



Social Protection Committee

Brussels, 27th of June 2012

SPC ADVISORY REPORT TO THE EUROPEAN COMMISSION ON

TACKLING AND PREVENTING CHILD POVERTY, PROMOTING CHILD WELL-BEING

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INTRODUCTION

The European Commission announced in 2010¹ its intention to adopt a Recommendation on Child Poverty in 2012. The initiative was endorsed by Member States through the June 2011 EPSCO Council conclusion on "Tackling Child Poverty and promoting Child Well-Being", which called on the Social Protection Committee (SPC) to "actively contribute to the preparation of the Recommendation".

Following a proposal from the European Commission, the SPC agreed on 9 June 2011 to set up a specific Ad-hoc Group in charge of advising the Commission in developing the Recommendation, building on pre-existing points of agreement and developing further consensus regarding the overall objectives of the Recommendation, the common principles on which it should be built, a proposal for a portfolio of child specific indicators, and the most adequate framework for implementing and monitoring the Recommendation in the context of Europe 2020.

The present report was endorsed by the Social Protection Committee on 7 June 2012. It consists of four sections:

1. Background to the Recommendation introducing the initiative's policy context, key developments and policy drivers behind child poverty and social exclusion
2. Suggestions for policy principles
3. Indicators-based monitoring framework
4. Governance, implementation and monitoring arrangements

The European Commission is hereby invited to build on its main proposals through the development and implementation of the Recommendation.

Tackling and preventing child poverty as well as promoting child well-being involve action across different policy areas such as social protection, employment, health, education, social services, housing, environment and justice. As the Social Protection Committee has consistently argued, the development of effective approaches, whether at EU, national or sub-national levels, requires horizontal coordination involving different bodies acting together to ensure that their approaches are integrated and mutually reinforcing. A holistic approach was thus taken throughout this report, in line with the June 2011 Council Conclusions².

In its future work on poverty and social exclusion in general, and in the field of child poverty and well-being in particular, the SPC is thus committed to further deepening its cooperation and joint work with the relevant EU Committees and High-Level Groups.

¹ The European Platform against Poverty and Social Exclusion: A European framework for social and territorial cohesion, COM/2010/0758 final

² The Conclusions called for the Recommendation to "follow a broad approach, covering adequate resources for families with children, access to quality services (especially for the most vulnerable), arrangements for reconciling work and family life and taking into account the importance of the involvement of children and the participation of young people in decisions affecting their lives", see: <http://register.consilium.europa.eu/pdf/en/11/st11/st11844.en11.pdf>.

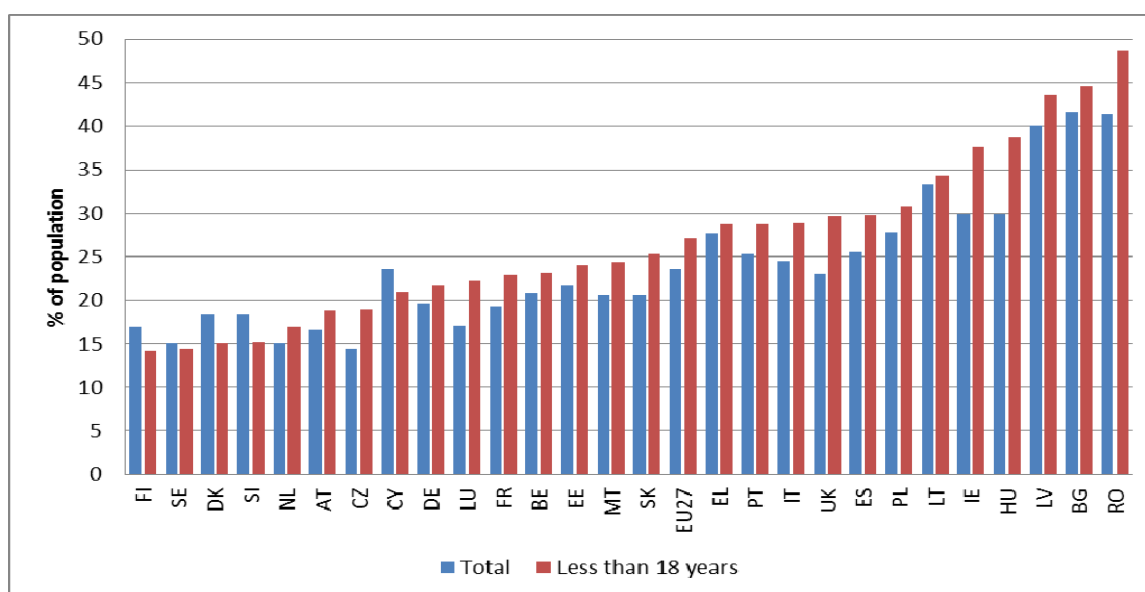
1. Background to the Recommendation

This section highlights the background against which the Recommendation could be developed and how the initiative could help address the challenges that have emerged over more than a decade of cooperation at EU level in the field of social protection and social inclusion. It also presents trends and the key policy drivers that the initiative should address as a priority.

1.1. Trends and main groups at risks

Europe's social and economic future greatly depends on its capacity to break the transmission of disadvantage across generations. Yet, as shown in figure 1, children (defined in the context of this report as those under 18) remain more at risk of poverty or social exclusion³ than the overall population with a rate of 27.1% as against 23.5%. Only in a minority of countries (CY, DK, FI, SI and SE) are children less at risk than the total population. Besides, the last two decades have seen in a number of countries a shift in poverty and social exclusion risks away from the elderly to younger generations and children⁴.

Figure 1: At risk of poverty or social exclusion rate in the EU, for children and total population, 2010



Source: Eurostat, EU-SILC⁵ (Note: Data for LV refer to 2011)

³ This indicator is the headline indicator to monitor the Europe 2020 social inclusion target. It reflects the share of the population living in a household which is at risk of poverty (a household whose income is below 60% of the national equivalised median income), living in a household with very low work intensity (i.e. on average, working age members of the household work less than 20% of their full work potential over the year) and/or living in a severely materially deprived household. A household is confronted with severe material deprivation if it cannot afford at least 4 items out of the following: 1) face unexpected expenses; 2) one week's annual holiday away from home; 3) pay for arrears; 4) a meal with meat, chicken, or fish every second day; 5) keep the home adequately warm; 6) a washing machine; 7) a colour TV; 8) a telephone; 9) a car for personal use.

⁴ "Child poverty trends can also be affected by relative income gains and poverty trends in other population groups. OECD (2008) shows that in many countries the main burden of poverty has shifted from the elderly to children since the mid-1980s", OECD, *Doing Better for Families*, 2011, p. 177.

⁵ Unless specified otherwise, EU-SILC (EU Statistics on Income and Living Conditions) figures were collected in 2010, which is the year mentioned in the title of the figures and tables. 2010 (t) refers to income and employment for

The **at-risk-of-poverty rate** among children (defined as the proportion of children living in households with an income lower than 60% of the median national income) varies importantly across Member States, from 10.9% in DK, 11.4% in FI and 12.6% in SI to 26.6% in LV, 26.8% in BG, and 31.3% in RO (as against an EU average of 20.5%). The composition of the household in which children live and the labour market situation of parents are key factors affecting child poverty: children facing the highest risk of poverty are those growing up with a lone parent⁶ (40.2% of them are at risk of poverty in the EU) or in a large household consisting of two adults and at least three dependent children (26.5% of them are at risk of poverty, as against 14.6 % of children in households with two adults and two children).

Children living in households with very low work intensity are also particularly vulnerable, with a risk of poverty rate of 68.8%⁷. Other groups of children particularly exposed to the risk of poverty include children from households with migrant background, Roma children, street and homeless children. Children living in a migrant household (where at least one parent is born abroad) face a poverty risk of at least 30%, which is two to five times higher than the risk faced by children whose parents are born in the country of residence⁸.

10.5 % of children in the EU are at persistent risk of poverty (e.g. live in a household with an equivalised disposable income below the at-risk-of-poverty threshold in the current year and in at least two of the preceding three years), as against 8.8% of the overall population⁹.

Indicators of **material deprivation** among children provide a broader, complementary vision of children's well-being and living conditions¹⁰. On average 5.9% of households in the EU cannot afford new clothes for their children with as much as 35% in BG, 25.2% in RO and 24.5% in LV. 34.5% of children in BG cannot afford to eat fresh fruits and vegetables once a day. The situation is similar if not that acute in RO (23.8%), HU (17.2%) and LV (15.4%). In some countries almost one in every five children does not have in their home a suitable place to study or do homework because the household cannot afford it (BG 19.7%, RO 24.8%). Almost one in every two households in BG cannot afford leisure activities for their children such as swimming, playing an instrument or participating in a youth organisation, while this is the case for 12% in the whole EU¹¹.

2009 (t-1), except for Ireland (12 months preceding the survey) and the UK (current income), while the information on living conditions and material deprivation refers to 2010.

⁶ In 2010 about 8% of all dependent children were growing up in a single parent household, of which 90% were headed by women. Source: Eurostat, LFS

⁷ The links between labour market participation, household structure and child poverty are discussed in section 1.3.1

⁸ *Child Poverty and Well-Being in the EU, Current Status and Way Forward*, Social Protection Committee, European Commission, 2008

⁹ 2009 figures

¹⁰ This section is based on the outcomes of the 2009 EU-SILC module which entailed specific questions focused on the material deprivation of children. In-depth analytical work of the 2009 material deprivation EU-SILC information (core survey and thematic module) is being carried out by the EU-funded research network "Second Network for the analysis of EU-SILC (Net-SILC2)". The results of this work have been discussed with the SPC Indicators Sub-Group and the Eurostat Task-Force on material deprivation. The objective is to come up with a revised indicator for the total population and a new indicator addressing the specific deprivation of children.

