

Children with Disabilities

Children with disabilities face a disproportionate risk of living in poverty. Budget 2004 should:

- Increase the Domiciliary Care Allowance from €188.90 per month to a realistic level of at least €250 based on the support needs of the child, and standardise the operation of the payment throughout the different health board areas
- Increase investment in educational facilities and in residential, day and respite care places and support services for children with disability.

Accountability and Policy Support

Budget 2004 should provide adequate resources to meet the various commitments made to children in policies and national strategies adopted by Government. The Coalition urges the Government:

- Adequately resource the implementation of the National Children's Strategy to ensure the timely and complete delivery of measures committed to in the Strategy, particularly those relating to children living in poverty and experiencing social exclusion
- Ensure adequate investment in the Office of the Ombudsman for Children.

Macro-Economic Picture

The End Child Poverty Coalition is concerned that prevailing Government policy is one of low tax and low public service provision. In spite of unprecedented wealth, there are gaps in infrastructure and social provision. Regardless of whether GDP or GNP is adopted, Ireland's tax take is the lowest in the European Union, and correspondingly Irish social expenditure is also the lowest in the Union. This has huge implications for the state's ability to tackle child poverty at a time when Special Savings Investment Accounts and various tax relief commitments are being met. The End Child Poverty Coalition believes that one way of generating resources in the present environment is to develop a more socially just level of taxation, primarily through a broadening of the tax base on a progressive basis. The Coalition urges Government to consider options related to revenue mechanisms, such as an increase in Corporation Tax and an increase in the rate of Capital Gains Tax, rather than an increase in indirect taxation that disproportionately affects poorer households.



End Child Poverty by 2007

Government Commitments

The End Child Poverty Coalition strongly endorses the commitments to end child poverty in Ireland contained in the National Children's Strategy, the National Anti-Poverty Strategy, the Programme for Government and Sustaining Progress.

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. This commitment has been reiterated at European Union level in the National Action Plan against Poverty and Social Exclusion 2003-2005.

The 2002 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." The current national partnership agreement Sustaining Progress advances the commitment to end child poverty through a Special Initiative on Ending Child Poverty.

Meeting these commitments will require a sustained and fully-resourced programme of action that addresses all aspects of child poverty. Budget 2004 provides a further 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 continues with Budget 2004.

End Child Poverty Coalition

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The End Child Poverty Coalition, the successor organisation to 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 End Child Poverty Coalition is supported by the Irish Youth Foundation.

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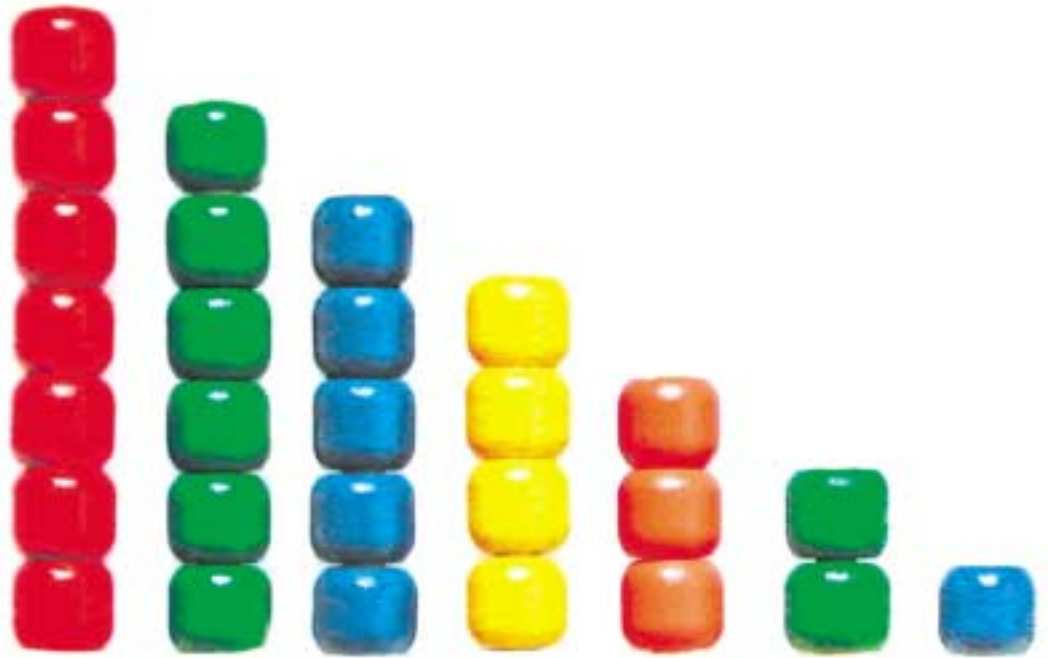
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End Child Poverty by 2007

