



SOCIAL PROTECTION COMMITTEE  
Indicators' Sub-Group

EUROPEAN COMMISSION  
Directorate-General for Employment, Social Affairs & Inclusion

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## **Benchmarking Framework for Childcare and Support to children**

This document provides an overview of the benchmarking framework for childcare and support to children, which was first developed and endorsed by the Indicator Sub-Group (ISG) of the Social Protection Committee (SPC) in 2021, and then updated in 2024.

It features a brief introduction, explaining the main purpose of this benchmarking framework (that is to monitor and compare the progress achieved by Member States in the implementation of the Principle 11 of the European Pillar of Social Rights on childcare and support to children), followed by three sections respectively presenting the outcome, performance and policy lever indicators of the framework and related figures.

### **1. Introduction**

The Principle 11 of the European Pillar of Social Rights highlights the right of children (1) to early childhood education and care (ECEC) of good quality, (2) to protection from poverty, and (3) the right of children from disadvantaged backgrounds to specific measures to enhance equal opportunities. The Council Recommendation establishing the European Child Guarantee<sup>1</sup> was adopted in 2021 by Member States which committed to ensure that children at risk of poverty or social exclusion (ARPE) have effective access to a set of key services. Progress in its implementation is monitored at the EU level through the monitoring framework jointly developed by the ISG and the Commission, and endorsed by the SPC in 2023<sup>2</sup>.

The aim of the benchmarking framework for childcare and support to children is to monitor and assess the implementation of the first two dimensions mentioned in Principle 11. More specifically, it aims at monitoring and comparing the progress achieved by Member States in providing children with access to quality ECEC<sup>3</sup>, also in line with the Council Recommendation of December 2022 on “early childhood education and care: the Barcelona targets for 2030”<sup>4</sup>. The benchmarking framework also aims at monitoring and assessing the extent to which children and their households have access to adequate resources.

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<sup>1</sup> For more information, please see [European Child Guarantee - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](https://european-council.europa.eu/media/e3000000/1/press/1920210101_en.pdf)

<sup>2</sup> For more information, please see [Monitoring and benchmarking frameworks - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](https://european-council.europa.eu/media/e3000000/1/press/1920230101_en.pdf)

<sup>3</sup> Defined as any regulated arrangement that provides education and care for children from birth to compulsory primary school age. This includes centre and family-day care, privately and publicly funded provision, pre-school and pre-primary provision.

<sup>4</sup> Which also sets the targets of participation in ECEC for at least 45% of children below the age of three and at least 96% of children between the age of three and the compulsory school age, and of closing the

The related policy areas covered by Principle 11 are broad, and a number of diverse policies can influence outcomes and performance. It has hence been agreed to focus the scope of the benchmarking as follows:

- For access to quality services, the focus is particularly on ECEC, and partly also on adequate housing. Other services, such as healthcare or school-based education, are not covered in this benchmarking framework and more information on the access of children AROPE to these services can be found in the EU-level monitoring framework for the European Child Guarantee.
- For protection from poverty through adequate access to resources, emphasis is placed on policies supporting parental employment and income. Other relevant policy areas, such as minimum income or minimum wage, go beyond the scope of this benchmarking framework but are covered by other monitoring tools<sup>5</sup>.

The framework includes the following indicators:

### **Outcome indicators**

- Children regularly attending ECEC (<3; 3 to compulsory school age), by full- and part-time attendance;
- At risk of poverty or social exclusion (AROPE) rate for children (<18);
- At risk of poverty (AROP) rate for children (<18);
- Relative AROP gap for children (<18);
- Child-specific deprivation rate (1-15);

### **Performance indicators**

- Gap in ECEC attendance for children AROPE and children not AROPE (<3);
- Impact of social transfers (excluding pensions) on child poverty (<18);
- Gap in housing cost overburden rate for children AROPE and children not AROPE (<18);
- Gap in severe housing deprivation rate for children AROPE and children not AROPE (<18);
- Impact of parenthood on employment (25-49), by gender;
- Share of population (aged 25-49) inactive and of population working part-time, due to care responsibilities, by gender;

### **Policy levers and related qualitative principles**

#### **A. Adequacy of income**

- Net income of a non-working couple with two children as a share of the poverty threshold;
- Net income of a low-wage, single-earner couple with two children as a share of the poverty threshold;

#### **B. Impact of parenthood on the labour market participation – further work necessary**

#### **C. Accessibility, affordability or quality of childcare – further work necessary**

participation gap between children AROPE and the overall population of children, among others. For more information, please see [EUR-Lex - 32022H1220\(01\) - EN - EUR-Lex \(europa.eu\)](#)

<sup>5</sup> See for instance the Minimum Income benchmarking: [Monitoring and benchmarking frameworks - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

Indicator values were presented in the first overview of the benchmarking framework published on the ISG website in 2021. This new version of the overview provides updates of the indicators, showing, where relevant and reliable, the changes that occurred over the latest years. Furthermore, while some indicators presented the gap between children AROP and not AROP in the version published in 2021, these gaps are now replaced in this updated version of the framework by the difference between children AROPE and not AROPE to be more aligned with the monitoring framework for the European Child Guarantee.

Some areas are highlighted for possible further work as regards additional indicators, especially on policy levers. While taking due account of parenthood on labour market participation is key, appropriate EU level indicators are still lacking in this respect and further developments should also be considered on indicators for accessibility, affordability or quality of childcare. It is also important to highlight that benchmarking needs to go beyond mechanical analysis of these indicators to reflect the complexity and the national (and regional or local) variations in provision of childcare and support to children.