¹¹ Further elements related to housing deprivation and health are provided in section 1.3

These data do not yet fully reflect the **impact of the economic crisis**¹², which has strongly affected households with children even in countries where the overall risk of poverty or social exclusion was stable¹³. There are already indications that the percentage of children living in poverty or social exclusion is on the rise in a number of countries. Their share has risen by more than 1 percentage point (pp) in several Member States, namely AT, BE, CY, CZ, DK, DE, ES, FR, LV, LT, HU and SK between 2009 and 2010. The highest increases have been observed in countries with already high levels of child poverty and social exclusion such as IE (6.2pp), LV (4pp), ES (3.6pp) and LT (3.3pp) but also in Member States with levels below the EU average such as BE (2.7pp). The living standards of children have especially deteriorated as the share of children living in severe material deprivation has increased by as much as 6.2pp in LV, 4.9pp in LT, 3.7pp in EE and 3.3pp in HU. Among them, single parent households have been particularly hit: the risk of poverty or social exclusion for single adults with dependent children has increased by 9pp in IE and LT, by 7pp in ES and 6pp in IT, 5pp in FR, 4pp in SE and SK and 3pp in DK between 2008 and 2010.

1.2. EU policy context

The EU has long recognised the necessity of specific intervention to address children's needs, and thus of complementing interventions targeted at the whole population with intervention focused on children. Tackling and preventing child poverty as well as promoting child well-being is essential in its own right. It is also a crucial investment in Europe's future and a direct contribution to the Europe 2020 objectives of smart, sustainable and inclusive growth¹⁴.

More than a decade of cooperation on the issue has helped develop a better understanding of the root causes of child poverty and social exclusion, as well as some of the most effective solutions to prevent and address these. However, more needs to be done to maintain the existing momentum, particularly in a context of fiscal austerity, to strengthen synergies with other key areas and to reach out to a wider audience. The Recommendation can and should play an essential role in this view and become a framework to strengthen the EU's efforts to tackle child poverty and improve child well-being.

Current EU framework for addressing child poverty and well-being

EU cooperation on child poverty and social exclusion is not new. In particular, various complementary initiatives have been developed since 2000 in the framework of the Open Method of Coordination on Social Protection and Social Inclusion (Social OMC).

- Member States have addressed the issue in the context of their **National Action Plans on Social Inclusion** (and subsequently National Strategic Reports on Social Protection and Social Inclusion) and have seen their policies regularly monitored through the Annual Joint Report adopted by the Commission and the Council. This included a thorough monitoring exercise in the 2008 Joint Report.

¹² "Third Report on the Social Impact of the Economic Crisis and on-going Fiscal Consolidation 2011", Social Protection Committee, available at: <http://ec.europa.eu/social/main.jsp?langId=en&catId=758>

¹³ This section focuses essentially on trends and evolution of the risk of poverty and social exclusion among children. Policy responses to the crisis are presented in section 1.3.4

¹⁴ See in particular section 1.4 on transmission across generations and long term costs.

- Specific focus was put on strengthening existing **analytical tools**. This implied in a first instance reinforcing the child dimension of the existing social inclusion indicators' portfolio (e.g. by having more detailed age breakdowns of the at-risk-of-poverty rate for children, by refining the material deprivation and low work intensity indicators). In 2007, an EU Task-Force on "Child poverty and child well-being" was created, which prepared a report covering: a) an in-depth evaluative review of child poverty and social exclusion across EU countries; b) a systematic review of existing child poverty and well-being monitoring and assessment arrangements in Member States; and c) conclusions and concrete recommendations for analysing, monitoring and assessing child poverty and well-being at EU, national and sub-national levels. The Task-Force report, together with its recommendations, was formally endorsed by the SPC and the European Commission and is now part of the EU acquis. Work is currently on-going to strengthen the child-specific nature of existing indicators and to develop, where necessary and after thorough previous analysis, some new ones, especially related to the non-monetary aspects of the social exclusion of children (e.g. child deprivation; see above).
- Through the PROGRESS programme, the EU has supported numerous **studies and peer reviews on the issue**¹⁵ as well as relevant stakeholder networks (such as Eurochild and COFACE) and transnational projects (e.g. European Cities Against Child Poverty).

While EU Cooperation on social issues (in particular through the Social OMC) has provided the main framework for addressing child poverty and child well-being in an EU context, many other policies have touched upon the issue: **education and training** policies (in particular in relation to early school leaving, early childhood education); the EU Agenda on the **Rights of the Child**; reconciliation, work and **family policy** (among others in the framework of the European Alliance for Families); **health policy, cohesion policy** (through the development of childcare and/or housing infrastructures and support for de-institutionalisation).

The **Europe 2020 Strategy** gives a new impetus to efforts addressing child poverty and social exclusion in the EU. A number of Member States have set specific targets or sub-targets relating to child poverty/social exclusion as their contribution to the headline European target to reduce the number of people at risk of poverty and social exclusion by at least 20 million by 2020. Many have mentioned child poverty/social exclusion as an important challenge in their National Reform Programmes (NRP). A special focus on monitoring child poverty/social exclusion is also included in the Joint Assessment Framework developed jointly by the Employment Committee and the Social Protection Committee underpinning the evaluation of NRPs.

Subsequently, in its December 2010 Communication on the European Platform against Poverty and Social Exclusion¹⁶, one of the seven flagship initiatives under the Europe 2020

¹⁵ Examples of related peer reviews: 2006 Sure Start (helping children from disadvantaged backgrounds); 2009 The City Strategy for tackling unemployment and child poverty; 2010 Promoting social inclusion of children in a disadvantaged rural environment - the microregion of Szécsény; 2010 Building a coordinated strategy for parental support. Detailed information on these and other peer reviews focused on the situation of children can be found at: <http://www.peer-review-social-inclusion.eu/peer-reviews>.

Examples of recent studies include: a) "Tackling child poverty and promoting the social inclusion of children in the EU" (country reports prepared for each EU country by the members of the EU Network of Independent Experts on Social Inclusion and EU overview prepared by the Network Core Team (Frazer & Marlier, 2007): <http://www.peer-review-social-inclusion.eu/network-of-independent-experts/2007/first-semester-2007>; and b) "Policy solutions for fostering inclusive labour markets and for combating child poverty and social exclusion" (2011): <http://www.peer-review-social-inclusion.eu/network-of-independent-experts/reports/2011-ad-hoc/policy-solutions>.

Strategy, the Commission announced that it planned to adopt a Recommendation on child poverty in 2012.

Achievements and challenges ahead

The impact of EU cooperation on child poverty and child well-being and more specifically within the Social OMC has been well documented¹⁶. Singling out specific concrete outcomes is a challenging task, given the process' complex and incremental nature. However, most analyses have underlined the added value of such coordination which triggered or contributed to policy reassessment, public discourses and political agendas:

- Cooperation has helped to develop a **common understanding** of the determinants of child poverty, identifying common challenges and increasing the knowledge base informing governments. It has enabled Member States and stakeholders to benchmark national developments with those of other countries.
- It has also contributed to a **shared awareness of policies and programmes that work best** (such as holistic approaches, an adequate balance of universal and targeted benefits, a stronger focus on prevention and early childhood years).
- It has given momentum to the issue, by **putting child poverty on the political agenda and giving it increased visibility**. This was illustrated by the growing number of Member States addressing child poverty in their National Action Plans on Social Inclusion and subsequently within Europe 2020 (through their National Reform Programmes).
- It has supported networking between key actors at EU level and in Member States, providing an **important resource of contacts** and information for policy development at various geographical levels.

Even if child poverty and social exclusion generally remain of high concern in the EU, the existing momentum could be lost as a result of the current crisis, as key services and policies supporting children have started to be affected by budget cuts. In order to avoid this, the existing policy framework could be strengthened to take better account of the challenges that have emerged over a decade of cooperation:

- Although the SPC and the European Commission adopted recommendations to pursue policy coordination and further develop monitoring instruments in 2008, there has been **no systematic review and monitoring of developments** since then, risking a loss of the political momentum generated through the thematic year.
- Although visibility of child poverty and social exclusion has increased over the years, in the absence of strong incentives, this has not always resulted in an increased **political commitment** and tangible results.

