

Media Statement

04/10/2010

Children in Scotland responds to George Osborne's announcement that child benefit will be axed for high earners

Cutting universal child benefits will simply emphasise income inequality across the UK, not reduce it, says Children in Scotland.

Universal entitlement to child benefit is a straightforward and easily administered way of investing in all children that gives everyone in society a stake in the system. Fragmenting entitlement to support is likely to lead to unequal access, with some parents failing to claim entitlements and a system that is ill-equipped to cope with changes in personal and economic circumstances, which could contribute to increased child poverty and social exclusion among vulnerable children and young people.

Universal child benefit was always intended to contribute to the costs of childcare – which in the UK are among the highest in Europe. Scottish parents pay on average a quarter of an average production worker's earnings compared with 6% in Sweden and 8% in Denmark and Finland. Today's announcement, particularly in the wider context of changes to child tax credits and subsidised childcare, is likely to hit hardest those depending on affordable childcare to allow parents to work.

Bronwen Cohen, chief executive of Children in Scotland, said:

“Child benefit is important to families with children of all ages but government statistics show that families with children under five are most at risk of poverty – one in four families in Scotland with a child under the age of five. Investment in universal services and support for children and their families, particularly in the early years, is the best way to provide the best start in life for young children – particularly those from disadvantaged backgrounds – and to help mothers and fathers find good quality employment.

“Investing in the early years now will have long-term benefits by supporting employment and enhancing productivity, as well as reducing the need for costly crisis interventions.”

Notes to Editors

1. **Children in Scotland** is the longstanding national agency for the whole of the children's sector, reaching over 250,000 individuals through our extensive membership of more than 450 statutory agencies, voluntary sector organisations, professional associations and community groups. For further information visit www.childreninscotland.org.uk.

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