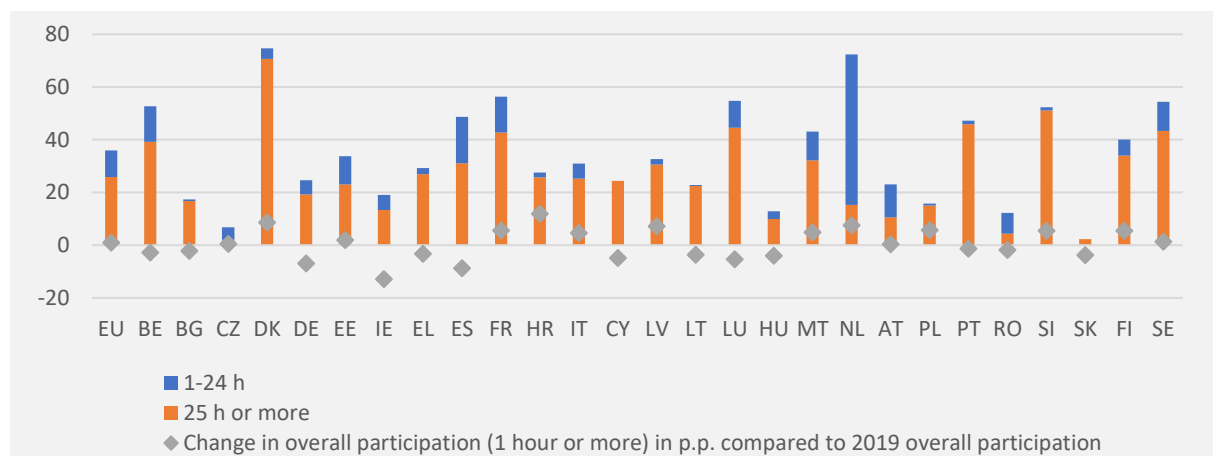
## 2. Outcome indicators

The benchmarking framework for childcare and support to children includes five outcome indicators that focus on children’s ECEC attendance and various aspects of poverty, social exclusion and deprivation among children. The indicators selected are as follows.

### *Children regularly attending ECEC (<3; 3 to compulsory school age), broken down by full- and part-time attendance*

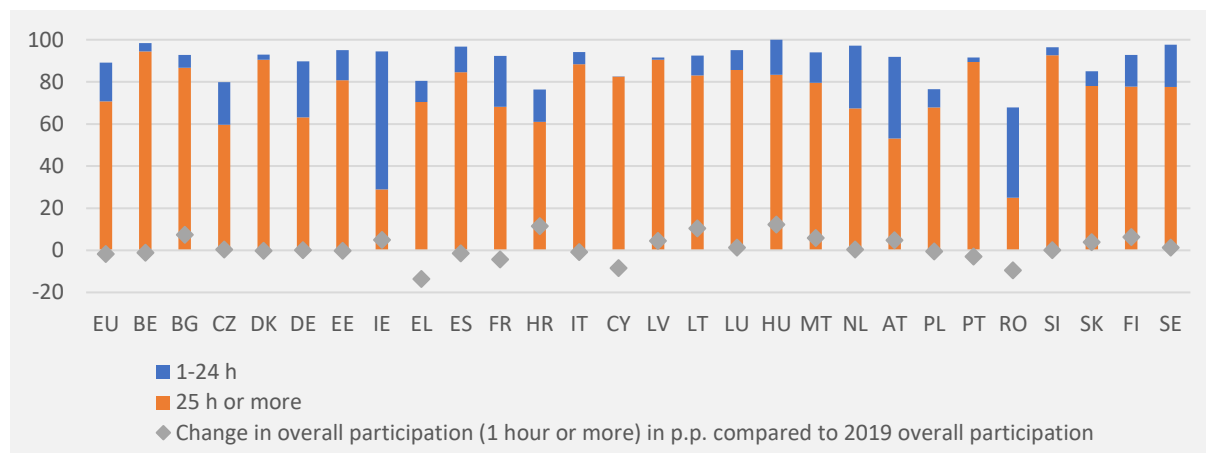
This indicator measures the participation rate in formal childcare—used as a proxy for ECEC—among children aged less than three, and among children aged from three to compulsory school age. Below, it is broken-down by intensity of attendance (1-24 hours/25 hours or more per week) and expressed as the percentage of children attending formal childcare among all children of a given age category.

*Figure 1: Share of children (<3) participating in formal childcare by duration in 2022 and p.p. change compared to 2019*



Source: Eurostat, ILC\_CAINDFORM (data with break in time series for DE, IE, FR, LU)

Figure 2: Share of children (3 to compulsory school age) participating in formal childcare by duration in 2022 and p.p. change compared to 2019

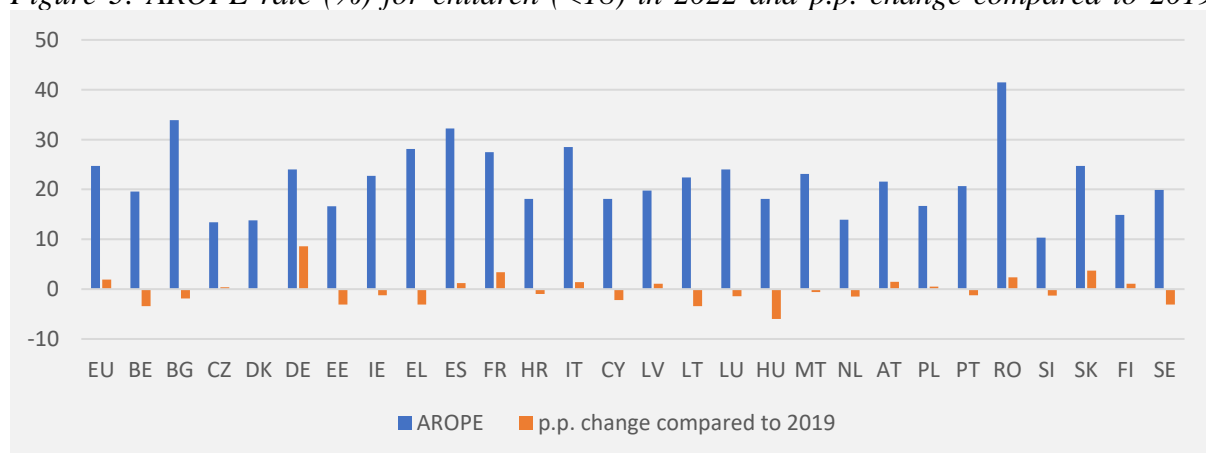


Source: Eurostat, ILC\_CAINDFORM (data with break in time series for DE, IE, FR, LU)

### AROPE rate for children (<18)

Children AROPE correspond to children who live in households that are at risk of poverty, and/or severely materially and socially deprived and/or with a very low work intensity. The AROPE rate is the share of the total population of children who are at risk of poverty or social exclusion<sup>6</sup>.