¹⁶ SEC(2010) 1564 final

¹⁷ See among others: European Commission Communication on "A renewed commitment to social Europe: Reinforcing the Open Method of Coordination for Social Protection and Social Inclusion", SPC Opinion on Reinvigorating the Social OMC in the context of Europe 2020, External evaluation of the children's rights strategy, "Who cares? Roadmap for a Recommendation on Child Poverty and Well-being" 2010, *A Social Inclusion Roadmap for Europe 2020* (Hugh Frazer, Eric Marlier and Ides Nicaise, 2010), Workshop on "The role of child, family and education policies" held during the EU conference on "Inequalities in Europe and Future of the Welfare State", 5-6 December 2011

- More needs to be done to develop a **holistic approach**, going beyond material aspects and reflecting children's well-being in order to improve children's outcomes. While important steps forward were taken over the last two years (in particular in terms of analytical work), much remains to be done.
- Further links should be developed between the areas developed under the EU cooperation on social inclusion and other policy areas (in particular with education, health, children's rights and culture) as well as improve synergies with other instruments (e.g. EU funding programmes, particularly in the on-going multiannual financial framework negotiations).
- It also appears essential to **actively exchange knowledge and learning** on the outcomes of cooperation to make sure that the wealth of knowledge generated reaches beyond the circle of "insiders" directly involved. In line with this, more could be done to better **engage regional and local authorities** that often hold key competences on the issue.
- The **current instruments available** (such as peer reviews, mutual learning, studies) could be used in a more strategic way through a clearer identification of priority areas.
- More and better use could be made, in this context, of the **European Platform against Poverty and Social Exclusion**. Also, partnerships with stakeholders could be strengthened and participation should be enhanced.
- The priority given to the fight against poverty and social exclusion within Europe 2020 calls for a new integrated approach which looks at all essential elements to guarantee equal opportunities for all children. Europe 2020's social dimension could be strengthened by building and referring to the NRPs of countries that have established measures or strategic lines regarding child poverty/social exclusion, or to specific successful integrated approaches and national strategies.

Value added of an EU Recommendation and existing consensus

The possibility of further developing thematic work within EU cooperation on social issues (and in particular the Social OMC) through appropriate use of a Recommendation was outlined in the 2008 European Communication on reinforcing the Social OMC¹⁸. Its application to consolidate cooperation on child poverty and child well-being has gathered a large consensus in recent years.

Addressing child poverty and child well-being were important priorities of the presidency trio ES-BE-HU which adopted a Common Declaration on the issue. The Belgian presidency organised a major stakeholder conference and published a "Roadmap for an EU Recommendation on child poverty" in September 2010. Most recently, a background paper "Child well-being in the European Union – Better monitoring instruments for better policies" was prepared for the Hungarian Presidency. Both initiatives have resulted in concrete proposals for common principles and indicators which should be taken into account.

¹⁸ "A renewed commitment to social Europe: Reinforcing the Open Method of Coordination for Social Protection and Social Inclusion", COM(2008)418 final

Furthermore, the June 2011 EPSCO Council Conclusions “Tackling Child Poverty and promoting Child Well-being” reaffirmed Member States’ commitment and welcomed the principle of the Recommendation, calling on Member States to take an active part in its development and design ambitious approaches.

The issue has also been high on the social agenda of the European Parliament, the European Economic and Social Committee as well as the Committee of the Regions which have adopted specific opinions on the issue¹⁹. Likewise, key stakeholders (e.g. UNICEF, Eurochild, European Social Network) have been closely involved in existing proposals, reflecting the wide consensus on the value added of a Recommendation as a framework to stimulate EU and national action, monitor progress and improve mutual learning.

The Recommendation translates past political commitment into a framework for action. Work under the Social OMC has produced a substantial body of evidence supporting a multi-dimensional policy approach to combat child poverty and promote child well-being. Successive Council Conclusions have identified child poverty as a specific political priority. However, until now there has been no systematic effort to report on how Member States are putting the policy recommendations into practice.

Scope and possible objectives of the Recommendation

A holistic approach, focused on child poverty and well-being

The Recommendation should support the EU and Member States in their efforts to prevent and reduce child poverty and social exclusion, enhancing the well-being of children²⁰, enabling them to live up to their full potential and breaking the transmission of disadvantage across generations. It should do so by adopting a holistic approach, going beyond monetary aspects of child poverty and based on the three following pillars: adequate income support, access to quality services and children's participation. Such approach should also be rooted in a child's rights perspective, involving in particular recognising children as independent holders of rights, and taking their interest as a primary consideration, without however creating new judicable rights nor implying a duplication of monitoring mechanisms of existing international commitments.

The Social Protection Committee hereby invites the European Commission to further specify the Recommendation's title and suggests the following wording: "Tackling and preventing child poverty, promoting child well-being".

¹⁹ Promoting social inclusion and combating poverty, including child poverty, in the EU (2008/2034(INI)); Opinion of the European Economic and Social Committee on "Child poverty and children's well-being" (exploratory opinion) 2011/C 44/06; Outlook opinion of the Committee of the Regions on Child Poverty. CdR 333/2011 final

²⁰ In line with the approach taken under the OMC and the report prepared by the EU Task-Force on “Child poverty and well-being” and endorsed by the SPC and the Commission, well-being is to be understood here as a multi-dimensional approach to children's quality of life, going beyond economic and material security to encompass other essential areas, such as housing, education, health, exposure to risk and risk behaviour, social participation and relationships, family environment, and local environment (these were defined by the EU Task-Force as key dimensions of children's well-being). Particular focus is put on social determinants and the extent to which access to essential services and equal opportunities are ensured for all children, including the most vulnerable.

Operational objectives

At a more operational level, the Recommendation should support the EU and Member States' efforts and contribute to:

Enhancing political commitment, by providing political impetus and highlighting the importance for the EU and Member States to step up efforts for addressing child poverty and child well-being in a critical context marked by fiscal consolidation efforts; providing a visible and consolidated monitoring instrument in the context of Europe 2020 and the Social OMC, serving as a reference for monitoring and evaluation by policy makers and stakeholders; helping learning and understanding from Member States' outcomes in key policy areas against that of others facing similar challenges.

Strengthening the evidence-base of policy development, by providing a thorough overview of child poverty, social exclusion and well-being developments in the EU based on a comprehensive set of accurate indicators; increasing the knowledge base informing policy makers through a better analysis of key policies' impact; increasing awareness of the social and economic impact of not addressing child poverty and social exclusion as well as its cost for society. Besides, the Recommendation could consider the need to develop approaches to child income support which provide for appropriate targeting of existing resources to ensure more optimum child poverty outcomes while also maintaining universal child income supports which have proved effective and efficient in preventing child poverty and social exclusion.

Driving policy change, by encouraging the development of a holistic approach which goes beyond monetary poverty into aspects related to the living conditions and outcomes of children's lives, their health, education and the environment in which they grow up, including access to culture. This includes mainstreaming child poverty and social exclusion issues in relevant policy areas; helping focus EU and Member States' actions on successful policy approaches, enhancing the impact of mutual learning, encouraging social innovation, evaluation and research and by acting as a catalyst for new approaches.

Structuring and prioritising EU action to create synergies, by clearly articulating and giving visibility to EU priorities and messages related to child poverty and child well-being; by structuring EU initiatives related to child poverty and child well-being (in particular within the Social OMC and Europe 2020 but also within financial instruments); by strengthening synergies and coordination across all relevant areas (including in the following fields: economic and financial policies, energy and transport, employment, education, culture, health, research, justice, social services, youth, recreational and sport activities).

1.3. Key determinants and developments

This section presents key determinants of the conditions in which children grow up, looking beyond aspects directly linked to children's material situation (e.g. parents' access to the labour market, income support) to cover essential elements of their well-being such as access to key services and participation.

The elements below underline that reducing child poverty and breaking the transmission of disadvantage across generations implies developing integrated strategies focused on children and families, combining prevention and support, seeking both to enhance the development and well-being of all children and to specifically improve the situation of the most vulnerable²¹.

1.3.1 Access to adequate resources and support to households²²

Of all potential factors, the labour market situation of parents is a key determinant of the conditions in which children live and develop. While, on average, earnings represent 90% of the gross income of households with children, this proportion falls to 60% for families that are at risk of poverty. Social transfers (other than pensions) represent 1/3 of the gross income of households with children living under the poverty threshold²³, with family allowances playing the biggest role in supplementing the income of these households.

Labour market exclusion of parents is a key risk

Parents' participation in the labour market is essential to support adequate family income and to raise parents' self-esteem by increasing their autonomy and self-reliance. It can contribute to children's well-being not only by enhancing the family's material situation, but also because it helps establish a family routine and strengthen the work-ethic and stability in children's lives.

However, some conditions need to be met for parents' involvement in the labour market to have a positive influence on children's lives. These include access to quality employment, providing an adequate income that raises the family out of poverty and flexible enough to allow parents to prioritise children's needs when necessary (for example in case of illness).

An important indicator in this context is the proportion of children aged between 0 and 18 years living in households with very low work intensity (i.e. defined as working less than 20% of their total work potential during the past year). Living in very low work intensity households can be particularly problematic for children, not only because of a generally precarious income situation but also because they may find it more difficult to find their own place in the labour market later in life. In 2010, 9% of children in the EU lived in households with very low work intensity. However, this proportion varied greatly across

²¹ "It is not only money that matters, but rather a complex interplay of different factors [...]. The reduction of child poverty [...] is not just a by-product of general anti-poverty strategies but demands for an explicit and integrated strategy of child, family and women-friendly policies that first of all make children and families in general and child poverty in particular a political priority, secure and increase the financial resources of families, enhance child development and well-being, include the most vulnerable." Hoelscher, P. (2004), "A Thematic Study Using Transnational Comparisons to Analyse and Identify What Combination of Policy Responses Are Most Successful in Preventing and Reducing High Levels of Child Poverty"

²² This section builds on the March 2012 issue of the European Commission's *Employment and Social Situation Quarterly Review*, which entails a special focus on child poverty.

²³ "Child poverty and well-being in the EU: current status and way forward", Social Protection Committee, European Commission, 2008

Member States, ranging from less than 4% in CY, LU, SI and EL to more than 12% in BE, LV, HU, 17% in the UK and 25% in IE. The situation has become worse with the crisis: between 2008 and 2010, the number of children living in households with very low work intensity in the EU increased by 3 million (1 pp), with the higher increases in IE (+10.5pp), LV (+8.1pp), ES (+4.8pp), EE (+4.6pp), the UK (+3.3 pp) and DK (+3pp).

