Congressional Briefing: Reducing Child Poverty
Transferable Themes from the United Kingdom

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4:30 PM
B-318 Rayburn House Office Building

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Between 1979 and 1997, child poverty in the UK doubled, to 26%

UK had one of the highest levels of child poverty in Europe

Prime Minister Tony Blair promised in 1999: ‘....our historic aim... that ours is the first generation to end child poverty for ever, and it will take a generation. It is a 20 year mission but I believe it can be done’.
What do we mean by child poverty?

• Much contested!

• Measure of income or resource

• Related to but not the same as inequality

• ‘Relative poverty’ is preferred definition: *the condition in which people lack the minimum amount of income needed in order to maintain the average standard of living in the society in which they live.*
Public Attitudes

- There’s no such thing
- There’s nothing you can do about it
- It only exists in poor countries
- It’s the fault of people who are lazy or feckless
SO WHY DOES IT MATTER?

- Poor health
- Poor educational attainment
- Long tail effect of poverty: worklessness and exclusion in adulthood
- Cost to economy estimated at £29billion
- Moral cause for Labour government
Labour approach in government: measuring and setting targets

- **Absolute low income:** The proportion of children living in households where income is less than 60 per cent of median household income before housing costs (BHC) in 2010/11 adjusted for prices (target of less than 5 per cent by 2020/21).

- **Relative poverty:** The proportion of children living in households where income is less than 60 per cent of median household income BHC (target of less than 10 per cent by 2020/21).
Labour approach in government: measuring and setting targets

- **Combined low income and material deprivation:** The proportion of children who are in material deprivation and live in households where income is less than 70 per cent of median household income BHC (target of less than 5 per cent by 2020/21).

- **Persistent poverty:** The proportion of children living in households where income is less than 60 per cent of median household income BHC, for at least three out of the last four years (target of less than 7 per cent by 2020/21).
Political will and a plethora of policies:

- Income redistribution through tax credits
- Maximising parental (especially lone parent) employment
- National minimum wage
- Rights for parents at work
- Reform of child support
- Increase in universal child benefit
- National childcare strategy
- Investment in early years and introduction of Sure Start
- Investment in education

- Child Poverty Unit, and Child Poverty and Social Mobility Commission
Chart 4.1: Children, main measures, 1998/99 to 2013/14, UK

16 Due to a break in the series in 2010/11 it is not possible to make direct comparisons with results from earlier years for both the combined low income and material deprivation and severe low income and material deprivation series.
Approach of Conservative-led Governments

• Coalition 2010-2015:

• Rejected idea that poverty’s all about relative income

• Argued that focus on relative poverty had led to ‘poverty plus a pound’

• Consultation on redefinition

• Campaigners’ concern shifted to ‘in-work poverty’....
Conservative policy programme 2010-2015

• Universal credit
• Increased obligation to look for/take up work
• Capping and freezing household and children’s benefits
• National ‘living wage’
• Continuing extension of childcare and parental rights in the workplace
• Pupil premium
CONSERVATIVE MAJORITY GOVERNMENT 2015

• Proposed new measures of worklessness, educational attainment

• Focus on ‘life chances’

• Conceded statutory obligation to publish data on four measures of income poverty continues

• Weakened Social Mobility and Child Poverty Commission
Projections for Future

• Government 2011 – child poverty will reduce by 350,000

• Government 2013 – child poverty will reduce by 150,000

• IFS 2016: Child poverty will increase from 3.6 million to 4.3 million children by 2020
Conclusions

• Targets work (up to a point!)
• But poverty highly contested
• Public largely sceptical/indifferent/hostile

• Outcomes for children affected by childhood poverty
• But impact often visible only years later
• Paid work isn’t a sufficient answer

• Policy does work
• Tony Blair 1999:
• ‘….our historic aim… that ours is the first generation to end child poverty for ever, and it will take a generation. It is a 20 year mission but I believe it can be done’.