

Child Poverty: Europe Moving Backwards

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Child and Youth Poverty: Concepts, Contexts and Consequences

Leeds Centre for Interdisciplinary Childhood and Youth Research Conference

Devonshire Hall

Leeds

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Focus on child poverty from a persistently European comparative perspective

- ◆ Neither politically very fashionable!
 - ◆ Child Poverty Act targets abolished – new focus on *life chances* - still waiting with some trepidation for government to articulate it beyond worklessness and educational attainment
 - ◆ Brexit may also mean Brexit from a capacity to compare
- ◆ How is poverty associated with consequences
 - ◆ With other domains of well-being
 - ◆ With bullying and subjective well-being
- ◆ What is the state's role in tackling poverty?
 - ◆ What unit should (minimum) wages cover?
 - ◆ What contribution do states make?



THE WELL-BEING OF CHILDREN IN THE UK

EDITED BY JONATHAN BRADSHAW

FOURTH EDITION

Child well-being in the UK

Trends	Getting better	No change	Getting worse	Total
2011 (1997-2010)	35	8	3	46
2016 (2010-2015)	27	8	13	48
Comparative	Top third	Middle third	Bottom third	Total
Circa 2004	8	15	19	42
Circa 2014	12	23	13	48

Sources of comparative data

◆ Surveys of children

- ◆ Health Behaviour of School Aged children. 11,13 and 15 every four years. Latest 2013/14

◆ <http://www.euro.who.int/en/health-topics/Life-stages/child-and-adolescent-health/health-behaviour-in-school-aged-children-hbsc/growing-up-unequal-gender-and-socioeconomic-differences-in-young-peoples-health-and-well-being.-health-behaviour-in-school-aged-children-hbsc-study-international-report-from-the-20132014-survey>

- ◆ PISA every three years (TIMMS and PIRLS). Latest 2015
- ◆ Children's Worlds latest 2014 <http://www.isciweb.org/>
- ◆ European Survey of Alcohol and Drugs (ESPAD) 15/16 year olds every four years

◆ International reports

- ◆ UNICEF *State of the World's Children and Innocenti Report Cards* (<http://www.unicef-irc.org/publications/series/16/>)
- ◆ OECD *Doing Better for Children/How's Life for Children* (<http://www.oecd.org/els/family/doingbetterforchildren.htm>)
- ◆ PISA (<http://www.oecd.org/pisa/>)
- ◆ HBSC (<http://www.hbsc.org/publications/international/>)
- ◆ Children's Worlds (<http://www.isciweb.org/?CategoryID=176&ArticleID=108>)

Inequality in income UNICEF (RC13)



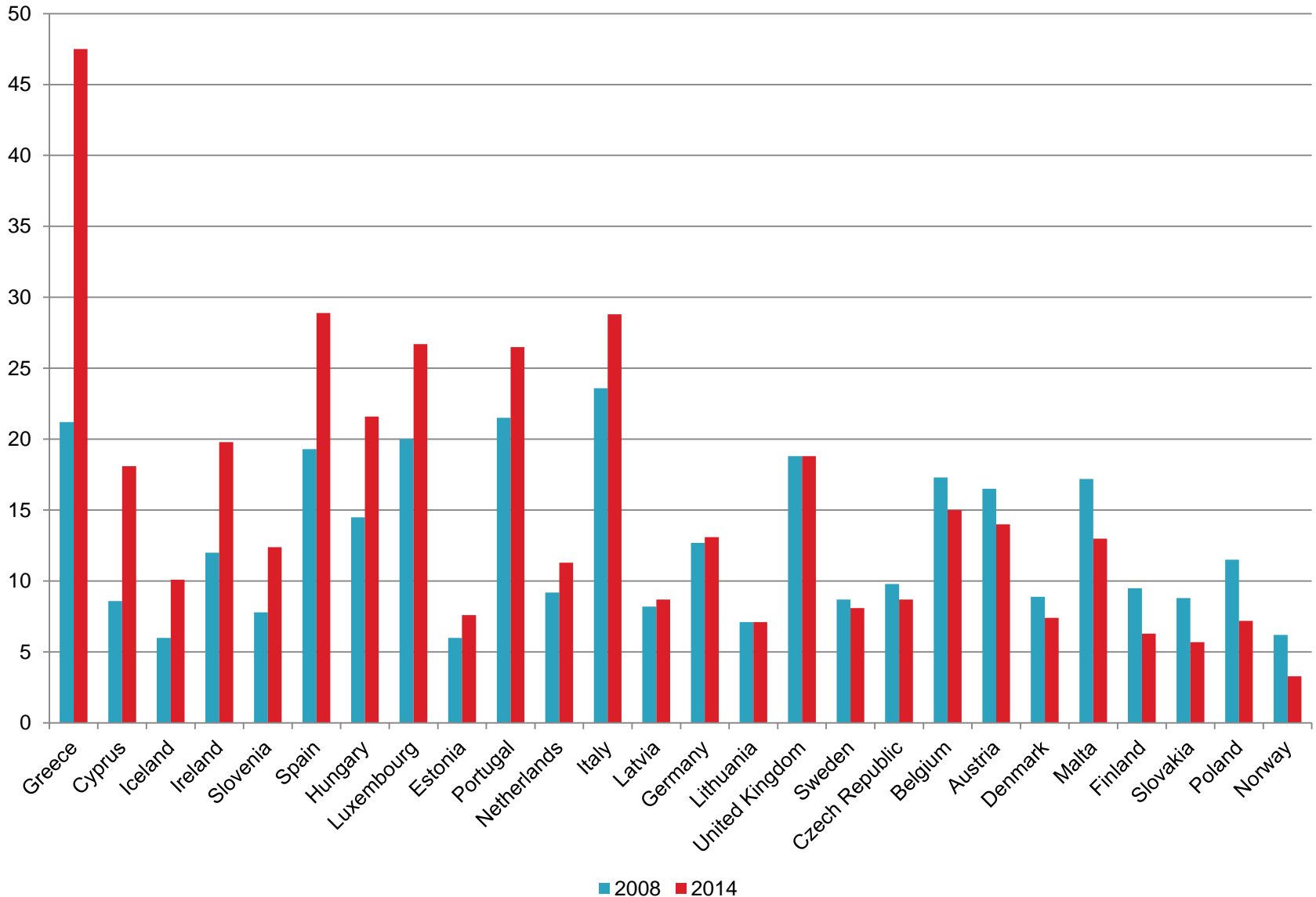
Rank	Country	Relative income gap	Child poverty rate (50% of the median)
1	Norway	37.00	4.5
2	Iceland	37.76	6.4
3	Finland	38.34	3.7
4	Denmark	39.54	4.8
5	Czech Republic	39.62	6.3
6	Switzerland	39.64	7
7	United Kingdom	39.94	9.3
8	Netherlands	40.64	5.7
9	Luxembourg	41.21	13
10	Ireland	41.49	6.9
11	Austria	41.87	9.6
12	Germany	43.11	7.2
13	France	43.95	9
14	Australia	44.75	9.3
15	Republic of Korea	45.74	8
16	Sweden	46.23	9.1
17	New Zealand	46.52	11
18	Cyprus	47.19	9.1
19	Slovenia	47.29	8.3
20	Malta	48.21	14.5
21	Hungary	48.34	15
22	Belgium	48.41	10.1
23	Poland	51.76	14.5
24	Canada	53.19	16.9
25	Slovakia	54.21	13.7
26	Croatia	54.59	14.8
27	Lithuania	54.81	17.8
28	Estonia	55.55	12.4
29	Turkey	57.07	22.8
30	United States	58.85	20
31	Chile	59.03	26.3
32	Latvia	59.66	16.3
33	Portugal	60.17	17.4
34	Japan	60.21	15.8
35	Italy	60.64	17.7
36	Spain	62.62	20.2
37	Israel	64.58	27.5
38	Greece	64.69	22.3
39	Mexico	65.00	24.6
40	Bulgaria	67.01	23.1
41	Romania	67.08	24.3

