Annex 2

Summary of the Pilot Project “Better Opportunity for Children in the micro-region of Szécsény”

Soon after the government accepted the National Program Against Child Poverty a pilot project based on it was started in the micro-region of Szécsény. A partnership was formed between the micro-region of Szécsény and the Child Program Office of the Hungarian Academy of Sciences preparing the program.

The goals of the first three years of the national program are:

- perceptibly reduce the number and percentage of children living in poverty,
- considerably improve the living conditions of children living in deep poverty and exposed to extreme segregation,
- prepare those long-term changes which will transform the mechanisms and institutions that perpetually reproduce poverty and segregation. These activities are designed to improve the social integration of the children and their family and to equalise their opportunities.

The Szécsény project adopts some major goals of the national Short Program. Started in 2006, it is implemented in the framework of sub-projects or activities overarching the whole period of childhood and adolescence such as:

- Early development of skills (Sure Start)
- Youth development
- Development of public education
- Improvement of the nutrition and health care for children
- Development of the information society
- Improvement and modernisation of social and children’s services
- Improvement of housing conditions
- Increase of the activity rate of parents

The sub-projects are not distinct entities. They form a complex whole, characterised by the interaction of all the actors, including interaction and cooperation among various professions, among formal institutions and civil society, and so forth. The above mentioned activities are completed by monitoring and other supporting activities (different consulting tasks, communication).
The pilot project was started in the Szécsény sub-region (one of Hungary’s disadvantaged sub-regions - it consists of 13 settlements of Nógrád County and 20,000 people including 4,000 children below the age of 18 and a significant Roma population) in the autumn of 2006.

When designing the pilot project our point of departure was that every local community was unique. While operating within the broad framework of the National Program, each community had to set its own local priorities. Joint targets conforming to the strategy had to be designed in cooperation with members of the community and with the settlements belonging to the mini-region. Local/regional programs are not suitable for reforming major welfare systems (welfare supports, social insurance, education and healthcare, etc.), for making radical changes in the legal environment, or for changing the allocation of budget resources. They are uniquely suitable, though, to make the various institutions more child and family friendly, to alleviate and eventually to eliminate segregation in practice, and to see to it that all residents receive the information about services they need as groups, families, and individuals.

The basic goals of the sub-regional program are

- to concentrate significant forces along the crucial points, to assist child development from the earliest age, to improve teaching, education overall and training, from both the institutional and participatory aspects;
- to optimize services (healthcare, education, social, employment, etc.) offered to families with children – meaning to improve their professional level, accessibility, and effectiveness;
- to promote the acceptance and dissemination of production and consumption models imbedded in the community within a given sub-region and through this
- to support the evolvement of the frameworks, methods, and tools needed for sustainable development, and
- to significantly expand the network of conditions that creates and sustains jobs and services tailor-made to meet local needs;
- to promote harmonized social coexistence less likely to be prejudiced and to exclude others
- to promote decision-making and decision implementation based on democratic participation and cooperation.

The pilot programme’s activities in the micro-region of Szecseny between September 2006 and March 2009.

Early childhood ability development, “Sure Start” Children’s Houses.

The “Sure Start” Children’s Houses offer help to children between 1 and 5 years. They help to overcome initial development difficulties of children, they prepare them for the kindergarten (entrance: age 3), they offer therapists’ help if needed,
they offer parents various services. Hopefully they will promote the cause of desegregation. The idea is spreading and mobilizes local support.

In March 2009 three Houses were in operation (Rimóc, Géc, Varsány. In May 2009 a new House was opened in Endrefalva.) About 70 families are involved, the daily average number of children is between 35 and 45. The collaborators of the Houses are all participating in various trainings offered or designed by the program.

*The development of public education, integration*

The program is focusing on two issues. One of them is a national priority about the integration of children with disabilities, and Roma and non-Roma children. The first goal is accepted by the stakeholders, the second meets with strong conflicting interests that the collaborators of the program attempt to solve. They try to implement the central directives about equal opportunity. The second main issue is the modernization of the pedagogical programs and practices. A further important point is the enrichment of the life of children, and the combat against a high drop-out rate.

The goals of the program are promoted in several ways. “Master courses” are offered by outstanding teachers in various schools. Five coordinators are employed by the program who partly replace the missing teaching assistants. According to the needs and wishes of the teachers they may help in the class, they visit families to give information, they help to reduce absences, they organize free-time activities for the children, accompany them at summer camps, and summer programs. After additional training they will participate in the work of the “Tanoda”, a special after-school study room to help the children outside the school hours and enliven their life with extra-curricular activities.

*Youth development.*

In the micro-region there are about 2300 young people between 11 and 19. About one fourth or one third of them just hang around. Out of the 13 municipalities only 2 had youth clubs. The program started with mapping the situation, the needs and requirements of young people. It aims at promoting the creation of community spaces, to offer help for self-organisation, to contribute to the organization of micro-regional meetings, to enrich the network of young people. One (part-time) expert and two (part-time) young mentors help the program. Since the program started, five youth clubs have opened.

*Information Society*

At the start of the program all IT indicators of the micro-region were far below the national average. The development strategy of the program took into account the financial conditions of the local people. It aimed at organizing access to all internet services at community spaces, with the help of trained IT mentors.
Currently 8 out of the 13 settlements have a community space with IT facilities open daily or at least several times a week. Three young mentors have been trained and have started to offer training themselves. About 50 people have completed IT courses. About 400 people have learned basic skills and have become frequent users, half of them children. There are daily 40 to 50 visitors in the two houses that are open daily.

Social economy - the cooperative

One of the main targets of the program was to increase the very low activity rate. The difficulty is that the majority of the unemployed have no schooling, no skill, no job experience, many of them are Roma. One possible solution is the development of the social economy, namely the foundation of a cooperative.

The revitalization of the cooperatives is no mean task in Hungary. The preparations lasted over a year, starting with community fora and ending with the preparation of business plans. The cooperative was officially registered early 2009. It is widely supported by several local key persons, mayors, entrepreneurs, and there is strong local interest.

Development of various services.

- Before the program started the social workers of the micro-region (whether working with families, or with children) were totally isolated from each other and from the other child experts (teachers, etc.) They met with each other in the framework of the program that assured (for the first time ever) sessions of supervision, meetings with experts from other regions, etc. Cooperation has started between and within professions.
- In a more general way the program offers an almost continuous flow of courses, trainings, visits to best practices for its own collaborators and for interested professional people of the micro-region.
- A new element grew out of the realization that indebtedness due to unpaid bills of housing (loans, mortgages, energy, water, etc) leads rapidly to the loss of public utilities and ultimately the loss of the home. Debt servicing (not mandatory in smaller municipalities) as a branch of social work did not exist in the region. It is now under creation.
- In several villages there are poor Roma segregated compounds, one or more street. The funds of the program allow, for the time being, only the preparation of change by means of individual and community social work.

Civil involvement

A Children’s Committee was created by the interested local civil and professional members of the community representing practically all areas of intervention. Taking its clue from the Monitoring Committee of the National Strategy operating since 2008 it defined for itself several functions. It follows up and evaluates the
program of the micro-region, helps its implementation, assures its transparency and civil control. Its members are delegated, its leaders elected by the members.

**The extension of the pilot project**

Based on the Szecseny experience, 10 more micro-regions are starting the pilot project in 2009 and 2010 with the help of the European Social Fund. The new projects are started in the framework of the Social Renewal Operational Programme.

2009 May
SZOMOLYA - Roma integration programme

Village “Szomolya” has a bad geographical situation, as it lies on the border of two counties. The number of inhabitants in the settlement is decreasing permanently, now it is about 1650-1700 people, out of which about 20 percent are Roma.

34.7 percentage of the Roma (119 people) has lived in 26 cave-houses (cellar-houses). In the rhyolit hillside, there are 8 more Roma cottages (shanties) in very bad conditions, further 9.7 percent of local Roma (33 people) lives there.

The cellar- houses and the cottages are not able to live in for people. The electric network is not built up and there is no any public lighting. Because of the speciality of the relief and the rock there is no possibility to build up the water- and sewage system. The residents carry the water from the distance of 200-300 meters. The communication tools (TV, radio) are not available, there is no pick-up for radios, the inhabitants are excluded of basic information too. The area is not accessible for vehicles. The interior of the cellar-houses are lacking all safety, ceilings are in a ruinous condition.

DEVELOPMENT PROGRAMME

The village applied for improving the living situation at the Ministry, this application had the overall aim to develop the local Roma community, to improve their ability in programmes, local public affairs and obtaining further funds. The programmes were realised by the “Organization for the Roma in Szomolya” (the “Organisation”), in the frame of the applications programmes in 2006 and 2007, after they were given 92.920.000 HUF of subsidy by the Ministry and 33.762.000 HUF of subsidy by OFA (National Employment Foundation).

The main component of the project has aimed to enlarge the capacity of the Organization, which was supported by subprojects on the field of housing, education, employment and social services.

The Organization was established in 2005. Its partners in the application consortium, Roma Minority Local Government and the Foundation Supporting the Poor in Eger (“SZETA Foundation”) have helped them during the implementation.

ELEMENTS OF THE PROGRAMME:

COMMUNITY HOUSE

As a first step of the programme the centre of the project and that of the Organisation was shaped in former family house. This community house includes the project bureau and it has become the catalyst of the programme, the central place of the local Roma, community and supporting centre for adults and children on weekdays 8-17 o’clock.

EMPLOYMENT

8 Roma people helped the process of the project in full time as public workers, whose employment was supported by the labour centre in Mezőkövesd and then the OFA. They succeeded in completing the subprojects with professional help respectively contributed these processes actively. During the work they have obtained skills in using computer and Internet, information dissemination, arranging administrative cases, the way of buying apartments, order of social assistance, child-care, writing applications and reports, and so on. They have received practice and knowledge, how to arrange community business and how to help others.
In the frame of the programme, 15 people took part in closing-up-trainings (completing 7-8. grades), 9 people in child-care trainings, 10 people in bricklayer training, all of them have passed their exams.

**HOUSING**

26 families were provided with new homes in integrated living surroundings. Further 7 families were supported in having the water system laid on and hereby for making their home more comfortable. The cave-houses have been walled up to avoid moving in again.

**SOCIAL SERVICES**

The employees of the project receive the clients on each day in the public house and give assistance in solving their problems. Because of the low threshold service and the all-day-availability 12-15 people visit the bureau. Some of them ask for help in their more-year-old problems, while others go there for only a short conversation or inquiring about new information, jobs. These conversations have a huge role in the information-flow among the Roma inhabitants and in community development.

The staff of the service regularly visits the families who got involved in the housing project and support them in the adaptation of the new surroundings and in the handling of changing. The aim of the family-visits was to motivate families and let them go out of their isolated dwellings, which has mostly succeeded.

Handling and offering of donations by local foundations and SZETA Foundation in Eger belong also to the activity of the service. They offer clothes, furniture, domestic textiles, machines, toys, which were very useful for people moved to new home.

**EDUCATION, SUPPORT IN LEARNING**

The community house gives place to the day-time activities for children and youth in summer. The employees of the project are responsible for the daily running. 3 students helped their work as volunteers. Children could spend their spare-time here in summer holiday, from 9 until 17. They could take part in different free activities, sport-races, quiz, excursions, trips, could play board games, watch films. For younger children development activities were offered, while for elder ones, communication skills were developed. On average 16-18 children turned in a day.

At the beginning of school year other groups have been started besides of spare time activities: in Tanoda (or “Study hall”) there were organized a teenage club for young people, career guidance activities for youth in 7-8th grades, tutoring for the 6-10 year-old children, and development activities for the infants weekly. The activities are hold by social-pedagogic students.

