

NEWS RELEASE: For immediate release

Child poverty persistent across industrialised countries

Many more children experience poverty than are reflected in standard poverty statistics, according to new research sponsored by the United Nations Children's Fund (UNICEF). Child poverty rates of 8 to 25 per cent were recorded in the USA, the UK, Germany, Spain, Ireland and Hungary in the 1990s. These statistics summarise how many children are poor in a single year, but the proportion of children who are ever poor is significantly higher. In the UK, for example, 39 per cent of children were poor at least once over a five year period – more than twice the child poverty rate for a single year of 17 per cent. Similarly, the 'ever poor' child poverty rate is double the single-year poverty rate in Germany (16 per cent compared to 8 per cent) and in Hungary (20 compared to 10 per cent). Even looking at a period of only two years, the proportion of children ever poor is over one third higher than the annual poverty rate in Ireland, and 50 per cent higher in Spain. Over a ten year period, one in five German children, and more than two in every five US children were poor at least once.

It is not just the large numbers of children who are touched by poverty that are a problem, but also the numbers who are always poor. Data tracking child poverty over time also reveal that significant numbers of children are living in poverty year after year. Being poor year in year out has serious implications for a child's well-being and future life chances. The longer a family stays poor, the harder it is to manage by drawing upon savings or by going further into debt and the more socially excluded the children become.

"While the high numbers of children who are 'ever poor' grab one's attention, it is those who are 'always poor' that give greater cause for concern," say Bruce Bradbury, Stephen Jenkins and John Micklewright, editors of *The Dynamics of Child Poverty in Industrialised Countries*, a new book providing the first cross-national comparisons of children's movements into and out of poverty across the industrialised world.

Standard national statistics of child poverty, based on data gathered at one point in time, tell us nothing about how long children stay poor. If one in ten children is found to be currently poor, it could mean that every tenth child is in poverty all the time – and the other nine never poor – or it could mean that all children fall below the poverty line from time to time. Building up the "dynamic picture" of poverty requires long term surveillance involving repeated interviews with the same families, and in most countries appropriate analysis has not been undertaken. This has meant that governments and policy makers have been forced to wage war against poverty using insufficient information.

"The whole approach to anti-poverty policy may be influenced by taking a dynamic perspective, emphasising the prevention of entry into poverty and the promotion of exits rather than only paying benefits to the currently poor," say editors Bruce Bradbury, Stephen Jenkins and John Micklewright.

The UNICEF-sponsored research provides a unique comparison of the length of time that children spend in poverty across a number of industrialised countries – ranging from the USA to Russia – and a series of in-depth analyses of the dynamics of child poverty for individual countries.

The numbers of children who stay in low income households from one year to the next can be compared most easily across different countries by looking at the percentage always found in the poorest fifth of all children. In Ireland, Spain, Hungary, the UK, Germany and the USA at least six out of every ten children found in this poorest fifth in one year are still there the next year. Between five and nine per cent of all children are in the poorest fifth for each of five consecutive years.

The chances of moving out of the bottom of the income distribution are better for children in some countries than in others. The USA has the highest figure for persistent low income out of the seven countries surveyed, challenging common perceptions about mobility and opportunity in the world's leading economy. The research also demonstrates that black children are more likely to be chronically poor in the USA. Forty seven per cent of white children in the poorest fifth of all children at the start of the 1980s were poor again at the start of the 1990s but the figure was as high as 78 per cent for black children.

An analysis of the United Kingdom asks what percentage of children would still be poor if families were able to even out the variation in their incomes from year to year. Using data for the six year period 1991-6 the authors conclude that, even if incomes could be perfectly smoothed out over time, the child poverty rate would only be halved – meaning high numbers of UK children are living in deep and long term poverty.

The longer a child is poor, the greater the deprivation entailed and proof of the persistence of poverty in many countries carries serious implications for policy makers.

NOTES TO EDITORS:

The Dynamics of Child Poverty in Industrialised Countries edited by Bruce Bradbury, Stephen Jenkins and John Micklewright is published by Cambridge University Press. Price £18.95 (paperback) and £50 (hardback). Chapter 1, providing an overview of the book's contents and principal findings, is downloadable, from <http://assets.cambridge.org/0521803101/sample/0521803101WS.PDF>

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