



An Roinn Coimirce Sóisialaí  
Department of Social Protection

# Child Poverty Target: Public Consultation Guidance Document

**Closing Date 19 January 2024**

## Setting a new Child Poverty Target: Public Consultation

### Introduction

The [Roadmap for Social Inclusion 2020 - 2025](#), published in January 2020, is a whole of Government strategy with the ambitious target to reduce consistent poverty to 2% and make Ireland one of the most socially inclusive countries in the EU.

It includes the commitment (#40) to set a new national child poverty target. Implicit in the setting of a new target is the understanding that no child in Ireland should live in poverty and that, where it happens due to adverse circumstances, available supports should ensure that the child and their family exit poverty as soon as is possible. The [Mid-Term Review of the Roadmap for Social Inclusion](#) commits to undertaking a public consultation in 2023 to inform the development of a new national child poverty target.

### Current child poverty target

The current national child poverty target, identified in [Better Outcomes Brighter Futures: The National Policy Framework for Children and Young](#)

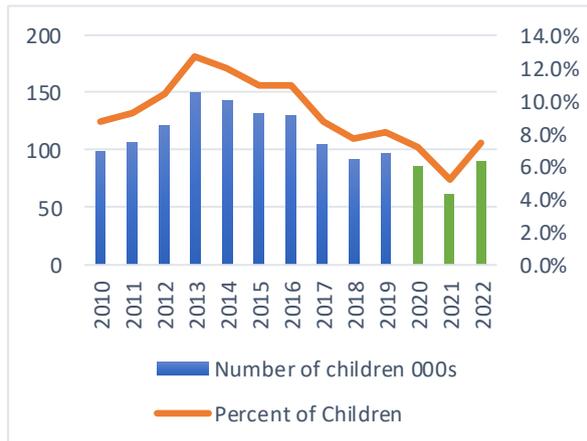
[People, 2014-2020](#), requires a reduction of at least two-thirds in the number of children in consistent poverty by the end of 2020 (lifting 70,000 children out of consistent poverty from its 2011 level of 107,000). This is reiterated in the *Roadmap for Social Inclusion*, which commits to continue to report on progress against this national target and to set a new target.

The target identified in *Better Outcomes Brighter Futures* also included reducing the higher consistent poverty rate for households with children compared to households without children. The consistent poverty measure is [defined](#) as people who are both at risk of poverty and experiencing enforced deprivation.

### Progress in meeting the national child poverty target

Progress towards the goal of reducing the number of children living in consistent poverty by at least two-thirds on 2011 levels has been tracked each year in the [Social Inclusion Monitor](#) until 2019 and then reported in [Roadmap for Social Inclusion annual progress reports](#) thereafter.

**Fig 1: Children in consistent poverty, 2010 – 2022**  
(Note: green bars reflect break in time series in SILC data from 2020)



Source: Data derived from CSO SILC

Data taken from the CSO Survey of Income and Living Conditions (SILC<sup>1</sup>) shows that the consistent poverty rate for children in Ireland increased during the early part of the last decade, rising from 8.8% in 2010 to a peak of 12.7% in 2013, before beginning to fall in 2014 as Ireland recovered from the Great Recession. The rate reached a low of 5.2% in 2021 before increasing under the latest SILC 2022 release to 7.5%, which is broadly in line with the pre-COVID figure of 7.2% in 2020.

<sup>1</sup> While the SILC is Ireland's official source of poverty statistics, the sample sizes involved are too small to provide statistics for specific groups, and it does not contain ethnic identifiers (for instance, members of the Traveller and Roma communities).

<sup>2</sup> The national child poverty target is based on consistent poverty, that is, children who are defined as being both at risk of poverty (AROP) and suffering from material deprivation. While the AROP rate is based on income, material deprivation does not share a common metric with social transfers and

The at risk of poverty rate for children in 2022 was 15.2% while the material deprivation rate was 19.9%.<sup>2</sup>

While significant progress was made in reducing child poverty in recent years, the 2020 target was not achieved: the 2020 consistent poverty rate for children (aged 0-17 years) was 7.2%, equivalent to 86,000 children (based on the Central Statistics Office (CSO) Population Estimate tables), compared to a 4.7% rate nationally.

It should be noted that the consistent poverty measure, and accordingly the associated child poverty target, does not reflect wider well-being issues or access to services.

### Policy Context

The development of a new national child poverty target will feed into the wider whole of Government approach to address child poverty, including -

market income and accordingly, it is more difficult to assess the impact of policy changes on this component of consistent poverty. The experience of material deprivation is the product of the cumulative effect of many factors interacting. These include current income, wealth, indebtedness, savings capacity, access to non-financial resources, the general needs of the household (childcare, elder care, and family size) and individual resource allocation decisions. Therefore, the effect of income or social transfers on deprivation levels is more difficult to predict.

- the establishment, in early 2023, of the new Child Poverty and Well-being Programme Office in the Department of the Taoiseach. The unit recently published its first Programme Plan which aims to make Ireland the best country in Europe to be a child, [From Poverty to Potential: A programme Plan for Child Poverty and Well-being 2023-2025](#). The initial focus is on making sure that every child and their family has access to the income they need, early learning and care, reduced cost of education, prevention and mitigation of family homelessness, pathways to access the services they need and, arts, culture and sports opportunities.
- The development of [Young Ireland: The National Policy Framework for Children and Young People 2023-2028](#), published in November 2023, is a whole of Government initiative, led by the Department of Children, Equality, Disability, Integration and Youth. This successor framework to *Better Outcomes, Brighter Futures* focuses on how Government works to realise the rights of children and young people in Ireland.