Overall inequality UNICEF RC13

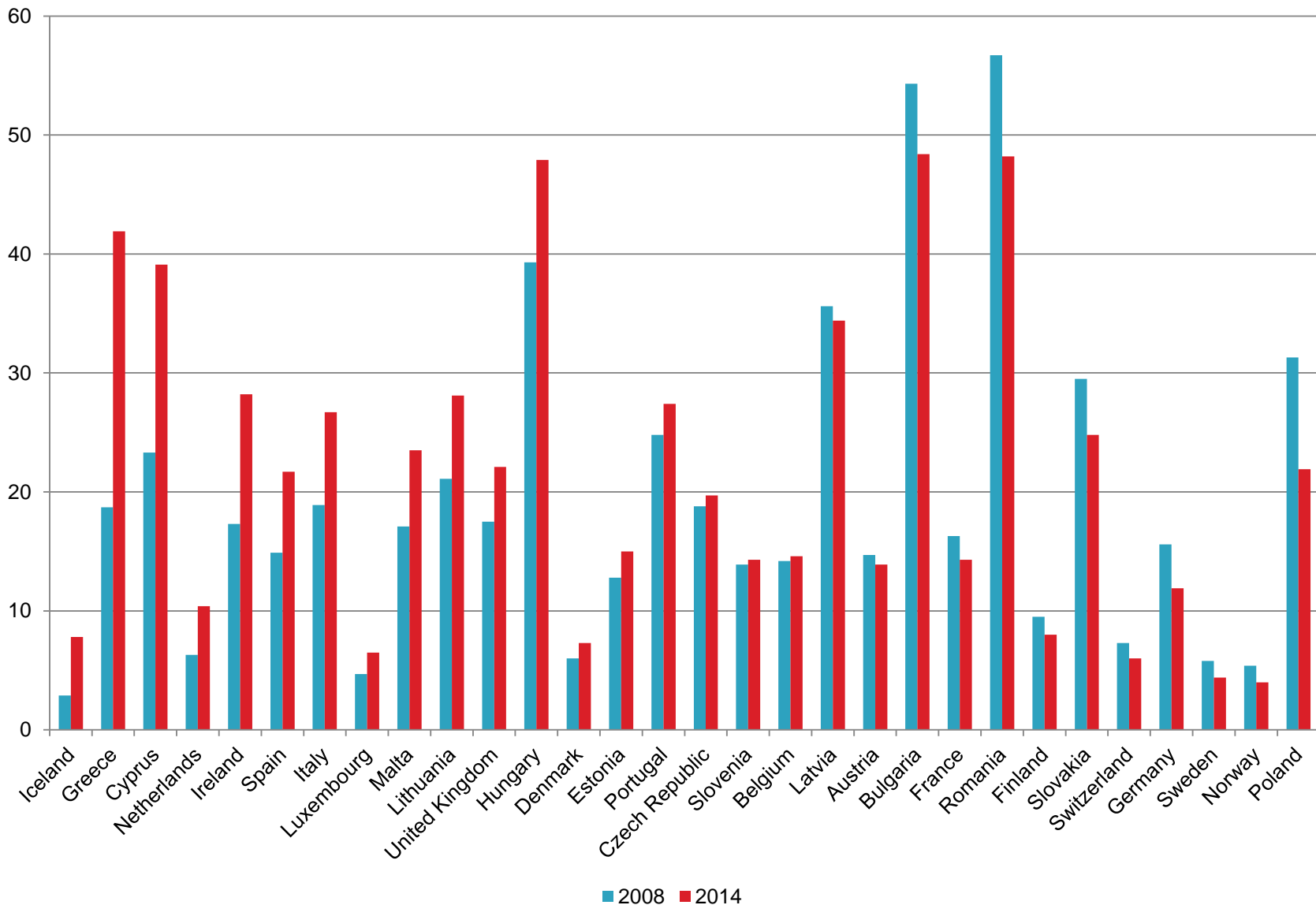


Rank	Country	Income	Education	Health	Life Satisfaction
1	Denmark	4	8	5	3
2=	Switzerland	6	20	3	7
2=	Norway	1	23	4	8
2=	Finland	3	16	6	11
5	Austria	11	21	1	9
6	Netherlands	8	30	8	1
7	Ireland	10	9	20	13
8	Estonia	28	3	13	10
9	Slovenia	19	11	16	12
10	Latvia	32	4	17	6
11	Czech Republic	5	13	9	34
12	Croatia	26	5	12	23
13	Australia	14	24	27	2
14=	Germany	12	28	2	29
14=	Greece	38	18	11	4
14=	Hungary	21	17	18	15
14=	United Kingdom	7	25	19	20
18	United States	30	10	14	21
19	Portugal	33	19	7	18
20	Iceland	2	26	31	19
21	Romania	41	2	32	5
22	Spain	36	12	10	24
23	Sweden	16	29	22	17
24	Malta	20		30	14
25	Lithuania	27	7	25	27
26	Canada	24	14	24	25
27	Poland	23	6	33	33
28	France	13	35	23	28
29=	Belgium	22	36	15	30
29=	Luxembourg	9	33	29	32
31	Slovakia	25	34	21	26
32	Italy	35	22	28	22
33	Bulgaria	40	32	26	16
34	Turkey	29		34	35
35	Israel	37	37	35	31
-	Republic of Korea	15	15		
-	Chile	31	1		
-	New Zealand	17	31		
-	Japan	34	27		
-	Cyprus	18			
-	Mexico	39			

Increase in child poverty rates threshold anchored at 2005 (Eurostat database)



% households with children lacking 3 or more deprivation items (Eurostat database)



Child Poverty Act Targets

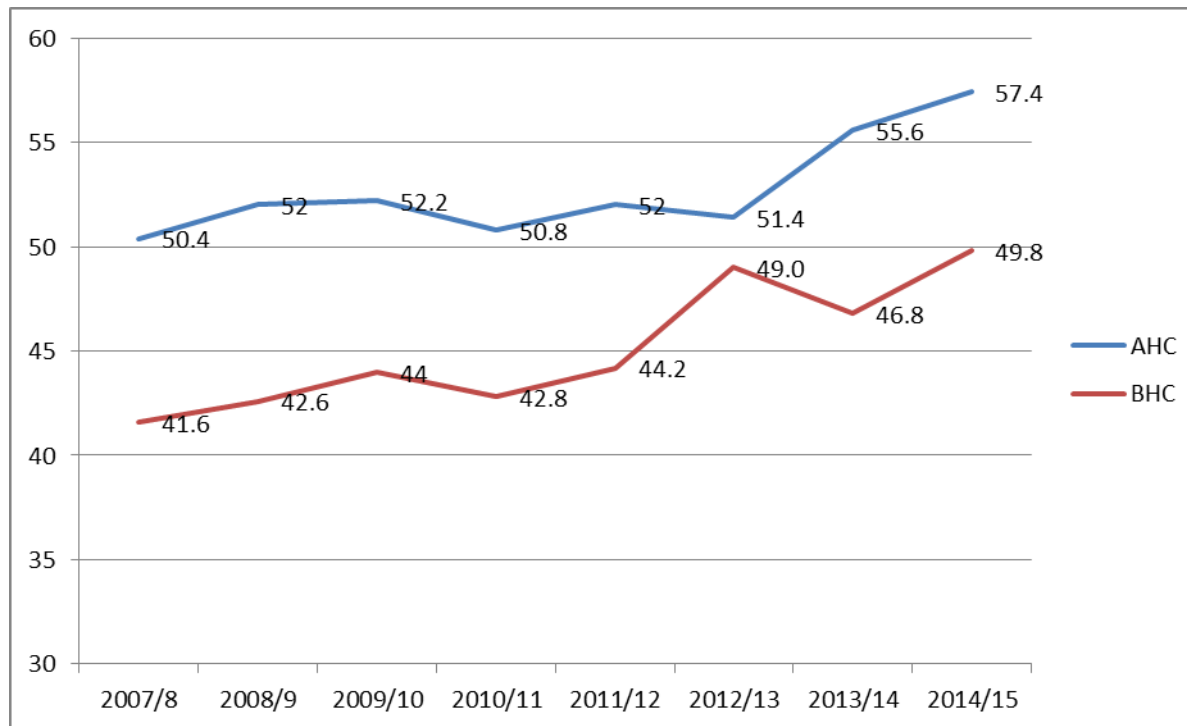
Trends in the Child poverty Act targets - % children in the UK

	<60% contemporary median BHC	<60% 2010/11 median income BHC	Low income and material deprivation	Persistent poverty BHC	Severe low income and material deprivation
2007/08	23	21	17		6
2008/09	22	20	17	12.8	6
2009/10	20	18	16	10.9	5
2010/11	18	18	13	7.6	4
2011/12	17	20	12	7.6	3
2012/13	17	19	13	6.8	4
2013/14	17	19	13	6.3	4
2014/15	19	17	13	9.1	4
Target 2020/21	10	5	5	7	0

