

Report documents over one million “severely poor” children in UK

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The relentless drive by successive Labour and Conservative governments in Britain to cut welfare programs has condemned the poorest families to destitution.

In line with the demands of British and international big business, corporate taxes have been slashed, billionaires live tax-free, the welfare state is being dismantled and privatised, and low paid and temporary work has become increasingly normalised. The result has been exposed in a report published earlier this month by the charity Save the Children. Based on extensive research and scientific methodology, the report uncovers Dickensian levels of poverty.

The charity’s research has found there are 1.3 million children in the United Kingdom living in “severe poverty”—over 10 percent of the total population 0-19 years of age. A further 21.3 percent of all children were categorised as suffering from “non-severe poverty.”

Severe Child Poverty in the UK, written by Monica Magadi and Sue Middleton, classifies children as being in severe poverty if they satisfy two separate measures: One, they live in households with an income of below half the median household income after housing costs are deducted, and two, they suffer various forms of material deprivation according to household surveys. Children from families with less than 70 percent of median income and who satisfy a less severe degree of material deprivation are classified as being non-severely poor.

A household was classified as being in severe poverty if, combined with low income, it lacked at least two items considered to be “necessities”. Nineteen items were established by Save the Children, in line with other academic research into indicators of poverty. These included: two pairs of all-weather shoes for each adult in the house, enough money to keep the house in

decent decorative order, children under six years of age able to attend a playgroup or nursery at least once a week, leisure equipment such as a bicycle and the ability for children to socialise with friends in their home, and similar indicators.

London was found to be the region of the UK with the highest levels of severe poverty. Seventeen percent of all children in the city are classified as severely impoverished, a level over double that in nearby southeast England. It is worth noting that, according to *Forbes* magazine, there are 19 billionaires living in London, including Labour Party donor Lakshmi Mittal, who has a personal fortune of over £14 billion.

Of families living in severe poverty, nine out of ten could not afford a holiday away from home once a year. A quarter of children in such families and nearly half of adults did not have a hobby or leisure activity. Seventy-four percent of impoverished households could not afford to replace worn out furniture, and 62 percent could not replace or repair electrical goods.

Six out of ten severely poor households had no home contents insurance, and a staggering 84 percent could not afford regular savings of £10 per month or more.

Sixty-two percent of severely poor children lived in households without a parent in work. However, reflecting the growth of low wage jobs in Britain, over one fifth of severely poor households had at least one parent in full-time work. A further quarter of the poorest families had at least one parent in part-time work or who was self employed.

Reflecting the stagnation or decline in the real value of welfare payments, about two-thirds of severely poor families receive one or more benefits. These include Income Support, Incapacity or Disability Benefit, Jobseekers Allowance or Housing Benefit. The report describes the level of payment from these means-tested

benefits as “appallingly low.”

In its effort to force the unemployed and disabled into low-wage jobs, the Labour government has promoted tax credits where poor workers with children receive an addition to wages through the tax system. These credits, which function as a subsidy to employers paying poverty-wages, have had a very limited impact on the working poor. This is indicated in the Save the Children report’s statistics, which show that almost 14 percent of the poorest families received the Working Tax Credit and four in ten received the Children’s Tax Credit.

The report speculated that many families in severe poverty did not claim the benefits and tax credits they were entitled to, largely due to the system’s complexity. With thousands of front-line civil service jobs at employment and social security offices being axed or privatised under the Labour government’s efforts to achieve “efficiency savings”, the main sources of advice on benefits entitlement will become even more under-staffed and ineffective.

A lack of education or training is a hallmark of many parents of severely poor children, with 45 percent of mothers having no formal qualifications. Additionally, there was a strong link between disability and poverty. One third of families in severe poverty were found to have a disabled parent, while 15 percent had a disabled child.

The report found a strong association between ethnic background and severe childhood poverty. Particularly affected are families of Asian decent, which comprised 7.9 percent of all non-severely poor children and 14.5 percent of severely poor children. Only 6 percent of all children in the UK are of Asian decent.

The number of children living in severe poverty has not significantly changed since Labour came to power in 1997, and the report indicates that the government has no plans to monitor, let alone address, the issue.

While there is evidence that the number of children living in non-severe poverty has fallen over the past decade, this can largely be accounted for by the current relatively high levels of employment. With the devaluation of many welfare benefits, millions of families have lost a vital social safety net. Any significant increase in the level of unemployment brought on by a recession will therefore lead to many more families plunged into destitution.



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