



# Investing in children : breaking the cycle of disadvantage

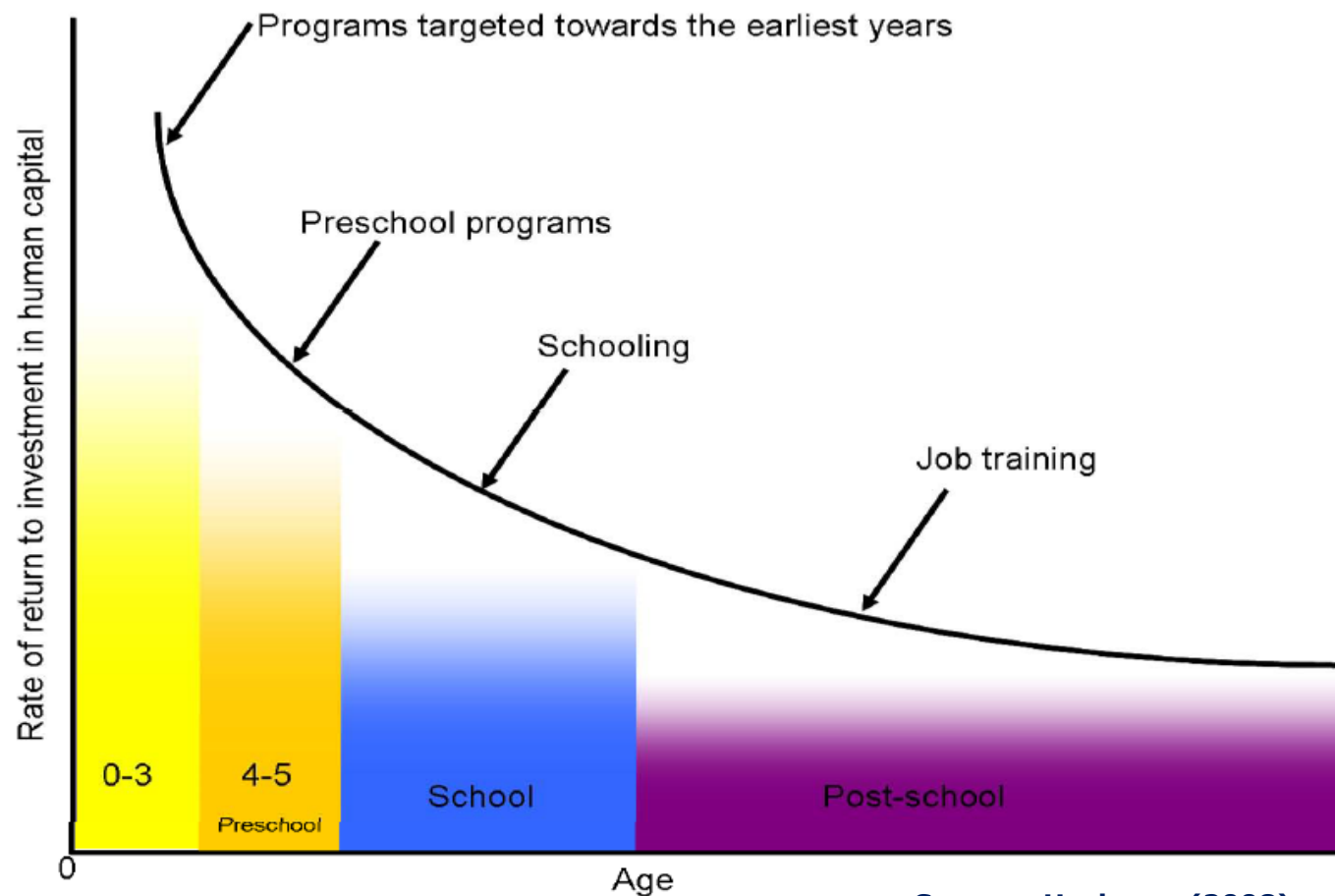
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# Child Friendly Social Investment Package