Budget 2004: Contributing to Social Inclusion

End Child Poverty Coalition
Pre-Budget Submission

November 2004

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COALITION





Facts about Child Poverty in Ireland

- In 2001, more than 6.5%¹ of Irish children were living in “consistent poverty”, meaning enforced basic deprivation and living in a household with an income below 70% of median disposable income
- In 2001, over 23% 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
- 46% of children in consistent poverty lived in households where parents worked
- The longer a child is poor, the greater the impact on the life chances of the child and the 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.

¹The source of this statistic is the National Action Plan against Poverty and Social Exclusion 2003-2005 — Ireland. The Living in Ireland Survey (2001) was not published at the time of writing. Child Poverty statistics in the *Open Your Eyes to Child Poverty* Initiative's Pre-Budget Submission 2003 showed that 8.3% of children were living in consistent poverty in 2000, when defining consistent poverty as living in a household with an income below 60% of average disposable income.

End Child Poverty by 2007

Prioritise children in Budget 2004

It is envisaged that Budget 2004 will be framed within a tighter budgetary climate requiring the prioritisation of needs. However, not only do budgets represent choices and priorities, they also allow Governments to meet prior commitments. One such commitment is the National Anti-Poverty Strategy objective to reduce the numbers of children consistently poor to below 2 per cent by 2007, and if possible, eliminate consistent poverty for children. *Sustaining Progress* (2002) recognises how vital it is to ensure that Irish children do not live in poverty, and a Special Initiative has been developed to end child poverty.

The End Child Poverty Coalition urges Government to choose to make the needs of Irish children a priority in Budget 2004, and allocate the resources necessary to honour our commitments to children — particularly the commitment to eliminate child poverty.

Child Income Support

Child Benefit

The Government commitment to reach the target Child Benefit increases of €149.90 and €185.40 by Budget 2003 was not implemented. *Sustaining Progress* indicates that Budgets 2004 and 2005 will meet this commitment. The End Child Poverty Coalition recommends:

- That the proposed increase in Child Benefit rates should be frontloaded, thereby increasing Child Benefit by €24.30 per month (€28.10 for the higher rate) to provide a monthly payment of €149.90 (€185.40 for the higher rate) in 2004. Cost² €315m
- Implementing a weekly or fortnightly payment schedule for Child Benefit payment in recognition of the budgeting constraints of low-income families.

Child Dependant Allowance (CDAs)

Child Benefit alone is insufficient to support the poorest families. The existing targeted payment, Child Dependent Allowance (CDA), has been losing value in real terms as the amount paid has been frozen since 1994. CDAs must provide targeted adequate support for families with children

dependent on social welfare. The End Child Poverty Coalition recommends:

- Increasing and equalising CDAs to the universal weekly figure of €26.25. Cost €145m
- Integrating the Family Income Supplement payment into the tax system.

Another child support option is to integrate FIS and CDAs. In the event that FIS and CDAs are integrated, we recommend:

- An increase in the CDA rate, to the above referenced level, to provide a second tier payment for children in poor families; and
- An increase in the income limit to €405 for families with one child and €433 for families with two children. Cost €15m.