But work is not necessarily enough to prevent children from poverty and social exclusion

Having a job remains the best safeguard against poverty and social exclusion, but it is no guarantee. In 2010, 10.7% of the working population, living in a household with dependent children, had an income below the national poverty risk threshold²⁴, as against 8.5% of the overall working population. In work poverty is in this context mostly a result of low labour-force attachment, inadequate earnings, income support or tax-benefit systems and is closely linked to household structures.

Indicators of children's risk of poverty rates by work intensity of the household reflect well how these factors interact. Analysing the risk of poverty of children living in households with very low, medium or high work intensity²⁵ and their relative share within the population (compared to other Member States) helps to address issues such as "does work pay?", "are the social benefits high enough to lift people out of the poverty risk?", or "is there a risk of disincentives in the design of benefits?".

A high risk of income poverty for children living in high work intensity households (RO, LT, ES) points to a situation where earnings from work are insufficient to prevent the risk of poverty. At the opposite, a high risk of poverty for children living in households with very low work intensity (BG, SI for example) signals insufficient out-of-work income support. The high statistical value can be emphasized by the low prevalence of households with very low work intensity in these countries.

Associated with a strong prevalence of low work intensity in households with children (IE, UK), a high impact of social transfers on reducing the risk of poverty for all children (and especially children in very low work intensity households) suggests that there could be disincentive effects in the design of the benefit system, creating inactivity traps, which should be addressed through active inclusion policies. Yet, it could also indicate that there is adequate income support for those who are unable to work, such as people with a disability, families with special care needs or lone parents with young children.

Among families participating in the labour market, the risk of poverty also depends of the intensity of participation. Empirical evidence shows that in most countries the one breadwinner family model does not sufficiently protect against the risk of poverty²⁶. The higher the combined employment participation of the family is, the lower the risk of

²⁴ Source: Eurostat, EU-SILC

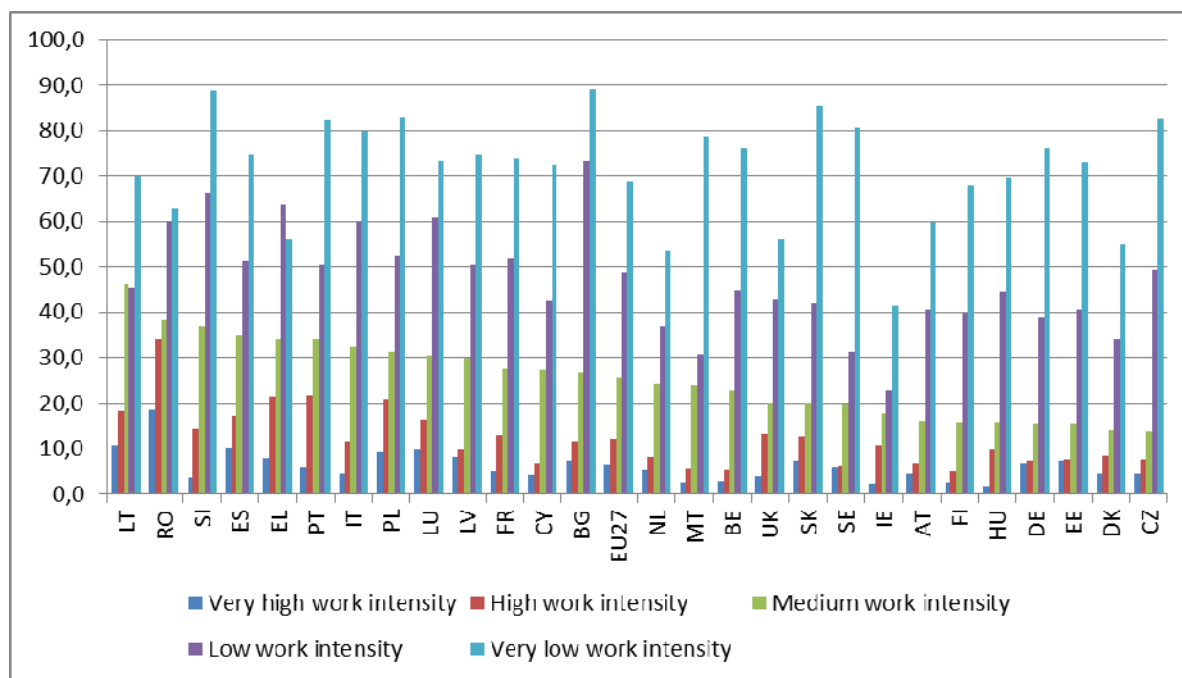
²⁵ The work intensity of the household refers to the number of months that all working age household members have been working during the income reference year, as a proportion of the total number of months that could theoretically be worked within the household. Measurement is based on the following thresholds (source: EU-SILC):

- Very low: 0 to 20% of total work potential
- Low : 20 to 45 % of total work potential
- Medium: 45% to 55% of total work potential
- High 55 % to 85 % of total work potential
- Very high 85 % to 100 % of total work potential

²⁶ "Employment and Social Developments in Europe 2011", European Commission, 2011, chapter 4

poverty²⁷. Figure 2 shows the various risks of poverty of children by work intensity of the household. It highlights that children living in medium work intensity households, i.e. households where parents work only around half of their potential working time, face a significantly higher risk of poverty than those where both parents are working full time or quasi (i.e. high and very high work intensity). Medium work intensity corresponds to situations where, for instance, both parents work half-time or one parent works full-time and the other has no paid job (single breadwinner).

Figure 2: At risk of poverty rate for children by work intensity of the household (2010)



Source: Eurostat, EU-SILC (Note: Data for LV refer to 2011)

The structure of the household matters

Lone parents and their children are particularly exposed to a higher risk of in-work poverty and represent clear targets for focused action. The risk of poverty²⁸ is pronounced at lower work intensities.

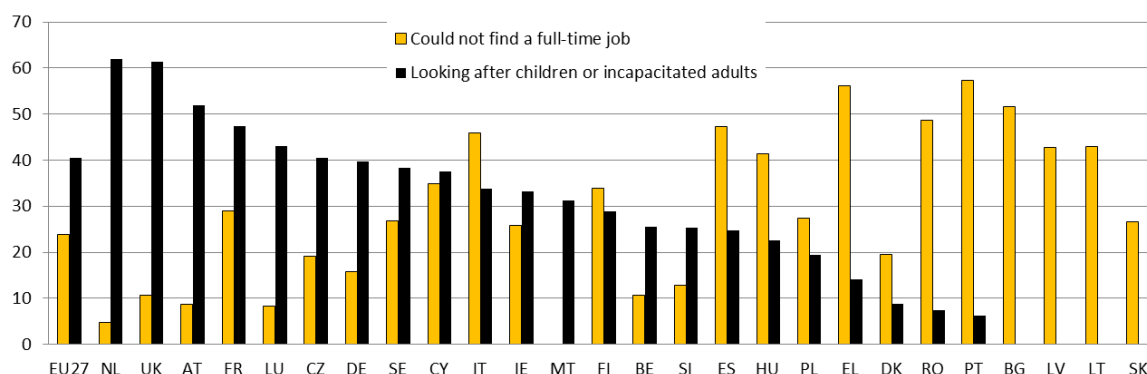
The incidence of households with medium work intensity (often the one breadwinner model) is closely related to the employment rate of mothers, which varies with the number of children. A clear distinction can be made between countries in which the first drop in employment rates (10 points or more) already happens with the first child (CZ, DE, HU, MT, IE, UK), and countries where the employment rates of mothers with 1 or 2 children is either equivalent or greater than those without children (BE, EL, FR, LV, LT, PL, PT, RO, SI).

²⁷ On the "quality side" of this question, a recent OECD study gives support to a non-negative outcome of children whose mothers worked during their first year, as negative outcomes are being compensated by positive outcomes due to increase in the household income (see Huerta, M. et al. (2011), "Early Maternal Employment and Child Development in Five OECD Countries", OECD Social, Employment and Migration Working Papers, No. 118, OECD)

²⁸ "Employment and Social Developments in Europe 2011", European Commission, 2011, chapter 4

Work intensity in a household is also linked to part time work of one of the parents, in particular the mother. The incidence of part-time work among working women aged 25-49 is on average at 29.6 % in 2010. It varies greatly across EU countries, ranging from 2 % in BG, 4 % in SK, 6 % in HU to close to one third or more in BE, DE, LU, AT, SE, UK. It even reaches 70% in NL where part-time work is seen as a pillar of the reconciliation of work and family life. The main stated reason for working part-time varies across countries (Figure 3). While family-related reasons dominate in NL, UK, AT, LU, DE, FR, BE, work-related issues appear clearly as a main reason in DK, EL, IT, HU and ES.

Figure 3: Main reason for part-time employment for working women aged 25-49, 2010.



Source: Eurostat, LFS

Note: Other reasons (own illness or disability, other family or personal responsibility, in education or training, and "others") are not documented here

In all countries, however, the incidence of part-time work logically increases with the number of children in the household (even if the increase is very limited in BG, EE, EL, and SK). This only applies to women, since the presence and number of children in the households hardly influence the already low incidence of part-time work among fathers. On average in the EU, 20% of working women aged 20-49 work part-time, against 35% of working women with 1 child, 47% of those with 2 children and 54% of those with 3 or more children²⁹. Part-time jobs have been on the rise during the recovery phase of the crisis, essentially constrained by the demand side on the labour market.