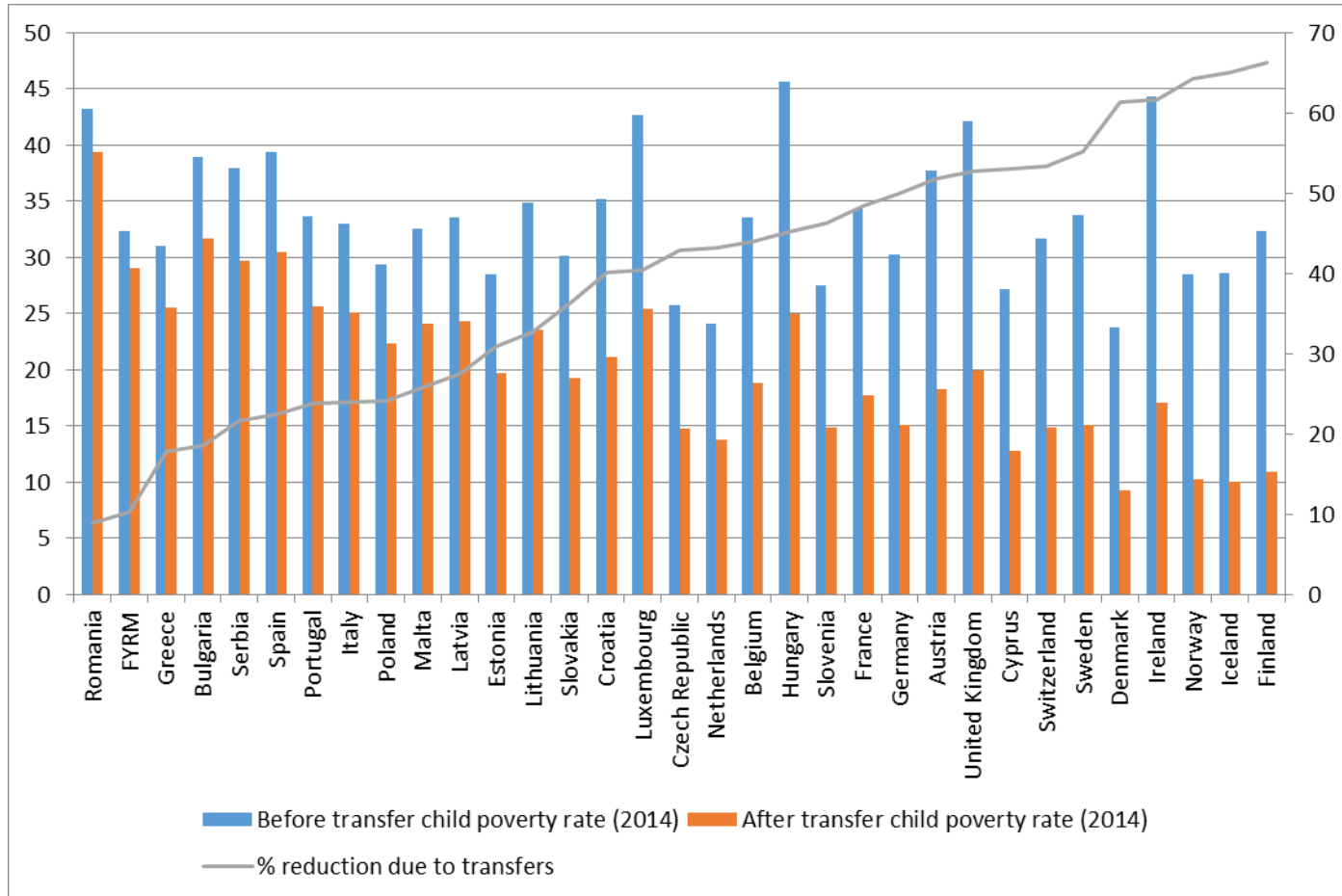
Source: <https://www.gov.uk/government/statistics/households-below-average-income-199495-to-201415> and for persistent poverty

<https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/articles/persistentpovertyintheukandeu/2014>

Poverty gap: UK families with children median £ per week before and after housing costs



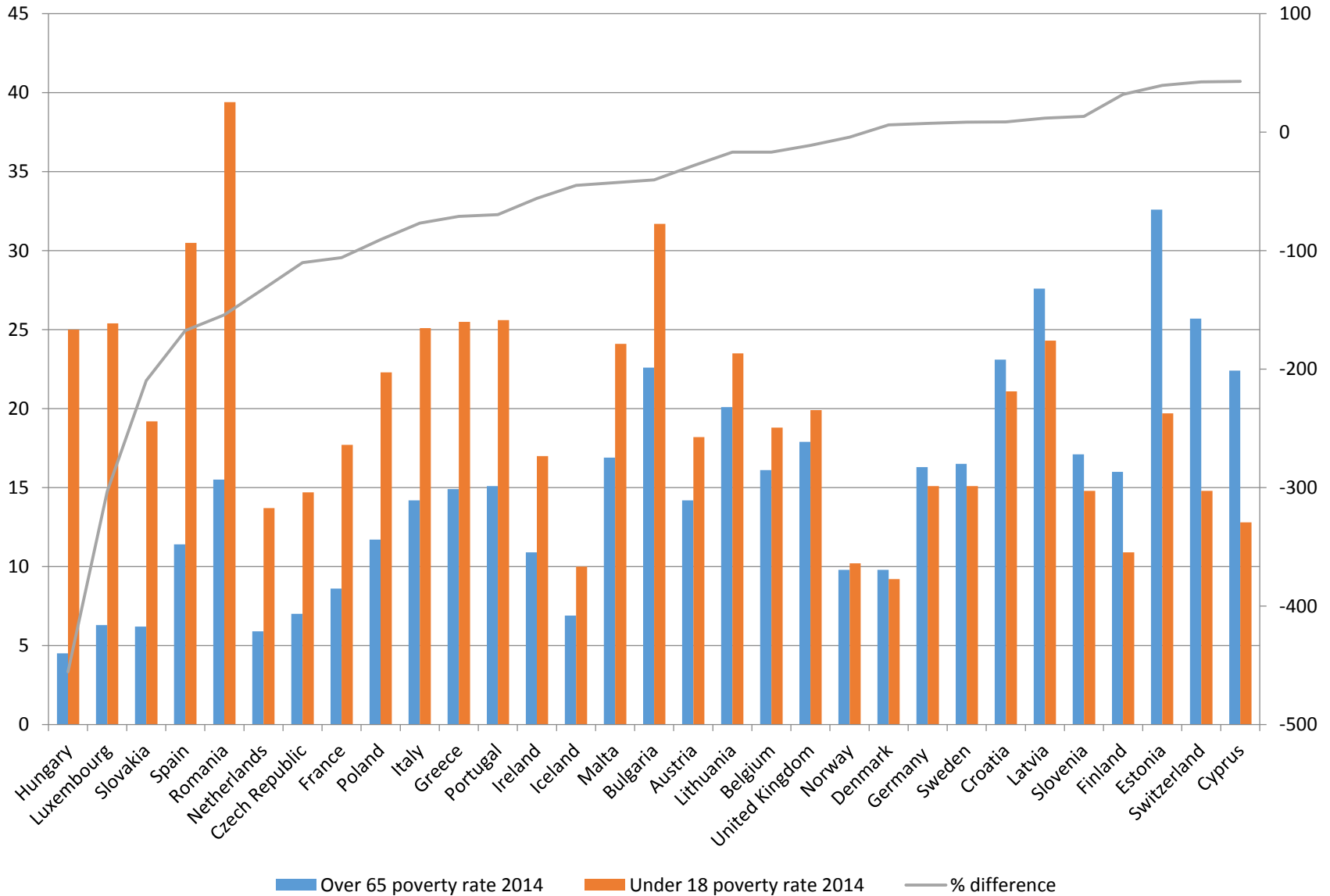
Pre- and post-transfer child poverty rates 2014.