Refundable Tax Credit

Budget 2004 should allow for the examination of the introduction of a refundable child tax credit, as recommended in *Sustaining Progress* and by the National Economic and Social Council.³ This credit 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

The Coalition urges the Government to:

- Increase the direct provision supplementary welfare allowance payment to asylum seekers from the present rate of €19.05 to €42 per week for adults and from €8.95 to €19 per week for children.

Health

The Chief Medical Officer of the Department of Health and Children, citing the connection between poverty and ill-health,⁴ has called for the provision of free primary health care to all children. The Health Strategy⁵ 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 2004 should:

²All costs are estimates and refer to additional costs

³National Economic and Social Council (2002) *Investment in Quality* Dublin: NESCC

⁴Department of Health and Children (2000) *Annual Report of the Chief Medical Officer: The Health of Our Children*. Dublin: Department of Health and Children

⁵Department of Health and Children (2001) *Quality and Fairness: A Health System for You*. Dublin: Department of Health and Children

- Honour the commitment in the Health Strategy to substantially expand Medical Card eligibility, particularly for families with children, by rolling out, on a phased basis, the Medical Card to all children under the age of eighteen, beginning with those under the age of five
- Increase resources to meet the Government's commitment to reduce the maximum treatment waiting time for children to three months by the end of 2004. The increased resources are also required to catch up with the December 2002 target for children waiting for longer than six months
- Increase investment to maintain and develop existing services funded under Round I of the Young Peoples Facilities and Services Fund, which aims to attract "at risk" young people in disadvantaged areas into recreational facilities and activities and divert them away from the dangers of substance abuse. Cost €6.5 million
- Develop and fund the required support services for unaccompanied minors under the care of the Health Boards, including the provision of key support staff working within developed assessment procedures and care plans.

Education

Approximately 5,000 young people leave school early each year. A further 1,000 do not transfer from primary to secondary level. It is estimated that 18% of students leave school early with approximately 3% not acquiring any qualifications at all. Poverty and social disadvantage inhibit the participation and educational attainment and outcomes of a significant proportion of children. Budget 2004 should:

- Increase funding for programmes addressing educational disadvantage, particularly the School Completion Programme. Cost: €20m
- Adequately resource the Education Welfare Act, 2000 to enable its full implementation. Cost: €13.8m
- Reinststate the School Building Programme and prioritise the refurbishment of schools based on a prioritisation of needs

- Fund the development and delivery of intercultural and anti-racism education within the primary and secondary school systems, and the development of an anti-bullying policy for children who are experiencing racial or ethnic discrimination
- Develop and implement a Traveller Education Strategy
- Make resources to early education, particularly pre-school facilities in disadvantaged areas, a priority.

Housing and Accommodation

The waiting list for social housing across the country stands at over 48,000 households. Social housing is not adequately prioritised in the Government's Special Initiative on Housing and Accommodation. Many Local Authorities have not delivered on their legal requirement regarding Traveller accommodation strategies. Budget 2004 should:

- Ensure the provision of 7,000 social housing units through a combination of building, acquisition by local authorities, and the voluntary sector each year for the next three years. Cost: €1,300m (approximately)
- Ensure full implementation of Local Authority Homeless Action Plans
- End the practice of housing families with young children in Bed & Breakfast accommodation⁷
- Provide move-on accommodation for families leaving emergency and B&B accommodation
- Provide adequate transitional and short-term housing with access to appropriate support services for families with children
- Support community-based services and facilities for children and young people leaving care and at risk of being placed in care
- Establish a comprehensive Traveller Accommodation Agency to address the accommodation crisis experienced by the Traveller community given the failure of local authorities to implement fully the Traveller Accommodation Strategies.⁸

⁶National Economic and Social Forum (2002) *Early School Leaving*. Dublin: NESS

⁷In 2002, the most recent year for which statistics are available, over 1,262 children had been placed in B & Bs

⁸Approximately 3,000 children within 1,200 families are living on the roadside without facilities