Lack of childcare may act as a barrier from labour market participation³⁰

Parents' capacity to participate in the labour market depends on the combined impact of active labour market policies that support parental employment (and especially mothers' employment) and on the availability and affordability of childcare.

In 2009, 72% of children under the age of three were not in formal childcare in the EU, with a majority of Member States exceeding the average³¹. This was highest in SK, CZ and PL (97%), closely followed by RO, HU, MT and BG. The lowest share of under three-year-olds

²⁹ "Child poverty and well-being in the EU: current status and way forward", Social Protection Committee, European Commission 2008; "Reconciliation between work, private and family life in the European Union", Eurostat 2009

³⁰ This section is intended to focus on aspects related to access to adequate resources and support to households. Issue of quality is treated in the specific sections related to education.

³¹ Source: Eurostat, EU-SILC

outside formal institutions were found in DK (27%), SE (37%) and the NL (51%). 14% of children under 3 in the EU were in childcare between 1 and 29 hours weekly, and 13 % for more than 30 hours.

The EU average of those outside formal care institutions is considerably lower for children aged between 3 and compulsory school age, with a rate of 17%. Yet, in many Member States where the share of children under three outside formal care institutions is above the EU average, the same holds for children above three.

Imputation of in-kind benefits to households incomes shows that childcare is the only benefit from which the richest profit more than the poorest in many countries³². A recent study³³ shows that "families above the at-risk-of-poverty line capture 80% or more of all subsidies to child care (90% or more in Scandinavia). Nevertheless, the relative contribution of childcare subsidies to cash incomes (i.e. in terms of income share) is higher for families below the at-risk-of-poverty line than for those above that line. In terms of employment status, with very few exceptions, over 50% of all childcare subsidies actually benefit two-earner families." All in all, the study concludes that "child care subsidies reduce the risk of poverty among children, make the overall income distribution less unequal, and are fiscally progressive".

Cost of childcare is a matter of concern as it can significantly reduce disposable income. An OECD study³⁴ shows that "net childcare costs are high in many countries. Even after deducting all relevant types of government support, typical out of pocket expenses for two preschool children can add up to 20% more of total family budgets. In a few cases, typical net costs are found to consume more than a third of family resources. [...] parents are hindered in their attempts to seek employment and improve family incomes. The issues are similar where good quality childcare is in short supply". Lone parents are most at risk. The same study underlines that "cost considerations are arguably much more important for parents who have to do without the support of a partner and will therefore need to rely more heavily on non-parental childcare".

In addition, childcare costs can generate important disincentives to work, in particular for lone parents and second earners on low income. In a number of countries (BG, CZ, IE, LV, LT, MT and SI), costs related to childcare appear to create significant inactivity traps by reducing net income gains from employment to such an extent that individuals are financially better off caring for their children themselves³⁵. A reduction in childcare costs may not be enough when the payoff from employment is low already before deduction of childcare costs and should therefore be accompanied with additional incentives for second earners.

³² "Implicit benefits derived from free or subsidised childcare", M. Matsaganis and G. Verbist; European Commission, Employment and Social Developments in Europe, chapter 3, December 2011, pp. 107-108

³³ Ibidem. In this study based on EU-SILC data, no distinction is made between costs of subsidized and not subsidized childcare. However, childcare covers the total of (pre-) primary education and childcare, and the education component is in most countries the most important one and in general for free. In countries where childcare is important according to EU-SILC, it is often also subsidized (e.g. Nordic countries).

³⁴ "Can parents afford to work? Childcare costs, tax-benefit policies and work incentives", OECD Social, Employment and Migration Working Papers, No. 31, 2006, available at <http://www.oecd.org/dataoecd/58/23/35862266.pdf>

³⁵ "Report on childcare costs – Can parents afford to work? An update" OECD, 2011

Parental leave: a reconciliation tool still little developed

Reconciliation between work and family life is key in securing parents' participation in the labour market and quality parenting time, which affects the conditions under which children grow up and improve their well-being. More flexible reconciliation instruments, to accommodate the increasing diversification in family structures, are being designed across Member States to support both fathers and mothers in caring for their children³⁶. Eligibility and take-up of such instruments take increased account of gender equality and the need for choice when it comes to more flexible work patterns, e.g. part-time.

Maternity and paternity leave (providing immediate support before and after child birth) vary importantly across countries, in particular in terms of length and wage replacement. At a later stage, parental leave enables parents to take care of a child in the longer-run and plays an important role in bringing about a more equal division of care duties between parents in the household. Yet, large discrepancies regarding parental leave income replacement policies for men and women exist in Member States. An EU-15 Eurobarometer survey conducted in 2004³⁷ revealed that when asked for the main reasons for not taking up parental leave, 31% of the men responded that "it didn't exist" while 18% mentioned that they couldn't afford to take a parental leave. "Getting more financial compensation during the period of leave" seems to be the main incentive to encourage fathers to take up parental leave and was mentioned by 38% of all men polled. The fear for negative job/career effects as a result of parental leave was an issue for 30% of the men with relatively little variations across individual countries.

The impact of social expenditures on the reduction of child poverty risk

When analysing social expenditure one should not only look at the level of the expenditure but also at its design. Figures 4a and 4b illustrate that although, on average, higher government spending on social protection is associated with higher reduction in poverty risk rates, some Member States achieve similar reductions in poverty risk rates with lower rates of spending by combining a well performing labour market with a social security system that supports better work incentives. Conversely, countries with similar wealth and similar shares of GDP spent on social benefits sometimes achieve very different outcomes in terms of child poverty risk (e.g. FI and BE or AT and ES). Salanauskaite and Verbist³⁸ explore to what extent a country's effectiveness in reducing child poverty risk can be attributed to the size of family cash transfers (i.e. both benefits and tax instruments) or to their design. Their results confirm that the level of expenditure is of high importance. Nevertheless, the exact impact of size and design depends highly on the composition of the selected measures (universal, categorical, income selectivity) and on the parametric choices of the policies' inner design (i.e. thresholds, benefit size determination, etc.). The best income poverty score is not necessarily achieved by the most extensive or exclusively means-tested transfers. Aside from benefits design and size criteria, policy alignment to national characteristics is of high importance³⁹.

³⁶ "Reconciliation between work, private and family life in the European Union", Eurostat, 2009

³⁷ "Reconciliation between work, private and family life in the European Union", Eurobarometer Survey, 2004

³⁸ "Is the "neighbour's" lawn greener? Comparing family support in Lithuania and four other NMS", Euromod Working Paper Series, Salanauskaite, L. and Verbist, G., December 2011

³⁹ Ibid. The study highlights that although LT and EE have the most similar non-contributory family benefit and tax measures (universal and/or categorical), EE achieves a much better poverty reduction for both large and single parent households. The effect is mainly due to the fact that these policies are tuned to the Estonian socio-demographic

Figure 4a: Children at risk of poverty and level of social transfers (income reference year 2009)⁴⁰

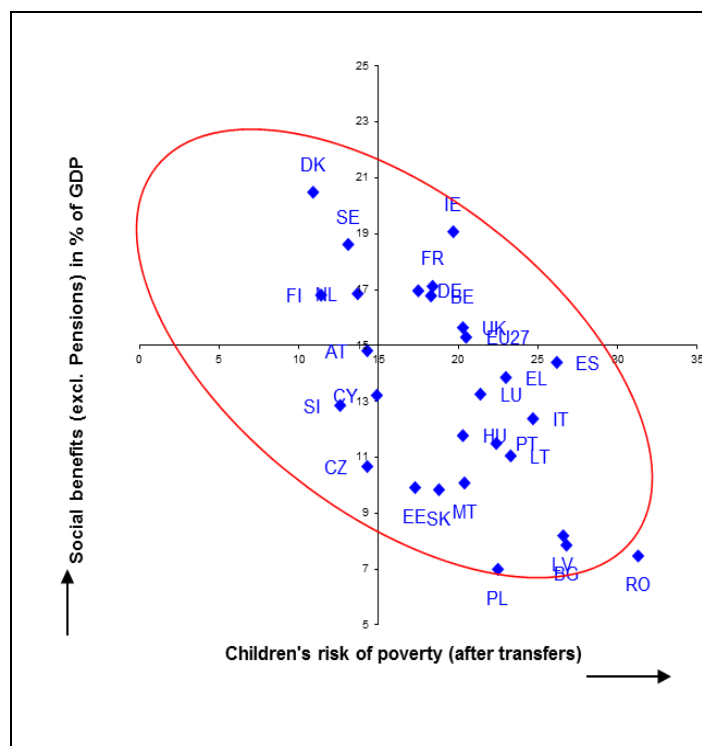
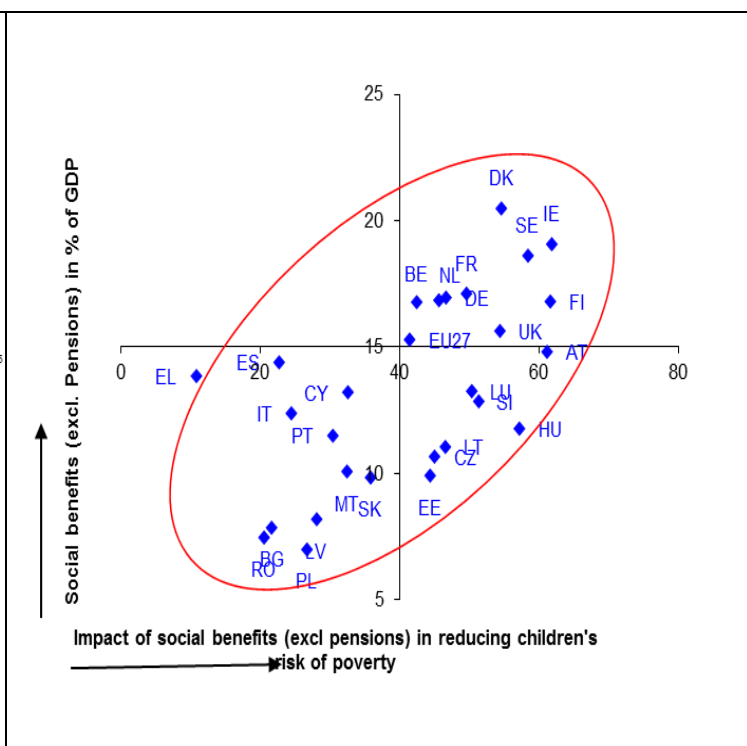


