



Department of Social and Family Affairs

Minister Signals Urgent Action To Combat Unacceptable 'Blemish' Of Child Poverty

Work Progressing On New Second Tier Of Supports Targeted At Children Most At Risk

The Minister for Social Affairs, Séamus Brennan T.D., said today (Tuesday, 15th March 2005) that he has sought urgent proposals from his Department and independent advisory bodies to address the unacceptable level of child poverty that continues to exist in this country.

Minister Brennan said decisive and targeted action in this area was now an urgent priority as the inescapable reality was that poverty was affecting between 60,000 and 120,000 children at a time when Ireland was continuing to enjoy exceptional economic success and had achieved levels of unemployment that were the envy of most nations in the world.

The Minister made his comments when launching in Dublin the Combat Poverty Agency's *Strategic Plan 2005-2007- Working for a Poverty-Free Ireland*.

Minister Brennan said: "Surveys and research projects have put the number of children in this country who are in poverty or in danger of descending into poverty, at somewhere between 60,000 and 120,000. I am not interested in arguing about the numbers or squabbling over the various types of methodology used in surveys. What I am interested in is confronting this blemish on the Ireland of the 21st Century of children having to endure poverty, deprivation and distress.

I am now involved in a series of intensive meetings at which I have asked my Department to urgently identify practical, targeted proposals that can be implemented and that will reach to the very core of the problems that are resulting in child poverty. The challenge is to find ways to channel additional resources directly to support these children and their families, and to do so without delay."

He said the National Economic and Social Council (NESC) has been commissioned to devise a structure for a second tier of supports, in addition to Child Benefit and other



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entitlements, aimed specifically at reaching those children most in need and alleviating their plight.

“That report is well advanced and I look forward to it delivering recommendations that are practical and hard-headed so that I can move towards an implementation phase without undue delay. Today, I am asking the Combat Poverty Agency, with all its expertise in anti-poverty policy and research, to urgently contribute its views and proposals for direction and action in this area going forward. I also look forward to the views of the social partners and other interested parties.

However, right now, I am not interested in lengthy debates or waiting for the outcome of further exhaustive research to again identify the problem. We know the problem. We know the reality. It is that many children, our most vulnerable citizens, are surviving in a poverty situation in Ireland at the start of the 21st century. Child poverty can blight the lives of the marginalised young, often resulting in early school leaving and sowing the seeds for a serious lack of development later.”

Minister Brennan said the NESC report was examining the most effective structure for the proposed second tier of support for children most at risk. One route under detailed and serious consideration was combining two existing support schemes, the Family Income Supplement (FIS) and the Child Dependant Allowance (CDA).

He was particularly concerned by the apparent low take-up of the FIS support although the same low responses were found in similar support schemes operating in other countries. However, when income support schemes were restructured in other countries, the response grew considerably. This year €56 million has been allowed for FIS, which is demand driven. In 2004, it was paid to over 14,000 families which benefited more than 30,000 children. The increase in FIS thresholds is expected to bring 2,600 more families into the eligibility net this year. Child Dependant Allowance is paid to most social welfare beneficiaries who have the care and responsibility of children. Last year, almost 264,000 CDA's were paid at the full rate and over 93,000 at the half rate.

The Minister added: “Today we stand in the doorway of the 21st Century. It is a time to consider how the generations that will follow will look back and assess our



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contribution. Personally, I don't think they will judge us on how many millionaires, or even billionaires, we created out of Ireland's economic boom period. I believe that, rightly, they will judge us on how we harnessed that exceptional economic buoyancy to reach down and lift those left behind by the rising tide of economic growth. We are the people who can shape the future for the people of this island. How well we do that will be our legacy".

Minister Brennan said; "Almost twenty years since it was set up, the Combat Poverty Agency continues to be a very significant source of expertise in anti-poverty policy and research in Ireland. This year, with funding of over €4 million from my Department, it continues to probe deeper to identify and highlight the reasons for continuing poverty. It continues to play an important awareness-raising role concerning the problem of poverty and social exclusion. CPA provides valuable advice to my Department and to Government, and I know that it enjoys a good working relationship with the Office for Social Inclusion based in my Department.

It also forms an invaluable part of the National Anti-Poverty Strategy (NAPS) institutional structure.

Today I salute the contribution the Agency has made over the years and look forward to it playing a pivotal part in our determined quest for a poverty free Ireland. As the Agency is fully aware, Irish society is changing and evolving quiet rapidly and there is the challenge to all of us to alter and adapt to meet the new challenges. With this in mind, I have invited the Chairman and the Board of the Agency to meet with me for early discussions on how together we can best mould and shape the Agency so that going forward it responds effectively and decisively to changing trends and fresh challenges."

The Minister said the strategy launched today reflected the Government's strategy to combat poverty and social exclusion and to build a fair and inclusive society that ensured that people have access to quality public services. The substantial progress in tackling poverty achieved in recent years reflects the impact of a sustained programme of pro-employment and pro-family policies and investment in targeted supports.



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“However, in drawing attention to these achievements, as I have stated earlier, I am anything but complacent about the current situation, particularly in relation to those people in our society experiencing poverty. This includes those in vulnerable groups such as the elderly, the disabled, lone parents and, of course, children.

He said the Strategic Plan sets out a series of ambitious goals set across three main areas:

- distribution of income and employment;
- access to health and education services of high quality; and
- the further development and local and regional-level responses to poverty.

Minister Brennan said that in relation to the issue of income, progress has been made. The Government is well on the way to meeting the 2007 target of a rate of €150 per week for the lowest welfare payments and the target of €200 per week for social welfare pension rates. The €874 million Budget 2005 social welfare package represents a €244 million, or almost 40%, increase on the 2004 package and brings the projected level of social welfare expenditure in 2005 to over €12.25 billion. As acknowledged by the Agency in its recent analysis of the Budget, the social welfare rate improvements are up to four times the forecast rate of inflation and up to twice the forecast wage growth.

He said that one of the country’s main success stories has been in creating high levels of employment and reducing unemployment, especially long term unemployment. At the end of 2004 our unemployment rate was 4.3%, the lowest in the EU, while the rate of long-term unemployment was just 1.5%.

As regards the view that access to quality services is critical in the efforts to work towards a poverty-free society, Minister Brennan said that given the multi-dimensional nature of poverty and social exclusion, it is essential that multi-dimensional policies are developed to tackle the problem. What are needed are policies that will improve access for the most vulnerable to health, housing and education services, together with adequate income support and progressive employment policies. It was also accepted that effective policy to combat poverty and exclusion requires co-ordinated action at national, regional and local level. The reform of local government and its integration with local development is leading to



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more integrated and planned local approaches to tackling poverty, which is underpinning and strengthening the national actions being taken.

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