

Setting a new Child Poverty Target: Public Consultation

Submission

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Early Childhood Ireland is pleased to have the opportunity to contribute to the public consultation on Setting a new Child Poverty Target, published by the Department of Social Protection.

Introduction

A new national child poverty target, based on the consistent poverty measure, is being developed by Government. This submission is Early Childhood Ireland's response to that process. It will respond to the child poverty target options and answer the questions presented by the Department of Social Protection in its public consultation on setting a new Child Poverty Target. It will also provide recommendations on utilising the Early Years and School Age Care system to improve outcomes for children.

In Ireland, children are more likely to experience income poverty and material deprivation compared to other age groups of the population. (Maître, et al., 2021)

Today, approximately 90,000 children in Ireland are experiencing consistent poverty (Central Statistics Office, 2023). Children who experience consistent poverty are "both at risk of poverty and experience two or more deprivation items" such as being without heating at some stage in the last year or being unable to afford a warm waterproof coat.

Currently, the consistent poverty rate for children aged 0-17 is 7.5%, the deprivation rate is 19.9%, while the at risk of poverty rate is 15.2% (Central Statistics Office, 2023).

Despite some progress over the last ten years, the rate of children living in consistent poverty rose from 5.2% in 2021 to 7.5% in 2022.

Early Childhood Ireland

Early Childhood Ireland is the leading children's advocacy and membership organisation, working in partnership with 4,000 members nationwide to achieve quality experiences for every child in Early Years and School Age Care settings. We advocate for an effective and inclusive early years and school age care system which values, supports, and invests in childhood, children, and services.

¹ Central Statistics Office, Survey on Income and Living Conditions (2022)

Early Childhood Ireland holds an image of the competent child at the centre of all that we do. We believe that childhood is a critical period for the nurturing of each individual child's curiosity, resilience, creativity, confidence, and potential.

Our vision is that every young child is thriving and learning in quality Early Years and School Age Care in centre-based and childminding settings.

Our mission is to champion quality for all children in Early Years, School Age Care and Childminding settings, through our work with our members and on the system.

Potential options for setting a new national child poverty target.

The potential options for setting a new national child poverty target were presented as follows in the consultation:

- 1. Option 1: Maintain the 3.2 per cent child poverty target rate which is the basis of the current numerical target. This would require a reduction in the number of children in consistent poverty of 52,000. This would align with the retention of the national consistent poverty target at 2 per cent.
- 2. Option 2: Reduce the existing child poverty target from 3.2% to 2.8%. The most recent child poverty rate (SILC 2022) is 7.5 per cent. This is 1.4 times the national rate of 5.3 per cent. Applying this ratio to the 2 per cent national social target for poverty reduction would result in a child poverty target of 2.8 per cent. The existing target of lifting two-thirds of children out of consistent poverty could be retained.
- 3. Option 3: Set the target to reduce child poverty to 4.5 per cent. The most recent consistent poverty rate (SILC 2022) for children is 7.5% (about 91,400 children). If the new target is to be achieved over a medium-term timeframe, setting a more attainable target may help to focus reforms and drive action. Achieving a 4.5% target would result in a significant reduction in the numbers of children in poverty, to about 54,850 based on current population estimates, and indeed, would represent the lowest rate of child poverty in the history of the State, which could be built upon going forward.

Early Childhood Ireland's response to the potential child poverty target options:

The child poverty target should be set at 2%.

In its social inclusion policy, <u>Roadmap for Social Inclusion 2020-2025</u>: <u>Ambition, Goals, Commitments</u>, the Government set an ambitious target to reduce the national consistent poverty rate to 2% or less and to do so over the period up to 2025.

It also promised to maintain the ambition of its children's policy, <u>Better Outcomes, Brighter Futures (2014-2020)</u>, to lift over 70,000 children (aged 0-17 years) out of consistent poverty by 2020, a reduction of at least two thirds on the 2011 level (107,000).

"Implicit in this target is the understanding that no child in Ireland should live in poverty and that, where due to adverse circumstances this occurs, available supports should ensure that the child and their family exit poverty as soon as is possible." (Government of Ireland, 2022)

Early Childhood Ireland believes that the new child poverty target should align with the national consistent poverty target of 2% that the Government committed to in its Roadmap for Social Inclusion.

Therefore, Early Childhood Ireland suggests that the child poverty target should be set at 2%.

We believe that Ireland needs to remain ambitious for our children and this includes having an ambitious child poverty target.

Consultation questions and Early Childhood Ireland's responses

Question 1: Does consistent poverty remain the most appropriate basis for a national child poverty target or are there other indicators that could be considered?

Consistent poverty is the most appropriate basis for a national child poverty target.