Figure 3: AROPE rate (%) for children (<18) in 2022 and p.p. change compared to 2019



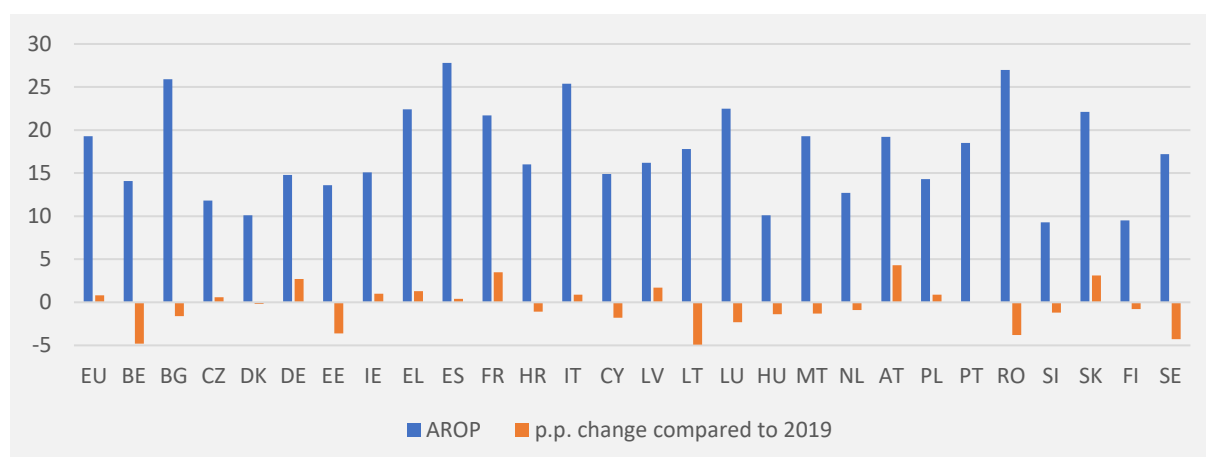
Source: Eurostat, ILC\_PEPS01N (data with break in time series for DK, DE, IE, FR, LU)

### AROP rate for children (<18)

AROP rate for children is the share of children who live in households with an equivalised disposable income (after taxes and social transfers) below the AROP threshold, which is set at 60 % of the national median equivalised disposable income after social transfers.

<sup>6</sup> For more information about the AROPE rate, please see: [Glossary: At risk of poverty or social exclusion \(AROPE\) - Statistics Explained \(europa.eu\)](#)

Figure 4: AROP rate (%) for children (<18) in 2022 and p.p. change compared to 2019

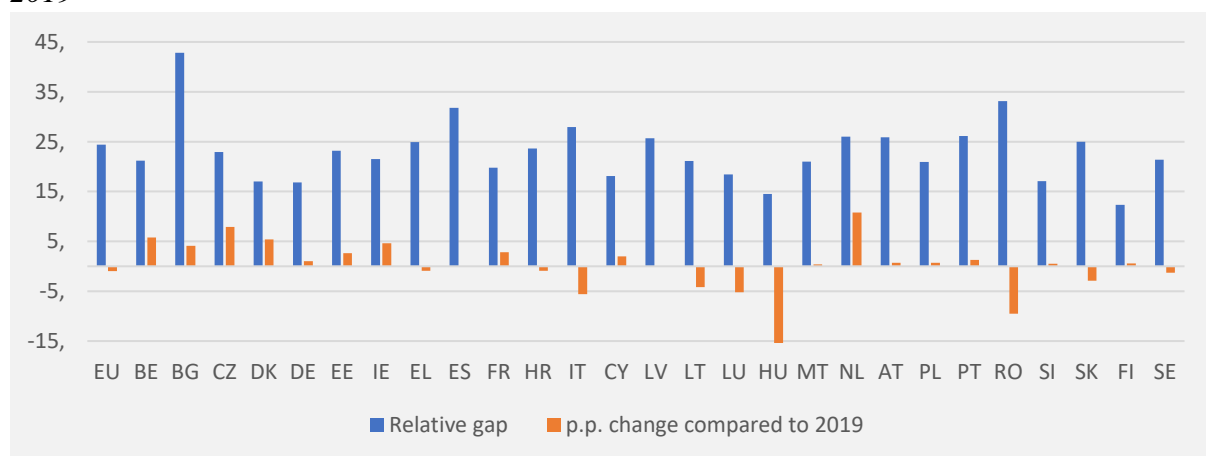


Source: Eurostat, ILC\_LI02 (data with break in time series for DK, DE, IE, FR, LU)

### Relative AROP gap for children (<18)

This indicator measures the depth of poverty among children. It is defined as the difference between the median equivalised net income of households with children below the AROP threshold and the AROP threshold, expressed as a percentage of the AROP threshold. The AROP threshold is 60 % of national median equivalised disposable income.