**COMMUNITY DEVELOPMENT, COMMUNITY PROGRAMMES**

For mothers with small children a Mother-Toddler club is organised twice a month, there is also a nurse giving advices in an informal way for problems about child rearing. With the assistance of members of the Organisation more programs have been organised for example Children day, Roma day, opening of the Community House, Santa Claus feast, summer camp for children, family days, New Years Eve.
The Hungarian Maltese Charity Service and the Foundation “Tutor” together with the Ministry of Youth, Family, Social Affairs and Equal Opportunities and the Public Foundation for Homeless People set the Programme of “Inclusive Village” in autumn 2004 in action in order to create a real opportunity for inclusive families struggling with living problems to coming out from homeless status for making their own home, lifestyle and existence. Already at the beginning it unravelled that the programme requires to have not only elements helping homeless families, giving rental houses without fee and social assistance, but also developments for the whole disadvantaged settlement.

At the choice of the programme venue the low price of real estates was an important aspect that made buying of houses possible, providing living for homeless families. At the planning of the programme we were confronted with additional disadvantages, so typical for the “dead-end-villages”, such as high unemployment rate, underdeveloped infrastructure, difficulty or lack of access of social and other services, segregation and the big Roma population whose only sure living source is social assistance, completed by salary from occasional work.

The aim of the programme is to moderate the social disadvantages in settlement Tarnabod (Heves county) existing for decades: low educational attainment, unemployment, deep poverty, lack of services, bad state of health and connected psycho-social problems. The programme provides individual tackling methods as well as community programmes that can improve the welfare of the community in a long term period and give example and instruments for local people to lighten their problems.

Completed community, settlement development programme elements:

**Integration in education**
- Expansion of the kindergarten
- School-renovation and equipment of the classes
- Transformation of the pub into a Playhouse providing development and meals for children

**Social, housing integration**
- Family support service
- Dept service provision, installing card-operated electricity meters
- Operation of a village-bus in order to provide access to services
- House renovation programme: giving material, using the power of the community
- Foster parent training for 33 people

**Integration in Employment**
- Widening public work
- Support in finding a job, using contacts network
- Supported employment for people with changed working capacity, 15 capita
- Operating an electronical dismantling factory, 30 capita
- Employment of factory social worker to support the employees

**Community programmes**
- Kitchen garden and farming programme, education and assistance
- Retextile programme for children and women
- Music therapy group for teenagers
NATIONAL PROGRAMME TO COMBAT CHILD POVERTY
(Basic document of the the National Strategy 2007-2032

Summary of the Short Programme for March 2006

1. Reasons why we need this programme

In 2005 out of a population of 10 million there were 2.2 million dependent children below the age of 20 living in Hungary. Families with children on the whole are poorer than childless ones. Twelve percent of the overall population and 19 percent of children – 420,000 – were living below a widely accepted poverty threshold. (This corresponds to one of the Laeken indicators: the ratio considered poor is defined as the rate of those living under 60 percent of the median value of equivalent income.) This threshold is lower than the per capita minimum pension that is often used in practice as a poverty threshold. Until 2005, anyone living below this latter threshold was entitled to receive regular child-raising support, which was paid to the parents of 650,000 children. The minimum subsistence level calculated by the Central Statistical Office, which attempts to draw a socially acceptable, possibly adequate threshold of poverty, gives a higher figure. In 2004 fully 28 percent of the population and 40 percent of all children – 850,000 children in all – were living below the statistically calculated subsistence minimum.

Family poverty is closely related to the number of children in the family. The Laeken poverty rate of families with one child is not significantly different from that of childless couples. The poverty rate of families with two children is already nearly double that level, while the poverty rate for families with three children or more was 36 per cent, almost 3.5-times of the average ratio. From another perspective 60 percent of large families – with three children or more – were living below the minimum subsistence level of the Statistical Office. The most seriously hit by poverty are children of parents with low education levels, of jobless parents, of parents living in small villages, of Roma families, and children with serious disabilities. There are some corollaries or components of poverty that deserve special attention such as growing institutional, residential, and school segregation; ethnic discrimination of the Gypsy population which is the main factor of segregation; other forms of discrimination of the Roma. Also, access to good institutions and services is highly unequal and opportunities are low for all poor groups.

It is clearly necessary for society and the government to make a serious effort to reduce poverty. On the request of the prime minister in Autumn 2005 the preparation of a Program against child poverty was launched. The Program was prepared by a research team specially set up for this purpose within the Hungarian Academy of Sciences. The Program is based on the idea that within the government effort to reduce poverty and social exclusion, reducing child poverty must receive special emphasis. The sufferings and disadvantages of children must be alleviated as quickly as possible, for children are the most vulnerable members of society. Hungary must alter the medium and long-term mechanisms that reproduce child poverty and low education levels, for this is the only way sustainable social and economic development can be assured.

Significant central funding is necessary to improve on the current situation and turn about current trends, even though some job opportunities for the poor are increasing and they are able
to benefit to some extent from recent economic development. Nonetheless, the entire array of family supports, schools and education opportunities, healthcare, and personal services needs to be significantly uplifted. The sorely needed innovations and reforms are also costly. Despite the need for additional resources the objective of reducing poverty does not contradict targets of economic growth and improving competitiveness – the two objectives may become complementary, particularly on the longer run. Meanwhile the trickling down of economic growth will not automatically reduce poverty. The alleviation of poverty and exclusion needs a fairer distribution of income, knowledge and information, an improvement in personal social services, and a stronger enforcement of rights, children’s rights included.

Broad-scale political consensus is necessary to reduce child poverty along with the cooperation of all institutions and professions involved and of all adults who are involved with children. Another prerequisite for success of the Program is that every single local community has to recognize the vital significance of offering children a better life, and has to define its own tasks. Local governments and NGOs including religious organizations are particularly important on this level. The government will have to provide organizational conditions, for instance, by “policy proofing”, studying every single government decision from the aspect of how it will affect child poverty and by improving children’s rights advocacy (for instance, through a children’s ombudsman).

2. The goal, structure, and tools of the Programme

The most painful and acute aspects of child poverty require urgent intervention, but achievements on society-wide scale only can be expected on the long run, even if efforts are continuous. For this reason, the programme has multiple interconnected elements. The whole plan is the long-term or “one-generation” programme (2006 to 2030), of which only the main outlines are prepared. The first three years of the Generation Programme are covered by the Short Programme (2006-2008), already elaborated. There are in addition medium-term National Development Plans that form bridges between the other two programmes, and allow the use of significant European Union funding for this purpose.

The goal of the programme over one generation is to (i) significantly reduce the poverty rate of children and their families to but a fraction of the current one; (ii) put an end to the exclusion of children and the extreme forms of intense poverty; (iii) transform the mechanisms and institutions which currently reproduce poverty and exclusion, in other words to improve living conditions, environmental conditions, and institutions. The basic goal of the first three years, the short programme, is to tangibly reduce the number and ratio of children living in poverty, to significantly improve the living conditions of children currently living in deep poverty and profound exclusion, and to make initial preparations for the changes that will require more time.

Implementation of the Programme and its level of success must be measured and monitored. This requires designing the methods for monitoring and evaluation, and guaranteeing the data. It also means that incentives and means of sanctioning non-compliance will have to be designed as well as a series of indicators to demonstrate outcomes. Some indices (the EU indicators already accepted) are already available, while others will be designed by professionals and by the adults and children currently living in poverty.

The Programme sets the targets into three major groups. One general target is to reduce the poverty and exclusion of children and their families, which includes as separate but
complementary goals the reduction of the extent of poverty and the depth of poverty. **The goals which may be interpreted functionally and can be connected to the current system of public administration responsibility** are: to improve employment for parents; to ensure better and more equal conditions for skills and abilities of children to unfold, and to reduce segregation; to improve the level of personal social services and assistance for children and their families; to guarantee children a healthy childhood; and to improve living conditions and the security of having a home. **Horizontal goals that cut across all functional areas** are the following: reduction of ethnic and regional inequalities and segregation; improvement in the situation of children with disabilities; strengthening of rights; improvement in cooperation among institutions and professions on various levels; mobilising civil actors for cooperation; and improving information levels. Further, the reduction of the disadvantages and exclusion of poor settlements and regions gets special emphasis among horizontal goals, because reducing the steepness of the regional gradient has a beneficial affect on numerous other problems. In addition, the Programme considers it also a horizontal priority goal to improve the infrastructural and human conditions of the major public systems –schools, healthcare system, network of services – that also serve children.

The reason to support and develop major systems lies in the good experience of universalism (for instance, as attained in the Scandinavian countries) and in the serious problems raised by means testing. However, there are never sufficient resources immediately available for universal provisions. For this reason, the Programme proposes two new methods of distribution. **Gradual universalism** means the step-by-step introduction of a benefit or service that ultimately is meant to become universal. For instance the “Sure Start” programme (i.e. its equivalent in Hungary) is first introduced in settlements that are worst off. After the evaluation of the experiences and with increasing funds the system is gradually expanded along the “settlement quality gradient.” **Differentiated universalism** means that everyone receives the universal provision on a standard level, but the state offers surplus benefits, attention, and resources to the groups that are known to be in a bad position because of special, lasting conditions. This is the situation, for instance, as regards the family allowances of families with three children or more. In this situation the goal is to give lasting extra support to the families with many children without spreading the increase to other groups.

The Programme proposes general and concrete measures and actions connected to each of its vertical targets. The **key points** of the Programme, which are also **tools** of high importance, stem from them. **The key points of the Short Programme are:** (i) the increase of family allowance for families with three or more children and for single parents; (ii) the start of early-age development programmes; (iii) the improvement of the situation of families living under the worst circumstances.

**Two key points emerge in the Generation Programme:** (i) to reduce school segregation by changing the outlook of all actors involved and improving conditions in poor schools; (ii) to set the improvement of community and personal services as an absolute priority aimed at a significant change in the acceptance of a more child-centred and tolerant social outlook.

April 2006

Hungarian Academy of Sciences, Office of the Programme to Combat Child Poverty.
Annex 1:
The steps in building up of the National Programme To Combat Child Poverty Between April 2006 and May 2009

<table>
<thead>
<tr>
<th>YEAR</th>
<th>DATE</th>
<th>Event</th>
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<tbody>
<tr>
<td>2005</td>
<td>17 October (The International Day for the Eradication of Poverty)</td>
<td>The Prime Minister announces at the first national meeting of the Hungarian Anti-poverty Network the government’s intention to combat child poverty</td>
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<td>November 2005</td>
<td>Creation of the Office of the Programme to Combat Child Poverty within the framework of the Hungarian Academy of Sciences (HAS), based on a contract between the Prime Minister’s Office and the HAS</td>
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<td>2006</td>
<td>21 March 2006</td>
<td>Publication and presentation to the public by the Prime Minister of the National Program To Combat Child Poverty, Short Program, prepared by the Child Program Office of the Hungarian Academy of Sciences</td>
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<td></td>
<td>Autumn 2006</td>
<td>Start of an experimental model project based on the Short Program in the micro-region of Szecseny (20000 inhabitants, 13 settlements, one of the country’s poorest micro-regions), based on a contract between the micro-region and the Child Program Office of the HAS</td>
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<td>2008</td>
<td>17 September 2008</td>
<td>The Monitoring Commission of the National Strategy 2007-2032, “Making Things Better for our Children”, is established. Its 9 members are proposed by nine civil organisations and nominated by the Prime Minister</td>
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<tr>
<td>2009</td>
<td></td>
<td>Late 2008 the crisis reached Hungary. A new “expert” government entered office in April to handle the crisis. The handling implies serious budget cuts. The planned implementation of the National Strategy is threatened.</td>
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May 2009

HAS Office of the Programme to Combat Child Poverty
Governmental policies on moderating rural poverty in Hungary

In Hungary regional differences have strengthened after the change of regime. Owing to the economic structure change, total disappearance of some particular branches and change of agriculture disadvantaged, coherent geographical areas have developed, where problems have appeared in a concentrated form such as disadvantaged demographical processes, increasing out-migration, deficient conditions in education and labour market. Earlier it was spoken about the split of the country along the Danube, but there are some experts thinking of a disadvantaged zone in the directions of north-east to south-west. But the situation is more difficult.