A report published by the Economic and Social Research Institute (ESRI), the <u>Dynamics</u> of <u>Child Poverty in Ireland: Evidence from the Growing Up in Ireland Survey</u>, found that "living in poverty, especially over a protracted period of time, has far-reaching consequences for children's development and wellbeing²." The research, which looked at longer term exposure to poverty found that "there appears to be a cumulative effect of poverty exposure, in that outcomes are worse in the case of persistent or constant exposure." (Maître, et al., 2021) In response, the Minister for Children, Equality, Disability, Integration and Youth, Roderic O'Gorman, said that the research "makes clear the real and damaging long term impact of child poverty. The longer the period growing up in poverty the worse the far-reaching consequences for children's development and wellbeing.³"

The Central Statistics Office's (CSO) Survey on Income and Living Conditions (SILC) defines consistent poverty as those who are at risk of poverty and experience two or more of the following deprivation items:

- 1. Without heating at some stage in the last year.
- 2. Unable to afford a morning, afternoon or evening out in last fortnight.
- 3. Unable to afford two pairs of strong shoes.
- 4. Unable to afford a roast once a week.
- 5. Unable to afford a meal with meat, chicken or fish every second day.
- 6. Unable to afford new (not second-hand) clothes.
- 7. Unable to afford a warm waterproof coat.
- 8. Unable to afford to keep the home adequately warm.
- 9. Unable to afford to replace any worn out furniture
- 10. Unable to afford to have family or friends for a drink or a meal once a month.

² ESRI press release

³ ESRI press release

11. Unable to afford to buy presents for family or friends at least once a year.

Early Childhood Ireland believes that measuring consistent poverty based on a person's ability to afford the above items is an appropriate measurement of consistent poverty in Ireland. The above items are very basic, without which a person cannot "play an active part in their communities and participate in activities that are considered the norm for people in society generally⁴". No child should experience this level of deprivation and to ensure that consistent poverty is reduced or eradicated, it must remain the most appropriate basis for a national child poverty target.

This deprivation measurement has been used by the CSO's Survey of Income and Living Conditions (SILC) to track poverty targets since 2006. It is considered to be "a direct and absolute indicator of exclusion arising from lack of resources." (Maître & Privalko, 2021)

Overall, the deprivation scale "captures deprivation well and there is insufficient evidence to replace or update the scale," however, it is recommended that "the measures be reviewed on a regular basis as SILC data becomes available and as standards of living change." (Maître & Privalko, 2021)

Question 2: Should the target be set on an absolute (number of children) or rate (per cent) basis, or both?

The target should be set as a percentage.

Early Childhood Ireland agrees with Sprong and Maître's recommendation that "while consistent poverty is an important and relevant measure, it is advisable to formulate the target based on an agreed percentage rather than a set number of children. This is because a percentage may be easier to interpret and is not affected by the changing population size." (Sprong & Maître, 2023)

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⁴ Definition of Social Inclusion

Question 3: What is the most appropriate timeframe for the target?

5 years is an appropriate timeframe for a target of 2% consistent poverty.

Early Childhood Ireland recommends that the ambitious target of reducing consistent child poverty to 2% should be implemented within five years. Five years is an ambitious target, however, recent Government policy decisions have laid much of the groundwork to make this target achievable.

The Government has implemented or is in the process of implementing new measures which are focussed on reducing child poverty.

- A new Child Poverty and Well-being Programme Office with a particular focus on six priority areas with the potential to make the most difference to children living in poverty, was established in 2023. Areas of priority include, income support and joblessness, early learning and care, education and homelessness.
- There is a commitment to make each Budget a Child Poverty Budget. To prepare a
 child poverty budget, Departments will be asked to outline how their overall spending
 will impact on child poverty and the six priority areas.
- Ireland is committed to delivering four pilot child poverty local area plans, under the EU Child Guarantee National Action Plan, by 2027.
- In the Early Years (EY) and School Age Care (SAC) sector, the Access and Inclusion Model (AIM) will be expanded this year; the National Childcare Scheme (NCS) sponsor subsidies will increase; phase one of the Equal Participation Model will begin in September 2024; and more children will have access to EY and SAC services following the improved affordability of fees as a result of an increase in the National Childcare Scheme (NCS) and the regulation of childminders.

Question 4: Is it feasible to set sub-targets within the child population (e.g. for specific cohorts or groups), which can then be monitored?

Sub-targets on child poverty for at-risk groups within the child population should be set.

These at-risk groups must include children who are excluded from the SILC survey.

Set targets on access to free Early Years and School Age Care services, including childminding, for at-risk groups.

An analysis of two cohorts (the '08 cohort and the '98 cohort) of the Growing up in Ireland (GUI) survey studied young people's experience of poverty in Ireland from infancy to early adulthood⁵. It found that there are several sub-groups within the child population that are at a high risk of becoming trapped in poverty. The <u>Dynamics of Child Poverty in Ireland:</u>

<u>Evidence from the Growing Up in Ireland Survey</u> "identifies several family characteristics that are particularly associated with persistent poverty, including lone parenthood, parents from ethnic minority backgrounds, low levels of maternal education, parents with a disability and larger families. These families require particular policy attention to prevent the range of negative child outcomes."

