

## Child Poverty Target Public Consultation

### *A Submission by the Citizens Information Board*

#### Introduction

The Citizens Information Board (CIB) welcomes the opportunity to make a submission to the Department of Social Protection on the Child Poverty Target. The Submission takes into account feedback from CIB-funded services (CISs, the Citizens Information Phone Service and MABS) arising from queries and casework. CISs dealt with 795,298 queries in 2023, 47% of which were social welfare related. Many clients of CIB-funded services are dependent on social welfare or are in lower paid or precarious employment.

The underlying emphasis in this submission is that child poverty targets need to be considered in the broader context of the multiple and complex social and economic structural factors that contribute to ongoing child poverty.

#### The experience of CIB-funded services

The evidence provided by CIB-funded services across the country demonstrates the ongoing financial challenges linked to costs of living generally, in particular energy costs and housing costs, which push some families into poverty. For many clients of these services, income shortfalls are compounded by problems in accessing public services, in particular, housing and health. Over the years, in various submissions, CIB has highlighted the complexity of the social welfare system in terms of the interactions between social welfare payments, housing supports and different means tests which can create poverty traps.

Some people face multi-faceted difficulties and frequently financial hardship where income levels are not adequate to pay for high housing costs, food, and energy prices. This can reasonably be regarded as somewhat incongruent in the context of a thriving economy, a labour market nearing full capacity and almost full employment. (The unemployment rate was 4.9% in December 2023).

While the social welfare system has been reformed over the years, it is evident from CIS queries that it does not yet fully reflect the diversity and complexity of contemporary Irish families and the continuously changing nature of work. For many CIS clients, the operation of the social welfare system is experienced as one where it can be difficult to combine income from part-time, casual, or low-income work and social welfare payments. Such a combination may be the only realistic option available for some people because of, for example, childcare responsibilities and a reliance on low paid part-time work. There continues to be feedback from CISs of financial difficulties for clients who are combining part-time work and social welfare payments.

#### Relevant statistics

The most recent Survey of Income and Living Conditions (SILC) revealed that child poverty had increased in 2022. There was a sharp increase in the number of children living in consistent poverty, rising from a low of 5.2% in 2021 to 7.5%, or almost 90,000 children.

The 2022 CSO SILC data also indicates that 15.2% of children were at risk of poverty. This means that in 2022 around 190,000 children (1 in every 7 children in Ireland) lived in households that were experiencing poverty.

The at risk of poverty rate for individuals in households with one adult and one or more children aged under 18 was 23.8%, compared with 13.1% of persons living in two adult households with 1-3 children.

A UNICEF report<sup>1</sup> has found that children living in a lone-parent family were more than three times as likely to be living in poverty as other children. Children with disabilities and from minority ethnic/racial backgrounds are also at higher-than-average risk of poverty.

### Deprivation among children

Separating out the data on child deprivation provides a somewhat stark picture. A Child Deprivation Module published by the CSO and based on SILC 2021<sup>2</sup> data shows the extent of deprivation among children. Children in single-parent households, households with no one in employment, and children in rented accommodation were most at risk of experiencing deprivation.

- One in ten single-parent households could not afford to pay for school trips or school events for their children compared with 2% of two-parent households.
- More than one in ten single-parent households were unable to afford two pairs of properly fitting shoes for their children. The comparable rate for two-parent households was 1%.
- A fifth of households where nobody worked were unable to afford to pay for regular leisure activities for their children. This compares with 5.2% of households where one person worked and less than 1% of households with two workers.
- Four in ten households that rent could not afford a one-week holiday away from home for their children, five times higher than the rate for owner-occupied households (7.9%).
- One in ten (9.6%) households that rent were unable to afford new clothes for their children, compared with 1.1% of owner-occupied households.
- One in ten households without an Irish-born parent could not afford to buy new clothes for their children compared with 2.8% of households with at least one Irish-born parent.
- Parents were unable to afford new clothes for their children in 4.3% of households and in 10.5% of households, parents were unable to afford new clothes for themselves.