The settlement structure in Hungary is centered strongly among the capital, apart from some bigger cities there are some hundreds of medium- and small town, while there is a high rate of small villages. (The number of settlements is about 3165.) It is a fact that in contiguous areas in north-east and south, south-west jobs are lacking, especially bad traffic infrastructure makes travelling difficult and there are serious problems in accessing public services. Moreover, such backward areas or territorial bubbles have developed also in the West-Transdanubia region, that has neither better situation as in Eastern-Hungary.

A Governmental decree specifies 94 granted micro-regions of 174 due to different social and economic indicators, rating disadvantaged and most disadvantaged ones. Out of the 47 most disadvantaged micro-regions the government has elaborated a comprehensive development programme for the 33 most disadvantaged ones, with the name “No one left behind” Programme. The programme is part of New Hungarian Development Plan (ÚMFT). In the frame of this comprehensive programme the mentioned micro regions work out programmes for solving their most important problems in the areas of economic development, infrastructure and labour market. The programme is financed by the Structural Funds, and the micro-regions are supported by external HR assistance during the planning work.

In the Hungarian governmental structure it is the Ministry of Agriculture and Rural Development which deals primarily with rural development and it is also responsible for the New Hungarian Rural Development Programme. But of course other ministries have important exercises in that area, too, namely the Ministry of Local Government is responsible for issues connected to local self-governments, or the Ministry of Education which has the competence of operating the education system, which is very important from the point view of equality. The National Development Agency (NFÜ) established for handling of EU-resources works under the controll of the Ministry of National Development and Economy.

Ministry of Social Affairs and Labour – or rather its legal predecessors – has also been supporting special programmes with the aim of decreasing rural poverty and improving the life standard of inhabitants in small settlements since decades. For example the village and homestead community care giving service is specified by the Act on social services. This service assists the inhabitants of settlements under 600 people and people living in scattered farmsteads where this service helps in shopping for elder inhabitants, provides access to healthcare or delivering pupils and students to institutions. The service is available in more than 800 small settlements. Besides budgetary resources the New Hungarian Rural Development Programme provides resources for developing this service.
Also since the beginning of the 1990ies the social land programme runs in the most disadvantaged counties financed by Ministry. The programme is usually coordinated by local governments of small settlements, where the programme gives possibility for unemployed families often living on social assistance to grow vegetables, fruits around their own houses or in local-governmental land, or to breed animals for own consum and for selling it. They are not entrepreneurs yet, but with the working culture they get skills that can help getting on on their own. The programme is running now in 194 settlements of 44 micro-regions in 10 counties. About the half of participant families comes out from the Roma minority. A possibility for further development would be if the programme could get assistance from the Axis III. of the New Hungarian Rural Development Programme aiming at the development of quality of rural life or among the activities of LEADER communities supported under Axis IV.

Also in the 1990ies, in crisis situation because of appearance of mass unemployment three-year long micro-regional social development programmes started which are similar in its nature to the comprehensive programme for the 33 most disadvantaged micro-regions, but focus on the development of social and child welfare services. In this programme micro-regions chosen together by the Regional Development Councils and the Ministry have got the possibility to work out a 3-year-long development plans for development of social and child welfare service for a determined amount. These programmes are processing now in six micro-regions.

Also one of the most important problems of rural poverty is the issue of segregated settlements or parts of settlements, where a large number of Roma population lives partly or totally separated from the majority. Of the number of the Roma population different data exist. The official information comes from the census of 2001, according to which 190 000 people professed themselves belonging to the Roma minority in Hungary. Sociology surveys – and the reality – have shown much bigger numbers: approx. 600-800 000 people. Roma population lives in the country in strong territorial distribution. A momentous group of them lives in run-down slum areas of the capital, while another big group concentrates in impoverished rural settlements, often in segregated colonies. The Ministry of Social Affairs and Labour has started comprehensive programmes more times to discharge these colonies. These programmes combine the improvement of the housing situation with offering solutions for tackling unemployment or developing lacking public services. The programme could help 20-25 settlements until now.

The “Cserehát” programme closes in 2009 coordinated by UNDP and the Ministry of Social Affairs and Labour is also a comprehensive development programme of the disadvantaged Cserehát area in North-Eastern Hungary with a dense Roma populations. 10 micro-regions got support for developments and elaboration of projects to be financed by the Structural Funds.

By means of the Social Renewal Operational Programme and the Social Infrastructure Operational Programme – providing ESF and ERDF resources – the Ministry of Social Affairs and Labour elaborates further programmes in the period 2007-2013 which can help moderating the territorial and social disadvantages of rural areas.
Parliamentary Resolution

Parliament,

– considering the fact that choosing to have a child is of value to all of society and that raising a child entails costs and sacrifices that deserve financial and moral recognition,
– emphasizing that children enjoy special protections which include using all means available to guarantee children’s right to a living standard enabling their appropriate physical, intellectual, spiritual, moral, and social development,
– recognizing that solidarity between social groups in different situations and between different generations is essential to guarantee our children’s future,
– recognizing that sustainable social development and a healthy, cohesive and peaceful society, the foundations for which must be constructed for our children by enhancing solidarity, forms the basis for economic development,
– emphasizing that improving opportunities for children and decreasing child poverty is a common interest, task, and responsibility of society, of central and local government bodies, and of non-governmental organizations,
– recognizing that the most effective way to combat child poverty is to prevent it from evolving, and that this requires more effective measures than we have at present,
– considering that Hungary is in 19th place among the 26 countries surveyed by UNICEF in its study on child poverty,
– considering the statistical data which verify that as of December 2006 there were 2,064,793 dependent children below the age of 18 living in Hungary and that the households raising these children are poorer than others,
– realizing that every single political party with seats in Parliament has said that the society-wide issue of reducing child poverty is both important and urgent,
– recognizing that comprehensive measures covering all sectors are needed to reduce child poverty,
adopts the following resolution:

1. Parliament adopts the National Strategy called “Making Things Better for our Children,” to run from 2007 to 2032 (hereinafter: National Strategy) which is attached to this resolution as an appendix, the goal of which is to reduce child poverty and improve chances for children.

2. Parliament calls on the Executive to prepare a government programme of action every three years based on the National Strategy and in it to define the tasks involved in designing the legislative, professional, and organizational conditions required, stipulating persons responsible, participants, deadlines, and necessary funding. The deadline for completing the first programme of action is September 1, 2007.

3. Parliament calls on the Executive to see to it that plans, programmes, goals, and interventions related to European Union membership are met while implementing the programme of action, with particular respect to the New Hungary Development Plan and its operative programmes. It should also focus on the requirement to maintain equilibrium in public financing, and the primacy of competitiveness and increasing employment.

4. Parliament calls on the Executive to evaluate the implementation of tasks included in the National Strategy and in the government programme of action for the given period every three years, and to design the succeeding government programme of action on that basis.

5. Parliament calls on the Executive to see to it that when taking government decisions, improving the lot of children should be a paramount consideration.

6. Parliament calls on the Executive to elaborate a system of monitoring the tasks of the National Strategy and to see to it that social welfare and non-governmental organizations, and religious denominations are included in the establishment and continuous operation of a monitoring committee whose task it is to assist, follow up and evaluate implementation of the National Strategy.

7. With this resolution, Parliament calls on professional and civic organizations, religious denominations, and local governments to
a) do everything in their power to implement the goals of the National Strategy,

b) participate in dissemination of information on the National Strategy and in evolving a supportive outlook.

8. This resolution shall enter into force on the day of its promulgation.

Chapter I.

Basic principles of “Making Things Better for our Children,” National Strategy

I. Basic principles of the general strategy

1. Reason the National Strategy is necessary

There are three main reasons for initiating the “Making Things Better for our Children” National Strategy. All poverty causes suffering, but child poverty is unbearable. Social sensitivity to the suffering of children is expressed in Act of Parliament LXIV, 1991, which promulgates the UN Convention on the Rights of the Child. Under this law, children are entitled to all human rights adopted by the United Nations, its specialized institutions and its international organizations, for they qualify as international law, and to special guarantees and protections in implementation because of the physical and intellectual immaturity of children. Children enjoy special protections: the signatory states recognize this and employ all means at their disposal to ensure all children of their right to a living standard that makes it possible for them to develop appropriately in the physical, intellectual, emotional, moral, and social senses alike. Legislative acts adopted to this end must treat the interests of children as paramount. The primary reason a National Strategy is needed is to reduce want among children and their families, and to improve children’s chances of development. The act covers all children, but by interpretation, priority must go to those children whose interests are the most seriously violated, the ones whose development is the most acutely limited by want.

Another important reason why a National Strategy is needed is the necessity of breaking the poverty cycle. This is in the perspective interests of children and society alike. In today’s knowledge and competition-based society,
the poverty of children who thus begin life at a disadvantage has more serious consequences than ever before. Childhood poverty is not only an absence of material resources but a barrier between children and the opportunities that would offer them reasonable chances of joining the major social networks—work and participation in society as citizens—and thus, the basic chance for a decent living. Closely related to this is the lack of regular gainful employment, of an opportunity to work. One factor of exclusion is triggered by shortcomings in the formal educational system and by a general lack of training. Today about one-quarter to one-fifth of people finishing primary school are functionally illiterate. Given a lack of marketable knowledge and of training that would enable them to successfully enter a competitive workforce, their fates and those of their children are sealed.

The third reason is the outcome of the other two. Sustainable economic and social development on nationwide level is in all of our interests. This requires an approach focused on opportunities for children, on readying them for an active and if possible competitive role in the market which means general guarantees that they will be able to find work and a narrowing of the social gap, which today is still expanding. The foundation for sustainable and coordinated economic development is sustainable social development in a healthy, cohesive, and peaceful society.

2. The long-term outlook and principle of continuous development: Evolving a generational strategy

Several decades of constant effort will be needed to significantly reduce child poverty and fully integrate all children into mainstream society. The programme will have a chance of success if the interactive building-block tasks and measures, all pointing in the same direction, are able to generate changes in the economic, social, political and public service systems. This requires a 25-year (2007-2032) generational strategy which will form the backdrop to the short and medium-term goals and tasks.

3. The principle of social embedding

Poverty is a component of social structure and inequality. It is not possible to attain substantive, long-term results by treating symptoms or even by priority improvement of certain elements of the problem, no matter how important it may be to do so. Poverty will be reduced if the economy becomes stronger, if employment and incomes within the family increase and if there is a simultaneous reduction in social and economic inequality. Better societal
integration, and a weakening of lines of separation and segregation are both prerequisites and outcomes. Reducing poverty does not contradict the goals of economic growth and competitiveness, but the reduction is not an automatic concomitant of an improved economic situation. It also requires a fairer distribution of incomes, knowledge, and information, an improvement in institutional and personal social services, and a reinforcement of rights. The heightened disintegration – breakdown – of society makes it increasingly hard to operate counterbalances. This is why it is necessary to intensify the operation of institutions supporting social cohesion and the acceptance of common norms. Unless we have mutually accepted and deeply rooted norms of coexistence, civilized coexistence is in jeopardy.

4. The principle that the interests of children are paramount

It is vital that all programmes of action, orders of procedure and organizational solutions related to the National Strategy put the interests of children above all else. Measures and recommendations for solution only can be supported if they mesh with the primacy of children’s rights and the interests of children.

5. The principle of good governance

The most important principles of good governance, using internationally accepted methods, are generally listed as follows: broad-scale participation, endeavour to reach consensus, acceptance of responsibility, accountability, transparency, sensitivity to events, effective and efficient operation, fairness, all-inclusive operation, and rule of law. These factors can keep corruption to a minimum and compel the decision-makers hear the voices of minorities and the most vulnerable of their citizens. Good governance is sensitive not only to the present but also to the needs of the future. These principles are to put into practice on maximum level in the National Strategy for “Making Things Better for our Children.” If a measure of consensus and support is attained for the societal responsibility of giving our children a chance, this will make it possible to establish new and more successful government practices. Through them governance can become more effective, and resources, use of them, costs, and benefits can become more transparent. The effectiveness of government also can improve if it truly includes all in its actions and if it includes its partners on all levels of governance in the responsibility for its social programmes.

