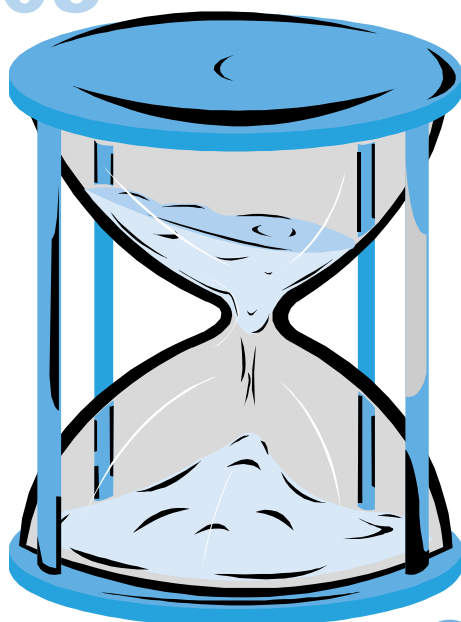


End Child Poverty by 2007

Budget 2003: The Countdown Begins

2003



2007

Open Your Eyes to Child Poverty Initiative
Pre-Budget Submission

October 2002



End Child

Put Children First in Budget 2003

Budgets represent choices and priorities. In Budget 2003, we can choose to make ending child poverty a top priority. Alternatively, we can decide that it's more important to fully fund savings incentive schemes or to maintain lower tax rates for those with higher incomes. Difficult policy choices will have to be made.

The *Open Your Eyes to Child Poverty Initiative* urges Government to choose to put children first by allocating the resources necessary to honour our commitments to children – particularly the commitment to eliminate child poverty.

Child Income Support

Child Benefit

Budget 2003 must uphold the Government's promise to increase Child Benefit by implementing the third stage of the three year €1.27 billion commitment.

- Meet the Government's Child Benefit commitment by increasing Child Benefit by €31.80 per month (€38.10 for the higher rate) to provide a monthly payment of €149.90 (€185.40 for the higher rate). Cost¹: €413 million
- Implement a weekly or fortnightly payment schedule for Child Benefit payment in recognition of the budgeting constraints of low-income families.

Child Dependant Allowance (CDA)

Child Benefit payments alone will not end income poverty among children. As recognised in the new National Anti-Poverty Strategy, low-income families require additional child income support. Since 1994, however, the Child Dependant Allowance (CDA) payment has been effectively frozen, exacerbating child poverty among families in need of welfare assistance. Budget 2003 should:

- Standardise the three Child Dependant Allowance rates currently in use - €16.80, €19.30 and €21.60 - and increase to a rate of €25.00 per child per week to provide a more adequate income to families with children who depend on social welfare payments. The payment standardisation is an unaddressed recommendation of the 1996 Commission on Social Welfare. Cost: €145 million

Family Income Supplement

- Integrate the Family Income Supplement payment into the tax system to avoid the present poverty trap.

Refundable Child Tax Credit

- Examine the introduction of a refundable child tax credit similar to the Integrated Child Credit planned for the UK. This would provide a child income support measure targeted to both welfare dependent and low-wage households and be portable across the welfare to work divide.

'Direct Provision' Allowance

- Increase the 'direct provision' supplementary welfare allowance payment to asylum seekers from the present rate of €19.05 to €38.10 per week for adults and from €8.95 to €17.90 per week for children. Cost: €4.5 million

¹ All costs are estimates and refer to additional costs.

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Health

The Chief Medical Officer of the Department of Health and Children, citing the connection between poverty and ill-health, has called for the provision of free primary health care to all children². The Health Strategy launched in late 2001 contains a Government commitment to substantially expand Medical Card eligibility by increasing income guidelines and by taking particular account of the needs of children. Budget 2003 should:

- Honour the commitment in the Health Strategy to substantially expand Medical Card eligibility, particularly for families with children.
- Begin to implement the recommendation of the Chief Medical Officer by extending, on a phased basis, the Medical Card to all children under the age of eighteen, beginning with those under the age of five.
- Comply with the Government's commitment to reduce the maximum treatment waiting time for children to three months by the end of 2003.
- Increase funding for current initiatives such as Drugs Task Forces aimed at reducing drug, alcohol and substance abuse among teenagers. Cost: €30 million

Education

Approximately 5,000 young people leave school early each year. A further 1,000 do not transfer from primary to secondary level. Poverty and social disadvantage inhibits the participation and educational attainment and outcomes of a significant proportion of children.

Budget 2003 should:

- Maintain funding for programmes addressing educational disadvantage and increase support for initiatives which aim to prevent early school leaving. Cost: €15 million
- Raise the annual Back to School Clothing and Footwear Allowance for primary school children from €80 to €120 and for secondary school children from €120 to €180 per child. Cost: €7.5 million
- Expand in-education supports such as homework clubs and book rental schemes for children experiencing disadvantage to increase support towards the cost of participating in education.
- Invest in a reformed school-meals scheme to improve children's nutrition and health and to encourage participation in education. Cost: €15 million
- Increase investment in the provision of pre-school education and childcare services targeted to children at risk of poverty, including Traveller children, asylum seeker children and homeless children. Cost: €20 million
- Raise the income threshold for the 'top-up' maintenance grant and increase the rate to cover inflation to facilitate the participation of disadvantaged students in third level education.