---

<sup>1</sup> <https://www.unicef.org/globalinsight/media/3291/file/UNICEF-Innocenti-Report-Card-18-Child-Poverty-Amidst-Wealth-2023.pdf>

<sup>2</sup> <https://www.cso.ie/en/releasesandpublications/ep/p-silccd/silcmoduleonchilddeprivation2021/>

CIB suggests that this data is highly pertinent and should provide added impetus, if such were needed, to meet child poverty targets and fully eliminate child poverty.

#### Context within which child poverty persists

Child poverty is an issue for low-income families and its prevalence highlights the scale of such households across the State. Consequently, addressing child poverty is essentially about adequate social welfare rates for different types of households, adequate rates of pay for working parents, adequate and accessible public services, including, in particular, public social housing and affordable child care services.

It is also the case that household transitions, such as the breakdown of a relationship or job loss for a parent and the inability of the mother to work due to disability or illness have been found to make families particularly vulnerable.<sup>3</sup>

Any consideration of child poverty targets, CIB believes, should take place in the broader context of the factors that cause child poverty in contemporary Irish society and what the ongoing implications of child poverty are for individuals and for society as a whole.

Child poverty is the product of the cumulative effect of many interacting social and economic factors. These include current income, wealth, indebtedness, savings capacity, access to non-financial resources, the general needs of the household (childcare, elder care, and family size) and individual resource allocation decisions. Also relevant are housing, energy, and food costs relative to income.

It is also important in setting child poverty targets to take full cognisance of the long-term implications of child poverty. Individuals who experienced childhood poverty are much more likely to experience income poverty and material deprivation in adulthood.<sup>4</sup> Lower rates of employment and the presence of disability or ill health among those who experienced childhood poverty also emerged as part of the reason for the increased risk of deprivation in adulthood.

The *Consumer Prices Index (CPI)* rose by 3.9% in the 12 months to November 2023. The most significant increases, in the context of this submission, were housing, utility costs and food.

The ongoing increase in the cost of private rented accommodation is well reported, For example, over the period 2012 – 2022, wages increased by 27%, compared to a 75% increase in residential property prices, while rents increased by over 90%.<sup>5</sup>

Another important consideration is that relative to higher-income households, lower-income households spend a greater share of their income on energy and food, and less on goods and services. Energy spending, which is 14% of disposable income for low-income households, compares to 5.5% for high-income households. In the absence of changes in income, large swings in energy and food prices have a greater impact on lower income households.<sup>6</sup> The fact that rising prices hit poorer households harder as they spend more of their income on necessities tends to have a corrosive effect on low-income household budgets and thereby contributes to child poverty. Inflationary pressures, while impacting all families, have a proportionately greater and more damaging effect on poorer

---

<sup>3</sup> Children’s Rights Alliance, *Child Poverty Monitor 2023*, <https://childrensrights.ie/wp-content/uploads/2023/08/Child-Poverty-Monitor-2023.pdf>

<sup>4</sup> <https://www.esri.ie/news/childhood-poverty-associated-with-higher-risk-of-material-deprivation-and-income-poverty-in>

<sup>5</sup> [https://data.oireachtas.ie/ie/oireachtas/parliamentaryBudgetOffice/2023/2023-10-05\\_housing-affordability-for-private-household-buyers-in-ireland\\_en.pdf](https://data.oireachtas.ie/ie/oireachtas/parliamentaryBudgetOffice/2023/2023-10-05_housing-affordability-for-private-household-buyers-in-ireland_en.pdf)

<sup>6</sup> <https://www.socialjustice.ie/article/energy-cost-distribution>

households, including those who survive on either the National Minimum Wage (NMW) or on a blend of NMW and social welfare transfers.