6. The principle of society and cooperation on local level
Improving opportunities for children and reducing child poverty is a common interest, task, and responsibility of the social, government, and local government organizations, and of the non-governmental organizations. The goals set forth in the National Strategy cannot be implemented unless these organizations cooperate effectively with one another. All players must be included in decisions, in implementation tasks, in monitoring and evaluation, and in drawing conclusions after the fact.

The concrete prerequisite for the success of the National Strategy is for all local communities to recognize the vital importance of it. Each and every local community differs. Within the overall framework of the national programme, each one has to set its own local priorities and working together with local residents, it needs to design the common goals that fit in with the strategy. Partnerships of all involved parties, that is, of parents, teachers, other professionals who work with children, NGOs, and religious organizations, are of particular importance on this level.

The media plays a dominant role in determining the feasibility of the National Strategy. With respect to the channels of info-communication that play priority roles in the life of society, efforts must be made to establish a pro-family outlook and filter out damaging content.

7. The principle of complexity

A comprehensive series of measures that permeate all sectors are needed to reduce child poverty. The National Strategy is not a promotion of development in specific priority areas but of advances in everything that serves to put the interests of children above all else. To this end, existing programmes and ones yet to get underway need to be coordinated within settlements, within sub-regions, and on nationwide scale. On all of these levels and in the various areas of detail (particularly in employment, wage policy, education, housing, healthcare, welfare, child welfare and child protection services) coordinated building-block measures need to be designed and implemented.

8. The principles of transparency and oversight

To implement the National Strategy, we need to design a set of criteria and indicators supporting the execution of the Strategy’s tasks, setting down accountability for completion and oversight. A monitoring committee established on the basis of the National Strategy – operating as customary in the
course of the open coordination procedures of the European Union – will follow up and evaluate the results and effects of implementing the tasks set forth to eliminate child poverty. The government will provide the information to the independent monitors to enable them to evolve their indicators.

II. Special principles related to the situation of children

1. The principle of prevention

The most effective way of combating child poverty is to prevent it from evolving in the first place. To this end, the National Strategy on the one hand is calling for the establishment of institutions and services that began operation from the moment a child is born, and assist in improving opportunity (early skills and talent development). At the same time, recognizing that child poverty and the situation of families (parents’ employment, income situation, housing conditions, etc.) are inseparable, it attempts to prevent the family’s situation from deteriorating (for instance, from losing their home), to prevent job loss and to promote better work (better information to parents, enhancement of skills, improving employment opportunities, better jobs, better earnings). Prevention should include prevention of substance abuse and dependence, and treatment of existing additions (such as drugs, alcohol, tobacco, gambling, etc.).

2. Principle that the interests of children are paramount

Every single decision of and measure taken by the organizations and persons charged with eliminating child poverty must focus on avoidance of conflict with the direct and indirect interests of children. On government level, the primacy of children’s interests must be assured on organizational level, for instance by setting child poverty as a top priority consideration of every single government decision.

3. The principle of gradualness and heightened protection for the most disadvantaged

Available resources are always finite, so it is necessary to establish priorities for actions. The priorities may be altered as a function of goals achieved and of changes. When using public monies, eliminating extreme poverty must have priority at present as must improving the lot of the persons in the poorest situations. Priority at the outset also needs to go to initiatives – which for the most part initially require less funding – that tend to multiply their effects on longer term and to contribute to breaking the vicious circle of inherited poverty (such as the training of instructors).
4. The principle of equal access

An essential element in reducing child poverty is to enable children to access services irrespectively of their places of residence. One important goal of the National Strategy is to provide satisfactory services and improvements to reduce inequalities in access to healthcare, and to educational, welfare, and child protective services and institutions, as well as to offer the basic conditions for high-level professional activity in these areas. The priority and parallel development of community and personal services also plays an important role. It must be stressed that the effectiveness of benefits, offered in cash or kind, can improve significantly if the quality of those services is high.
Chapter II.

The domestic situation of families with children and the international aspects of the struggle to combat child poverty

1. Family incomes and financial circumstances

In 2005, there were 2,064,793 dependent children under the age of 18 living in Hungary. Families with children are poorer than childless families. While 12 percent of the overall population lived below the extensively accepted poverty line, the ratio for children was 19 percent or 420,000 children. (This poverty line is set at 60 percent of the value of the equivalent median income calculated in units of consumption.) Another, higher, poverty line is the per capita minimum pension, which was used to mark the threshold for receiving assistance until 2005. Below this threshold, children were entitled to regular child-raising assistance. At the time, 650,000 children received this assistance. An even higher threshold was the minimum subsistence level calculated by the Central Statistics Office (KSH), which attempted to draw a line marking a socially accepted level of poverty. In 2004, fully 28 percent of the population and 40 percent of children, or 850,000 children lived below that line. Since 2005, this number has been declining gradually, following repeated changes in the laws and other prerequisites.

The poverty of families with children is related primarily to the existence of the children and the related lower ratio of economic activeness. It is differentiated by the number of children in the family. The poverty rate of families with one child is more or less the same as of families without children. The problem begins with two children. Their poverty rate is 70 percent higher than that of families with only one child. The demarcation line for deep poverty – similarly to most European countries – is three children. The poverty rate of families with three children or more is three-and-one-half times that of families with a single child. Sixty percent of large families live below the minimum subsistence level. True, these large families make up only 4 percent of families overall, but fully 25 percent of children live in them. Children in large families make up 45 percent of all poor children.
Table 1.

**The poverty rates of families with children**
Percentages of households living below various poverty lines, 2004

<table>
<thead>
<tr>
<th></th>
<th>Below 60 percent of median income</th>
<th>Below minimum subsistence level as calculated by KSH, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total households</td>
<td>14</td>
<td>28</td>
</tr>
<tr>
<td>Total households with children</td>
<td>19</td>
<td>41</td>
</tr>
<tr>
<td>Of this:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>with 1 child</td>
<td>11</td>
<td>29</td>
</tr>
<tr>
<td>with 2 children</td>
<td>19</td>
<td>34</td>
</tr>
<tr>
<td><strong>with 3 children or more</strong></td>
<td><strong>36</strong></td>
<td><strong>60</strong></td>
</tr>
</tbody>
</table>


*Note: The poverty line is set at 60 percent of the equivalent median income that includes the number of children in the household (OECD 1 scale).*

The uneven distribution of incomes also means that 32 percent of people living in families with children are in the lowest income quintile, and only 12 percent are in the highest. If we look only at the children, the differences in ratio are even more extreme: 60 percent of children live in the lowermost two quintiles, among the poorest strata of the population.

Therefore, the first component of poverty is a clearly tangible lack of income, which becomes a serious factor in families with two children and is particularly acute where there are three or more. More or less serious want exists among one-third of the children in two-child families, and in the majority of larger families. Money often runs out before the end of the month in these multi-child families, and is not available to cover numerous vital needs, such as medications. They accumulate debts that threaten to evict them from their homes. They lack almost all elements that enrich lives – for instance, four-fifths of poor children never go on summer holidays.

While on average, families with children live amidst better housing conditions than the overall population, the housing of a significant portion of
poor families with children is expressly poor. One in four homes of poor families with children does not have an indoor toilet or bathroom, one in five lacks running water, and two-thirds live in homes with traditional heat – individual wood or coal-burning stoves. Many find supporting the family difficult. In 2005, 40,000 gas metres and over 60,000 electric metres were disconnected. We assume that a disproportionately high number involved families with children, that is, that 3 to 4 out of every 100 families with children were without these utilities. Growing debt is an increasing danger despite organized debt management efforts and the slow spread of prepaid metres. Since it is expected that home maintenance costs will go up, families continue to be at risk of losing their homes, which often leads to the collapse of the family and the institutionalization of the children. At present, the only tool available to combat this is organized debt management, and the only means available to slow it down is a winter moratorium on evictions, which is not guaranteed by law. Therefore, the absence of a secure home is constantly threatening tens of thousands of families.

2. Characteristics of the poor portion of the population

The predominant social factors leading to poverty – among the entire population – are low rates of economic activeness and high rates of unemployment; low education levels and an absence of skills; a “bad” place of residence meaning a small settlement in a depressed region; poor health and/or a disability; and being Roma. These same factors make up child poverty. Children are particularly hard-hit if their parents are uneducated, unemployed, live in small villages and/or are Roma. Children also have a hard time if they are being raised by a single parent or if a family member – either parent or child – has a disability.

Regarding heads of household with incomes, the ratio is only slightly better in families with less than three children. There was an economically active person in 75 percent of families with children overall in 2003 and in 71 percent of families with three children or more. The bigger problem is that there are far fewer cases of both parents working in larger families, and far more jobless persons. This is partly because there is a great deal of household work with a large number of children, making it harder for the second parent to get a job, and partly because it is difficult to place a larger number of children in institutionalized daycare. That means there is a twofold trigger behind the poor income situation. Resources obtained through work decline as the number of children increases, while child-related expenditure increases by far more than
the rise in family allowances or other childcare benefits. Since the family allowance does not cover even one-third of the costs of raising a child (calculated at minimum subsistence level), with each additional child there is a significant increase in the gap between the money needed to live on and the amount available.

In 86 percent of poor households with children, the head of household does not even have a secondary education, and in more than 40 percent of cases, there is not a single economically active person in the household. In addition to the overall number of children, the presence of small children in the household also counts. If one parent (generally, the mother) is at home and receiving childcare assistance (gyes) or child-raising assistance (gyet), this significantly increases the risk of poverty. (Childcare fees – gyed – granted for people on unpaid leave from a job do not have this effect.) One particular problem of a childhood in poverty that is a defining element in the socialization of the very poor is that we are seeing a third generation of children growing up under circumstances in which parents or in fact, no person in their immediate or broader environment has ever held a regular job.

Table 2.

The significance of certain poverty components: Percentages within given groups

<table>
<thead>
<tr>
<th>Percentage of people living in households where…</th>
<th>Overall households</th>
<th>Households with children</th>
<th>Poor households with children</th>
</tr>
</thead>
<tbody>
<tr>
<td>The head of household has less than a secondary education</td>
<td>59</td>
<td>60</td>
<td>86</td>
</tr>
<tr>
<td>There is no economically active person in the household</td>
<td>26</td>
<td>10</td>
<td>37</td>
</tr>
<tr>
<td>There is an unemployed person in the household</td>
<td>12</td>
<td>16</td>
<td>43</td>
</tr>
<tr>
<td>There is a person receiving childcare aid (gyes), child-raising assistance (gyet), or childcare fees (gyed)</td>
<td>14</td>
<td>27</td>
<td>42</td>
</tr>
</tbody>
</table>
The place of residence including the region and type of settlement is a significant poverty risk factor. The regional differences in the income status and poverty risk for the overall population are equally valid for households with children. If the nationwide poverty rate is calculated as 1, the risk of poverty in the northern Hungary region is particularly high, averaging 1.8. For children living in the region it is 2, or double. The poverty risk for people living in the Northern Plains – the northeast – is also higher than average. The other extreme is Budapest, where the likelihood of poverty is 0.4. The poverty gradient between urban and rural area shows a wide gap, ranging from 0.4 to 1.5. Over half of all poor people and 55 percent of poor people with children live in villages.