Figure 5: Relative AROP gap (%) for children (<18) in 2022 and p.p. change compared to 2019



Source: Eurostat, ILC\_LI11 (data with break in time series for DK, DE, IE, FR, LU)

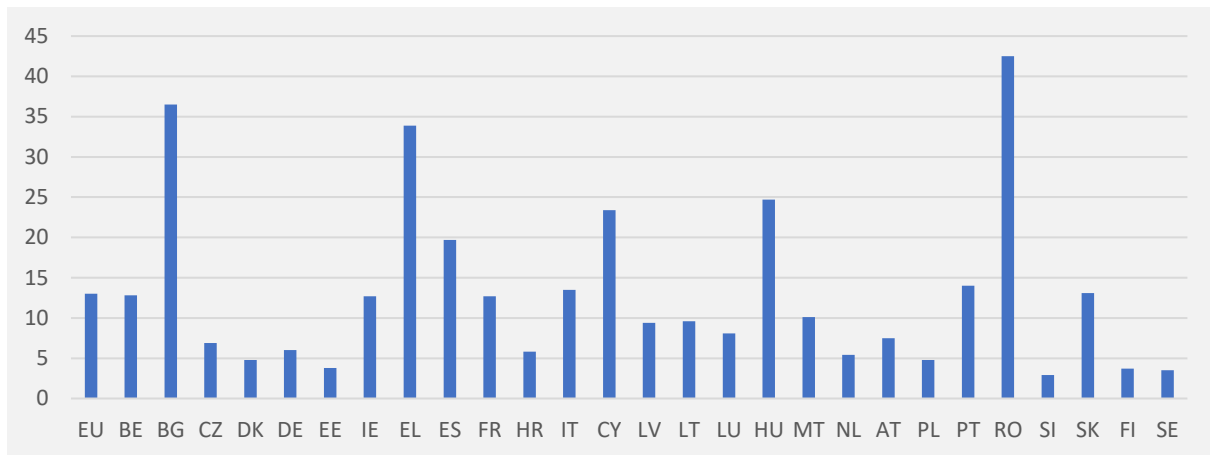
### Child-specific deprivation rate (1-15)

This indicator provides a child-specific measure of deprivation, where children are considered to be experiencing deprivation if they lack at least three items from a list of 17 items developed for measuring deprivation among children<sup>7</sup>. The child specific deprivation rate is defined as the percentage of children aged 1 to 15 who are deprived<sup>8</sup>.

<sup>7</sup> For more information, please see: [Children - material deprivation - Statistics Explained \(europa.eu\)](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1)

<sup>8</sup> The age range for this indicator is different than for other indicators in this framework due to data availability. The EU-SILC module it is based on only collects data on children aged 1 to 15 and is only available every 3 years.

Figure 7: Child specific deprivation rate (%) (1-15) in 2021



Source: Eurostat, ILC\_CHMD01

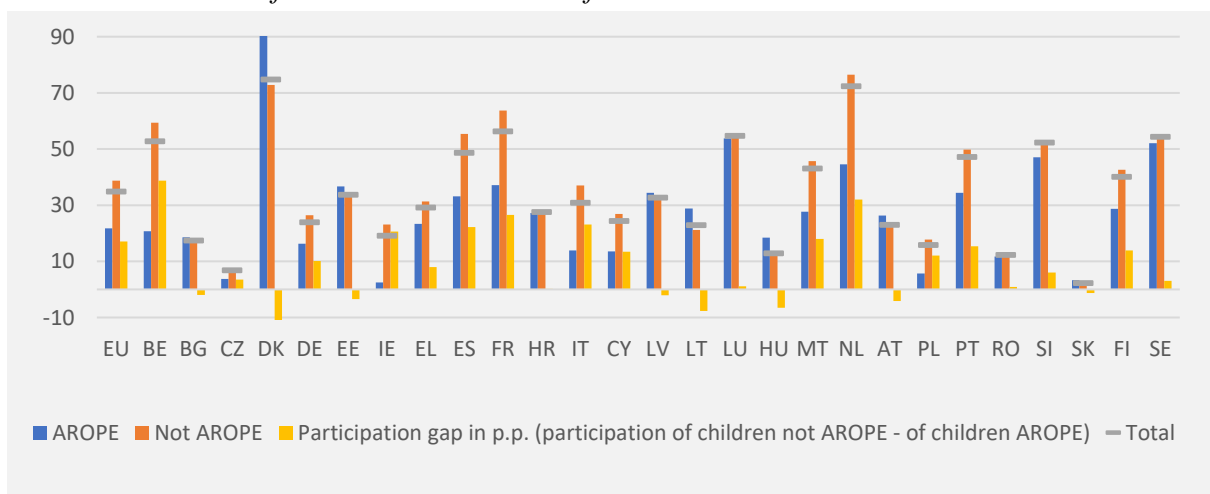
### 3. Performance indicators

A number of factors outside social policy can influence outcome indicators. To allow more focus on the design of support to children and childcare provision, performance indicators more directly related to policy design were included in the benchmarking framework. The performance indicators examine the impacts of policy measures on parental income and employment. They also explore gaps in access to ECEC and adequate housing experienced by children AROPE compared to other children.

#### Gap in ECEC attendance for children AROPE and children not AROPE (<3)

This indicator shows the difference in formal childcare—used as a proxy for ECEC—attendance of children AROPE, not AROPE and is complemented by the attendance rate for the overall population of children. The participation gap between children AROPE and children not AROPE is expressed in percentage points.

Figure 8: Share (%) of children (<3) AROPE, not AROPE and the overall population of children participating in formal childcare for one hour or more per week, and gap (p.p.) between the shares of children AROPE and of children not AROPE in 2022