### Setting targets for reducing and eliminating child poverty in Ireland

In setting targets for the reduction of child poverty, it is critically important to take full cognisance of the fact that a child deemed to be in poverty has limited or no access to the basic essentials which society generally would consider to be the minimum that any citizen should have – adequate food and warmth and access to leisure and recreational activities. It is also important to take into account the fact that long-term exposure to poverty and deprivation impacts on children’s outcomes in later life across a number of domains, including their physical and mental health, educational attainment, and socio-emotional wellbeing.<sup>7</sup>

The EU Commission’s recommendation, *Investing in Children*,<sup>8</sup> sets out a three-pillar approach to addressing child poverty:

- Improve children’s access to adequate resources, including by supporting parents' access to the labour market and providing a combination of cash and in-kind benefits,
- Provide children with access to affordable quality services, including early childhood education and care and healthcare, and
- Support children’s right to participate in play, recreation, sport, and cultural activities and promote children’s participation in decision-making that affects their lives.

### An integrated response to addressing child poverty

CIB believes that in exploring the question of child poverty targets, it is important to acknowledge and state explicitly that child poverty is not inevitable and that it can be eliminated especially during a period of full employment and economic growth. There is now ample evidence of the systemic issues and the factors pulling families into poverty as well as the solutions and initiatives that can be delivered to break the cycle of poverty. These include access to adequate income, access to affordable quality services (including early childhood education and care), a clear acknowledgement of the link between parental employment and the living conditions of households with children and the provision of secure and adequate housing for all families with children.<sup>9</sup>

While traditionally the Irish Government has addressed child poverty through the use of income supports, in more recent years, the main vehicle for addressing child poverty has been the National Policy Framework for Children and Young People: *Better Outcomes, Brighter Futures (BOBF) (2014-2020)* and the recently published successor framework *Young Ireland: The National Policy Framework for Children and Young People 2023 –2028*. These include targeting increased income supports for those in receipt of social welfare, including measures that recognised the increased costs for older

---

<sup>7</sup> <https://childrensrights.ie/wp-content/uploads/2023/08/Child-Poverty-Monitor-2023.pdf>

<sup>8</sup> <https://ec.europa.eu/social/BlobServlet?docId=9762&langId=en>

<sup>9</sup> Bertrand Maitre, Helen Russell, and Emer Smyth, *The Dynamics of Child Poverty Evidence from the Growing Up in Ireland Survey* ESRI 2021, <https://www.esri.ie/system/files/publications/RS121.pdf>

children. Also, the Department of Children has published research on income, poverty, and deprivation among children.<sup>10</sup> Similar research has been carried out by the ESRI.<sup>11</sup>

#### *Role of Child Poverty and Wellbeing Unit*

A significant development in 2023 was the selection of child poverty as one of three commitments for the second part of the Programme for Government and the establishment of a new Child Poverty and Wellbeing Unit in the Department of Taoiseach. The Unit has published its initial Programme Plan.<sup>12</sup> While this Unit has the potential to provide a leadership role in tackling child poverty, in addition to and in parallel with the work of the Unit, there is a need to build a coherent cross-government plan.

The National Policy Framework for Children and Young People 2023-2028, *Young Ireland*, provides for a more integrated approach to child poverty. The Policy Framework focuses particularly on children and young people who may be more vulnerable to poor outcomes and identifies areas which require across Government actions. There is a specific focus on child poverty and well-being.

The Framework makes provision for a number of spotlight programmes to focus on the most significant challenges for children and young people and identifies child poverty as the first Spotlight. Importantly, the Policy Framework will be supported by a Senior Officials Group with members from across the relevant Government departments and a Policy Forum tasked with overseeing and driving the effective implementation of policies impacting children and young people across Departments.

The Framework reiterates the six priority areas outlined in, *From Poverty to Potential: A Programme Plan for Child Well-being 2023-2025* –

- Income supports and joblessness
- Early Learning and Childcare
- Reducing the cost of education
- Addressing family homelessness
- Consolidating and integrating family and parental support, health and well-being services
- Enhancing participation in culture, arts and sport for Children and Young People affected by poverty

All of these are centrally relevant in the drive to combat child poverty. Also important is the reference to making food poverty a cross-sectoral priority under *Young Ireland* and the focus on how other measures that can assist in preventing family homelessness and helping those in homeless services as they transition to more stable housing arrangements. The reference to aligning the Framework with the aims of the EU Child Guarantee and the carrying out of further targeted research on child poverty in Ireland is important.

