# **Deprived Children in Ireland:** Characterising those who are deprived but not income poor

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## Motivation & Poverty Definitions



### **Motivation I**

- Child Poverty has wide-ranging and long-lasting impacts
- Irish policy recognises multidimensional nature of poverty consistent poverty by combining:
  - Income measure at-risk-of-poverty (AROP)
  - Material deprivation
- Social policy primarily addresses income and consistent poverty, less attention on deprivation



### Measurement

### **At Risk of Poverty**

A household is At Risk of Poverty (AROP) if their equivalised disposable income is less than 60% of the national median

#### Deprivation

A household is deprived if they cannot afford 2 or more goods and services from a list of 11 items which are considered the norm for other people in society

#### **Consistent Poverty**

A household is consistently poor if they are both AROP and deprived



#### All Children



### **Motivation II**

- Why might individuals be **deprived but not AROP** 
  - Household income just above income threshold
  - Increased needs or costs (e.g. disability or high housing costs)
  - Debt or lack of savings/wider resources
- Vulnerable group lacking basic necessities for adequate standard of living



### **Research Questions**

- Which children are deprived but not income poor?
- How does the size of this group change if we alter the measurement of income poverty? (e.g changing threshold or adjusting for housing costs)
- Do the **outcomes** of children in this group differ from those that are consistently poor?



### Data & Methods



### Data & Methods

- Survey of Income and Living Conditions
  - ~ 5,000 private households per year
  - 2022 & 2023 combined\*
  - 4,827 children in 2022 & 2023
- Cross Sectional Analysis
  - Multinomial logistic regression



## Key Findings





### Child Poverty Categories over Time, 2004-2023



## **Changing measurement thresholds**



#### Impact of changing income thresholds, SILC 2022-2023 (<18yrs)



#### Using income after housing costs to calculate AROP, SILC 2022-2023



### Characteristics of Children in Poverty Categories



#### Key characteristics by poverty category, SILC 2022-2023



#### Relative Risk Ratios of being in different poverty categories Children <18 (ratio of 1 means same as risk as reference group)



### **Experiences of deprived not AROP children**



#### Financial strain by poverty category, SILC 2022-2023



### **Outcomes – Financial and Life Satisfaction of the HRP**



### **Summary & Conclusions**



### Key Takeaways

- Number of deprived not AROP children **increasing** in recent period
- Many just above poverty line. One-third of the group have incomes between 60 & 70% of median income
- High proportion have high housing costs (40% move into the consistently poor group AHC) and have arrears and non-housing debts
- Deprived not AROP group **share risk factors** with consistently poor
  - Especially one parenthood and disability
- Many similar experiences to consistently poor → vulnerable group



### **Measurement Implications**

- Future poverty measurement should consider a range of income thresholds
  - Highlights the implications of different choices
  - Identifies those at risk of becoming consistently poor

• Adjusting income measures for housing costs can better reflect the impact of the current housing crisis on the standard of living of Irish households.



### **Policy Implications**

- Targeting often based on low income
  - universal services and polices targeted at deprived areas will reach deprived not income poor group
- Need to avoid cliff-edges in payment (tapering of income supports to support those slightly above thresholds )
- Efforts to address child poverty need to address the substantial risks faced by **lone parents**, and **people with a disability**.
- A multi-faceted policy approach is required to reach children experiencing deprivation.

### Thank you

**Questions/Comments?** 



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### extras



#### **BREAKDOWN OF POVERTY CATEGORIES BY HOUSING TENURE**