Figure 4b: Reduction of the risk of poverty among children after social transfers and level of social transfers (income reference year 2009)



Source: Eurostat, ESSPROS (2009) and EU-SILC (2010)

Participation in paid work and social benefits interact in diverse ways across Europe

Drawing on the typology agreed upon by the European Commission and the Social Protection Committee in 2008⁴¹, countries can be grouped in three major profiles regarding the effectiveness of social benefits and the way they interact with labour market participation. These three groups achieve significantly different levels of child poverty risk outcomes (see Table 1).

circumstances. If implemented in LT, their poverty effectiveness would be negligible. The reverse swap of Lithuanian policies would worsen child poverty in EE.

⁴⁰ As mentioned earlier, the reference year for income and for employment in EU-SILC is the calendar year prior to the survey except in Ireland (12 months preceding the survey) and the UK (current income). So, the reference income year for EU-SILC data collected in 2010 is 2009; it is therefore compared in Figures 4a and 4b with ESSPROS data related to 2009 rather than 2010.

⁴¹ This section and the analysis that follows builds in particular on the model developed in the Report "Child poverty and well-being in the EU: current status and way forward", Social Protection Committee, European Commission 2008. This section has been prepared using the Joint Assessment Framework jointly developed by the Employment Committee and the Social Protection Committee underpinning the evaluation of NRPs.

The first group (A) consists of the Nordic countries (DK, FI, and SE) as well as DE, AT, NL, FR, CZ, SI and, to a lesser extent, BE, CY and EE. These countries achieve a relatively lower child poverty risk and child poverty gap compared to adults and to other EU Member States, by performing well on all fronts (low rate of children at risk of poverty and relative poverty gap, high impact of social benefits to reduce child poverty, low share of children in households with very low work intensity, low levels of child risk of poverty in households at work compared to the rest of Europe). The Nordic countries plus the NL achieve these goals despite high shares of children living in lone parent households. They seem to succeed in doing so notably by supporting adequate labour market participation of parents through childcare provision and a wide range of reconciliation measures. While the impact of social transfers on children at risk of poverty is relatively low in CY, children have so far been protected against the risk of poverty by family structures dominated by 2-adult families and complex households in which most working age adults are at work.

The second group (B) consists of IE, HU and the UK. The main matter of concern in these countries is the high numbers of children living in households with very low work intensity. While 8% or more of children live in families with very low work intensity, families at work experience lower levels of risk of poverty than in other EU countries. In most of these countries, around half of the children in households with very low work intensity live with a lone parent. Policies aimed at enhancing access to quality jobs for parents further away from the labour market may contribute to reducing the child's poverty risk.

The third group (C) consists of BG, EL, ES, IT, LT, LV, PL, PT, RO and SK. These countries face high risk of poverty for children and high relative poverty gap for children. They experience high levels of in-work poverty risk among families, as well as a low share of children living in very low work intensity. The level and effectiveness of social spending are among the lowest in the EU. The analysis indicates that household structures and intergenerational solidarity continue to play a role in alleviating the risk of poverty for the most vulnerable children in these countries. Living in multi-generational households and/or relying on inter-household transfers, whether in cash or in kind, may partly compensate for the lack of governmental support for parents in the most vulnerable situations. These countries may need to adopt comprehensive strategies aimed at better supporting household income, both in and out of work, and at facilitating access to quality jobs, especially for second earners.

Table 1: Relative outcomes of countries related to main determinants of poverty risk and social exclusion, 2010

Group	Main characteristics	Countries represented	Possible policy options
A	Impact of social transfers is effective compared to the EU average Low share of children in households with very low work intensity Children in working households face low risk of poverty	NL, FI, SE, DK, AT, DE, FR, SI, CZ (CY, EE, BE)	<i>Maintain the balance between income support and work and family reconciliation</i>
B	Children in households with very low work intensity are numerous; they are protected to a greater degree by the impact of social transfers, and therefore relatively less exposed to risk of poverty than in other EU countries	IE, HU, UK	<i>Enhance access to quality jobs for those parents furthest away from the labour market</i>
C	Low impact of social transfers in reducing child poverty risk Children in medium-high work intensity are exposed.	EL, ES, IT, PT, LT, LV, PL, SK, RO, BG	<i>Support household income, both in and out of work, and facilitate access to quality jobs, especially for second earners</i>

LU and MT have not been introduced in the classes as they appear as outliers.

Source: Eurostat, ESSPROSS 2009, EU-SILC 2010, European Commission (DG EMPL) calculation. Groups are obtained by cluster analysis based on scores related to scores of the following variables: children's risk of poverty, children's risk of poverty gap, children living in very low work intensity, children living in very high work household and at risk of poverty, children living in very low work intensity households and at risk of poverty, impact of social transfers on children's risk of poverty. For each of these variables, scores are defined as the sum of the national gap between children and the whole population, and the gap between the country average (for children) and the corresponding EU27 average. They therefore reflect the situation of children in the country versus the rest of the population, and the situation of children in the country versus other EU countries.

1.3.2. Access to quality services

Early childhood education and care (ECEC)

The impact of the early years and the role of early childhood education and care

The age between 0 and 6 years and especially the early years between 0-2 are crucial for children's healthy cognitive, emotional, behavioural, physical and social development. This is a most sensitive and irreplaceable period of the lifecycle when development of the brain, body and interpersonal skills are taking place and where the mid- and long-term returns of investment many times outweigh the cost. Early childhood education and care (ECEC) may help break the transmission of disadvantage across generations and afford all children the opportunity to reach their full potential. This is all the more important in view of the high number of small children affected by poverty: the percentage of households with a child

between 0 and 6 year old in EU Member States is estimated to be 10-15% and roughly 1 out of 6 of these children is at risk of poverty⁴².

High quality (ECEC) can make a major contribution to children's development by supporting them to develop essential personal capacities such as self-regulation, communication, resilience, persistence and empathy, in short the basic educational and social foundations for life in general and for later stages of education in particular. In addition, ECEC can play an important role in reducing social inequalities and guaranteeing equal opportunities to children. High quality ECEC programmes are beneficial to all children, and have been shown to be twice as beneficial for disadvantaged children⁴³.

It is recognised that parents and family members have primary responsibility for their children⁴⁴. High quality ECEC can usefully support and complement home based learning and social experiences. The different roles of ECEC services (education and care) should also be complementary and mutually reinforcing. High quality care services can provide educational and pre-schooling support for all children, as well as create opportunities for social participation and interactions with peers. Positive enriching interactions play a central role in strengthening children's sense of belonging, self-confidence, social and communication skills. Participation in high quality center based ECEC also offers children a greater social mix of peers and educators, which helps to address development delays among children who otherwise would risk falling behind⁴⁵.

High quality ECEC, combined with tailored interventions delivered by trained staff, can compensate for linguistic, educational and other gaps that may arise in the home-learning environment due to structural and individual circumstances, including parents' low educational attainment or factors arising from multiple disadvantages. Another benefit is that ECEC supports parents and families in a non-stigmatising and non-judgemental way. Statistical evidence clearly demonstrates the advantages of centre-based ECEC for the linguistic and cognitive development of children with a migrant background⁴⁶. In order to make sure that centre-based ECEC fully benefits both the child and the family it is important that parents are actively involved in and consulted about all aspects of the operation of the ECEC service and where necessary are provided with adequate support services to allow them to become fully involved.

Improving the availability of ECEC services

The models of provision of ECEC in Member States can be grouped into two categories: split system models, where services for children are structured according to age, usually separating 0-3 and 3-6 year olds and coordinated system models where settings are organised in a single phase for all children at pre-primary school age. Combinations of these two models also exist⁴⁷. Regardless of the model followed, ECEC coverage and affordability across Europe is very varied.

⁴² See "Early Childhood Education and Care in Europe: Tackling Social and Cultural Inequalities", EACEA P9 Eurydice 2009

⁴³ See Commission Communication, "Early Childhood Education and Care- Providing all our children with the best start for the world of tomorrow", COM(2011) 66 final

⁴⁴ See Article 4 of the UNCRC on the rights and responsibilities of parents.