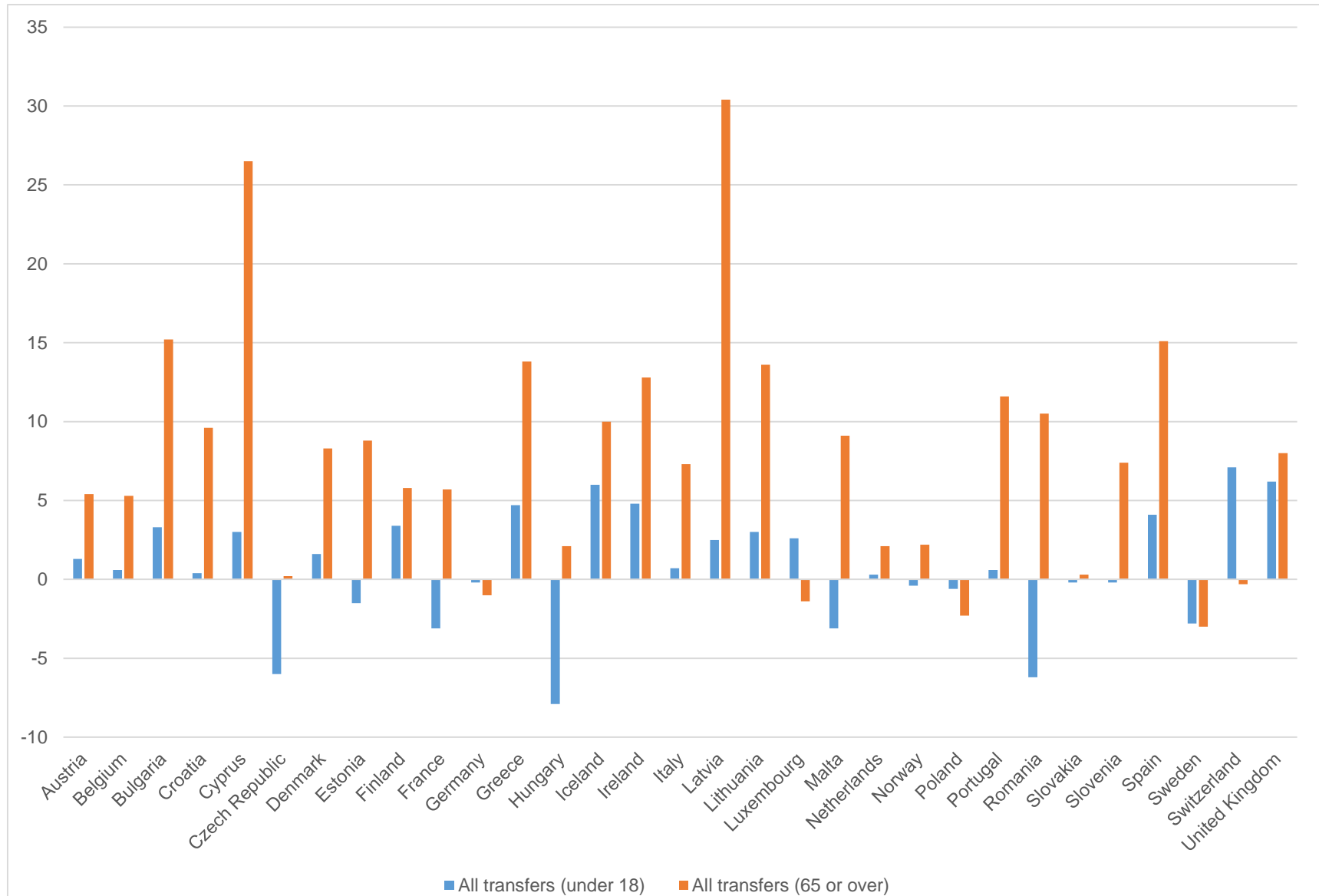
Impact of transfers UNICEF RC 13

Country	Relative income gap pre-transfers	Relative income gap post-transfers	Percentage of gap reduced by social transfers
United Kingdom	77.4	39.9	48.4
Ireland	76.3	41.5	45.6
Belgium	82.2	48.4	41.1
Iceland	63.6	37.8	40.6
Austria	68.9	41.9	39.2
Norway	60.5	37.0	38.8
Hungary	76.1	48.3	36.5
France	68.5	43.9	35.9
Denmark	61.4	39.5	35.6
Finland	58.2	38.3	34.1
Luxembourg	61.3	41.2	32.8
Sweden	67.7	46.2	31.7
Germany	62.9	43.1	31.5
Malta	68.1	48.2	29.2
Netherlands	56.3	40.6	27.8
Lithuania	75.2	54.8	27.1
Slovenia	63.0	47.3	25.0
Croatia	68.8	54.6	20.6
Switzerland	48.9	39.6	19.0
Estonia	67.9	55.5	18.2
Spain	75.2	62.6	16.7
Poland	61.7	51.8	16.2
Bulgaria	78.3	67.0	14.5
Czech Republic	46.3	39.6	14.4
Latvia	69.0	59.7	13.5
Cyprus	54.5	47.2	13.4
Slovakia	62.3	54.2	13.0
Romania	75.9	67.1	11.6
Italy	64.5	60.6	6.0
Portugal	62.5	60.2	3.6
Greece	66.3	64.7	2.4

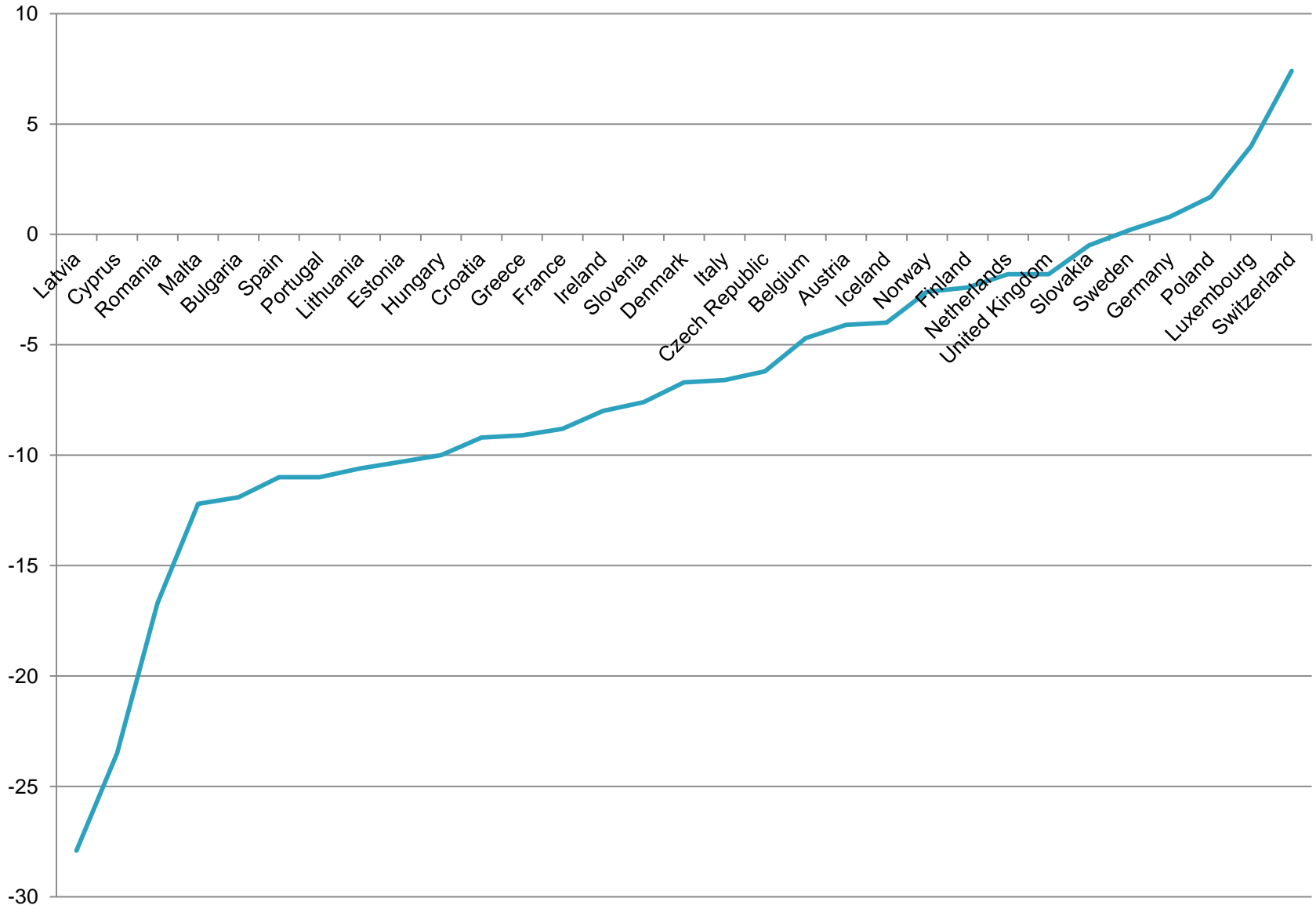
Pensioner and child poverty rate ranked by % difference



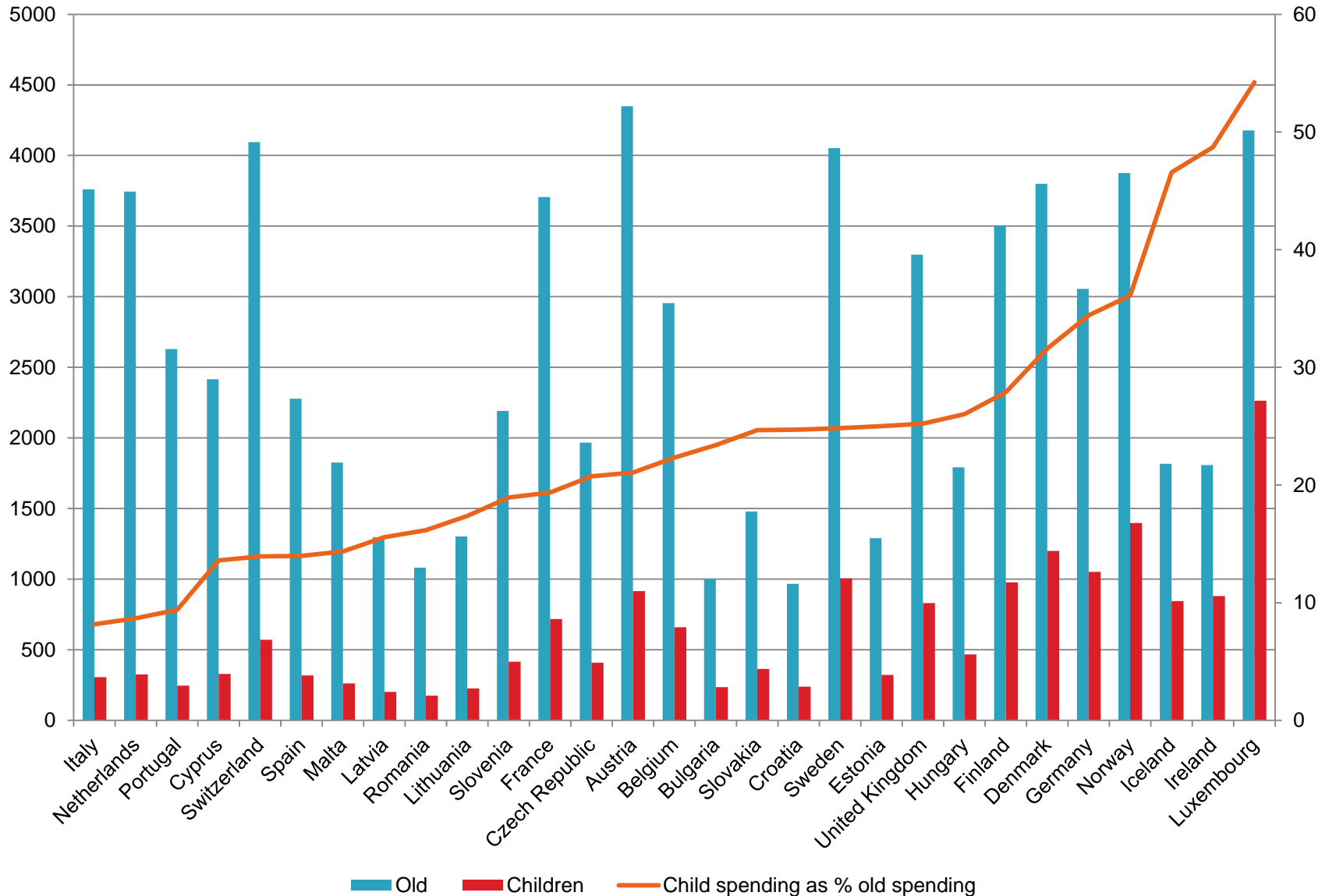
Children versus pensioners changes in the effectiveness of social transfers in reducing poverty 2008-2014