Poverty and illness are extensively interconnected. Poor people are more prone to illness and live shorter lives. This trend appears to be deteriorating. Since 1988, the mortality gap has been expanding, with the life expectancy of better off people increasing while that of people with the lowest educational levels has declined significantly. To date there has been no systematic collection of data on how the health status of children relates to their social situation. One set of data was processed for the National Programme to Combat Child Poverty (a short-term programme). It focused on the relationship between parents’ health status and social situation. Each illness or health concern investigated showed a closer or less close but nonetheless statistically significant correlation with poverty-related sociological variables, that is, with income, education level, settlement slope, and membership in the Romany ethnic community. In addition, it was found – and this had not even been suspected previously – that the number of children is also related to parental health status. Children do not protect parents from stress and stress-related disorders. Among many disorders investigated, the ratio of persons with the disorder increased with the number of children they had, even if important other conditions, such as parental income or education level were identical.

The children of Romany families are in a particularly dire situation. At the same time, poverty is not a Romany issue: over two-thirds of poor children and half of the poorest are not Roma. To put it another way, there are more poor non-Romany children than Romany children, but the ratio of poor children among the Roma compared to their overall number is much higher. In fact, various research studies allow us to conclude that the poverty and exclusion of Romany children are particularly profound, for reasons such as the long-term
unemployment of parents; increasing institutional, residential, and school segregation; related ethnic discrimination against the Gypsy population; and unequal access to good institutions and services.

3. The reproduction of poverty

The two primary institutions contributing to the reproduction of poverty are the family and the school. Since clearly the family cannot give its children more than it has or anything different from what it has, many types of intervention and institutional assistance in many areas are needed to reduce the initial inequalities. The number of areas where help is needed is actually increasing, rather than declining. Recent research (sadly, all conducted abroad) has verified that poor conditions when beginning life have an early and lasting influence on the state of children’s health. An absence of parental effort limits children’s chances of developing their talents in a timely manner and in diverse directions. Intervention in this is only effective if it begins very early, at birth. Uncertainty in subsistence, poverty, and an absence of appropriate models does not prepare a person for adulthood amidst socially accepted norms, so here too, early education that promotes development is important. The interruption of the flows that reproduce poverty requires very early and responsible intervention from all of us.

Education level is the outcome of a process of socialization as well as one of the most important determinants of adult social status. According to KSH data from 2004, upward mobility has increased significantly as a result of school expansion. Over two-thirds of the people in the sample (heads of households) had more education than their fathers. At the same time, the social components of mobility continue to be very strong. Ten percent of the children of fathers with low (primary only) education levels graduate college while the corresponding figure for children of fathers with higher education is 68 percent. At the same time, one-quarter of the children of fathers with primary education do not study beyond primary school. This is a very significant number, and this group is particularly at risk of social exclusion. There has been very little change over time. The mobility ratios of people under 40 and over 40 are almost exactly the same. People starting life under economically and socially disadvantaged conditions tend to be immobile, and the immobile group includes a high proportion of Gypsies. While analysts place the ratio of Roma within the overall population at 5-6 percent, they make up 30 percent of the people with only a primary education. Considering current demographic trends, within the next 10-15 years the socio-economic exclusion of the Roma from society and
the unsatisfactory education of Romany children can result in a situation in which a significant portion of the workforce becomes unemployable because of a lack of marketable skills.

The other side of the problem is that the disadvantage of children off to a poor start will increase rather than decrease through the years spent in school. A defining role in this is played by school segregation, which means that one portion of the poor children and most of the Gypsy children are segregated into separate schools, school sections, or classes, which often operate under worse conditions and offer less than their mainstream counterparts. Often the children of Gypsy (and other poor) families attend schools that are really ethnic and social ghettos. The ratio of Gypsy children to the number of children overall is increasing steadily, while their social status has been deteriorating (this is a long-term effect of the shock of regime-change). Experiments to reduce segregation were late getting underway, have no clout whatsoever, and sorely lack funding. Not even a fraction of the funding needed for the successful integration of Roma children into the school system and for gap-reduction is available. Given these conditions, segregation is increasing.

The PISA studies have verified that differences between Hungarian schools based on the social status of parents are among the most marked of all the OECD countries. This has an extremely unfavourable effect on unfolding children’s abilities and on their performance. The result is the dramatic difference in the proportions of children continuing their educations, in the failure of poorly prepared people to hold their own on the labour market, and finally, in the low social mobility level which forces poor children to remain in poverty as adults.

4. Child poverty in Hungary within the international field

Child poverty as a separate problem has been on the agenda of international organizations since about 1990. The UNICEF report of 2000 is (probably) the first study that concentrated on child poverty in the OECD countries and offered a comparative analysis. Forty-seven-million children or one in every six living in the 29 OECD countries was subsisting blow the national poverty line (set at half the average). The highest ratio was in very poor Mexico (26 percent), but the second highest was in the extremely wealthy United States (with 22.4 percent). Italy and Great Britain had the highest child poverty rates of the European countries, with about 20 percent each. Hungary had a rate similar to Germany’s at 10 percent, putting it in midfield, according
to the report. The lowest rates were in the countries that spend the most on children: France (8 percent), and in particular, Finland (4 percent) and Sweden (3 percent). There has been no significant change in these rates since then, except in Great Britain, where a concentration of resources has cut the high ratio.

The European Union began concentrating on child poverty somewhat after the UN. The issue is still not a central one on the joint agendas, but it has been attracting more attention. A 2006 document writes: “The poverty of income of children is a serious problem as it is generally recognized that this relationship influences their development and future opportunities. For this reason, the EU has set itself the goal of striving to eliminate the social exclusion of children and to provide all conditions for social integration. The ratio of children living in income poverty is higher than that of adults …” EU data supports the fact that this is true for Hungary, too, although as borne out by UNICEF data, Hungary is not at the bottom of the international scale. According to EU data, the child poverty rate in Hungary is less than the average of the EU-25.

However, both the UNICEF and the EU figures relate to relative poverty, to the ratio of people living below a given level. In addition to looking at relative figures, UNICEF also studied absolute levels. On that scale the ratio of child poverty in the USA was lower than that of the East European countries, and that puts the Hungarian poverty rate on a higher level, too.

UNICEF analyses that focus on the primary causes of poverty in the light of international experience are worth a closer look. It found the two most important factors influencing the lot of children to be the level of wages and welfare expenditure. Decent welfare benefits can counterbalance the effects of single parenthood, many children, unemployment, and low wages as causes of poverty. According to the report, “not a single country with a high ratio of public expenditure for welfare had a high proportion of poor children.” Given the peculiar relationship between the two factors, no single conclusion is generally valid. For instance, some of the most important reasons recognized are not universally valid. It is often assumed that single parents are a poor group. This is true in the USA but not in Sweden. Official unemployment in Mexico and the USA is very low while it is very high in Finland. Nevertheless, their rates of childhood poverty are exactly the opposite. Hungary, of course, is nowhere near having the opportunities to push policy in the direction
recommended by UNICEF, but the analysis should be considered when designing longer-term policies.

5. Programmes intended to alleviate child poverty – an international perspective

The defining role of inequalities among children brought about by different educational and social backgrounds became a focal point of interest in the final third of the 20th century, beginning in Europe and then growing in the United States. This happened at roughly the time when modern societies that were becoming increasingly affluent re-discovered that poverty continued to exist amidst the growing prosperity. Once recognized, the next move was to analyze the role of the schools in conserving the disadvantages. This was followed by moves targeted at reducing these disadvantages. By the end of the century it was clear that schools alone, or more specifically, school programmes focused on poor children (such as Head Start in the United States) were unable to overcome the problem of poverty and that more complex approaches were needed. This gave rise to general efforts to combat social exclusion and within that, to a more clearly defined series of tasks to grapple with child poverty and try to even out chances for children.

There have been and continue to be a wealth of well-intended NGO initiatives in this struggle. Most operate along narrow lines, but are often successful and make good models. In recent years, the fight against child poverty has risen to the ranks of national politics in a few countries. In some places – such as the United States – concentration continues to be on a single area, education, into which significant resources have been allocated. In 2002, passage of a tough US law entitled No Child Left Behind concluded 20 years of preparation. While hotly disputed, the programme appears to be reasonably successful, not so much in reducing poverty as in raising the level of education and improving social mobility through this. True, the main goal, which was to see a significant approach in the performance of disadvantaged minorities and the majority, was only achieved among students in the few schools where it was applied during the past 20 years of isolated experiments. In clearly successful efforts, the Scandinavian countries have placed and continue to place a great deal of emphasis on their policies towards families and children, and to spend a great deal of money on implementing them. In Britain, efforts to combat child poverty are the most complex and their public policy system has been the most emphatic of all we have seen. Centralized efforts began in 1997, when the Labour government took office. In 1999, Tony Blair committed himself to
cutting child poverty in half by 2010 and to completely eliminating it by 2020. The commitment had an amazing echo both within and outside of government administration. Many “green book” debates followed, multiple laws were enacted, and even more programmes were designed, generally around services to children (Every Child Matters) and early childhood development (Sure Start programme). Other efforts concerned adolescents, children in general, daycare for children and similar issues. The programmes have included employment for parents, combining salaries and assistance as well as taxes, improving housing, education, and healthcare. Each year, a number of government, professional, and NGO reports have been prepared on childhood poverty trends. Monitoring the flows, processing the indicators and continuous follow-up surveys are an integral part of the policy. The results of the nearly ten-year-long effort – which has seen the inseparable intertwining of the effects of the growth in both employment and redistribution – have been somewhat below the planned level but are impressive nevertheless. There was a 70 percent increase in cash allotments to children between 1997 and 2004, while the number of children living in poverty dropped by half a million. As of 2005, the situation of the most vulnerable groups – single parents, people with four children or more, and people raising children with disabilities – had shown the greatest improvement. Many results continue to be disputed within Britain itself, and some of the more thorough analyses point to failures (such as the fact that these measures have barely touched on deep poverty). However, on the whole, the popularity of the programme is growing, and its effects are promising.

6. Tasks undertaken by the government (community) to help children in Hungary

As indicated, public expenditure plays a significant role in reducing child poverty. In Hungary, public expenditure including expenditure to protect society is at about the level appropriate to the country’s economic development. Nevertheless, the level counts as low within the EU. The average of all the EU countries devoted about 28 percent of GDP to social welfare (education is not included in public expenditure for welfare policy) in 2003, while the amount spent in Hungary was 23 percent. Given that GDP was about half the average for the EU, Hungary spent less of a smaller amount on welfare protections, so the absolute level was well below that of the advanced welfare states. Nevertheless, for the past several decades, Hungary’s policy in support of families and children has been comparatively good and up-to-date. Institutional benefits, primarily public education, and benefits to which everyone or specific
groups are entitled (maternity benefits, family allowances) compare favourably to European systems.

Cash benefits offered in Hungary are quite differentiated in their adjustment to life situations. (Benefits focused expressly on families with children are pregnancy and maternity benefits, sick pay when caring for a child who is ill, family allowances, childcare fees for parents with jobs who remain at home on longer term on unpaid leave, childcare assistance for non-working parents remaining at home with a child on longer term, child-raising assistance for parents of three children or more remaining at home until the youngest child reaches age 8, and various child protection benefits. Families with children also may take advantage of nursing fees offered to a person remaining at home to care for a relative with a long-term illness, housing supports, etc.) The structure of the benefits appears to be satisfactory, and the social effectiveness and efficiency – excepting selective benefits – is generally acceptable. The standards of benefits and the mechanisms enabling them to retain their value are disputable. Institutional supports are also differentiated as basic and specialized care and services provided in the home and in institutions for population groups differing in age and situation. For families, child welfare and child protection supports are particularly important, as are services to assist families. These systems were comparatively late in developing and still have many problems to overcome such as a shortage of properly trained professionals, theoretical and practical faults with personal services, unequal regional access, a lack of standards and control, and numerous shortcomings in the way issues are viewed. Improving the standards of personal services is not just a matter of money – at least, not in the initial period – and it is vital that they be improved because research shows that the effectiveness and efficiency of benefits in cash and kind can be vastly increased when combined with personal services.