## European Context

The [European Pillar of Social Rights Action Plan](#), published in 2021, includes the following target “The number of people at risk of poverty or social exclusion should be reduced by at least 15 million by 2030” (of which at least 5 million should be children). Ireland’s contribution to this headline target is to reduce the number of people at risk of poverty or social exclusion (AROE) by 90,000, at least half of whom will be children. This is more ambitious than the proposal from the European Commission.

The [EU Child Guarantee: Ireland’s National Action Plan](#), published in 2022, aims to prevent and combat social exclusion by guaranteeing access of children in need to a set of key services:

- free early childhood education and care
- free education (including school-based activities and at least one healthy meal each school day)
- free healthcare
- healthy nutrition, and
- adequate housing

This contributes to upholding the rights of the child by combating child poverty and fostering equal opportunities.

### Measures to reduce Child poverty

A 2022 research paper produced under the joint DSP-ESRI Poverty and Social Inclusion Research Programme, [“Headline Poverty Target reduction in Ireland and the Role of Work and Social Welfare”](#) examined, amongst other things, effective measures for reducing child poverty. The analysis found that –

- Matching the labour market participation and hours of work of married women to those of men, reduced the at risk of poverty (AROP) rate for children by five percentage points,
- Providing employment to the head of jobless households reduced the overall AROP rate by three percentage points for children.

The analysis concluded that bringing about a significant reduction in consistent poverty requires more than just a package of social welfare benefits and would require a mix of policies to address low market income and welfare reform.

The ESRI’s [Poverty, income inequality and living standards in Ireland: Third annual report \(esri.ie\)](#), published in September 2023, considered the

impact of reforms to different payments aimed at reducing child poverty including Child Benefit, Increases for Qualified Children (IQCs), and the Working Family Payment (WFP). The analysis found that –

- An increase to Child Benefit of €38 per month would reduce the AROP rate for children by 1%. The report noted that measure is straightforward, universal and does not have any stigma attached to it, resulting in a high uptake of the payment. The €38 increase would result in a net spend of €535 million per year and benefit an estimated 665,456 households. However, as the payment is universal, it is described as an untargeted and therefore expensive measure for reducing child poverty.
- Raising Increase for Qualified Child payments (IQC) by 56% at a cost of €334 million per year would also reduce the AROP rate for children by 1% and benefit 189,877 households. Increases to ICQS are described as being more focussed on children below the poverty line than child benefit. However, the analysis cautions that a potential consequence of raising

IQC rates is that it may negatively impact financial incentives to work.<sup>3</sup>

- For Working Family Payment (WFP), the analysis found that an increase of spending of €187 million (assuming full take-up) would reduce the AROP by 1%, with 164,915 households estimated to benefit. This measure is described as a cost-effective means of reducing child poverty. Increases to WFP do not benefit children in the lowest income households, however, because these households do not have anyone in paid work and so are ineligible for WFP.

### Recent Developments

- WFP weekly thresholds for all family sizes increased under Budget 2022 (€10 increase), Budget 2023 (€40 increase) and Budget 2024 (€54 increase).
- IQC rates were also increased under recent Budgets, bringing the rates to €54 per week for qualified children aged 12 and over, and €46 per week for under 12s.
- Other measures, such as the

provision of free school books at primary level under Budget 2023 and the extension of free school books to junior cycle from September 2024 under Budget 2024, also work to reduce poverty.

### Options for setting a new national child poverty target

Potential options for setting a new national target are outlined below for consideration in the consultation process:

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

<sup>3</sup> The report does not reference the Back to Work Family Dividend, however, which is a scheme whereby the IQC portion of a payment

is retained when a person takes up employment.

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 child 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.

Each of these options should be considered in the context of the longer-term goal of ending child poverty in Ireland.

### Consultation questions

The below questions may be useful for you in formulating your submissions –

- Does consistent poverty remain the most appropriate basis for a national child poverty target or are there other indicators that could be considered?
- Should the target be set on an absolute (number of children) or rate (per cent) basis, or both?
- What is the most appropriate timeframe for the target?
- Is it feasible to set sub-targets within the child population (e.g. for specific cohorts or groups), which can then be monitored?
- Are there specific actions required related to meeting the target?

In each case, please provide the rationale for the suggestion/proposal as well as any evidence supporting it, and possible data sources, if available.

### Submissions

Please send submissions by email to [CPTsubmissions@welfare.ie](mailto:CPTsubmissions@welfare.ie) or by post to the address below no later than 5pm, Friday, 19<sup>th</sup> January 2024, making sure to provide your name and organisation (if applicable).

Postal address:

Child Poverty Target Consultation  
Department of Social Protection  
Goldsmith House  
7-13 Pearse Street  
Dublin 2  
D02 YY17

### **Privacy Information**

This is a public consultation and the Freedom of Information Act 2014 applies. Personal information should not be provided and any personal information which you volunteer may be published. Any material which you do not wish to be made public should not be included. Material or information that is regarded as commercially sensitive by you should not be included.

However, if you provide it, you should clearly identify the material and the reason for its sensitivity and why it should not be published or made available under the Freedom of Information Act.