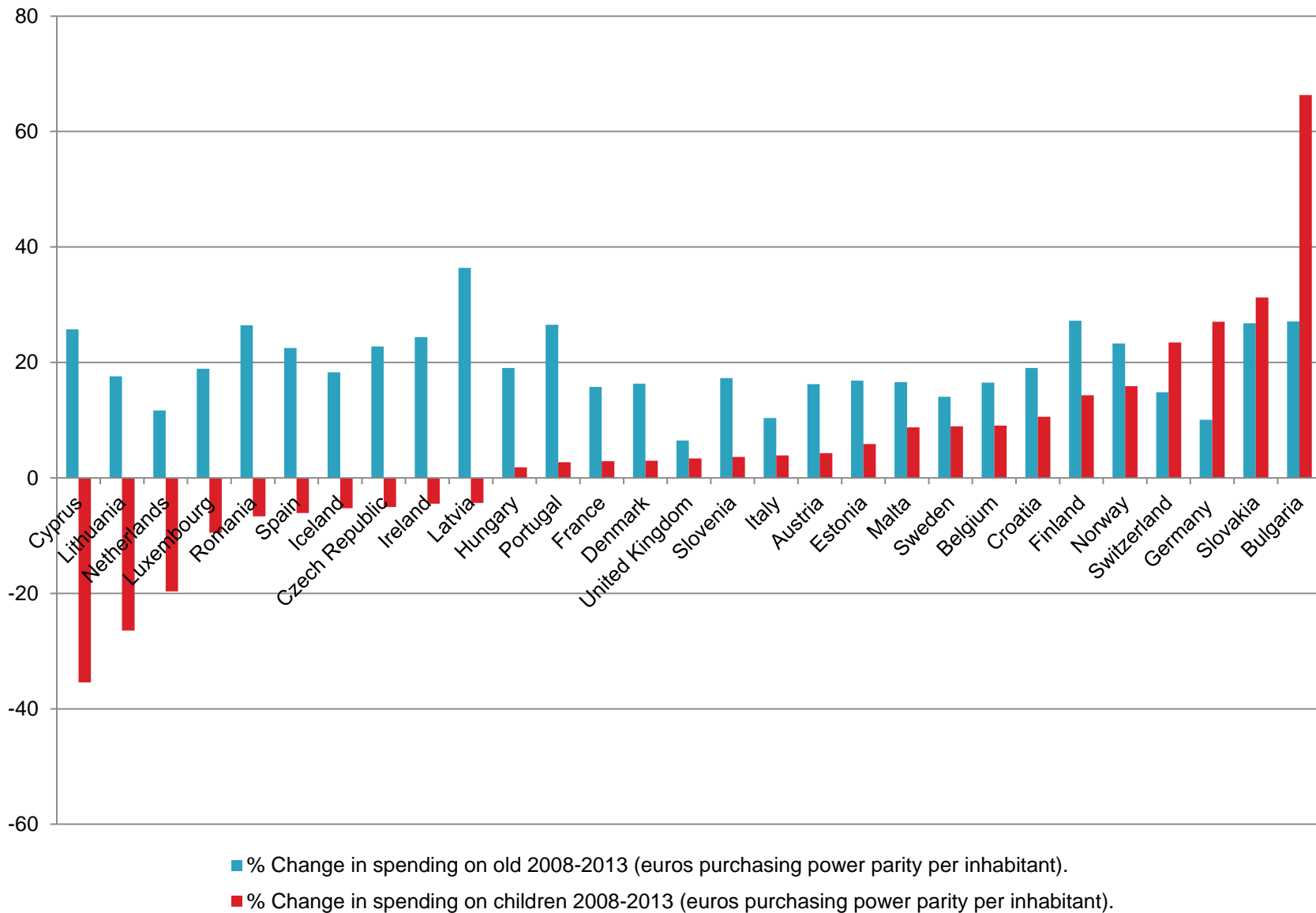
Changes to the relative effectiveness of transfers to children compared to pensioners 2008-2014 (difference in difference)



Spending on old and children 2008-2013 (euros purchasing power parity per inhabitant).



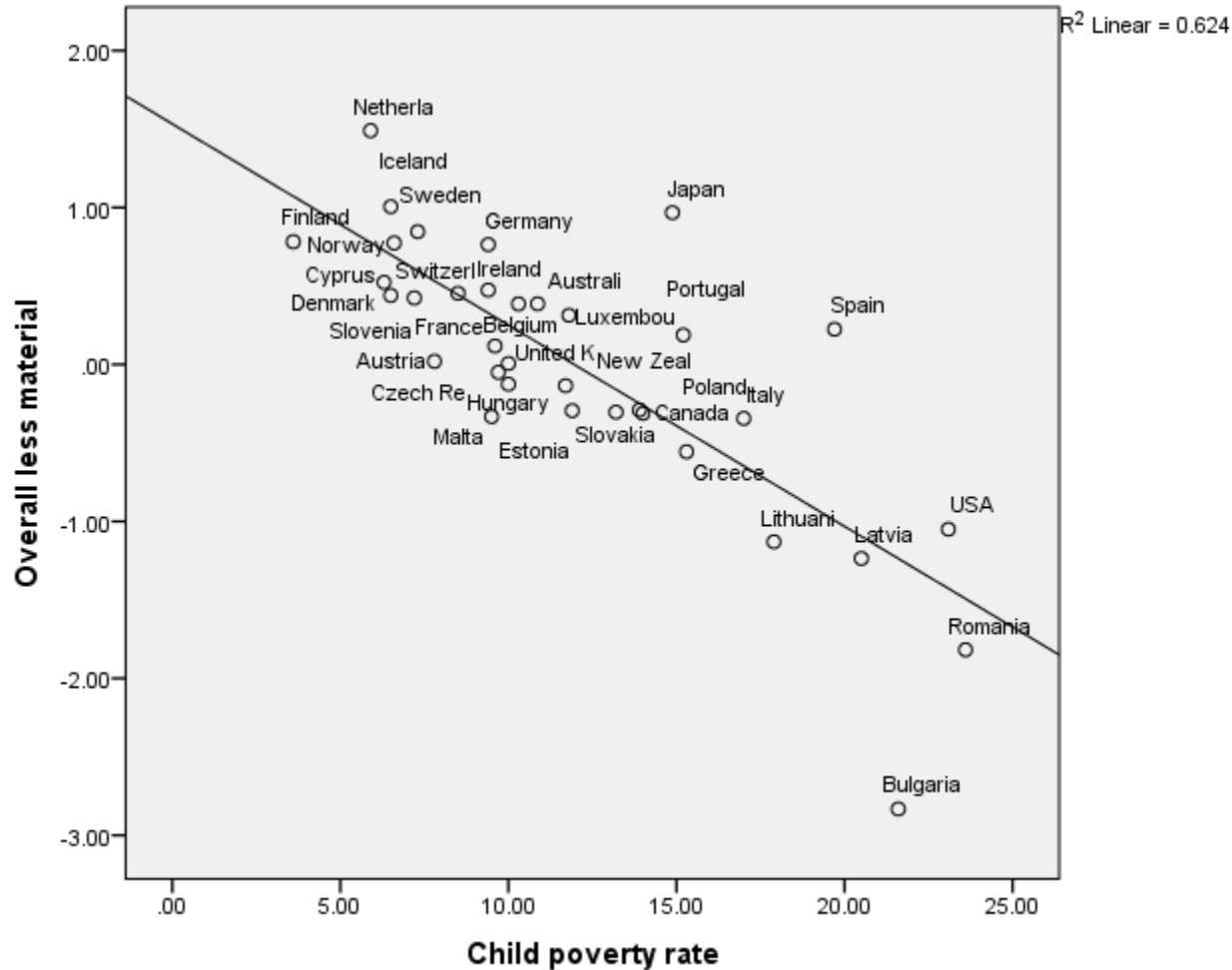
Changes in spending on old and families with children 2008-2013 (euros purchasing power parity per inhabitant).



Correlation coefficients of material well-being and all the other domains; UNICEF RC 12

Health	.630**
Education	.540**
Subjective	.664**
Behaviour	.588**
Housing	.664**
Overall well-being	.823**
Overall excluding material	.719**

Relative child income poverty rate by overall child well-being excluding material well-being.