It will also be crucial that there is ongoing liaison with the Department of Social Protection in relation to the Roadmap for Social Inclusion 2020 – 2025. The Roadmap includes a commitment to establish

---

<sup>10</sup> Department of Children and Youth Affairs, Income, poverty and deprivation among children: A statistical baseline analysis (DCYA 2020); <https://assets.gov.ie/82341/22ea05a2-83ac-4e75-aae4-d6e60e5d9f19.pdf>

<sup>11</sup> Bertrand Maitre, Helen Russell, and Emer Smyth, *The Dynamics of Child Poverty Evidence from the Growing Up in Ireland Survey* ESRI 2021, <https://www.esri.ie/system/files/publications/RS121.pdf>

<sup>12</sup> *From Poverty to Potential: a Programme Plan for Child Poverty and Well-Being 2023-2025* <https://www.gov.ie/pdf/?file=https://assets.gov.ie/266235/6c4bf557-373d-4cb6-a91e-36f27106fe8b.pdf#page=null>

and report on a new target in respect of child poverty to improve Ireland's ranking from 20th to the top five for the EU SILC reporting year of 2025.

CIB is of the view that all measures to combat child poverty must have in-built implementation plans and related transparent monitoring and reporting. In this regard, it is noted, for example, that as part of the accountability mechanisms enshrined in legislation in New Zealand, the Government is required to report on progress to address child poverty on each annual budget day.<sup>13</sup> A similar legislative requirement could be usefully introduced in Ireland.

The elimination of child poverty requires a multi-faceted response. Meeting the income support needs of in-poverty family households is one important dimension of this. A UNICEF Report<sup>14</sup> has emphasised the importance of “cash transfers” in alleviating child poverty. This approach has been generally the one adopted by successive Irish governments and has largely been supported by the public and by CIB. CIB has over the years called for targeted increases in social welfare payments for children and believes that this approach should remain central in the drive to eliminate child poverty, particularly as reliance on social welfare income may continue to be the norm for some time for many families with children.

#### Income and in-work poverty

An important factor that needs to be taken into account is the role of income from work in alleviating poverty. CIB-funded services regularly report receiving calls from individuals and families in low paid jobs who are concerned about meeting the costs of daily living, e.g. rent and utility bills. Queries to CISs indicate that some types of employment, such as atypical working, self-employment, casual and part-time work, work at or below the NMW, can in fact be poverty traps.

The minimum wage on its own, is not sufficient to alleviate child poverty. Other tax and welfare measures are required for people both in and out of work to address the basic social inequality that is at the root of household poverty.

CIB believes that in establishing the NMW level, there is a need to focus more on the specific costs and expenses experienced by people on low incomes, as opposed to more general measures of inflation and cost of living increases. Other relevant factors in combating household poverty are in-work supports, (e.g. Working Family Payment and HAP). There is a clear need to factor in childcare and housing-related costs in the conception of an adequate response to in-work poverty.

CIB believes that a quick a transition to the Living Wage is essential in order to deal with in-work poverty and to reflect the real cost of living, such as childcare, housing and energy costs.<sup>15</sup> It is also important that people who are in precarious employment or low-wage jobs, or who are finding it difficult to access work in a changing jobs market are empowered to maintain and develop their skills and enhance their experience through appropriate training initiatives.

---

<sup>13</sup> <https://www.beehive.govt.nz/sites/default/files/2023-03/BIM%20-%20Minister%20for%20Child%20Poverty%20Reduction.PDF>

<sup>14</sup> <https://www.unicef.org/globalinsight/media/3291/file/UNICEF-Innocenti-Report-Card-18-Child-Poverty-Amidst-Wealth-2023.pdf>

<sup>15</sup> See for example the work of the Living Wage Technical Group, [www.livingwage.ie](http://www.livingwage.ie) which estimates the living wage for one adult, employed full time, living alone with no dependants at €14.80 for 2023/2024 to enable them to have a minimum acceptable standard of living.

The Living Wage Update 2023/2024<sup>16</sup> notes that over the past year, most living costs have increased, including energy (+23%), food (+21%), personal care (+9.2%), housing (+7%) and social inclusion (+6.3%). These have outweighed lower costs in transport and education.

