

END CHILD POVERTY

DELIVER FAIR AND BETTER OUTCOMES FOR CHILDREN



BUDGET 2016

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CONTEXT FOR BUDGET 2016

- 1 Children in one-parent families are more than twice as likely to live in poverty.¹ Single mothers are the most socially isolated people in Ireland.² The number of children living in consistent poverty, meaning they are living both at risk of poverty and experiencing deprivation, has risen to nearly 12%.³ Child poverty is the major issue of concern for the Advisory Council on *Better Outcomes, Brighter Futures*.
- 2 Reform of the One-Parent Family Payment to date has not been successfully supported by inter-departmental working, and no poverty impact analysis has been undertaken on those transitioned already.
- 3 Job Seeker's Transition Allowance (JSTA) is an opportunity to invest in a coherent package of supports and services to progress lone parents into sustainable employment and out of social welfare.
- 4 Structural barriers exist that prevent people parenting alone from successfully balancing employment and parenting responsibilities. The most significant of these include: access to quality childcare and out of school care; access to quality housing; and family-friendly employment opportunities. These issues require significant government investment and cross-departmental collaborations. If these challenges persist, the Department's reform process will fail.
- 5 One-parent families need to be recognised as having specific challenges requiring additional supports.

ONE FAMILY'S KEY RECOMMENDATIONS FOR BUDGET 2016

- 1 Develop a coherent package of supports for JSTA recipients and for lone parents moving to Job Seeker's Allowance. This should include the following:
 - The Income Disregard should remain at €90 for all OPFs regardless of their payment.
 - Equal access to all activation measures and in particular MOMENTUM.
 - Access to free fees for part-time education options.
 - Allow JSTA CE participants to have an additional payment of €50 per week, equalising it with JobBridge in recognition of family costs.
 - Provide specialist bridging programmes for lone parents such as *New Futures* and *New Steps*⁴.
- 2 Child Income Supports: raise the Qualified Child Increase and utilise it as the best tool to help reduce child poverty by tailoring it to the poorest families.
- 3 Recognise the value and costs of shared parenting by providing the Single Person Child Carer Credit to each parent.
- 4 Adjust the Family Income Supplement so that it makes work pay for lone parents by reducing the qualifying hours to 15 hours per week and taper payments.
- 5 Provide a high quality accessible Childcare and Out Of School Care system.

1 Family Support Agency (P Lunn and Tony Fahey) (2011)

2 Fine-Davis, M., 2015, *Gender Roles in Ireland: Three Decades of Attitude Change*, London, Routledge,

3 <http://www.unicef.ie/Report-Card-11-207.aspx> and <http://www.irishtimes.com/news/social-affairs/growing-up-in-ireland-report-reveals-family-hardship-1.2014977>

4 <http://www.onefamily.ie/education-training/for-parents/back-to-work-education/new-futures/>

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INTERNATIONAL EVIDENCE BASE

International evidence of best practice and value for money recommends investment in tailored supports for one-parent families in the policy arena of welfare to work. Evidence firmly supports:

- 1 Income Disregards as an incentive to work.^{5 6}
- 2 Investment in education and skill development.^{7 8}
- 3 Investment in childcare and out-of school care and recreation.^{9 10}
- 4 Enabling services, such as: guidance and advice, education, child and out of school care.¹¹

Without these pillars of enablement working together the policies and practices on activation of one-parent families will fail. Current policies and new reform measures where one-parent families are being moved from the One-Parent Family Payment to Job Seekers payments are not working and require a significant investment package for people and services. Current policies mean that the barriers to one-parent families returning to employment and/or education are leading to an increasing dependence on social welfare over time. Government must listen and act. If it does not, its choices condemn one-parent families and their children to a long lasting poverty of opportunity.

5 *How to stimulate single mothers to leave welfare for work; evidence from a field experiment* (2013) Knoef and van Ours, Department of Economics, Leiden University, Tilburg University, and University of Melbourne, Australia

6 *Lone parents combining work and welfare: international evidence on the role of mini jobs and similar interventions* (2011) Casebourne, Jo and Finn, Dan Centre for Economic and Social Inclusion, London

7 *Reducing Poverty: What has Worked and What Should Come Next*. C Richards, John. (2007) Toronto: C.D. Howe Institute

8 *Parental Leave Policies in 21 Countries Assessing Generosity and Gender Equality*, (2009) Ray, Gornick, and Schmitt, Center for Economic and Policy Research, Washington

9 Canada child tax benefit (CCT-<http://www.cra-arc.gc.ca/cctb/>)

10 Childcare Subsidy New Zealand (<http://www.workandincome.govt.nz/individuals/a-z-benefits/childcare-subsidy.html>)

11 <http://www.smith-commission.scot/wp-content/uploads/2015/01/B00375.pdf>

NOTES

CHILD POVERTY CSO figures released in January 2015 reveal the shocking extent of child poverty in Ireland. The number of children living in consistent poverty – meaning they are living both at risk of poverty and experiencing deprivation – has **risen to nearly 12%** and these are followed by¹² reports reinforcing the shamefully high child poverty rates. There are 130 000 children living in poverty in Ireland. Unicef places Ireland close to the bottom of the list at 37th out of 41 in the league table measuring relative changes in child poverty.¹³ (Find more information about our in-depth analysis and our solution focused recommendations on our website^{14 15}.) Children in one-parent families are more than twice as likely to live in poverty. Family-friendly paid work helps to reduce family poverty. Parents need to be supported (financially, practically and developmentally) to access and remain in paid employment. Today, in Ireland, one in four families with children is a one-parent family, over half a million people. One Family, as Ireland's leading organisation working with and advocating on behalf of people parenting alone, sharing parenting and those experiencing a separation, has been working arduously to secure a better deal for parents and children, particularly in light of the social welfare reforms of the past few years, which are failing our poorest families. The Survey on Income and Living Conditions (SILC) 2013¹⁶ published in January 2015 clearly shows that those living in households with one adult and one or more children had the highest deprivation rate at 63.2% and the highest consistent poverty rate at 23%. **This is shameful.** It reduces children's life chances. People parenting alone are being hit the hardest. Child poverty blights childhoods. Growing up in poverty means being cold, going hungry, and not being able to join in activities with friends. Children living in affected households may suffer a deterioration of their diets; increased levels of stress; humiliations in front of friends and classmates; etc. Child poverty has long-lasting effects and leaving school with fewer qualifications translates into lower earnings over the course of a working life.¹⁷

12 <http://www.unicef.ie/Report-Card-11-2015.aspx> and <http://www.irishtimes.com/news/social-affairs/growing-up-in-ireland-report-reveals-family-hardship-1.2014977>

13 <http://www.childrensrights.ie/content/report-card-2015>

14 <http://www.onefamily.ie/policy-campaigns/one-family-campaigns/one-parent-family-payment-reform-child-poverty/>

15 <http://www.onefamily.ie/media-publications/one-family-stories-case-studies/>

16 http://www.cso.ie/en/releasesandpublications/er/silc/surveyonincomeandlivingconditions2013/#.VXqO__lVhBc

17 <http://www.thejournal.ie/readme/childhood-poverty-ireland-1749824-Oct2014/>

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