a higher risk of poverty than adults and child support payments are falling short of the minimum costs associated with the upbringing of a child.*

It is well documented that children who grow up in poverty are likely to suffer long-term consequences. They are more likely to experience educational disadvantage and unemployment. To tackle child and family poverty two key areas need to be addressed.

First, income support to families with children must be improved. Current levels of support are low by European standards and recent research has shown that they in no way reflect the actual costs incurred in bringing up children. A high priority over the next few years should be to increase Child Benefit rates significantly in real terms, introducing higher rates for older children and making it liable to taxation.

Secondly there needs to be a comprehensive programme directed at the whole problem of educational disadvantage. There is a strong correlation between low educational achievement and subsequent unemployment therefore it is in the interests of the economy as a whole, not only of those affected, that this issue be addressed.

On a general level the argument for access to an adequate income is essential if families are to enjoy an acceptable lifestyle and if the poverty experienced by children in families is to be alleviated. Eight years on from the Commission on Social Welfare, in spite of annual increases, the majority of social welfare payments still fall some way below the lowest point of the range recommended as minimally adequate.

While ensuring that everyone has access to a minimally adequate income is not in itself a solution to poverty it is an essential prerequisite. Furthermore, given the prognosis on long-term unemployment it is important that this group and their families have an adequate income and that an integrated national policy to address long-term unemployment is adopted.

Documents Enclosed

1 *Child Poverty in Ireland Brian Nolan and Brian Farrell 1990*

This major report on child poverty in Ireland highlights a significant deterioration in the incomes of those with children relative to other households during the 1980's mainly as a result of increased levels of unemployment. It points out that child poverty poses a major challenge to child income support policy for the 1990's. The report emphasises the key role that a substantially increased Child Benefit can play in both alleviating equity between those with and those without

children in our society.

2. Lone Parents Poverty and Public Policy in Ireland *Jane Millar, Sandra Leeper and Celia Davies 1992*

This study represents a major contribution to understanding poverty as experienced by lone parents. The number of lone-parent families rose substantially throughout the 1980's, the vast majority are headed by women, and lone-parent families face a higher than average risk of poverty. The report analyses in detail employment, maintenance and social welfare as sources of support for lone-parents and compares the Irish situation with other European countries.

3. The Adequacy of Income and Family Expenditure *Jo Murphy-Lawless 1992*

This study compares the living standard of a family dependent on social welfare payments with the living standard of a similar family receiving the average industrial wage and shows striking discrepancies. It illustrates how social welfare provision only allows for a restricted lifestyle for those depending on it. Families on social welfare cannot afford to provide adequate clothing for family members, replace furniture, decorate their homes, purchase normal household goods or go on holiday. It highlights once again, that adequacy of payments must be a guiding principle of the social welfare system.

4. The Cost of a Child: A Report on the Financial Cost of Child-rearing in Ireland *Claire Carney et al 1994*

This report establishes clearly the actual cost of rearing a child by pricing, across a range of commodities, a typical basket of goods and services required for a basic, minimum standard of living. The findings show that current social welfare provision for children falls far short of the actual cost of rearing a child and strengthens the case for sweeping reform of child support policies.

A leaflet summarising the key findings from this research report is also enclosed.

5. Income Distribution within Irish Households: Allocating Resources within Irish Families *David Rottman 1995*

This study allows us to look into the Irish family and see how financial resources are managed and to examine the standards of living enjoyed by the individual members of a household. One of the most important findings is the overwhelming importance of separate incomes for wives, both for their own well being and for that of their children, and in particular the importance of child benefit which emerges as the sole independent income available to most married women.

A leaflet summarising the key findings from this research report is also enclosed.

6. **Bridging the Divide: A Medium-term strategy to tackle poverty and to promote economic and social cohesion** (*Pre-Budget Submission 1995*)

This submission underlined again the relative deterioration in the position of households with children and the higher poverty risk for families and for children as compared to non-child households, in the context of a series of medium-term reform proposals. A leaflet summarising the key recommendations from this pre-budget submission is also enclosed.

7. **Annual Report 1993 Combat Poverty Agency**

The Agency's most recent annual report which summarises clearly the arguments on child and family policy, and recommends a number of key strategies.

8. **Financial Consequences of Marital Breakdown** *Peter Ward 1990*

This report shows clearly that the presence or absence of a divorce law does not fundamentally alter the issues to be addressed even though the debate on the divorce referendum placed much emphasis on research in other countries highlighting the poverty of women and children after divorce. It is the separation of spouses and not the legal dissolution of marriage that exposes the wife and children to the risk of poverty. In the light of the empirical analysis, a detailed review of family law and social policy as it relates to the financial position of separated spouses and their children is identified as an urgent necessity.

The Implications of Divorce for Poorer Families: Key Issues

This internal paper was compiled in December 1993. On the basis of this paper, the agency then prepared a confidential report on the issue for the Department of Social Welfare.

9. **Moneylending and Low Income Families** *Mary Daly with the assistance of Jim Walsh 1988*

This study of credit and indebtedness among low income families focuses on moneylending, and traces the experiences of 99 people in debt to moneylenders. The findings challenge many popular myths. It is not true that people on low incomes either borrow carelessly or for reasons that others would judge to be wrong - or indeed that all moneylenders mistreat their clients. A number of policy recommendations are put forward.

10. **Telling it like it is** *Cathleen O'Neill 1992*

This is the story of a small working class neighbourhood, Kilmount on Dublin's northside, as told by the women living there. The community has been fractured by unemployment and emigration. Families have also changed, and many are now headed by one parent. The book documents the experience of the people of Kilmount, drawing on a local survey, group discussions, and individual case

studies. While the story is unique, it is one that is echoed in the experience of hundreds of similar communities throughout Ireland.

Copies of a leaflet outlining the functions and operations of the Agency for background information are attached. Should you require additional copies of any of the items or if there is any other assistance that the Agency can offer please do not hesitate to contact us. The Agency would also be interested to know whether aural hearings or presentations will be facilitated at a future date.

With best wishes

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Hugh Frazer', written in a cursive style.

Hugh Frazer
Director