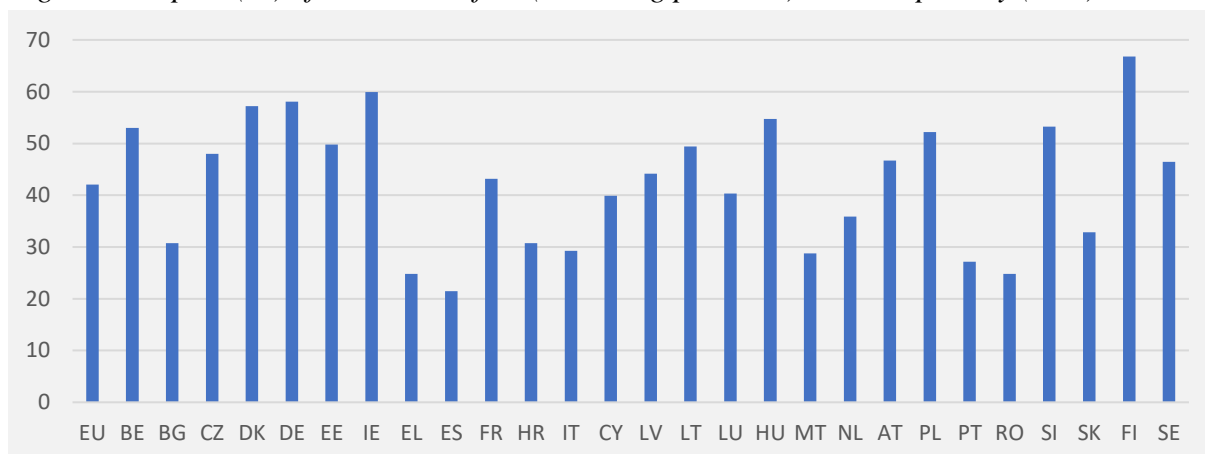


Source: Eurostat

### Impact of social transfers (excluding pensions) on child poverty (<18)

This indicator measures the impact of social transfers on the AROP rate of children aged less than 18 and gives the percentage reduction in the original AROP rate once social transfers are taken into account. It is calculated as  $(B-A)/B$  from the following two indicators: A—AROP rate after social transfers (standard poverty rate)—and B—AROP rate before social transfers (excluding pensions).

Figure 9: Impact (%) of social transfers (excluding pensions) on child poverty (<18) in 2022

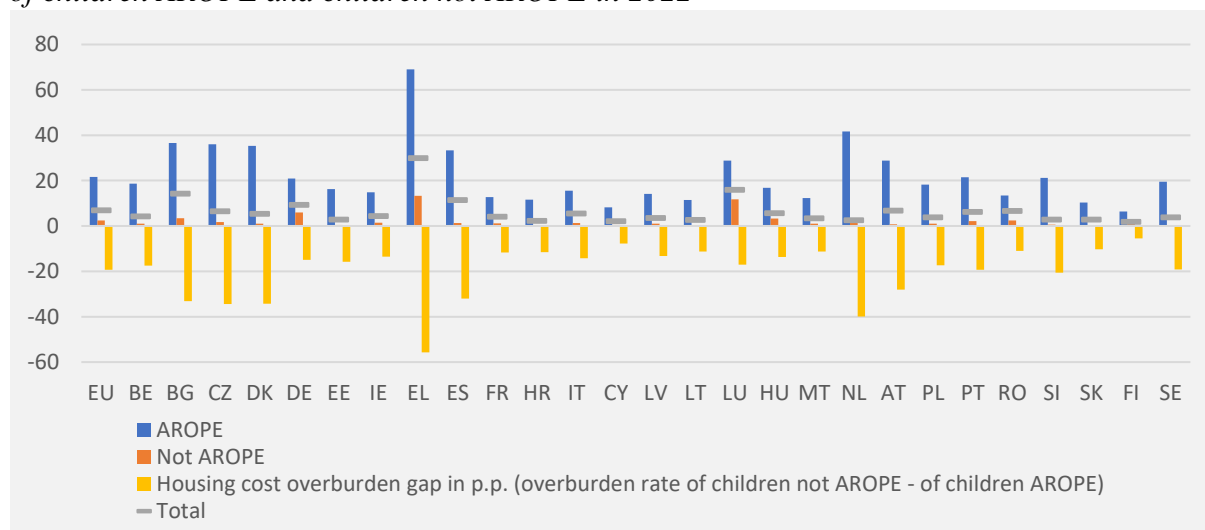


Source: Eurostat, ILC\_LI02 and ILC\_LI10 (provisional data for FR)

### Gap in housing cost overburden rate for children AROPE and children not AROPE (<18)

The housing cost overburden refers to households where the total housing costs ('net' of housing allowances) represent more than 40 % of disposable income ('net' of housing allowances). This indicator compares the share of children living in such households for those AROPE and not AROPE, and includes the figure for the overall population of children in complement. The gap between children AROPE and children not AROPE is expressed in percentage points.

Figure 10: Share (%) of children (<18) AROPE, not AROPE and the overall population of children in households subject to housing cost overburden and gap (p.p.) between the shares of children AROPE and children not AROPE in 2022