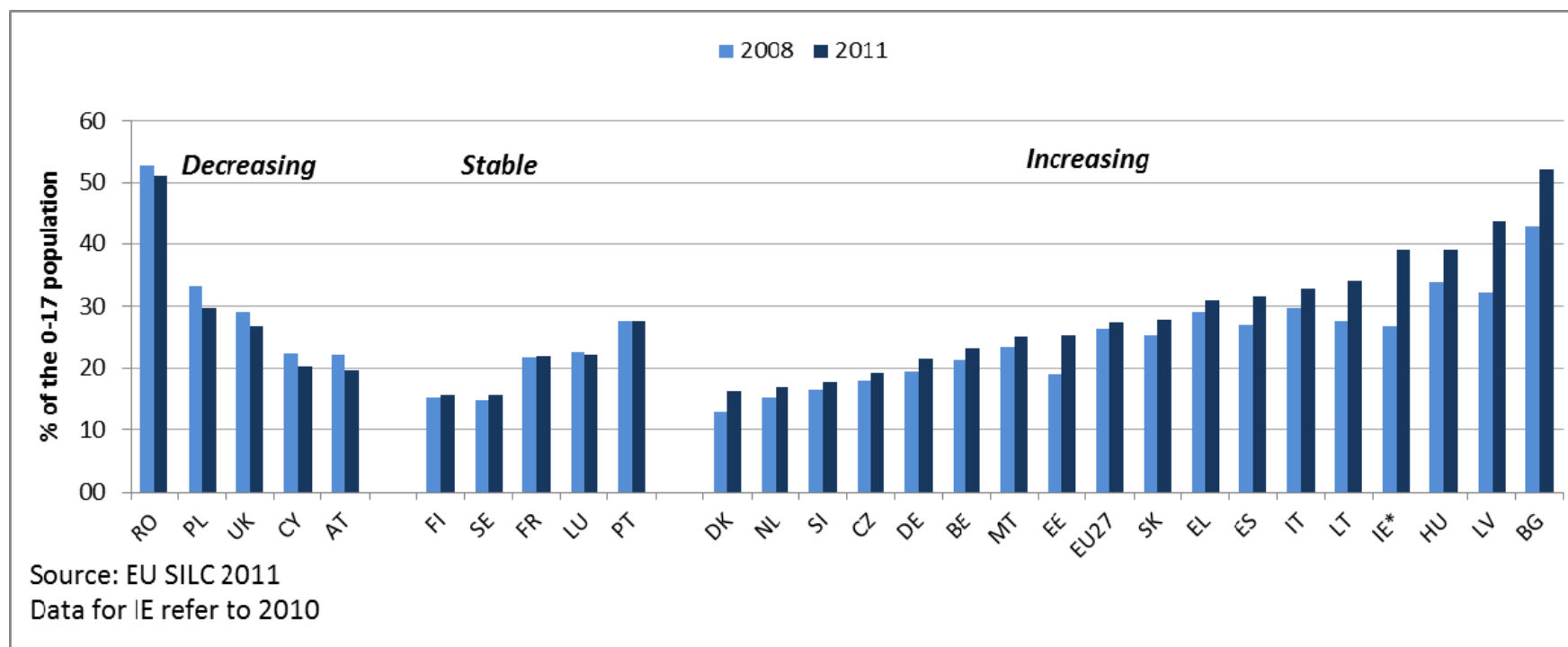
- Social Investment for Growth and Cohesion - including implementing the ESF 2014-2020 (COMM)
- Investing in Children - Breaking the Cycle of Disadvantage (REC)

# The case for a life course approach and early intervention



Source: Heckman (2008)