While SILC data shows that 5.8% of people in employment were living in poverty in 2022, it is also evident that employment is a significant factor in reducing household poverty. The risk of poverty, deprivation and consistent poverty tends to follow a downward trajectory as the number of employed persons within a household increase. SILC data shows that for persons living in households where no one is at work, the consistent poverty rate is 13.8%, compared with 6.5% for those living in households with one person at work, and 1.5% for those in households with two persons at work.

There continues to be a significant proportion of people who can be defined as ‘working poor’, i.e. people with jobs who are still at risk of poverty. There is only a marginal difference in the risk of poverty experienced by a significant number of people at work and those who are unemployed. Research shows that the type and quality of employment matters and transitions from unemployment to employment do not guarantee that a family will be lifted out of poverty.<sup>17</sup>

### [Need to locate child poverty targets within a broader context](#)

The recent increased political focus on child poverty is welcome. Budget 2024 introduced a broad range of measures, both permanent changes as well as a package of once off measures to address cost of living pressures, including double, and lump sum social welfare payments targeted at lower income households, and other universally applied supports including electricity credits, and double Child Benefit payments. Permanent measures included an increase in weekly social welfare rates, a change in the income threshold for the Working Family Payment (WFP), changes in the Universal Social Charge (USC) and tax bands and an increase in the minimum wage.

While Budget 2024 also introduced the Free School Book Scheme, National Childcare Scheme funding, the Hot School Meals Programme and decreasing maintenance grant thresholds, these may not be sufficient to address ingrained child poverty, given that reducing and ultimately eliminating child poverty is almost certainly associated with overall household income, adequate rates of pay for all working parents and adequate and available public services are essential.

CIB believes that the personal taxation system, in tandem with the social welfare system, should aim, inter alia, to contribute to meeting the objective of achieving greater equality in society and of preventing poverty. In order to tackle household poverty in Ireland, it is important that the income tax system is both progressive and can support sustainable growth and strong public services that benefit everyone.

CIB is of the view that the Report of the Commission on Taxation and Welfare<sup>18</sup> proposals for targeted reforms and significant improvements to the welfare system would provide an important and necessary stepping stone for eliminating child poverty. The Commission Report argues for the adequacy of social welfare rates, which it sees as central to reducing poverty and recommends that the rate of income support payments for people of working age should be regularly reviewed. While the Report acknowledges that, over the past 30 years, Ireland has become a richer and somewhat fairer society, it also notes that adequate social welfare payments, high levels of labour force

---

<sup>16</sup> [https://www.livingwage.ie/download/pdf/living\\_wage\\_2023-24.pdf](https://www.livingwage.ie/download/pdf/living_wage_2023-24.pdf)

<sup>17</sup> Maître, B., Russell, H., Smyth, E., 2021, ‘The Dynamics of Child Poverty in Ireland: Evidence from the Growing Up in Ireland Survey, ESRI: Dublin.

<sup>18</sup> <https://assets.gov.ie/234316/b4db38b0-1daa-4f7a-a309-fcce4811828c.pdf>



participation, and a progressive and fair system of taxation will be essential in order to maintain social cohesion, the latter which evidently includes the elimination of child poverty.

### Eliminating child poverty

While setting targets for the reduction of child poverty rates has merits in that it establishes policy benchmarks, targets, on their own, could be meaningless unless they are accompanied by an integrated root and branch engagement with the social and economic factors that cause child poverty. In addition to the need to expedite the move to a Living Wage for all workers, it is suggested that the following measures would help.

- Changing the eligibility criteria for jobseeker's payments to hours worked rather than the number of days worked to better support part-time and casual working patterns;
- Reducing the time requirement of 15 months on a Jobseekers Allowance payment for eligibility to the Part-Time Job Incentive Scheme;
- Extending eligibility for the Jobseeker's Transitional payment until the youngest child reaches 18 years or completes second level education.
- Extending eligibility for the Working Family Payment to low-income self-employed people who fulfil all other qualifying criteria.
- Review the rate of the Working Family Payment more regularly (the rate is currently reviewed only every 52 weeks).
- Ensure that any review of the disability payments system (currently the subject of a Green Paper consultation) incorporates the key findings of the Indecon report on the cost of disability.