⁴⁵ "Call for an EU Recommendation on Child Poverty and Child Well-being", Background paper to the EU Presidency Conference: Child Poverty and Child Well-Being. Belgian Presidency of the European Union, June 2010

⁴⁶ Commission Communication, "Early Childhood Education and Care- Providing all our children with the best start for the world of tomorrow", COM(2011) 66 final

⁴⁷ See "Early Childhood Education and Care in Europe: Tackling Social and Cultural Inequalities", EACEA P9 Eurydice

The number of ECEC services provided also varies across Member States. Generally many more places are offered to the 5-6 year-old than to the 0-3 or even 4-year-old age cohort⁴⁸. Regional differences in coverage are noticeable and are usually more favourable for children in urban areas⁴⁹. Funding for the provision of ECEC places tends to be subsidised by state or local government to a higher degree for children aged 4-6 years than those for children under 4 years old⁵⁰. Parental contributions make up the shortfall in funding and, according to estimations, ECEC contributions may reach up to 5-30% of parental budget in households at risk of poverty, and low-income households are often disproportionately hit by such costs despite means-testing⁵¹. Private crèches may cost even more⁵².

To be able to fulfil their redistributive role, quality ECEC services should be made universally available from conception. Universal provision of ECEC promotes participation by all children thereby removing the need to engage in the complex and often unsuccessful task of identifying and targeting the disadvantaged and non-disadvantaged children separately⁵³. Universal provision is also better for children and research has shown that ECEC services that have children from a wide range of social backgrounds and abilities can support better the overall development and inclusion of children, while limiting stigmatisation and segregation⁵⁴.

The European Education and Training 2020 benchmark on early childhood education participation is that by 2020 at least 95% of children aged between birth and the age for starting compulsory primary education should participate in early childhood education. Some Member States have already achieved or exceeded this target⁵⁵. The EU average lies at 92%. However, a significant number of countries are still far behind⁵⁶. This diversity of provision was also reflected in the fact that most Member States failed to reach the Barcelona target of 33% participation rate of 0-3 years-olds in ECEC by 2010⁵⁷.

2009

⁴⁸ See Commission Staff Working Document, SEC (2008) 2524, "Implementation of the Barcelona objectives concerning childcare facilities for pre-school age children", and "Early Childhood Education and Care in Europe: Tackling Social and Cultural Inequalities", EACEA P9 Eurydice 2009

⁴⁹ See Global Monitoring Report, UNESCO 2007

⁵⁰ See "Early Childhood Education and Care in Europe: Tackling Social and Cultural Inequalities", EACEA P9 Eurydice 2009

⁵¹ See Commission Staff Working Document, "Implementation of the Barcelona objectives concerning childcare facilities for pre-school age children", SEC (2008) 2524

⁵² Idem

⁵³ Commission Communication, "Early Childhood Education and Care- Providing all our children with the best start for the world of tomorrow", COM(2011) 66 final

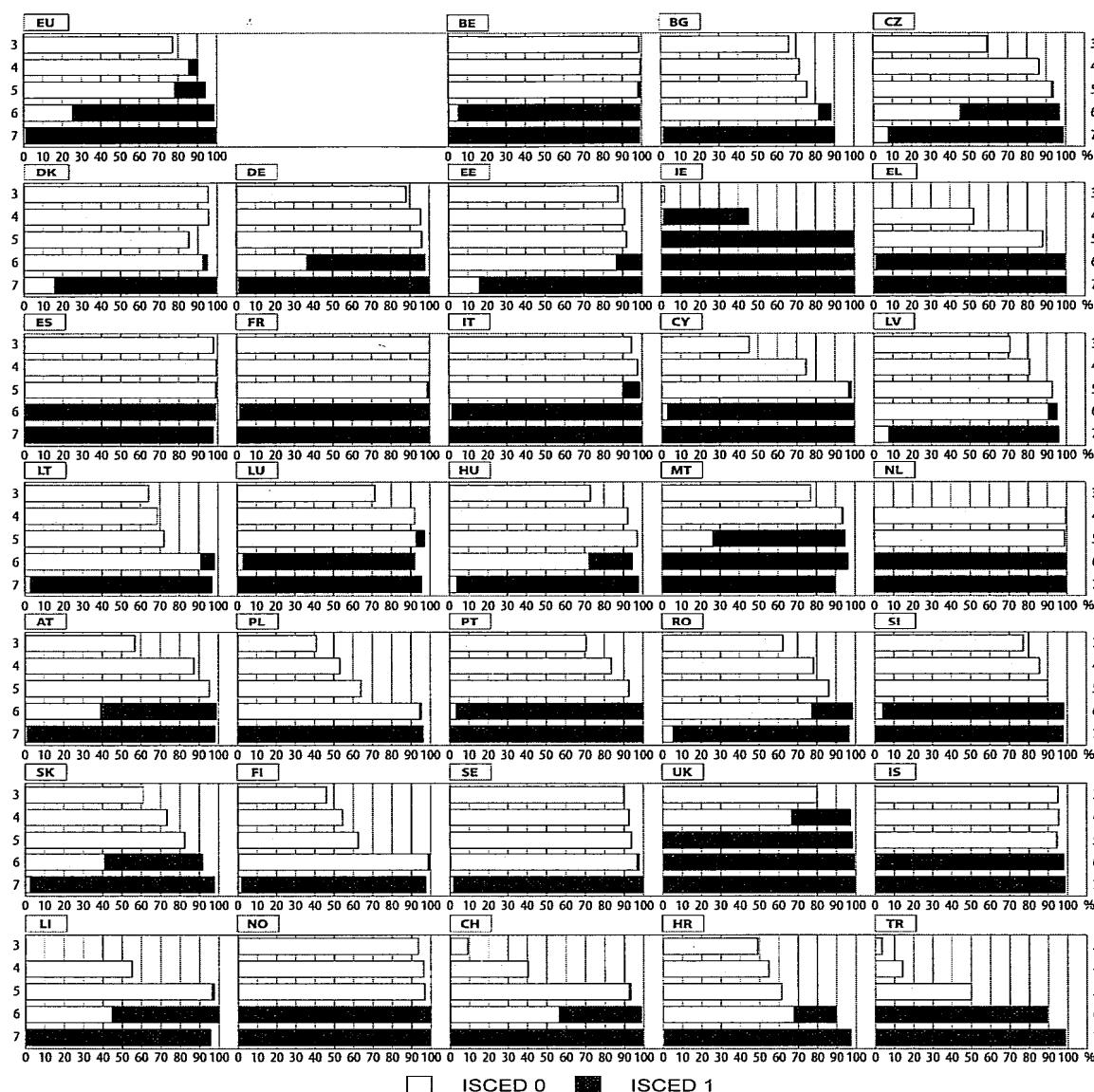
⁵⁴ Idem

⁵⁵ The childcare participation reference level was accepted in 2009 as part of the Education and Training strategy ("ET 2020") by the Council of the European Union, replacing the so-called Barcelona childcare target introduced by the European Council in 2002

⁵⁶ Commission Communication, "Early Childhood Education and Care- Providing all our children with the best start for the world of tomorrow", COM(2011) 66 final

⁵⁷ At the Barcelona Summit in 2002, the European Council set the targets of providing childcare by 2010 to at least 90% of children between 3 years old and the mandatory school age and at least 33% of children under 3 years of age.

● Figure C2: Participation rates in pre-primary and primary education (ISCED 0 and 1) by age, 2009



Source: Eurostat, UOE (data extracted July 2011).

Explanatory note

Pre-primary education (ISCED 0) is designed to meet the educational and development needs of children of at least 3 years of age. Pre-primary education must employ staff with specialised qualifications in education. Day nurseries, playgroups and day-care centres where staff are not required to hold a qualification in education are not included. Primary education (ISCED 1) programmes are designed to give the basic education in reading, writing and mathematics along with an elementary understanding of other subjects.

Despite the evidence that ECEC is clearly most beneficial for disadvantaged children, including children from low-income households, their participation in ECEC services tends to be lower⁵⁸. In the case of Roma children and children from a migrant background, participation rates in most cases are significantly lower than for other members of the population⁵⁹. In BG, EL, HU, IT, PT, SK, CZ, FR, PL, RO, ES on average only one out of two Roma children attended pre-school or kindergarten. While in HU and ES seven out of ten Roma children attended pre-school, only 10% of Roma children (as compared to 50% of

⁵⁸ Commission Staff Working Document, "Progress towards the common European objectives in education and training- Indicators and benchmarks-2010/2011", SEC(2011)526

⁵⁹ Idem

non-Roma children) attend in EL. Attendance at pre-school and kindergarten is lowest for both Roma and non-Roma in EL and SK⁶⁰.

Children from single parent (most typically, single mother) households and large families also enrol in ECEC services less frequently⁶¹. Another major concern is the evidence that shows that where appropriate quality standards do not exist, the quality of ECEC for low income and ethnic minority children is not adequate, with a higher proportion of lower-educated teachers. As a result children attending often experience a negative social-emotional climate⁶².

Need for integrated and quality ECEC services

It is clear that only high quality, integrated ECEC services which are complemented by individualised supports and interventions will be successful in their redistributive role to combat child poverty. Research demonstrates that the pedagogical content and delivery of programmes is crucial to their success. Low intensity in terms of offer and participation and late starting diminishes the overall effectiveness of ECEC and a negative social-emotional climate may cause more harm than good to participating children⁶³.

The separation of care and education also undermines the potential benefits of ECEC. For example the imbalance between education and care roles is often demonstrated through the generally lower qualification requirements for ECEC staff working with 0-2-year-olds, who often finish only secondary education⁶⁴. The absence of country guidelines regarding the education elements in ECEC also demonstrates the lack of recognition for the importance of early education.