# Children particularly hit by the crisis



Share of children at risk of poverty or social exclusion

# Various child poverty drivers across the EU



Drivers...		...level of child poverty	Countries	Tentative diagnosis
 <p>Impact of <b>social transfers</b> is high</p> <p>Low share of children in <b>jobless households</b></p> <p><b>Low risk of poverty</b> of children whose <b>parents are working</b></p>	➔	<b>Low risk of child poverty</b>	CZ DK AT SI FI SE (CY)	<i>These countries have the <b>lowest rates of child poverty</b> thanks to a good balance between income support, labour market conditions and services that facilitate labour market participation of both parents (with some exception).</i>
 <p>Impact of <b>social transfers</b> is high</p> <p>Share of children in <b>jobless households</b></p> <p><b>Low risk of poverty</b> of children whose <b>parents are working</b></p>	➔	<b>Medium risk of child poverty</b>	CZ NL (LT) BE DE FR	<i>These countries have the <b>medium rates of child poverty</b> thanks to a good income support, but the share of children living in jobless households is high.</i>
 <p>Impact of <b>social transfers</b> is high</p> <p>High share of children in <b>jobless households</b></p> <p>Relatively lower risk of poverty Average level of in-work poverty</p>	➔	<b>High risk of child poverty</b> (low poverty gap)	IE UK HU	<i>These countries have <b>child poverty rates around the EU average</b>. The high impact of social transfers is mitigated by disincentives to work and lack of adequate and affordable child care for some categories of parents (e.g. lone parents)</i>
 <p>Low <b>impact of social transfers</b> in reducing child poverty.</p> <p>Limited share of children in jobless households</p> <p><b>Very high risk of poverty</b> of children whose <b>parents are working</b></p>	➔	<b>High risk of child poverty</b> (high poverty gap)	PL RO PT SK IT EL ES LV BG MT	<i>These countries have among the <b>highest rates of child poverty</b> due to insufficient support for families, both in and out of work, in terms of income and services and poor access to quality jobs, especially for second earners.</i>

Source: EU-SILC 2010, calculation (DG EMPL)



# *Recommendation's main messages*



## A new common framework

Existing consensus (October 2012 Council Conclusions, SPC ad hoc group)

*Investing in children: breaking the cycle of disadvantage* adopted on 20 February, proposes:

- Common vision to stimulate policy reforms and social innovation
- Policy guidelines and a set of indicators to monitor progress



## Horizontal principles

- Use an approach based on children's rights (UNCRC, EU Treaty and Charter of Fundamental Rights)
- Maintain a balance between universal and targeted approaches (e.g. *progressive universalism*)
- Sustain investment in children and families and mitigate reforms' negative impact on the most disadvantaged





## **Ensuring access to adequate income and living standards**

Support parents' access to the labour market

- make sure that work 'pays' for them
- support after parental leave
- improve access to early childhood education and care (affordability, diverse working patterns)