Overall child well-being by income inequality

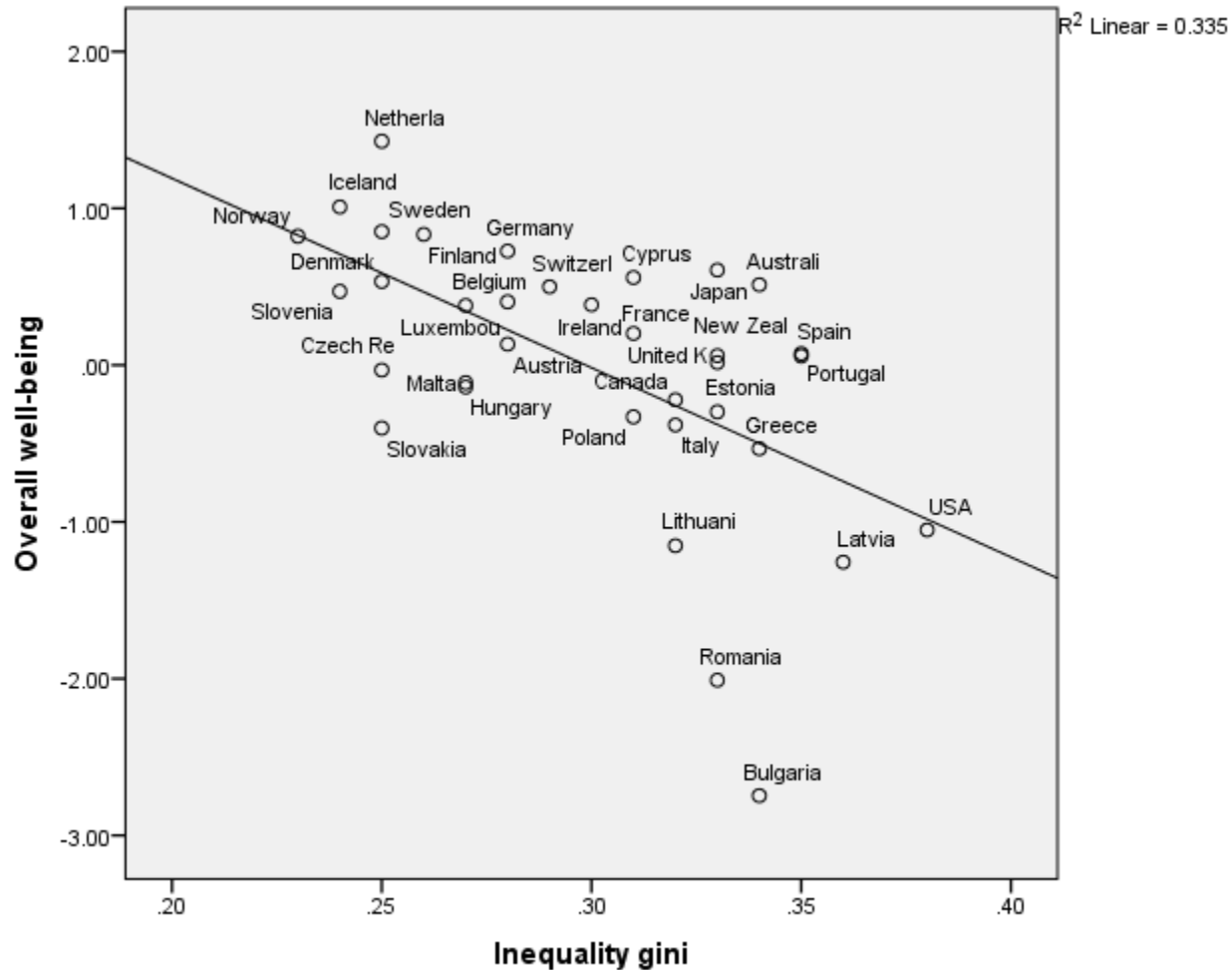
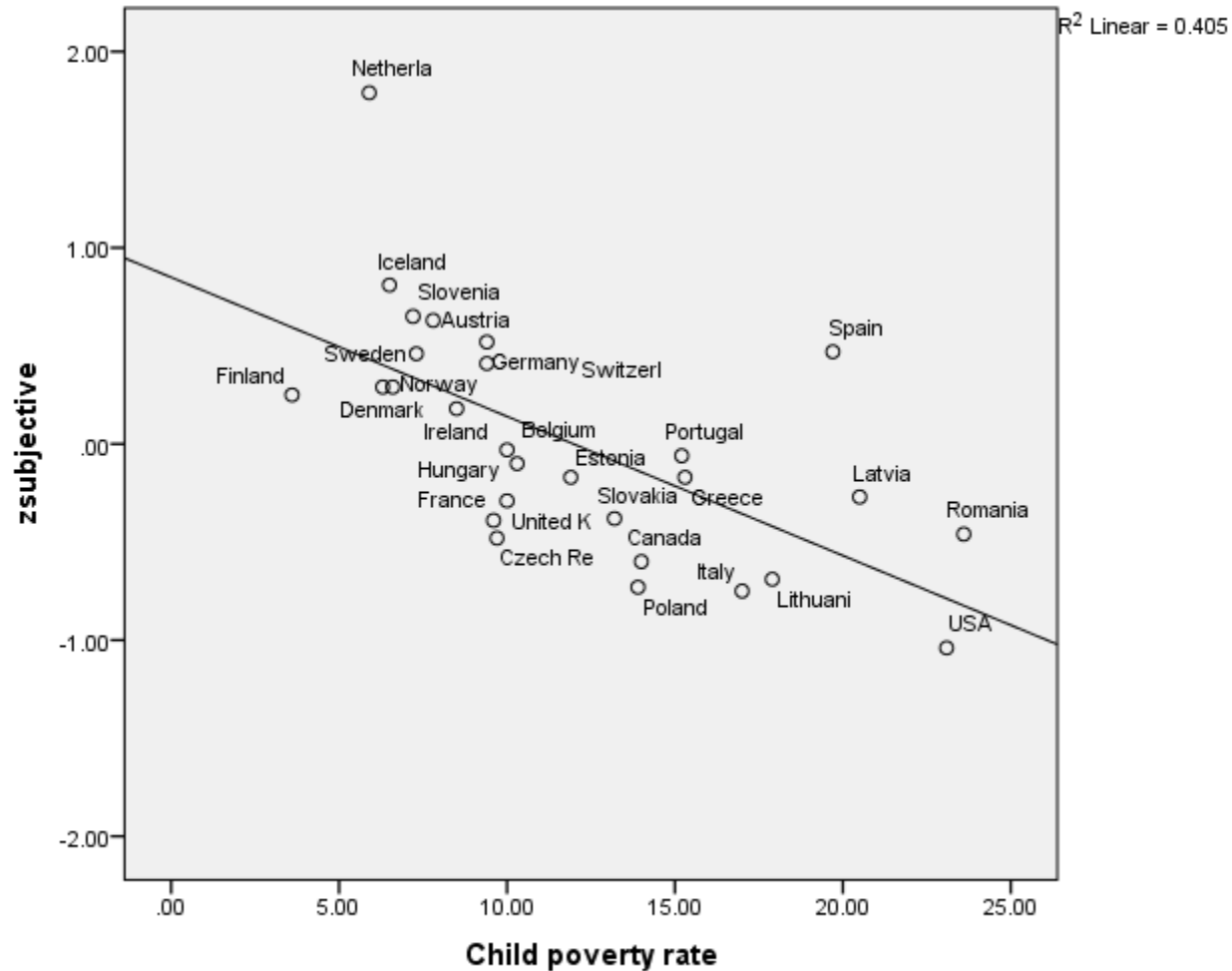
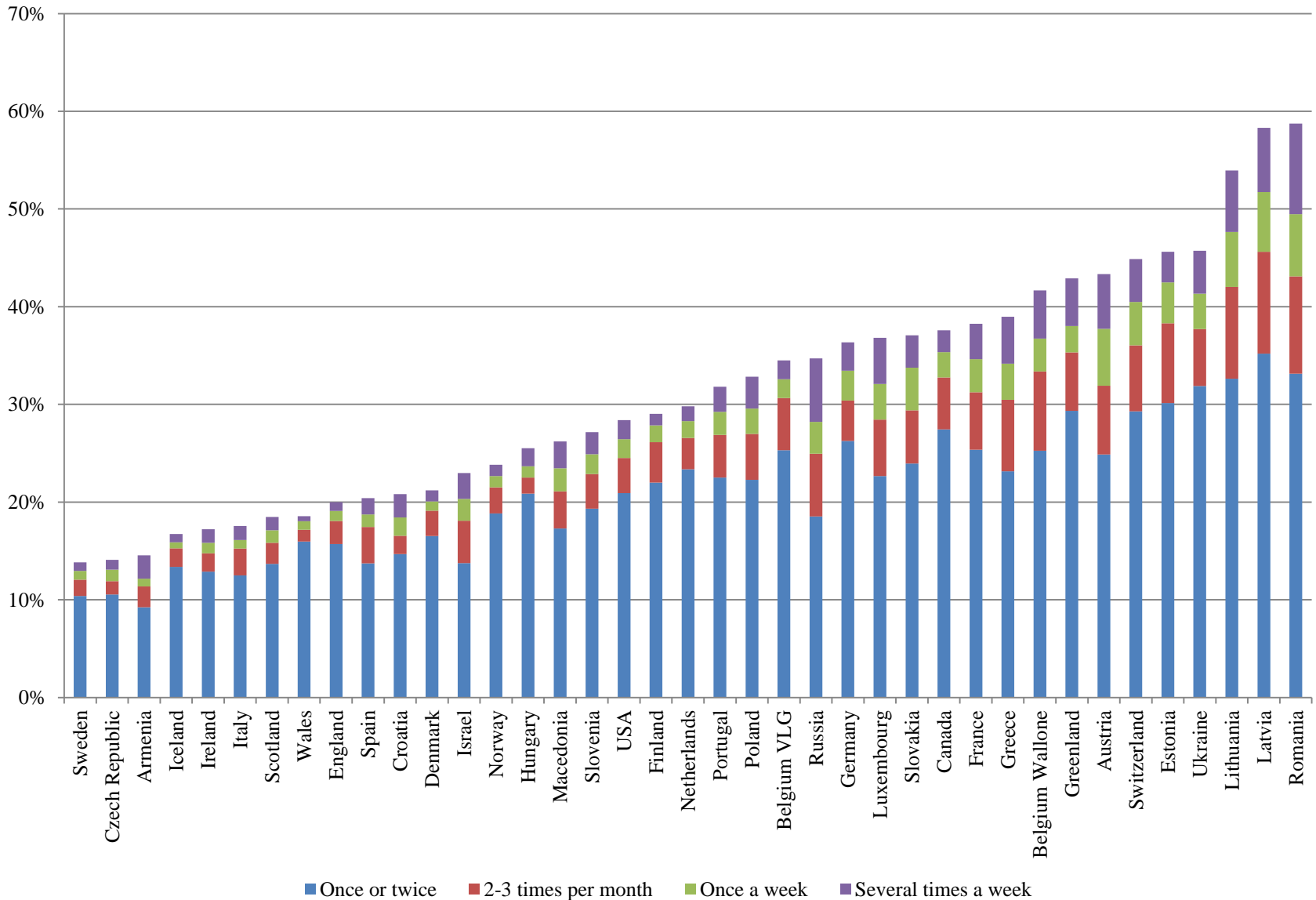