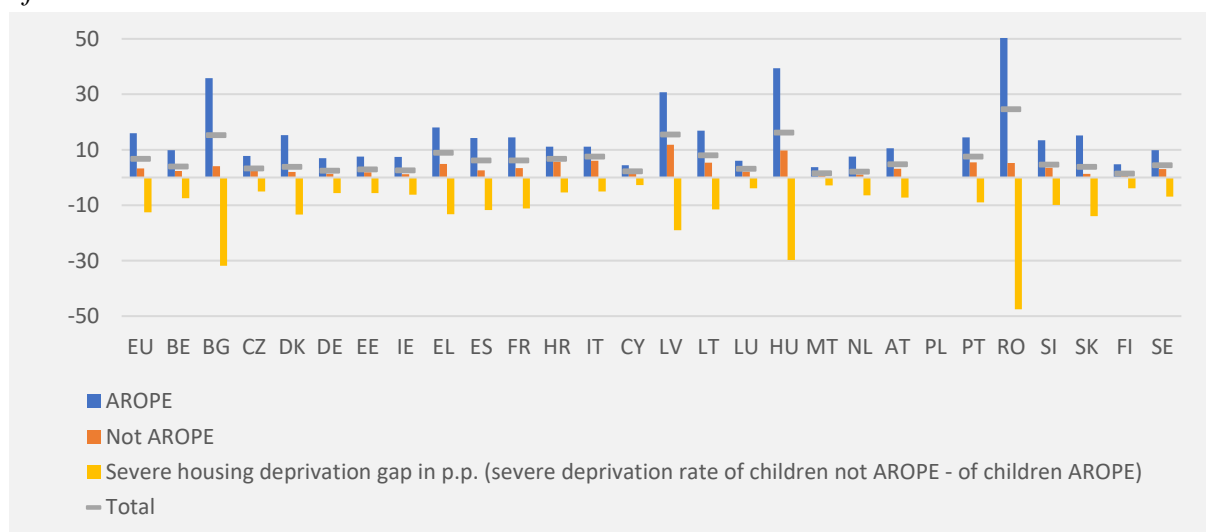


Source: Eurostat

### Gap in severe housing deprivation rate for children AROPE and children not AROPE (<18)

Severe housing deprivation is measured by referring to those households living in a dwelling considered as overcrowded while also exhibiting one of the following housing deprivation items: leaking roof, damp walls/floors/foundation, or rot in window frames or floor; lack of bath or shower in the dwelling; lack of indoor flushing toilet for sole use of the household; problems with the dwelling: too dark, not enough light. This indicator compares the share of children living in severely deprived households for those AROPE and not AROPE, and includes the figure for the overall population of children in complement. The gap between children AROPE and children not AROPE is expressed in percentage points.

Figure 11: Share (%) of children (<18) AROPE, not AROPE and the overall population of children in households subject to severe housing deprivation and gap (p.p.) between the shares of children AROPE and children not AROPE in 2020

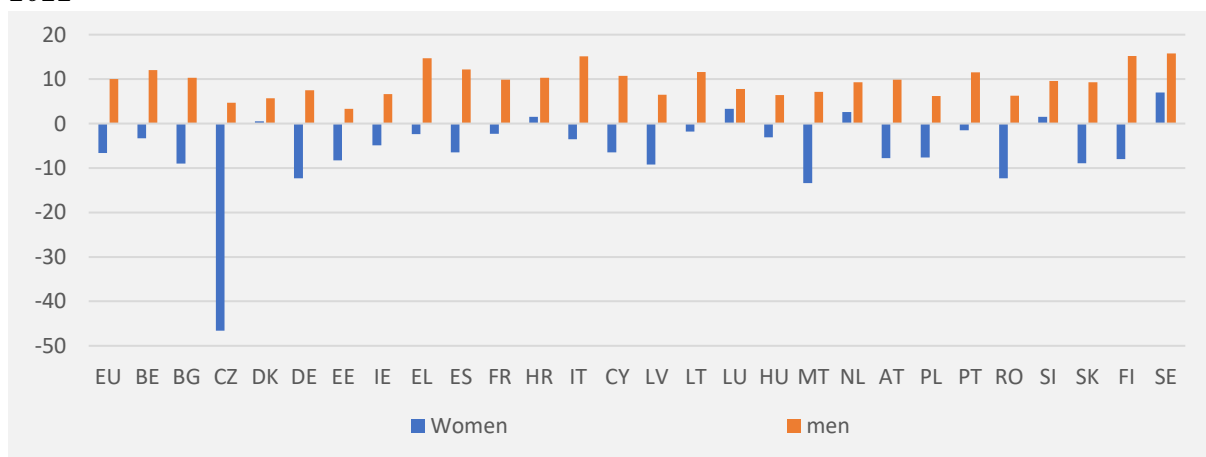


Source: Eurostat (data not available for PL)

### Impact of parenthood on employment (25-49), by gender

This indicator measures the percentage point difference in employment rates of mothers (and fathers) aged 25 to 49 with one child under the age of 6 to those of women (and men) without any children in the same age category.

Figure 11: Impact (p.p.) of parenthood on employment for women and men aged (25-49) in 2022



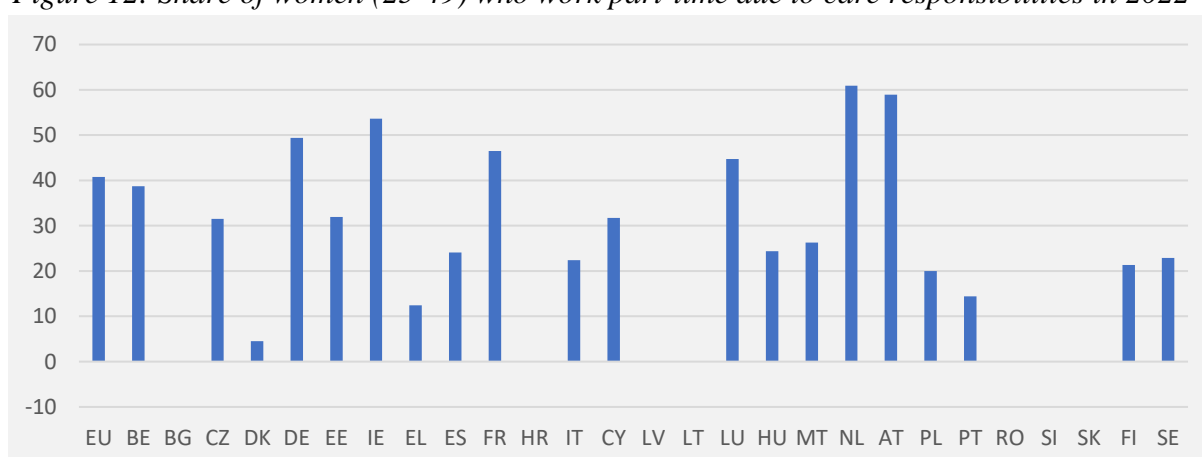
Source: Eurostat, LFST\_HHEREDCH (data based on differing definitions for ES and FR)