Unfortunately, the hows, whys, and degrees of community task undertaking have been dependent on the situation of the economy since 1990 as well as being an unavoidable component of political and ideological disputes. The consequence is the multitude of bottlenecks (some already mentioned) and shortfalls, the lack of target-oriented development, and the existence of uncertainties in the legislative framework that run contrary to the essence of the system. A specific problem that particularly hurts the poor is that almost all the laws pertaining to assistance change constantly, not only after each election but several times within a four-year term of political office as well. This makes families and the local governments charged with their assistance extremely vulnerable. Families with less access to information and/or who are less able to
exert their rights are particularly hurt by this. At least one-third to one-fourth of families with children are not precisely aware of their rights and opportunities, and as a result, they do not access all the benefits to which they are entitled. Thus, the systems designed in principle to increase social security, often increase social insecurity instead.

Substantial amounts of resources are needed to improve the current situation and reverse deteriorating trends. Poverty equates with a lack of resources. A lack of resources only can be countered with surplus resources. Some of the resources are local. With arduous community work, a great many local forces and civic movements with resources can be drawn into the effort. Economic development clearly produces more surplus resources. For that growth to reach poor people, we need to improve job opportunities and wage levels. (It is particularly important that both parents be able to join the workforce.) But, surplus resources (Hungarian or EU) obtained through central redistribution are also needed to manage the joint responsibilities and correct market failures. Improving chances for children and preparing them to be able to meet market challenges means that almost all family benefits, public schools, healthcare services and personal services need to undergo significant improvement. The innovations and reforms needed cost money. Most of the resources we need should be considered an investment in the future. For this reason, reducing poverty does not run counter to the goals of economic growth and competitiveness. The only difference is the timeframe. Reducing poverty is the longer-term outcome of human investment. A multi-generational plan is required to bridge the timeframe between the original investment and its yield. At the same time, we need to seek out all opportunity to speed up getting specific returns on our investment.
Chapter III.

“Making Things Better for our Children”
Goals of the National Strategy

Comprehensive goals, areas to develop

Starting up the National Strategy “Making Things Better for our Children” is an urgent social necessity. While the circle of poverty does not appear to be widening, multiple forms of deep poverty are becoming permanent and increasingly serious. The institutions which exert a basic influence on socialization, principally the school system, are not alleviating but instead often reinforce the factors that reproduce poverty. Long-term poverty and segregation in places of residence and in schools break down social adhesion and weaken common norms. The problem is so extensive and so fraught with hazards to social, economic and even political sustainable development, that we must began acting immediately, and continue it for decades with ardour and persistence. The engine driving the action must be the joint resolve of government and non-governmental society acting together.

Child poverty is a complex and deeply imbedded phenomenon. Reducing it – on both short and long term – becomes possible when there is societal agreement with the goal, when government resoluteness is steadfast, when significant resources can be mobilized, when cooperation begins among the institutions, professions, and sectors, and when local communities, civic organizations and most important of all, parents come on board become part of the solution.

A comprehensive and carefully considered strategy is needed to manage this complex problem. the National Strategy “Making Things Better for our Children” is designed to do exactly this, for it can manage short, medium, and longer-term plans stacked upon one another as building blocks. The detailed shorter-term action plans of the Strategy can be connected (with rolling plans) in a manner that adjusts them constantly to changing situations. Chapter V. outlines the predominant strategic development areas, connected targets, and the most important indicators – the ones that can act as milestones in measuring change. Another task is to determine the action plans designed for urgent intervention, ones that make use of European Union resources, while still another is to unfold details of the generational programme.
The National Strategy “Making Things Better for our Children” is aimed at offering children better living conditions and improving and updating the institutions that work with children and provide them with services. In a single generation, the National Strategy is to attain three comprehensive goals.

- To really reduce the poverty rate among children and their families to but a fraction of the current one, and in the process to cut the gap in children’s chances of continuing their educations, and in their future prospects
- To put an end to the exclusion and segregation of children as well as to the extreme forms of deep poverty; to reduce the occurrence of deviances that destroy prospects of a decent life
- To fundamentally transform the operations and outlooks of institutions and services which today contribute to the reproduction of poverty and exclusion. These institutions must make a much greater contribution to tapping the talent and abilities of children so that they become able to perform rationally as adults and connect to mainstream societal life as citizens of full stature.

Changes have to be obtained in numerous areas if these comprehensive goals are to be achieved. The priority development trends, the content of which is included in Chapter V., are as follows:

No. 1. development area: Improving employment and the labour market situation
No. 2. development area: Developing services to improve the financial situation of families with children
No. 3. development area: Improving housing, housing conditions, quality, and security
No. 4. development area: Providing opportunities for talents and abilities to unfold, improving institutions and services that promote successful education, eliminating segregation
No. 5. development area: Developing personal services and specialized services for families with children
No. 6. development area: Guaranteeing a healthier childhood
Horizontal goals

There are priorities, horizontal goals that cut across all segments, within every area that needs development and comprising part of every target. Some of these have a direct influence on deep poverty, while others go beyond poverty management and otherwise improve the social situation of children and the conditions for becoming members of society in full standing.

Factors directly influencing deep poverty:

- Making tangible improvements in the situation of the Romany minority, assisting adjustment to the mainstream, putting an end to their segregation and exclusion
- Improving the situation of children and families with disabilities, more sensitively responding to and meeting their needs
- Discovering opportunities for developing disadvantaged settlements and regions, reducing their disadvantages and exclusion
- Improving the work of the communal systems (the “major” systems) that also serve children in creating opportunity (schools, healthcare, financial benefits, communal spaces, etc.)

Targets that will affect poverty and all children by increasing access to rights and more democratic participation

- Reinforcing rights and awareness of rights, increased exertion of the rights of the child
- Improving cooperation among professions, institutions, and sectors, as well as among central and local government bodies, NGOs, and religious and non-profit institutions
- More active civic participation, particularly by the involved parties – the poor and the children – in all issues that affect them
- Improving information by the type of dissemination that reaches everyone, use of information technology to provide services able to alleviate poverty
**Summary of the goals**

The table shows how horizontal goals cover and are valid for all areas of development. It also shows how the interconnected effects combine to promote the general goals of the Strategy. They reduce deep poverty and poverty in general and contribute to improving opportunities for all children, as well as to reinforcing their rights and participation.

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<th>Parents’ work</th>
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<th>Developing, training child</th>
<th>Social benefits and services</th>
<th>Better health for children</th>
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Chapter IV.

Interpreting concepts and supplementary operations while executing the National Strategy “Making Things Better for our Children”

1. Interpreting concepts

To appropriately interpret the goals of the National Strategy, it is necessary to define some of our concepts:

- “Child” in the National Strategy documents means a dependent child under the age of 18.

- Poverty can be measured using a number of approaches. Since inequalities are one of the basic problems, the relative indices of poverty of income – such as how many people live below one-half or two-thirds of the average income – are of particular importance. The most important relative index, given top priority in the National Strategy – as recommended by the European Union – is the ratio of children within the entire child population, who live on less than 60 percent of the median income calculated on the basis of family size, meaning by unit of consumption. (In the language of the profession, this average value is called the median value of equivalent income. There are several methods for calculating units of consumption by size of family. The National Strategy uses the OECD 1 scale.)

- The living standards of children and their families must be improved (irrespective of the level of inequality) to reduce child poverty. An absolute change in poverty means changing purchasing power. The index of purchasing power is how many people live below an identical and predefined real value. The tool for measuring absolute change, for instance when compared to 2005 might be the ratio of children living below 60 percent of the indexed value of the median income for 2005.

- There are numerous other components of poverty, ranging from unemployment to a lack of education. Many factors combine to make up living conditions, including objects and practices, which are unavailable to families and children living in poverty because they lack the money to procure them. These items can consist of nutritious and tasty food, medications, medical implements, visits to the zoo, children’s bicycles, summer holidays, language lessons, or computers. On nationwide level, the extensiveness of poverty can be measured by the ratio of children attending pre-school, the ratio of children not finishing primary school by age 15, and the number of secondary school dropouts. Chapter V. proposes important indices for various areas of development. The number of indices can increase
or otherwise change as European indices change, statistics improve, and professional and NGO operations call for changes.

- There are innumerable degrees of poverty. The most extreme, most conspicuous forms of exclusion are defined as deep poverty. Breaking out of poverty this profound is particularly difficult. Important indicators of deep poverty are whether at least one parent has a job, whether there is running water in the home, how old the children in segregated schools are, and how many families live in slum areas. Similarly to the previous paragraph, the indices of deep poverty need to be elaborated by professionals with the participation of the people involved.

2. How should the approach of goals be interpreted

Poverty is a complex network of phenomena. Changing a single index can be misleading. For that reason, we need to evolve a method of calculating and interpreting changes in multiple indices as they interact with one another. Using international examples, we can operate with the following interpretations:

- The goal of reducing the proportion of children living in poverty is realized then both absolute and relative poverty decline. This means that both the relative index (ratio of children living below 60 percent of the median income) and the absolute index (ratio of children living below a real value set for a particular moment in time) must have declined in a tangible, statistically significant manner. The change should be measured annually, but valid conclusions only can be drawn if a trend covering multiple years is ascertained.
- The goal of reducing extreme poverty can be considered met if most of the jointly adopted indices show a multiple year (over 3 to 5 years) improvement.

3. Other supplementary measures when executing the National Strategy

- Model programmes connected to the fight against child poverty are needed in sub-regions and parts of cities where disadvantages are multiple. It would be wise to make use of the information learned from monitoring and evaluating these programmes.
- When monitoring the execution of the National Strategy
- we need to define the ways – meaning the methods and tools to use – of monitoring (both follow-up and evaluation) the flows that contribute to reducing poverty;
- we need to guarantee appropriate interim measurements of the selected indices;
- we need to provide the resources and publicity for all of the above.

- We need to see to it that “good practices” related to the National Strategy are collected and that these practices and the central or local government bodies, or NGOs using them are extensively publicized.
Chapter V.

**Development areas, goals, tools, and indices for executing the National Strategy**

“Making Things Better for our Children”

Chapter IV. details the changes needed in the various areas of development to approach the basic goals of reducing poverty and differences in opportunity. In each area of development, we are setting interim targets pointing towards a final goal of living in a Hungarian society in which there are fewer injustices and inequalities hurting our children. Quantitative indices, indicators will mark fulfilment of these interim targets. The National Strategy will only specify what indices it proposes, for determining the precise algorithms and values still requires work. After quantifying the indices of the condition set as the goal, we can set the values of the interim indices which will qualify as the “milestones” of change under the Strategy.

1. Employment, improving the labour market situation

The employment level in Hungary is low when compared to the European Union, and the principle reason is a high rate of economic inactiveness. The main reason for child poverty is parental unemployment, particularly if neither parent works. The ratio of poor families in which one parent is working, but is paid a low income and perhaps has an insecure job, is nearly as high.

The Hungarian employment level is principally the result of significant deviation from the average of the OECD countries in the employment of people with low education levels (eight grades of primary school or less). While the more educated portion of the population has a presence on the workforce that essentially corresponds to other advanced countries, the employment level of people with primary educations or less is 20 percent lower than it is for people with similar educations in other OECD countries.