² Department of Health and Children (2001) *Annual Report of the Chief Medical Officer: The Health of Our Children*. Dublin: Department of Health and Children.

by 2007

Housing and Accommodation

Children have a right to decent accommodation. Homelessness is a violation of their rights under the UN Convention on the Rights of the Child and represents a breach of the Child Care Act, 1991. Budget 2003 must ensure no interruption of the National Development Plan funding for social housing to:

- Provide social housing output of 9,000 units for 2003.
- Ensure full implementation of Local Authority Homeless Action Plans.
- End the practice of housing families with young children in B&B accommodation. In 1999, over 1,200 children were living with their families in B&Bs³.
- Provide adequate transitional and short-term housing with access to appropriate health services for families with children.
- Provide suitable accommodation to the more than 1,200 Traveller families, including approximately 3,000 children, living on the roadside without facilities.
- Support community-based services and facilities for children and young people leaving care and at risk of being placed in care.

Children with Disabilities

Children with disabilities face a disproportionate risk of living in poverty. Future legislation relating to children with disabilities must include full and explicit recognition of their rights and ensure those rights are adequately protected. Budget 2003 should:

- Increase the Domiciliary Care Allowance from €175.80 per month to a realistic level of at least €250 based on the support needs of the child.⁴
- Increase investment in educational facilities and in residential, day and respite care places and support services for disabled children.

Accountability and Policy Support

Budget 2003 should provide adequate resources to meet the various commitments made to children in policies and national strategies adopted by Government.

- Ensure appropriate and adequate investment in the newly-created independent Office of Ombudsman for Children.
- Provide sufficient resources to honour commitments in the National Children's Strategy, particularly those relating to children in poverty and social exclusion.
- Support the forthcoming National Plan Against Racism by investing in anti-discrimination and anti-racism training for those involved in the delivery of public services to ensure equal opportunities in key services including social welfare, health, education, housing and accommodation.

³ Houghton, F.T. & Hickey, C. (2000) *Focussing on B&Bs: the unacceptable growth of emergency B&B placement in Dublin*. Dublin: Focus Ireland.

⁴ National Association for the Mentally Handicapped of Ireland (NAMHI).

Facts about Child Poverty in Ireland

- In 2000, more than 8% of Irish children were living in 'consistent poverty', meaning enforced basic deprivation and living in a household with an income below 60% of average disposable income.
- In 2000, roughly 24% of Irish children were living in 'relative income poverty', meaning having a household income below 50% of average disposable income.
- While the percentage of children in 'consistent poverty' has fallen in recent years, research indicates that the depth of 'relative income' child poverty has increased during this period.
- Children in Ireland are almost twice as likely than adults to experience poverty.
- Children in families with three or more children, children living in lone parent households and children of Traveller and asylum-seeking families are particularly at risk of experiencing poverty.
- The longer a child is poor, the greater the impact on the life chances of the child and subsequent deprivation in later life.
- Child poverty is a denial of the child's basic right to an adequate standard of living, a right guaranteed by the UN Convention on the Rights of the Child.

End Child Poverty by 2007

Government Commitments

The *Open Your Eyes to Child Poverty Initiative* strongly endorses the commitments to end child poverty in Ireland contained in the National Children's Strategy, the National Anti-Poverty Strategy and the Programme for Government.

The National Children's Strategy states that "children will be provided with the financial supports necessary to eliminate child poverty." The National Anti-Poverty Strategy sets 2007 as the deadline for reducing the number of children in consistent poverty to below 2% and, if possible, for ending child poverty completely.

The new Programme for Government embraces the commitment to eliminate child poverty and promises that the effort to end child poverty will be "a core element of our work."

Meeting these commitments will require a sustained and fully resourced programme of action that addresses all aspects of child poverty. Budget 2003 provides the opportunity to support that programme of action and to achieve the objective of ending child poverty by 2007.

The countdown to end child poverty by 2007 begins now with Budget 2003.

Open Your Eyes to Child Poverty Initiative

The *Open Your Eyes to Child Poverty Initiative* comprises seven organisations working together to promote greater public awareness of poverty in Ireland and for public policies and actions that contribute to the ending child poverty by the Government's target date of 2007. The seven participating organisations are:

Barnardos

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Contact: Liz Leonard

Focus Ireland

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Contact: Dáithí Downey

Pavee Point

46 North Great Charles Street, Dublin 1
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Email: pavee@iol.ie
Website: www.paveepoint.ie
Contact: Colette Murray

Society of St. Vincent de Paul

8 New Cabra Road, Dublin 7
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Website: www.svp.ie
Contact: Audry Deane/John-Mark McCafferty

Children's Rights Alliance

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National Youth Council of Ireland

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