Identifying and targeting at-risk groups is a long-held anti-poverty policy, as it enables policy makers to implement policy interventions. This policy is recognised in the <u>EU Child</u> <u>Guarantee</u> which compels Member states to provide free and effective access for disadvantaged children to key services including Early Years and School Age Care, education, healthcare as well as adequate housing and nutrition.

Principle 11 of the <u>European Pillar of Social Rights</u> states that "children have the right to protection from poverty. Children from disadvantaged backgrounds have the right to specific measures to enhance equal opportunities."

The Irish Early Years (EY) and School Age Care (SAC) system also recognises the need to target specific groups. The goal of the Access and Inclusion Model (AIM) is to create a more inclusive environment in pre-schools, so all children, regardless of ability, can benefit from quality Early Years experiences; the National Childcare Scheme makes special arrangements

⁵ The D<u>ynamics of Child Poverty in Ireland: Evidence from the Growing Up in Ireland Survey</u>

for vulnerable children and families to be referred by certain sponsor bodies so that they can receive free EY and SAC; while the proposed Equal Participation Model (EPM) will have a particular focus on children experiencing different forms of disadvantage.

Early Childhood Ireland makes the following recommendations under this consultation question:

- 1. Set sub-targets on child poverty for at-risk groups within the child population.
- 2. These at-risk groups must include the groups of children who are excluded from the Survey on Income and Living Conditions (SILC) survey because they are not living in a household. The SILC collects information on the income and living conditions of "different types of households in Ireland⁶" to derive indicators on poverty, deprivation and social exclusion." Therefore, children and families living in homeless accommodation and direct provision are not included in the SILC. Efforts must be made to obtain poverty, deprivation and social inclusion indicators for these groups of children.
- 3. Set targets for access to free Early Years and School Age Care services, including childminding, for our most vulnerable groups of children and families.
 Children experiencing disadvantage are less likely to attend Early Years (EY) and School Age Care (SAC) than their more affluent peers (European Commission, 2020). Therefore, targets must be set on providing free EY and SAC services for these sub-groups.

Research into the participation rates in EY and SAC of children aged 0-2 by disposable income tertile in Ireland found that approximately 20% of children aged 0-2 in the lowest disposable income tertile participated in EY and SAC, compared to approximately 60% of children aged 0-2 in the highest disposable income tertile. (European Commission , 2020). A study carried out by the Economic and Social Research Institute found that, in Ireland, children with a migrant background were somewhat less likely than those with Irish-born parents to have attended centrebased childcare at age three, prior to enrolment in the Early Childhood Care and Education Scheme (ECCE). (Darmody, et al., 2022).

⁶ SILC 2022

Question 5: Are there specific actions required related to meeting the target?

The provision of high-quality Early Years (EY) and School Age Care (SAC) as a means to reducing and addressing the negative effects of poverty is supported by the European Commission (European Commission, 2013) and the OECD (OECD, 2012).

There is also a large body of research recognising that EY and SAC "brings a wide range of benefits, for example, better child well-being and learning outcomes as a foundation for lifelong learning; more equitable child outcomes and reduction of poverty; increased intergenerational social mobility; more female labour market participation; increased fertility rates; and better social and economic development for the society at large." (OECD, 2012)

Early Childhood Ireland recommends the implementation of the following measures for the EY and SAC sector which would help to meet the child poverty target.

- 1. Publish a **5-year plan for implementing additional investment**, to reach €4 billion by early 2029, thus achieving a publicly funded Early Years and School Age Care system in Ireland.
- 2. As part of the 5-year plan, undertake consultations and research into a **publicly** funded model of Early Years and School Age Care.
- 3. Include Early Years and School Age Care services in the local area child poverty plans ensure that Early Years (EY) and School Age Care services are included in the upcoming CYPSC⁷ local area child poverty plans that are part of the <u>Young Ireland National Policy Framework for Children and Young People 2023-2028</u>.
 - According to the Young Ireland Policy Framework, these local area plans are to be first piloted in four areas. Early Childhood Ireland believes that these plans must be developed for all local authorities.
- 4. Building on Aistear and as part of increasing investment, embed the philosophy of the world-renowned Reggio Emilia Approach in the system to ensure that the rights of children are interlinked with educators, families, and communities.
- 5. **Unify the existing funding programmes,** the National Childcare Scheme (NCS), Early Childhood Care and Education (ECCE) and Core Funding, to allow settings to use

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⁷ Children and Young People's Services Committees (CYPSC)

- capacity, not children's attendance, as a funding measurement. This would enable greater access to Early Years and School Age Care services for all families.
- 6. **Increase Graduate Premiums** to further incentivise the recruitment and retention of highly qualified staff.
- 7. Implement fully the 'Better data' recommendations from 'Partnership for the Public Good: A New Funding Model for the Early Learning and Care and School-Age Childcare' (2021) and initiate a system of national and local 2-year and 5-year planning cycles to ensure there are enough Early Years and School Age Care places in settings and in childminders' homes for children in their own communities.

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