The New Hungary Development Plan, the National Employment Action Plan, and numerous operative plans to develop human resources contain detailed programmes to improve employment on longer term. This will benefit families with children (both children and parents). At this time, we are focusing only on the interim goals that will have a direct benefit for families with children.
Most important targets:

- To radically reduce the number and ratio of single parent jobless families with children
- To regulate atypical jobs that promote having and raising children as well as multi-generational residence; such as telecommuting, and differentiated part-time employment; while guaranteeing an appropriate level of social security, in particular to protect the jobs of parents with children and guarantee working conditions conducive to raising children
- To provide easily accessible personal services and daycare services adjusted flexibly to the needs of parents with children

Recommended indices (In conformity with the Laeken indicators)

- Long-term unemployment rate (L)
- Very long-term unemployment rate (L)
- Ratio of people in households where no one has a job (L)
- Ratio of children in households where no one has a job
- Ratio of parents who become unemployed/ratio of unemployed parents who find jobs
- Ratio of part-time workers among overall employed persons
- Ratio of children aged 1-6 receiving daycare within the overall population in these age groups

2. Benefits intended to improve the financial situation of families with children

All experience to date – domestic and international – indicates that the most effective of all tools, cash and kind alike, to reduce child poverty is the universal family allowance provided to all children. In Hungary, the family allowance system is generally accepted, fairly administered and transparent. Access is essentially universal. Appropriate improvements in the system (to retain its real value and to offer extra support to families at increased risk of poverty) can contribute to reducing the number of children living in relative poverty. We need to stress that there is a sudden leap in the poverty risk when the third child in a family is born. Therefore, families with three children or more deserve special attention. The family allowance system has to be advanced in a differentiated way on short term to offer extra help as the number of children increases as well as to single parents. In the meantime, many other
circumstances (the weakening of work incentives and alleviating the problems of early pregnancy) need to be managed. This is a set of group-targeted benefits. (We have important international experience as well as a series of Hungarian micro-simulation computations that demonstrate how differentiation by the number of children significantly reduces poverty.)

One reason for deep poverty is a very low income, one that does not provide even a fraction of the amount needed for a minimum subsistence level. This type of income is particularly common among certain groups – large families, single parents, jobless people, and unskilled people. There are multiple tools that can alleviate deep poverty through cash benefits even though other types of assistance including assistance in kind and personal services are also very important. In extreme situations and in cases of family crisis, local government aid continues to be necessary, particularly if combined with assistance in cash or kind. Benefits in kind – school meals, textbooks, school supplies, subsidized rental apartments for families with children, holidays, transport – can help to significantly reduce poverty, improve opportunity and integrate children. When managing poverty, particularly deep poverty, the targeting methods used raise delicate and disputable issues. We need continued significant effort to measure the effects of individual and group targeting, their strong and weak points, and to compare costs and benefits.

**Most important targets:**

- To increase the role of family supports in reducing poverty
- To alleviate and eliminate the extreme form of deep poverty

**Recommended indices (In conformity with the Laeken indicators)**

- Relative poverty index: the ratio of persons by age, gender and type of household whose average income is below a certain predefined level (less than 60 or 50 percent if the median) (L)
- The ratio of people living in long-term poverty (less than 60 or 50 percent of the median) by age and gender (L)
- The relative poverty gap by age and gender (L)
- Absolute poverty index: Trends in the poverty ratio over time (using a poverty index constant over time) (L)
- Ratio of poverty without social benefits by age and gender (L)
- Changes in the poverty-reducing effects of universal family supports
• Changes in the effectiveness of cash welfare benefits (decline in persons accessing them) and in their efficiency (their poverty-reducing effects)
• Changes in the effectiveness and efficiency of supports offered in kind
• Changes in the poverty-reducing effects of family supports
• Changes in the poverty-reducing effects of welfare assistance
• Changes in the effectiveness and efficiency of welfare supports
• Changes in the effectiveness and efficiency of supports in kind

3. Improving housing and living conditions, regarding both quality and security

A satisfactory home is one of the most important elements of quality of life. Affordable housing of acceptable quality is an essential environment for the welfare and health of a family and the children within it. When housing costs are excessive, they result in an inability to afford other necessities or in the loss of housing security. Childhood poverty and housing poverty are interconnected in many ways. The housing conditions of destitute families are also destitute. Poor and inadequate housing conditions affect the whole family, the day-to-day lives of children, intensify inequalities in opportunity and make it more difficult to break the poverty cycle. The absence of private space makes it harder for the individual to develop.

The current Hungarian housing system is weighed down by innumerable structural problems. There are still several hundred thousand overcrowded emergency homes that lack plumbing and heat. These “homes” are increasingly concentrated in villages or sections of villages that are turning into ghettos. Poor families with children are seriously hurt by the current system of public administration, local government and legislation and the resulting illegal or semi-legal housing economy (this includes the unregulated nature of private rentals, and organized crime that focuses on expropriating housing). One major contributor to the housing problem is the gap between household incomes and the costs of housing, which has to be bridged by a far more effective system of access to housing and home maintenance than the current one.

Efforts to reduce poverty and deep poverty have to be focused on problem management. On longer term far more extensive measures are needed to alleviate and eventually prevent segregation, to improve housing quality, to significantly liven up housing mobility, and last but not least, to significantly increase the role of rental housing, particularly of subsidized rentals.
Most important targets:

- A healthy and secure living environment
- A satisfactory transportation infrastructure to access services
- A segregation-free living environment
- General access to healthy drinking water and to satisfactory utilities
- Establishment and operation of a fair, proportionate and sustainable support system that corresponds to needs and harmonizes with market operations
- Establishment and operation of institutionalized ways to keep people from losing their homes
- A sufficient number of rental homes and subsidized rentals to meet needs

Recommended indices:

- Poverty ratio by nature of legal entitlement to live in a particular home
- Size and proportion of substandard housing used for residential purposes
- Number and ratio of rental housing, and with that, of subsidized rentals
- Ratio of housing supports to people in the two lowest income quintiles
- Ratio of overcrowded housing
- Settlement segregation index

4. Institutions and services assisting in unfolding talents, promoting success at school, and reducing segregation

Hungary has a well-developed system of institutions including networks of paediatric paramedics, crèches, preschools, and public schools, which could offer children living in poverty a chance to counter their disadvantages. However, it is precisely the families and children in the most disadvantaged situations that are unable to access the system or are limited to accessing only the lowest standard and least successful portions.

To guarantee equal access to the services, it is essential that they be re-regulated to improve quality, to significantly raise services standards, and to eliminate all forms of segregation. It is also necessary to redesign the tasks that the institutions and services are charged with, as well as to transform their financing, administrative, and monitoring systems.

We need to call for a child-centric approach, to increasingly open the institutions, to shift from a predominantly healthcare outlook to a more complex
design for the smallest children, and to coordinate services more effectively with the needs of the children and their parents. A variety of professionals offer services to children and their families. But, their lack of cooperation, their non-sharing of information, and the absence of cohesion in setting responsibilities has resulted in a serious efficiency deficit. We need legal and financial means that give people a vested interest in cooperation with one another and in coordinating their activity.

Segregation in Hungary is extremely high on the international scale, even regarding institutions financed by public monies. The standards of institutions maintained through taxpayer monies are very uneven and are strongly related to the social status of the families whose children they serve. There are numerous reasons behind the practice of segregation and numerous damaging consequences. Particularly acute and by all indications increasing, is inequality of opportunity, particularly as a function of place of residence, social background and ethnicity. All this plays a significant role in conserving child poverty. The goal is to level out opportunity in all aspects of education and in the school system, as well as in the systems of basic and specialized services assisting children and their families. Segregation only can be alleviated if all institutions and all services are accessible to everyone. This requires a legal and a financing regimen which gives the institutions a vested interest in universal access.

4.1 Daycare

In many places it is harder for parents of small children to work because of a lack of daycare facilities, which are least available to people who are at the greatest disadvantage. The absence of daycare for children is a double detriment. It weakens chances for parents, particularly for women, of entering or re-entering the workforce, and for children to be able to adjust to school and later, of being able to integrate in society. Care for children under the age of three is in particularly short supply, especially in smaller settlements. Regarding institutional forms of care for this age group, the most typical is the crèche, which is non-existent in the smaller settlements. The integration of institutions to provide a combination of crèche and pre-school care in the most cost-effective configuration hardly exists. Despite the high proportion of children entering pre-school it is very clear that children in families with multiple disadvantages have a higher probability than average of not attending pre-school at all or of beginning pre-school much later (at age 5 or 6) than other children.
On longer term, daycare for children needs to be treated as a single system from early childhood until the completion of public school. It is worth considering the establishment of a uniform, daycare network with an integrated outlook. It is also worth considering the practices of other European countries with similar settlement patterns and the possibility of an institutional integration to care for the youngest children, particularly in the smaller settlements that have problems with economies of scale and where maintaining separate institutions would be extremely costly. The integration of institutions could include combined care for crèche attendees, pre-schoolers, and primary school children, although based on the experience of the Nordic nations it might even be possible to integrate healthcare, social services and educational services into a single cooperative venture. It is important that local cultural institutions, public collections, and multi-purpose general cultural centres plan an active role in enhancing the richness of good joint programmes for parents, children and adolescents as part of daycare. We have to support community spaces intended to offer instructive ways of spending leisure time, the establishment of services, and the employment of the number of professionals really needed.

**Most important targets:**

- Meeting the needs of families with children aged 0-3 through a satisfactory number of daycare accommodations
- Offering age-appropriate alternative daycare services which give parents the freedom to choose
- Providing high quality pre-schools employing up-to-date teaching tools for all children
- Guaranteeing the number of high standard places and services for the 6-10-age group for extra-curricular study, sports activity and other leisure programmes
- Providing a variety of interesting programmes during school breaks to meet needs

**Recommended indices:**

- Ratio of 0-3-year-olds in daycare
- Number of settlements that do not have crèches and/or pre-schools
- Number of settlements that do not have daycare
- Ratio of pre-schoolers within all four-year-olds
- Ratio of children with disabilities participating in integrated daycare
• Ratio of 6-10-year-olds participating in daycare

4.2 Early development of abilities

It has long been known and has once again been emphasized in recent years that the early, formative years in a child’s development play a defining role in the course of the person’s later life. Many international and domestic studies have shown that lagging behind in later phases of school (secondary school) is primarily the outcome of early childhood conditions and circumstances. Compared to the return on investments in early childhood, interventions conducted later in life to help with gap reduction are far less effective. The programmes need to focus on parents as well as children since without active parental participation satisfactory results cannot be attained. In recent years, several countries have begun to organize early childhood development programmes and to build up the institutional systems to implement them.

Most important targets:

• Periodic screening of children to assess their health, cognitive, coordination, speech and emotional development to promote early and effective development
• Provision of talent support and development services for children who do not attend crèches or pre-school
• Regular and continuous cooperation among professionals who work in early childhood education
• Participation of specialists in early childhood development and education in institutions offering talent support, and in crèche and pre-school activity

Recommended indices:

• The number of services in operation to support talent in early childhood
• The number of children and families participating in the programmes to support talent in early childhood
• The ratio of five-year-olds who are on age-appropriate levels of development
• Number of children in special education (remedial) classes

4.3 Public schools
In democratic societies, one of the primary functions of schools, particularly of primary schools is to reduce social differences and to equalize opportunities for the children attending them. Despite the fact that under Act LXXIX, 1993 on Public Education every student should be provided with educational services under identical conditions and on an identical level, Hungarian public education is unable to meet this function.

The education level and occupation of parents in Hungary plays a major role in the way their children advance in school. According to the PISA survey, parents’ educational level in Hungary has a stronger influence on their children’s scholastic achievement than in the OECD countries overall, and Hungary is the OECD country where parents’ occupation has the strongest influence on school performance. Under the definition used in the international study, a country has an unbiased education system if it is able to counterbalance student disadvantages and provide all students with access to a high-standard education irrespectively of family background. Based on the results, of the three considerations – quality, effectiveness, and fairness – the education system in Hungary has the most acute problems with the latter. The Hungarian education system needs to be developed so that its programmes on all levels meet the professional and quality standards that serve to offer equal education to all.

Equality in public education cannot be established if it is managed within an isolated sector. Tools and targets need to be coordinated and the various specialized areas and sectors need to cooperate on a comprehensive scale to truly reform outcomes.

A fundamental question from the aspect of the overall education system concerns teacher training. All teachers attending basic training and continuing education need to be prepared to use modern, differentiated tools and methods adjusted to the individual development rates of the students. Effective study and teaching must be based on competence combined with individualized work with each student.