It is essential that annual budgets allocate significant resources to supporting those who are on low income. All budgetary decisions should be poverty, gender, and equality proofed to assess the likely impact that they will have on poverty rates and at-risk groups.

### Answers to indicative consultation questions

*Does consistent poverty remain the most appropriate basis for a national child poverty target or are there other indicators that could be considered?*

There is clear merit in retaining the focus on consistent poverty. However, there is a clear need for a broader debate on the wide range of factors that can contribute to alleviating consistent poverty. These include social welfare payments, a Living Wage, timely access to public social housing and public child care provision.

*Should the target be set on an absolute (number of children) or rate (per cent) basis, or both?*

Since each household is different and some face multi-faceted challenges, the target should be sufficiently flexible to cater for all family types. For example, the needs of a lone parent family with teenage children where the parent is reliant on social welfare income may be very different from those of a two-parent family with young children where one or both are in employment.

*What is the most appropriate timeframe for the target?*



The crucially important aspect of timeframes is that they are realistic in terms of meeting them and that they are consistent with delivery of other strategies that will impact, e.g. *Housing for All*. The timeframe, therefore, needs to be fully attuned to the resources required under a range of domains to meet the targets. Failure to do this is in danger of resulting in further slippage and ongoing household poverty.

*Is it feasible to set sub-targets within the child population (e.g. for specific cohorts or groups), which can then be monitored?*

While there would be merit in exploring the feasibility and advantages of sub-targets, any such approach needs to have clear criteria for households to be included in a specific target group. This is likely to be difficult given the complex factors that contribute to household poverty. However, CIB suggests that there would be merit in exploring this option for children with disabilities and for children living longer-term in temporary accommodation. In this regard, it is noted<sup>19</sup> that lone parenthood, ethnicity, disability, and family size have been identified as being associated with persistent poverty.

*Are there specific actions required related to meeting the target?*

Real and meaningful change in tackling child poverty requires inputs through early childhood supports, education and pathways to adequately paid work. This will require a multi-departmental and integrated response. While some of that is down to resources, much of it relates to ongoing structural inequality in society – the latter needs to be more fully engaged with than has been the case to date.

*Target rates*

As already noted, target rates for reduction of child poverty must be realistic and achievable within the timeframes stated. CIB is of the view that the proposed Option 3 Target of 4.5% should be considered as the most realistic one given the SILC 2022 rate of 7.5%. Again, it should be emphasised that targets are only meaningful to the extent that all the complex factors that contribute to child poverty are identified and systematically addressed on a phased basis, including, in particular, public investment in early years. This will be a significant challenge but one that is not insurmountable in a buoyant economy.

*Summary of key points*

Since employment is widely regarded as a route out of poverty, various measures are in place to assist families with access to employment and to make the transition from welfare to work easier must remain a policy priority.

Access to suitable accommodation for families that is affordable and provides security of tenure remains a critical issue for many CIS users. Families just over the income threshold for social housing cannot avail of HAP. The gap between rent limits HAP and landlord expectations means that some landlords continue to refuse to accept tenants relying on HAP or they demand top-up payments from tenants, thereby putting additional financial pressures on already scarce household resources.

Families can experience financial exclusion because they remain in significant mortgage and other arrears, belong to a minority group (e.g. Travellers and non-nationals), have a poor credit rating, have limited or no ability to save, or are reliant on high-cost credit options. They may find navigating

---

<sup>19</sup> <https://childrensrighs.ie/wp-content/uploads/2023/08/Child-Poverty-Monitor-2023.pdf>

banking systems and negotiating with credit providers challenging and often come to CIB funded services seeking support.

Since childhood poverty is associated with poor outcomes across all aspects of a child's life addressing inequality and related child poverty are, therefore, important policy objectives, not just for in-poverty households with children but also for social cohesion within Irish society.