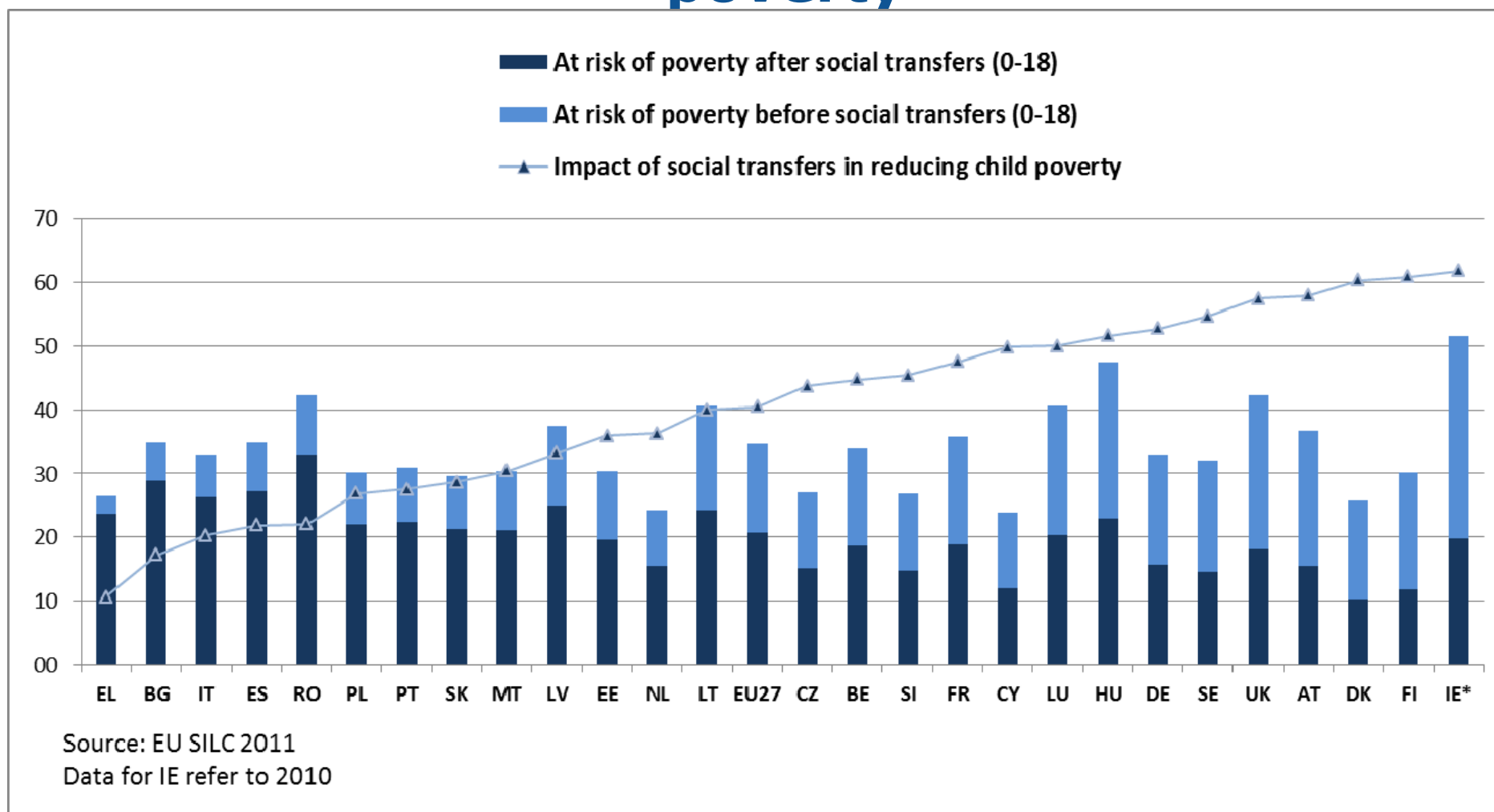
Provide adequate income support (e.g. family/child benefits)

- avoid inactivity traps, stigmatisation
- ensure redistribution across income groups