## Share of population inactive or working part-time due to care responsibilities (25-49), by gender

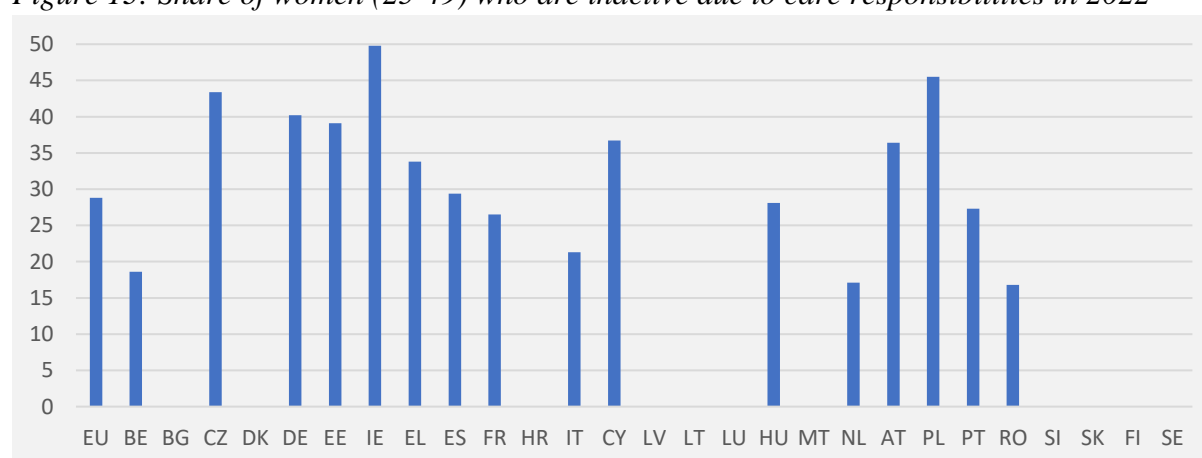
This indicator shows the shares of the population aged 25-49 who report being inactive due to caring responsibilities (consisting of care for adults with disabilities or children) and of the population aged 25-49 who report working part-time due to caring responsibilities, broken down by gender. Given that these shares are often negligible for men and thus are not reliably captured in available Eurostat data, the chart below only shows the shares of women.

Figure 12: Share of women (25-49) who work part-time due to care responsibilities in 2022



Source: Eurostat, LFSA\_EPGAR (unreliable data for BG, HR, LV, LT, RO, SI, SK; data based on differing definitions for ES and FR)

Figure 13: Share of women (25-49) who are inactive due to care responsibilities in 2022



Source: Eurostat, LFSA\_IGAR (unreliable data for BG, DK, HR, LV, LT, LU, MT, SI, SK, FI, SE; data based on differing definitions for ES and FR)

## 4. Policy levers

Three key policy levers were identified for the benchmarking that are most likely to affect policy performance in this area: i) adequacy of income, ii) the impact of parenthood on labour market participation and iii) accessibility, affordability and quality of childcare.

### 4.1 Adequacy of income

The combined incomes of parents are not always sufficient to ensure that children are free from poverty, which makes it essential to provide income support in such situations. The key principle

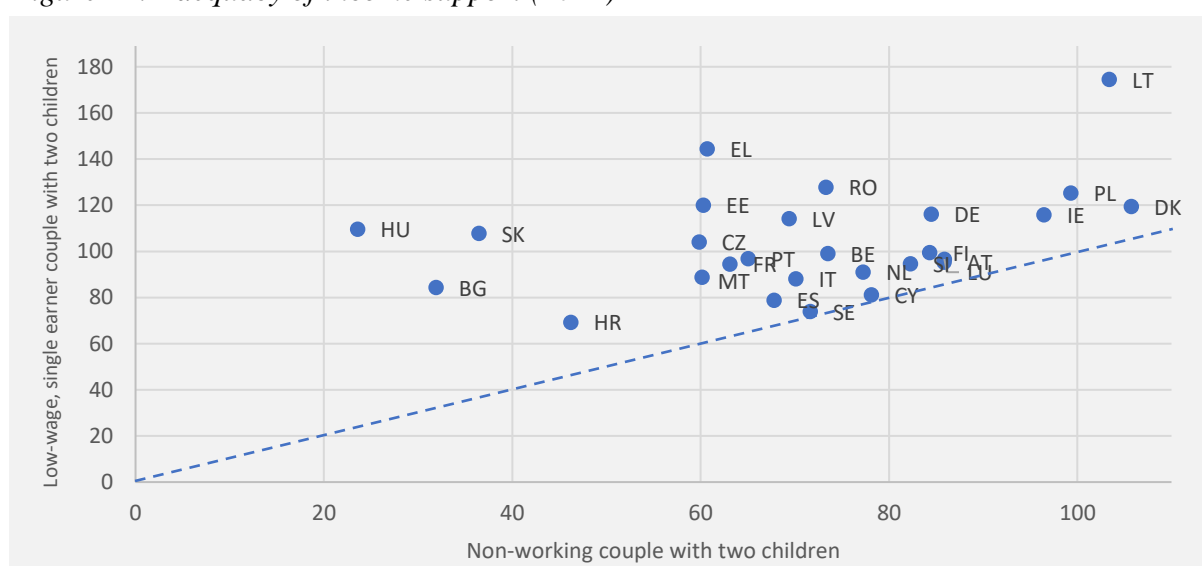
for this lever is therefore that where necessary to avoid child poverty, *parents should receive adequate income support*.

Two indicators were agreed to monitor the adequacy of income support:

- **Net income<sup>9</sup> of a non-working couple with two children as a share of the poverty threshold** (smoothed over three years); and
- **Net income of a low-wage, single-earner couple with two children as a share of the poverty threshold** (smoothed over three years).

These two indicators give an indication of the child-poverty alleviation effect of benefits for children who live in households at high risk of poverty because their parents are either not employed or their employment is associated with low wages<sup>10</sup>. This assessment accounts for key benefits received by households and the ways these combine with other sources of (taxed) income.

Figure 14: Adequacy of income support (2022)



Source: DG EMPL calculations using the OECD tax-benefit model and EU-SILC data. Break in time series for EU-SILC data on median incomes for LU in 2021, and for FR and LU in 2022.

Note: The poverty threshold is defined as 60% of national median income smoothed over the last three years. Non-working adults are assumed to be out of work for a considerable amount of time and thus ineligible for unemployment benefits. Working adults are assumed to be employed full-time, earning 50% of the national average full-time wage. Housing costs are assumed to be 18.6% of average full-time wage when calculating housing benefits. Children are assumed to be 2 and 4 years of age.