Figure 4: RC 11 relative at risk of child poverty rate by subjective well-being



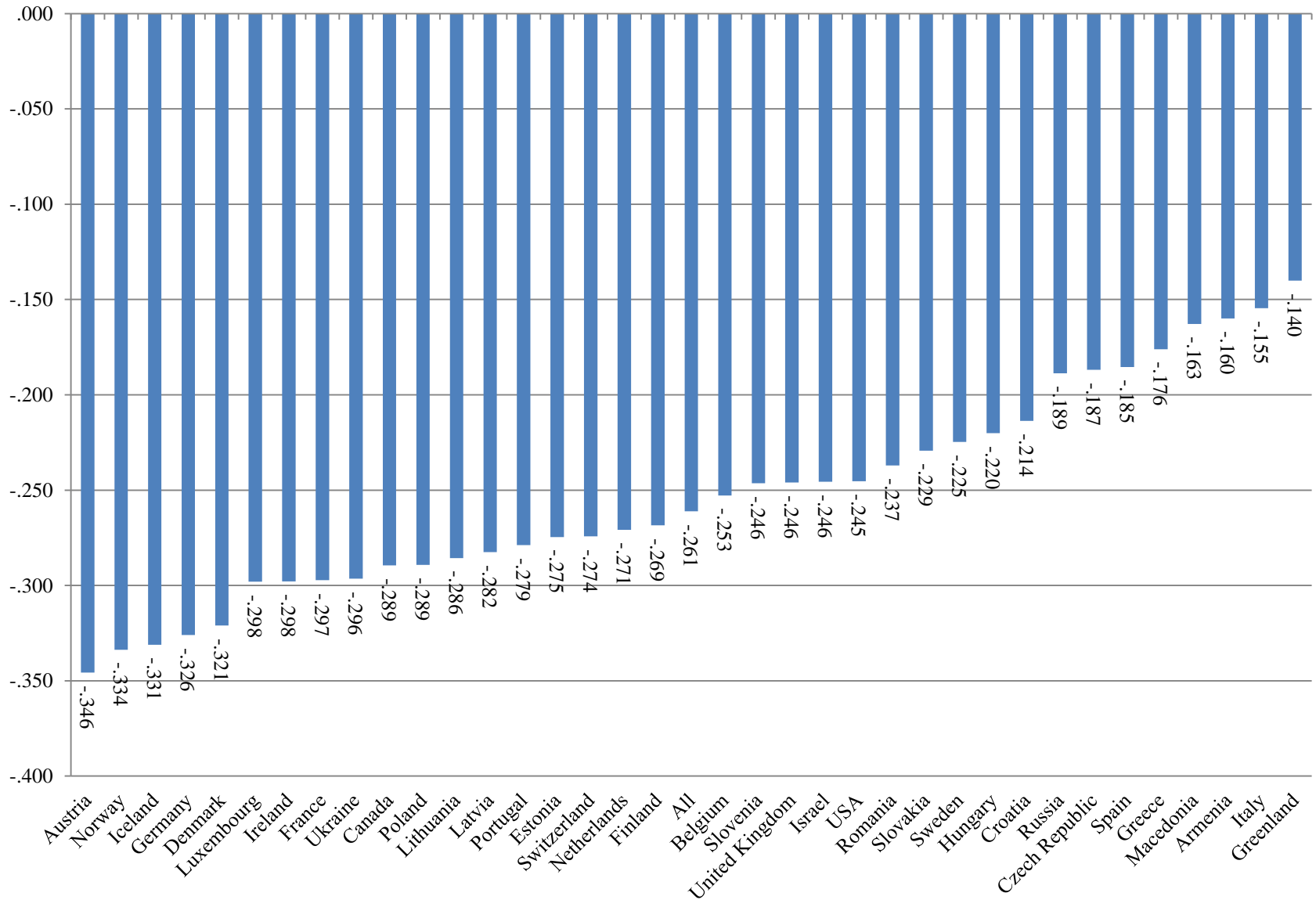
Incidence of bullying (HBSC)



Regression model of subjective well-being including being bullied in the last two months using HBSC 2009/10

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.410	.010		145.755	.000
Gender	-.204	.004	-.103	-47.304	.000
Age category	-.340	.003	-.277	-127.592	.000
Family affluence z score	.099	.002	.096	44.156	.000
Bullied past 2 months	-.266	.002	-.261	-119.803	.000

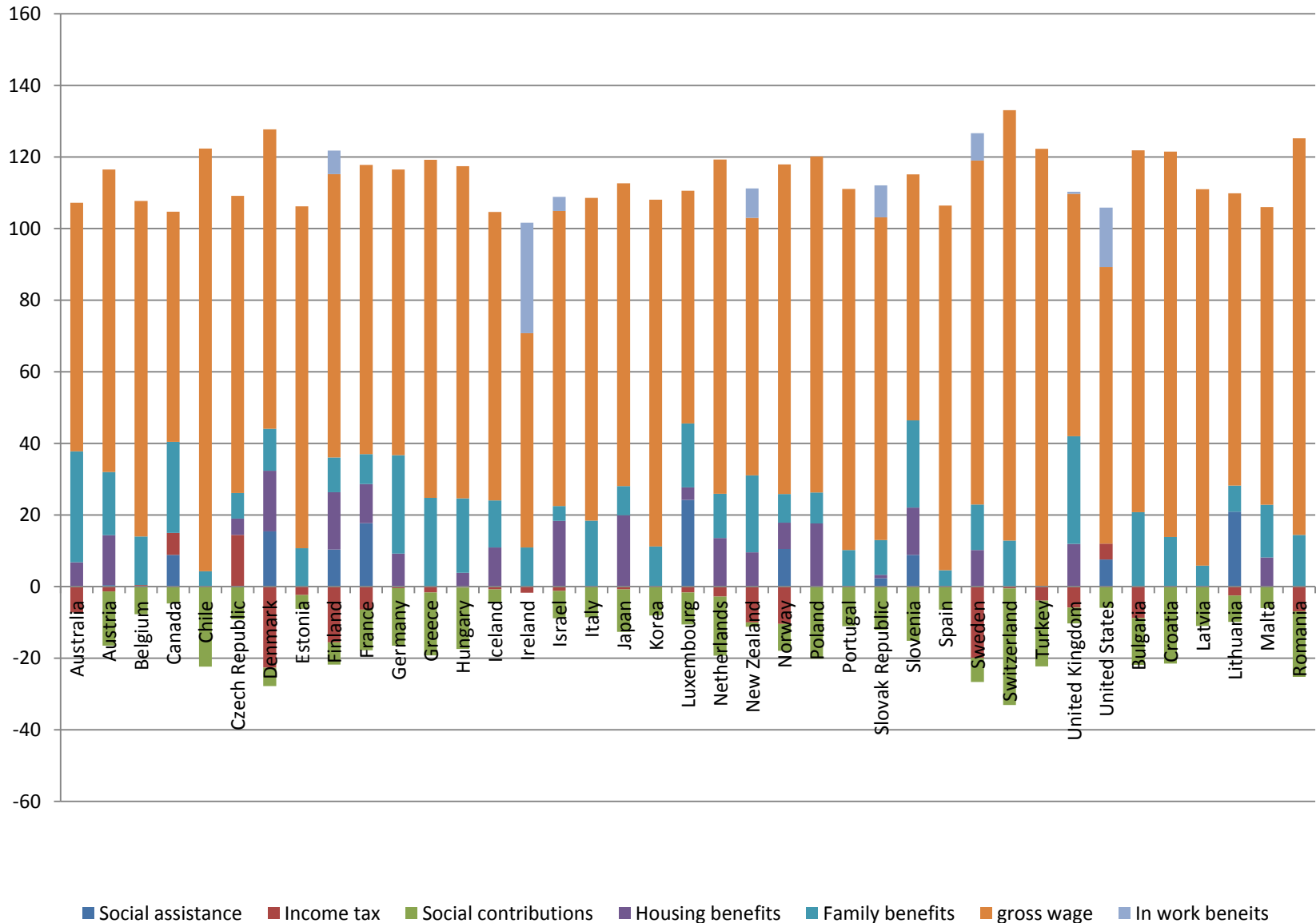
Beta coefficients of bullying on subjective well-being by country