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# Social transfers' impact in reducing child poverty





## Access to quality services

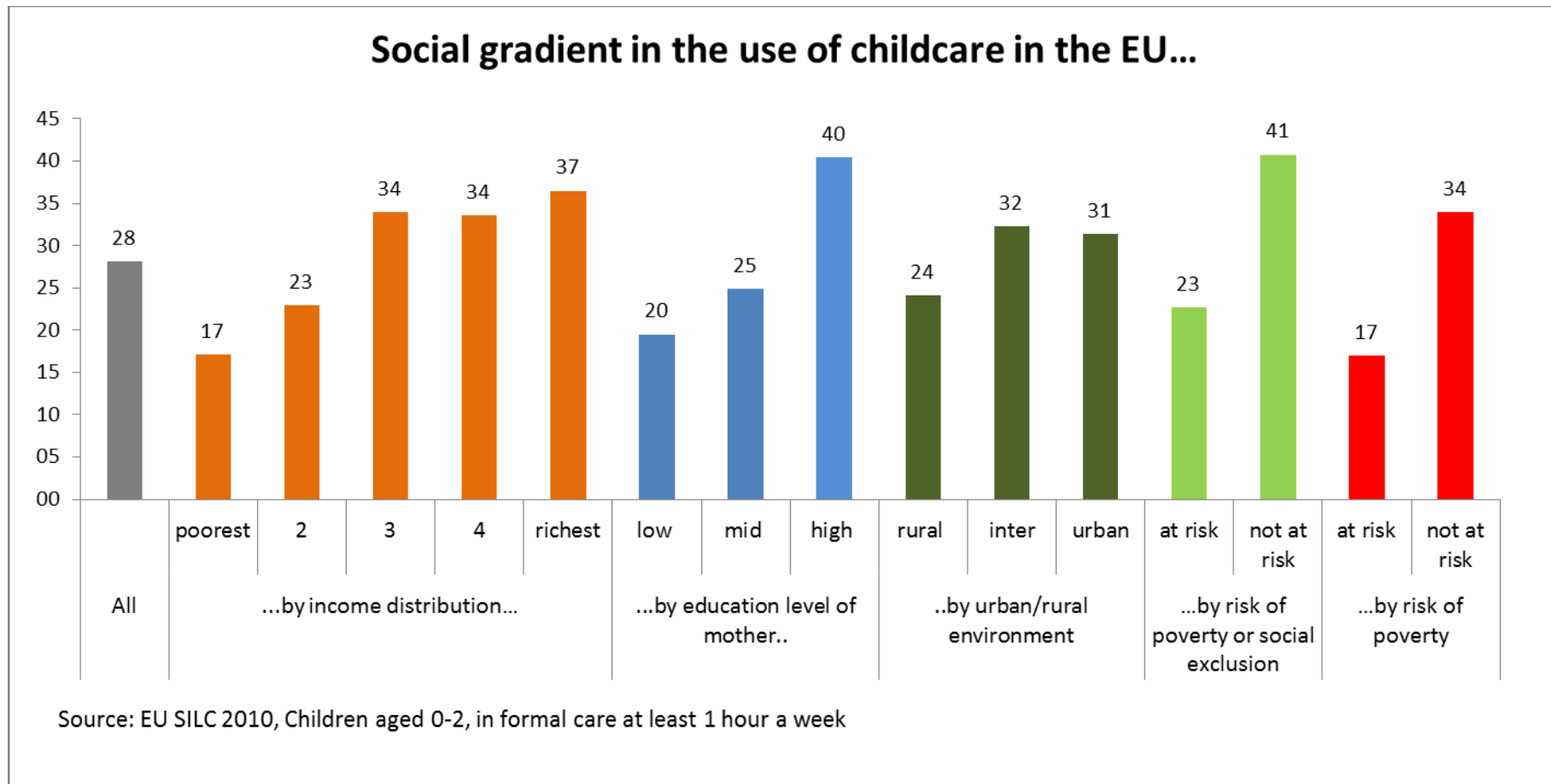
Step up access to quality services essential to children's outcomes:

- better access to early childhood education and care (esp. under 3)
- eliminating school segregation
- health, housing, social services (alternative care and parenting support)

Support children's participation

- extra-curricular activities
- involvement in services and decisions affecting children (e.g. social services, education, alternative care)

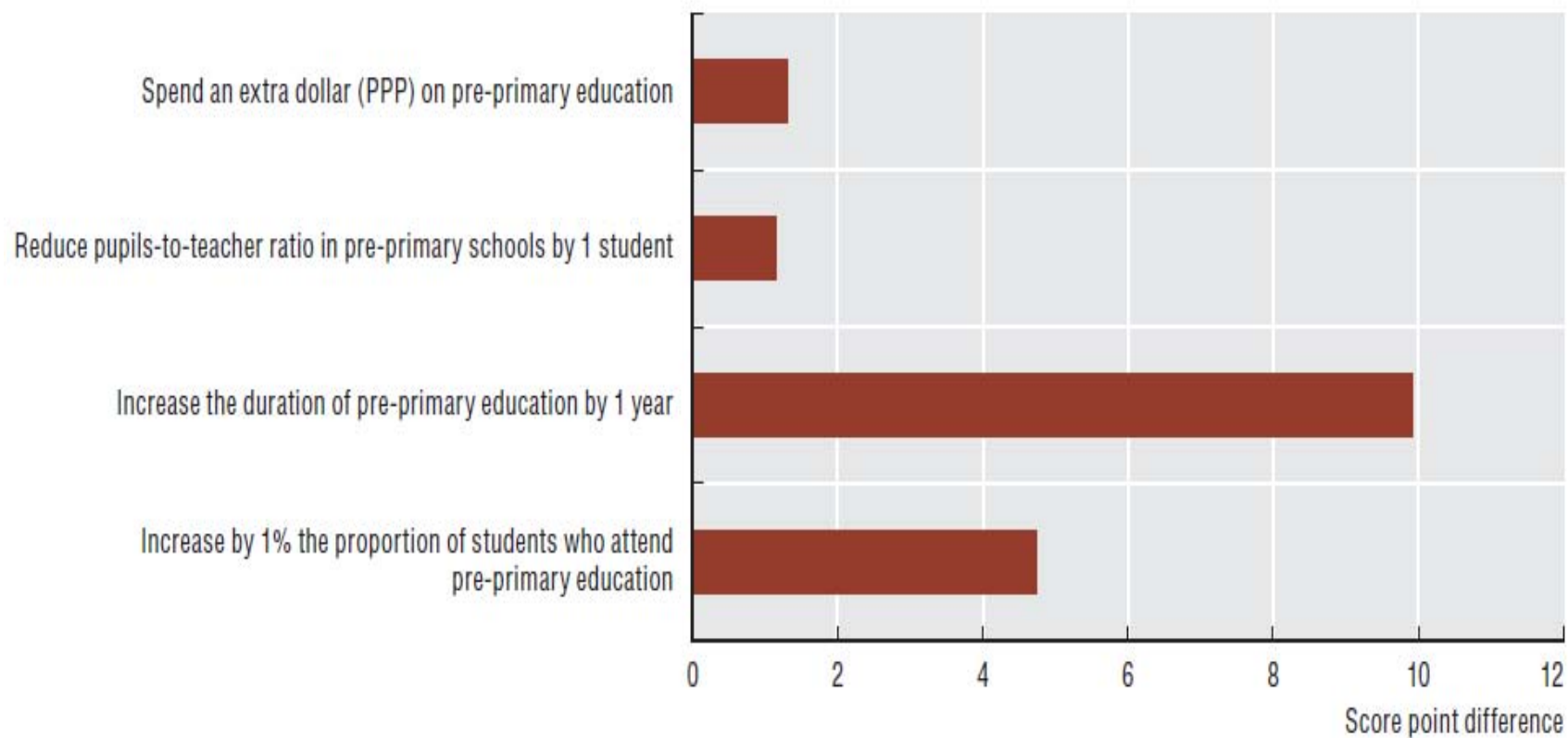
## No access to childcare prevents parents from working and reinforces the transmission of disadvantage





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## Influence of pre-primary education policies on PISA results, 2009



Source: OECD (2012)



## **Governance and EU instruments**

- Strengthen synergies across sectors and good governance (partnership with stakeholders)
- Strengthen evidence-based policy development and social policy innovation
- Address child poverty and social exclusion as key issues within Europe 2020 (NRPs, targets)
- Grasp opportunities offered by EU financial instruments to invest in children



# Indicator based monitoring framework (ANNEX)

Comprehensive, balanced and synthetic set of indicators for indicators for monitoring the Recommendation (2012 SPC report)

- Overall objective (Europe 2020)
- Access to adequate resources (parents' access to the labour market, income support)
- Access to services (education, health, housing)

No indicator related to pillar 3 (participation) nor to children in most vulnerable situations

Differentiates between primary, secondary and context indicators



# *Towards implementation*





## An important concern within Europe 2020

Some Member States have (UK, EL) or will (IE) set up targets for reducing child poverty as their contribution to the EU "headline target"

Many MS mention child poverty as an important problem in their National Reform Programme and/or National Social Report 2012

e.g. AT, BG, CY, DK, FI, IE, LU, HU, MT, PL, UK



# Examples of Country Specific Recommendations

Adopted by the European Council in July 2012

- Child poverty and income support measures (ES, EE, UK)
- Social services for children (BG)
- Quality, availability or affordability of childcare (AT, HU, IT, SK, UK, CZ, MT, PL, DE, MT)

- *Implementation being reviewed, new proposals in May*
- *June Council conclusions on SIP also important milestone to keep up the momentum*



# Mobilising EU financial instruments 2014-2020

European Social Fund and European Regional Development Fund

Programme for Social Change and Innovation (PSCI)

Fund for European Aid to the Most Deprived (FEAD)

Other relevant funds

- Erasmus for All Programme
- School Fruit and School Milk Schemes
- Horizon 2020 (research)



## Enhance the knowledge base

*European Platform for Investing in Children* to collect and disseminate innovative practices

Test the effectiveness of conditional cash transfers and their impact on children (research financed by PROGRESS) in 2013

Project to test and set the ground for a large scale longitudinal survey on children (FP7, EU research programme)



**Thank you for your attention**