Public education must teach health education and promotion, ways of managing community relations, and of maintaining physical and emotional health. These issues must be prepared for teaching as classroom subjects, and once the model studies are completed, they must be incorporated into the curriculum, which includes providing the conditions.

A combination of a variety of social pressures and poor quality public education has brought about a situation in which segregation within the schools,
and particularly, from one school to the next, has become increasingly acute. This particularly hurts disadvantaged children – the children of poor people whose own education levels are low, who are jobless, and/or are Roma. Children in disadvantaged situations study amidst poorer infrastructural conditions and have no access to the quality pedagogical services through which they might reduce their disadvantage. This is a decisive issue because the results of early childhood development can only be made to bear fruit during the years at school if they are combined with high quality education.

An education system that creates opportunity must offer a child the lifelong learning that conforms to his or her talents and abilities, irrespectively of whether the child comes from an uneducated family, lives in poor or segregated housing, has a disability, is an immigrant or is exceptionally talented. It must do this without being influenced by prejudices, stereotypes, preconceived expectations or discrimination. This is why it must become the most important priority of Hungarian education policy.

Administrative and infrastructural development measures must be taken in tandem to reduce school segregation. The prerequisite to their introduction is that the most important players – local governments, parents, and teachers – adopt the cause.

**Most important targets:**

- Providing pre-schools for the most disadvantaged children as a prerequisite to successful performance at school
- Seeing to it that every child completes his or her primary education with the maximum knowledge he or she is capable of absorbing
- Radically reducing the role played by parental education and the child’s place of residence in the outcome of competency tests
- Seeing to it that the vast majority of special needs children continue their educations in an integrated environment and with the professional support enabling them to advance to the maximum of their abilities
- Reducing the number of significantly overage children in a given school class to a minimum through pedagogy within the schools and extracurricular supports
- Eliminating all forms of school segregation
- Radically reducing the number of secondary school dropouts by carefully considered choices of careers
- Seeing to it that all young people finish school with marketable knowledge they can use to a maximum

**Recommended indices (In conformity with the Laeken indicators)**

- Ratio of school dropouts (L)
- Ratio of people with low education levels (L)
- Results of competency tests
- Ratio of students in segregated schools and/or classes
- Ratio of children with disabilities in the mainstream educational system

**5. Improving personal and specialized services targeting families with children**

In principle, the legally guaranteed institutional framework for social, child welfare and child protection services is in place. Under the 1993 Welfare Act and the 1997 Child Protection Act and subsequent amendments, the sphere of services has expanded continuously. However, at present not even the network of family and personal services (the services offering personal care) specified by law as mandatory is complete.

The services within settlements, their operational conditions and equipment levels, and the equality of access varies sharply to the detriment of poorer regions, sub-regions, and small settlements. Most services have operation permits but given the lack of even minimum professional standards, the majority do not meet professional quality requirements. Their surveys of local needs are incomplete, and while concepts for regional service development have been designed, in many settlements there has been no need-based situation analysis or service development concept put forward to this day. In addition, the absence of cooperation reduces the effectiveness of the operation of services that do exist.

Children living in poverty are denied services that meet their needs not only because of settlement, regional, and social inequalities but also because of the attitudes of the people employed to provide children with the services, their sharply differing beliefs in what is valuable, differences in basic principles and norms, and often, their lack of professional knowledge. Prejudice among people dealing with children is common and so are racist attitudes against certain groups that they make little effort to hide. Although the very poorest and most vulnerable people need the highest level of professional skills and the best
quality services, often they receive only services provided with minimum resources that offer halfway solutions and quasi-professional assistance.

When implementing the National Strategy, the professional level of persons working in the services has to be significantly improved. We need to alter the attitudes of service providers working with children, by making changes in their training, exerting stronger supervision, and by retraining as required. We need to see to it that all basic services become available in all sub-regions and that accessing the services becomes a matter of routine. We need to pay special attention to levelling out regional disadvantages and guaranteeing equal access. We need to formulate clear-cut professional standards including protocols in certain cases, and must regularly monitor user satisfaction with the services.

**Most important targets:**

- Segregation-free institutions
- Equal opportunity in accessing services
- Professionals with up-to-date knowledge and cooperative services that give priority to effectiveness
- Radical reduction of the number of children falling through the cracks
- Flexibility, services able to change to respond to needs
- Regular and continuous cooperation among the professionals in all areas
- Cooperation with parents to become a routine activity
- Up-to-date training and continuing education systems to be expanded
- Services that are effective and intensive enough to keep families together
- Routine use of up-to-date methods of school conflict management, of responding to domestic violence and of effectively handling childhood and adolescent crime
- Regular measurement of user satisfaction

**Recommended indices:**

- Number of settlements that do not offer basic services
- Ratio of social work and like professionals on staff of social and child welfare service providers
- Number of children and families provided with services
- Number of children transitionally removed from families who are returned to them
• Ratio of parents and children placed in transitional homes who remain in the system for over two years as “wanderers”
• Ratio of children in specialized professional care within overall population of the given age
• Changes in the user satisfaction level

6. Ensuring a healthier childhood

Poverty and inequality are associated with morbidity and mortality statistics in a variety of ways although we have far more information on this issue from international as opposed to domestic sources. Demographers have long observed certain interactions. We know, for instance, that premature deliveries of low birth weight infants are more common among mothers with lower education levels. The infant mortality rate is also higher among this group. Healthcare inequalities – access to care, unfavourable trends in health status indicators, etc. – are also more common among families of poorer social status. Although faced with housing conditions that are hazardous to the health and with poor nutritional standards that negate a healthy way of life, disadvantaged and marginalized groups are unable to access existing healthcare services that might counter these flows.

A series of defining elements needs to take priority in reducing child poverty. All families with children must be able to access healthcare services and to have the information they need on available assistance and services. Reducing regional differences in welfare systems would significantly improve access to services, which in turn would reduce health inequalities. The 0-3-age-group must be treated as a high priority one, for quality of life assured at this time and early development have a fundamental influence on the further development of children, on physical and mental health, and on opportunities in life.

Proposals for action within the National Infant and Child Health Programme “Children are our Common Treasure” established in November 2005 are helping to implement many goals of the Strategy. Just about every component of this programme is important to the National Strategy.

Most important targets:

• Establishing a healthy way of life (nutrition, sports, leisure activity)
• Establishing equal access to healthcare services on primary and specialist level
• Continuing education and sensitivity training for staff working in primary healthcare
• Radically reducing the number of children who fall through the cracks, establishing a specialist physician network that reaches out to all children
• Up-to-date prevention of teen pregnancy
• Reducing the occurrence and proportion of premature births

**Recommended indices (In conformity with the Laeken indicators)**

• Subjective health status in breakdown by incomes (L)
• Number of premature births
• Number of child mortalities
• Ratio of overweight children
• Ratio of 20-year-old children with intact teeth
• Ratio of teen pregnancies
• Ratio of people with chronic diseases among the same-age population
• Number of settlements with paediatric and paediatric paramedic services
Governmental policies on moderating rural poverty in Hungary

In Hungary regional differences have strengthened after the change of regime. Owing to the economic structure change, total disappearance of some particular branches and change of agriculture disadvantaged, coherent geographical areas have developed, where problems have appeared in a concentrated form such as disadvantaged demographical processes, increasing out-migration, deficient conditions in education and labour market. Earlier it was spoken about the split of the country along the Danube, but there are some experts thinking of a disadvantaged zone in the directions of north-east to south-west. But the situation is more difficult.

The settlement structure in Hungary is centered strongly among the capital, apart from some bigger cities there are some hundreds of medium- and small town, while there is a high rate of small villages. (The number of settlements is about 3165.) It is a fact that in contiguous areas in north-east and south, south-west jobs are lacking, especially bad traffic infrastructure makes travelling difficult and there are serious problems in accessing public services. Moreover, such backward areas or territorial bubbles have developed also in the West-Transdanubia region, that has neither better situation as in Eastern-Hungary.

A Governmental decree specifies 94 granted micro-regions of 174 due to different social and economic indicators, rating disadvantaged and most disadvantaged ones. Out of the 47 most disadvantaged micro-regions the government has elaborated a comprehensive development programme for the 33 most disadvantaged ones, with the name “No one left behind” Programme. The programme is part of New Hungarian Development Plan (ÚMFT). In the frame of this comprehensive programme the mentioned micro regions work out programmes for solving their most important problems in the areas of economic development, infrastructure and labour market. The programme is financed by the Structural Funds, and the micro-regions are supported by external HR assistance during the planning work.

In the Hungarian governmental structure it is the Ministry of Agriculture and Rural Development which deals primarily with rural development and it is also responsible for the New Hungarian Rural Development Programme. But of course other ministries have important exercises in that area, too, namely the Ministry of Local Government is responsible for issues connected to local self-governments, or the Ministry of Education which has the competence of operating the education system, which is very important from the point view of equality. The National Development Agency (NFÜ) established for handling of EU-resources works under the controll of the Ministry of National Development and Economy.

Ministry of Social Affairs and Labour – or rather its legal predecessors – has also been supporting special programmes with the aim of decreasing rural poverty and improving the life standard of inhabitants in small settlements since decades. For example the village and homestead community care giving service is specified by the Act on social services. This service assists the inhabitants of settlements under 600 people and people living in scattered farmsteads where this service helps in shopping for elder inhabitants, provides access to healthcare or delivering pupils and students to institutions. The service is available in more than 800 small settlements. Besides budgetary resources the New Hungarian Rural Development Programme provides resources for developing this service.
Also since the beginning of the 1990ies the *social land programme* runs in the most disadvantaged counties financed by Ministry. The programme is usually coordinated by local governments of small settlements, where the programme gives possibility for unemployed families often living on social assistance to grow vegetables, fruits around their own houses or in local-governmental land, or to breed animals for own consum and for selling it. They are not entrepreneurs yet, but with the working culture they get skills that can help getting on on their own. The programme is running now in 194 settlements of 44 micro-regions in 10 counties. About the half of participant families comes out from the Roma minority. A possibility for further development would be if the programme could get assistance from the Axis III. of the New Hungarian Rural Development Programme aiming at the development of quality of rural life or among the activities of LEADER communities supported under Axis IV.

Also in the 1990ies, in crisis situation because of appearance of mass unemployment *three-year long micro-regional social development programmes* started which are similar in its nature to the comprehensive programme for the 33 most disadvantaged micro-regions, but focus on the development of social and child welfare services. In this programme micro-regions chosen together by the Regional Development Councils and the Ministry have got the possibility to work out a 3-year-long development plans for development of social and child welfare service for a determined amount. These programmes are processing now in six micro-regions.

Also one of the most important problems of rural poverty is the issue of *segregated settlements* or parts of settlements, where a large number of Roma population lives partly or totally separated from the majority. Of the number of the Roma population different data exist. The official information comes from the census of 2001, according to which 190 000 people professed themselves belonging to the Roma minority in Hungary. Sociology surveys – and the reality – have shown much bigger numbers: approx. 600-800 000 people. Roma population lives in the country in strong territorial distribution. A momentous group of them lives in run-down slum areas of the capital, while another big group concentrates in impoverished rural settlements, often in segregated colonies. The Ministry of Social Affairs and Labour has started comprehensive programmes more times to discharge these colonies. These programmes combine the improvement of the housing situation with offering solutions for tackling unemployment or developing lacking public services. The programme could help 20-25 settlements until now.

The “*Cserehát* programme” closes in 2009 coordinated by UNDP and the Ministry of Social Affairs and Labour is also a comprehensive development programme of the disadvantaged Cserehát area in North-Eastern Hungary with a dense Roma populations. 10 micro-regions got support for developments and elaboration of projects to be financed by the Structural Funds.

By means of the Social Renewal Operational Programme and the Social Infrastructure Operational Programme – providing ESF and ERDF resources – the Ministry of Social Affairs and Labour elaborates further programmes in the period 2007-2013 which can help moderating the territorial and social disadvantages of rural areas.