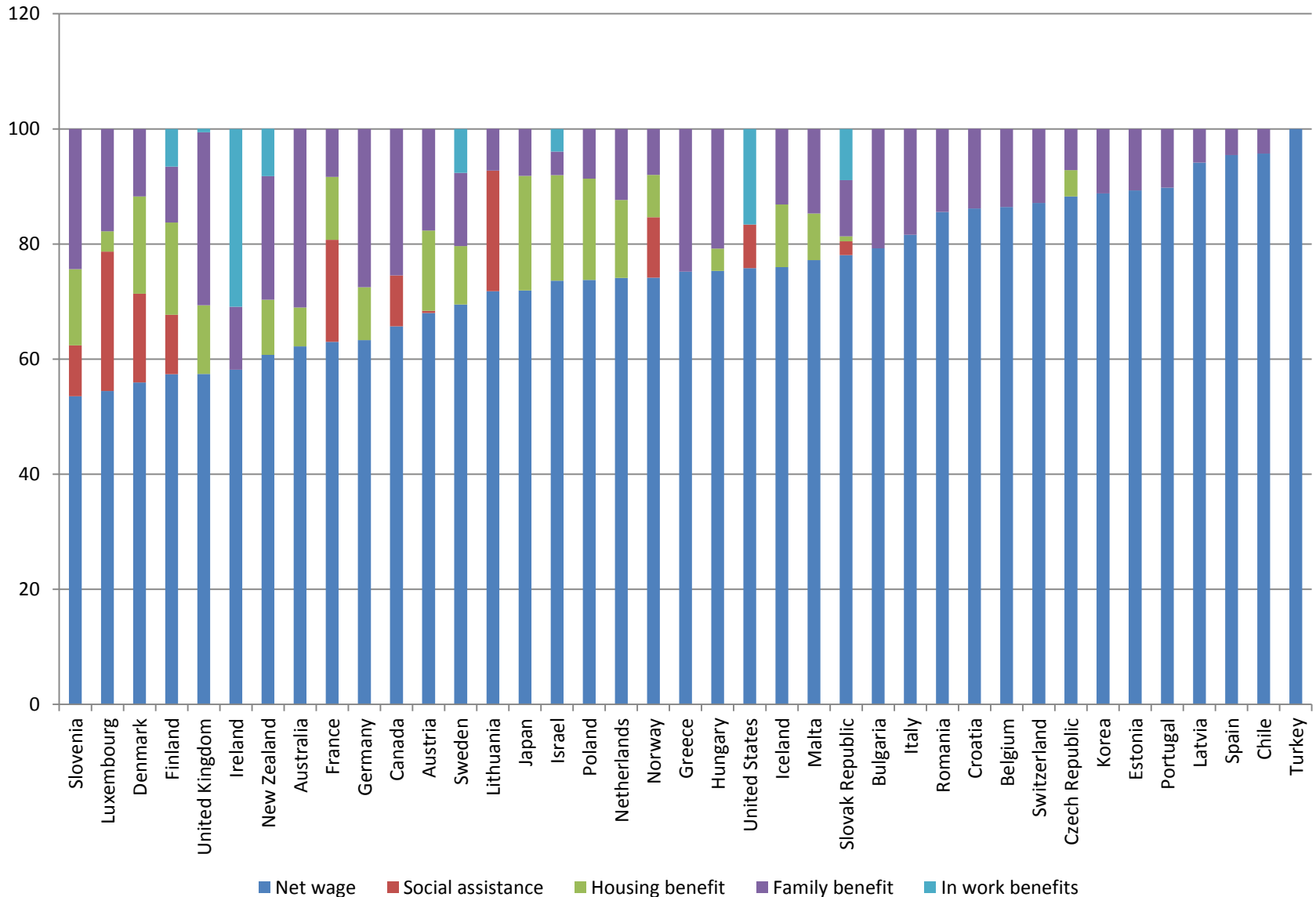
What is the responsibility of the state in supporting parents with the costs of child rearing?

- ◆ A bit of UK social policy history to set the scene.
- ◆ Family benefits in most rich countries now form a substantial proportion of the net income of low paid workers with children

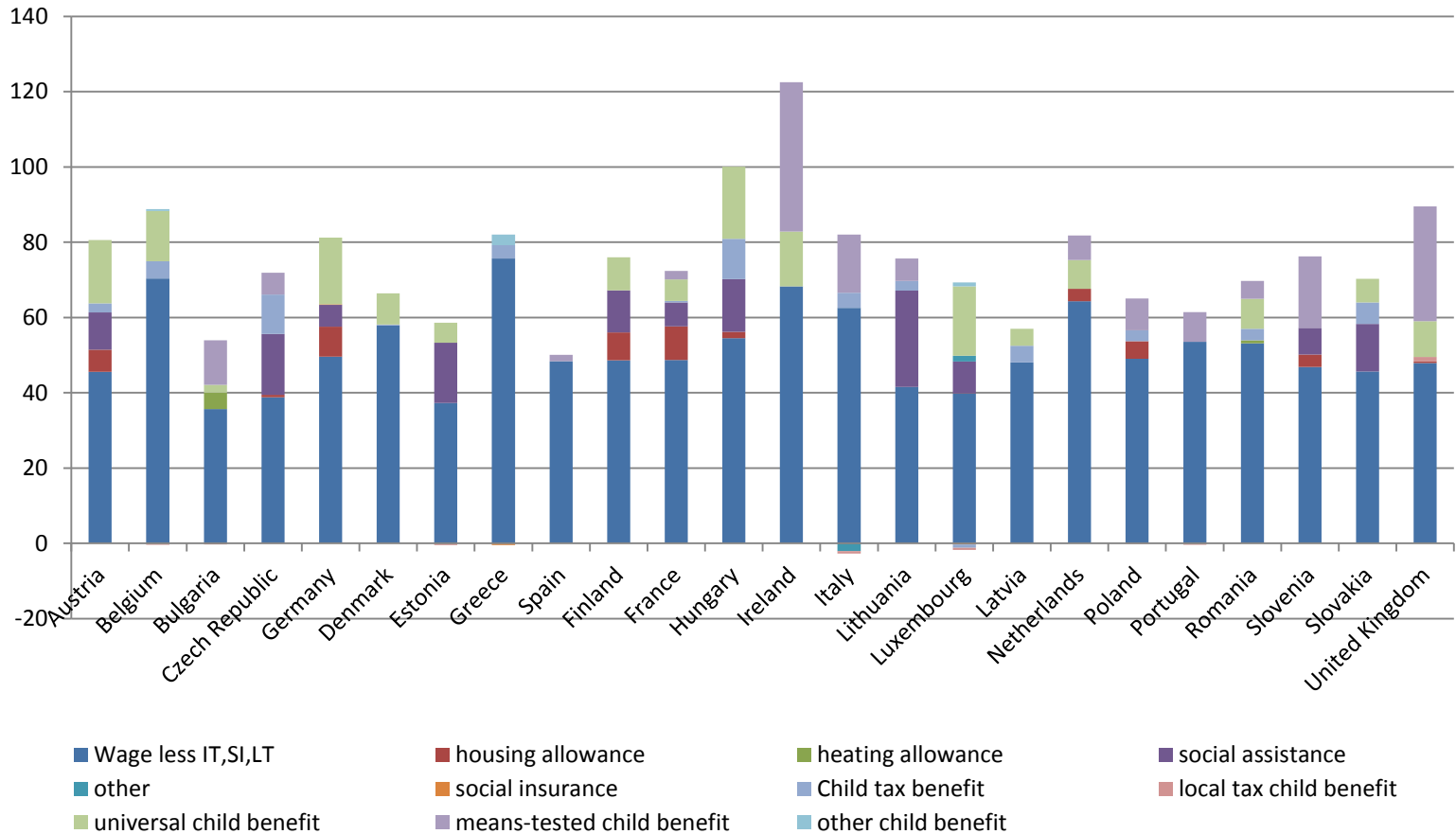
Structure of net income couple plus 2 one earner 50% average wage 2014 OECD Tax Ben



Contribution of wages and benefits to net disposable income couple plus 2 one earner 50% average earnings 2014 OECD Tax Ben



Total net income couple plus two children on the minimum wage as a proportion of the poverty threshold in 2012.



Conclusion

- ◆ Focus on child poverty
- ◆ Explored
 - ◆ Those left behind
 - ◆ Child poverty rates
 - ◆ Whether we are fair to children compared with pensioners
 - ◆ Variations in effort
 - ◆ In most countries effort on behalf of children has diminished in favour of pensioners
 - ◆ The association between resources and other domains of well-being
 - ◆ Focus on bullying and subjective well-being
- ◆ Some countries doing better than others, some grossly unfair to children (compared to pensioners)
- ◆ But should we expect employers to take a bigger share through wages?

Prospects for the UK

- ◆ Osborne 2015 cuts defeated but all benefits frozen and cuts still being rolled out in Universal Credit – very slowly.
- ◆ Higher Living Wage does not compensate for UC cuts for families with children.
- ◆ 2/3rds of children in poverty now living in working households
- ◆ On existing policies child poverty will increase from 17% in 2014/15 to 25.7% in 2020/21
- ◆ <https://www.ifs.org.uk/uploads/publications/comms/R114.pdf>
- ◆ All the gains since 1997 will be swept away.

Thanks

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