The assessment of income adequacy is based on the OECD tax-benefit model,<sup>11</sup> closely following the methodology used for the assessment of adequate income support for minimum income beneficiaries, developed as a part of the benchmarking framework in the area of minimum income. It builds on the key methodological choices underpinning that assessment. Firstly, to account for cyclical fluctuations in at-risk-of-poverty thresholds, the indicators make use of a smoothing technique, whereby a moving average over a three-year period is used as

<sup>9</sup> Net income is calculated as household gross earnings + family benefits + social assistance/minimum income benefits + unemployment benefits + housing benefits + in-work benefits – income tax – employee’s social security contributions – non-tax compulsory payments.

<sup>10</sup> The two indicators included in the benchmarking framework can be complemented by additional analysis taking into account other types of household, such as in particular single parent households with a child.

<sup>11</sup> For more information, please see <https://www.oecd.org/social/benefits-and-wages/>

reference. Secondly, the indicators incorporate estimates of housing costs developed during the minimum income benchmarking (i.e. housing cost are assumed to be 18.6% of average full-time wage) and the sensitivity analysis carried out around these. Finally, they build on the assumption that a low-wage earner is a person earning 50% of average wage.

While the OECD tax-benefit model covers a range of key tax benefit measures, there remain some limitations to the full assessment of income adequacy:

- The tax and benefit coverage is not fully comprehensive, in the sense that in-kind transfers (such as free/subsidised provision of childcare or certain healthcare services for children from low-income families) remain out of scope. The treatment of local/regional variations in taxes and benefits is also limited, leaving local benefits mostly out of the scope of the model.
- Data on childcare costs remain limited, notably when it comes to childcare costs for children from low-income households and its variation at regional/local level. Thus, childcare costs (as well as allowances) are not considered.
- The income of households with children that rely more frequently on private transfers (i.e. lone parents) is captured less thoroughly, as private transfers are out of scope of the OECD model.

#### **4.2 The impact of parenthood on the labour market participation**

Parental employment status is important for children's well-being, as employment provides an important source of income and influences the overall household living conditions. The agreed general principle for this policy lever states that '*parenthood should not have a negative impact on participation in the labour market.*'<sup>12</sup>

A number of policy measures can affect parental employment, with important implications for gender equality in the labour market. One relevant area relates to design of tax and benefit policies – in some cases, taxes levied on households rather than individuals can lead to work disincentives for second earners, which can be reinforced by provision of certain benefits or tax deductions, creating an inactivity trap. Another policy area closely linked to parental employment is work-life balance, where well-designed parental leaves and flexible working arrangements (e.g. part-time work or telework) can promote employment of both parents. Finally, childcare availability and affordability is crucial, as formal childcare allows for outsourcing of caring responsibilities that could otherwise limit professional activity. It is important that such policies are well coordinated – for example, childcare should ideally be available once parental leave runs out to avoid career breaks.

**No policy lever indicators have so far been agreed for the impact of parenthood on labour market participation.** The benchmarking framework contains two related performance indicators - impact of parenthood on employment and part-time work; and shares of population inactive and of population working part-time due to care responsibilities. It also includes contextual information about:

- The ways in which tax-benefit policy can affect employment of second earners, looking in particular at inactivity traps that can arise as a result of certain features of the tax-benefit system;

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<sup>12</sup> While parental leave can result in periods when the person on parental leave is not working, their employment is protected throughout this time and they can return to their job after the leave finishes.

- How work-life balance policy can affect parental employment, considering different types of parental leaves and flexible working arrangements; and
- How provision of ECEC, and its coordination with parental leave, can affect employment of parents. Measuring the time gap between the end of a parental leave entitlement and the earliest age of a universally guaranteed ECEC is relevant in this context.

### 4.3. Accessibility, affordability and quality of childcare

The benchmarking framework has identified the following general principle for this policy lever: *‘all children should have access to affordable and quality childcare services.’* This policy lever therefore focuses on providing contextual information about quality, affordability and accessibility of childcare<sup>13</sup>, by relying to a large extent on data collected by the Eurydice network on these topics.<sup>14</sup>

The assessment of quality of ECEC is guided by the EU quality framework for ECEC annexed to the Council Recommendation of 22 May 2019 on High-Quality Early Childhood Education and Care. It focuses particularly on the quality considerations around ECEC workforce and curriculum. Contextual information on affordability of ECEC includes OECD estimations of net childcare costs (though these do not fully capture regional/local variation), complemented by information on policy measures that guarantee free access to ECEC for children of different ages<sup>15</sup>. Finally, contextual information collected by the Eurydice network is available on at least some of the following aspects of ECEC accessibility: location and transportation; enabling policies; opening hours; and (lack of) services provided, including support for parents or children with disabilities or children with a migrant background (e.g. language support).

The benchmarking framework **does not include related policy lever indicators**. The benchmarking framework contains one outcome and one performance indicators related to this policy lever - children regularly attending ECEC; gap in ECEC attendance. It also includes contextual information on:

- ECEC quality, where assessment of competences, skills and professional status of ECEC staff and quality of ECEC curricula can provide useful context for analysis;
- ECEC affordability, where information on provision of universal, free-of-charge ECEC by age is useful for context. Estimates of net childcare costs captured via the OECD tax-benefit model also provide useful information;
- ECEC accessibility, where a number of factors can be considered. Notably, ECEC-related information on location and transportation, enabling policies (e.g. guaranteed places or targeted support in the form of funding and outreach), opening hours, and additional support services (e.g. language support or support to children with disability), can provide useful context.

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<sup>13</sup> Please see the Council Recommendation of December 2030 on “early childhood education and care: the Barcelona targets for 2030” for more information on the definition of quality, affordability and accessibility.

<sup>14</sup> Notably in European Commission/European Education and Culture Executive Agency/Eurydice, 2023. Structural indicators for monitoring education and training systems in Europe—Early childhood education and care. Luxembourg: Publications Office of the European Union

<sup>15</sup> The monitoring framework for the European Child Guarantee also includes indicators covering these two issues.