The greater the impact of ECEC on school readiness skills in the wide sense⁶⁵, the more potential there is to close education gaps. There is ample evidence that poverty and social exclusion are strongly correlated with poorer educational outcomes: already at the age of 3 there are huge differences between children from low-income and better-off households, which, if not addressed, continue to widen⁶⁶. Although many countries offer targeted programmes for children at a disadvantage, many are offered too late and are not available to the 0-2 year-old⁶⁷.

If the quality of ECEC services is to be enhanced, staff training and preparedness requires attention. It is essential that all ECEC staff should be fully prepared to understand and meet the individual or special needs and interests of all children regardless of their family circumstances or ability. Staff/children ratio, as recommended by UNICEF should not exceed 1:15 but it is not always the case in Member States⁶⁸. The figures are better for

⁶⁰ The situation of Roma in 11 EU Member States - Survey results at a glance, FRA – UNDP – European Commission, 2012. Results are valid only in geographic areas where Roma populations are above the national average.

⁶¹ Idem

⁶² See Early Childhood Education and Care in Europe: Tackling Social and Cultural Inequalities. EACEA P9 Eurydice 2009

⁶³ Idem

⁶⁴ Idem

⁶⁵ School readiness skills in the wider sense include for example letter knowledge, phonological and print awareness, basic counting strategies, number and quantity concepts, basic school language vocabulary but also social-emotional competences like self-regulation, intrinsic learning motivation, the ability to cooperate with other students, knowledge of vocabulary, complex grammar and text genre conventions.

⁶⁶ See Early Childhood Education and Care in Europe: Tackling Social and Cultural Inequalities. EACEA P9 Eurydice 2009

⁶⁷ See "Early Childhood Education and Care in Europe: Tackling Social and Cultural Inequalities", EACEA P9 Eurydice 2009

⁶⁸ Commission Staff Working Document, "Progress towards the common European objectives in education and training- Indicators and benchmarks-2010/2011", SEC(2011)526

younger children, where usually less than 10 children are taken care of by one carer, while for the 3-6 year-old, the maximum group sizes can reach as much as 20-25 children⁶⁹.

Education and training

Strong presence of inequalities in education and training

Education and training (ET) are the gateways to break the cycle of disadvantage and to give children better life chances through supporting the development of the personal and social skills essential for their future employability, lifelong learning and interpersonal activities. High quality ET is proven to improve democratic participation, tolerance and respect of diversity, social integration, cohesion and inclusion, community-building, to bring better individual and public health, reduced crime, a cleaner environment, and a better quality of life⁷⁰. Data show, however, that family disadvantages and inequalities influence primary and secondary school education outcomes. Education systems offer opportunities to reduce social inequalities and exclusion but may also widen differences if equity and education quality requirements are not met⁷¹.

Children at a disadvantage, especially those who did not have the chance to participate in quality early childhood education and care, are less likely to get into better quality schools⁷². The education gap has been widening between children of households from a lower and those who come from a better socio-economic background⁷³. Roma children are particularly disadvantaged. At compulsory school age 10% of Roma children aged 7-15 do not attend school in Greece, Romania, Bulgaria, Italy and France and participation drops even more after compulsory school age. In 2011, only 15% of young Roma adults had completed upper-secondary general and/or vocational education⁷⁴.

Educational disadvantages tend to be passed on across generations as children from disadvantaged households and especially those with lower educated parents have on average lower results at skills tests such as PISA⁷⁵ and PIRLS⁷⁶.

⁶⁹ Idem

⁷⁰ Commission Staff Working Document, Accompanying document to the Communication from Commission to the Council to the European Parliament, "Efficiency and equity in European education and training systems", SEC(2006) 1096

⁷¹ Idem

⁷² Child poverty and child well-being in the European Union, TARKI Social Research Institute Hungary and Applica Belgium, published in January 2010

⁷³ See Early Childhood Education and Care in Europe: Tackling Social and Cultural Inequalities. EACEA P9 Eurydice 2009

⁷⁴ The situation of Roma in 11 EU Member States - Survey results at a glance, FRA – UNDP – European Commission, 2012

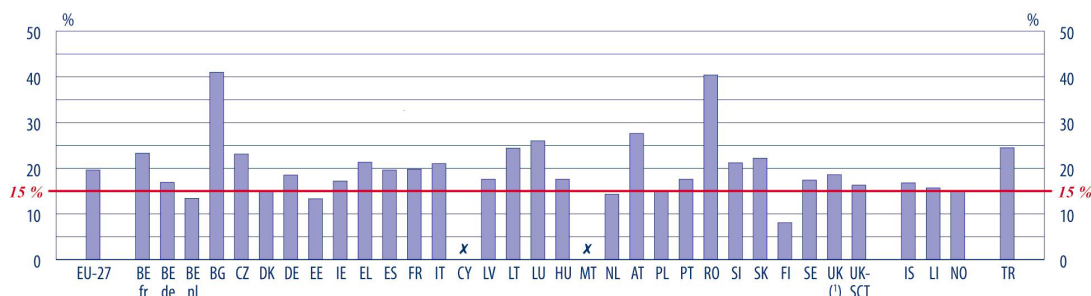
⁷⁵ PISA is the acronym of "Programme for International Student Assessment", a collaborative effort among OECD member countries to assess youth outcomes in three domains—reading literacy, mathematical literacy and scientific literacy—through common international tests.

⁷⁶ Child poverty and child well-being in the European Union, TARKI Social Research Institute Hungary and Applica Belgium, January 2010

Skills development as a means to break the poverty and social exclusion cycle

Basic literacy, reading, learning-to-learn, civic, mathematic, ITC and science skills⁷⁷ development are crucial for improving the life chances of disadvantaged children. But PISA tests have shown that the average share in the EU of low performers in reading among the 15-year-old pupils lies still around 10-30 (Figure 5)⁷⁸.

Figure 5: Percentages of low-achieving 15 year-old students in reading, 2009⁷⁹



Source: OECD, PISA 2009 database

Over recent years, Member States have made considerable efforts to enhance reading skills of pupils, for instance through mainstreaming reading targets across different subjects in the curriculum and diverse reading materials to promote comprehension in different contexts. However, countries often lack sufficiently broad strategies to improve reading achievement, especially in lower secondary education⁸⁰.

Adequate responses should be given to new educational needs, too. Improving digital literacy skills are essential, while computer and internet access of especially children in disadvantaged areas has been hindered. Appropriate and on-going teacher training, modernising the curricula, learning materials, learning methods and infrastructure are required. There is evidence that many students in Europe are being taught in schools where teaching is hindered by a lack of qualified teachers on the core subjects⁸¹.

Education and training systems' approaches may influence learning and children's development. Integrated educational approaches focusing on educational quality, social skills and child's participation are more successful in the development of children's cognitive skills than models solely based on reproduction of knowledge. In today's knowledge society, there is widespread consensus that life-long learning is an essential factor for social integration, employment and self-realisation. An interest in learning needs to be instilled in childhood by adapting education methods to respond and nurture individual differences in learning styles. Informal learning environments also play a very important role in the development of skills and help children to realise their full potential⁸².

⁷⁷ Basic skills as listed in the Education and Training 2020 benchmark

⁷⁸ Idem. The Education and Training 2020 benchmark is to reduce by 2020 by at least 20% the number of low-achieving 15-year-olds in reading as compared to the 2000 level

⁷⁹ Data available for OECD Member States. The 15% threshold refers to the European Education and Training Benchmark setting as a goal that by 2020 the share of low-achieving 15-years olds in reading, mathematics and science should be less than 15 %. See Council conclusions of 12 May 2009 on a strategic framework for European cooperation in education and training ('ET 2020')

⁸⁰ "Teaching Reading in Europe: Contexts, Policies and Practices", EACEA 2011

⁸¹ "Key data on Education in Europe 2012", EACEA 2012

⁸² "Call for an EU Recommendation on Child Poverty and Child Well-being", Background paper to the EU Presidency Conference: Child Poverty and Child Well-Being. Belgian Presidency of the European Union, June 2010

Combating early school leaving

Early school leaving increases the risk of young people entering the labour market without adequate skills, who then may face unemployment or in-work poverty. Still, one out of every six early school leavers has completed only compulsory education or less⁸³. School drop-out rates are much higher for children with a Roma or migrant background and also for children with special needs⁸⁴. The share of these vulnerable children is higher among early school leavers who only complete primary education while significantly fewer of them finish secondary or especially tertiary education than the population average⁸⁵. The growing number of children from a migrant background in education systems call for the promotion of cultural and language diversity, the prevention of segregated school settings and the adaptation of teacher skills⁸⁶. Support for children with special needs within mainstream schooling should be further improved.

Early school leaving shows a strong correlation with poverty-associated factors such as learning difficulties, discrimination, rejection by peers, hampered mobility, school accessibility or ghettoisation⁸⁷. Research confirms that even taking up a small part-time job besides a normal study can raise the risk of dropping out of school⁸⁸. Costs barriers preventing participation in education remain significant and can be reduced. Financial support (for transport costs or study equipment) can enable disadvantaged children to continue with their studies⁸⁹.

Following a comprehensive approach to tackle early school-leaving is important. This means integrated multi-level responses should be developed linking the home, the child, the school, adult education, community and relevant services. Schools, social and employment services and parents should combine their efforts and work together to prevent early school leaving. The rate of young people who are "not in any employment, education or training" (NEET) for the age group 18-24 for the EU27 increased from 13.9% in 2008 to 16.5% in 2010⁹⁰.

Offering a greater variety of education and training possibilities, both formal and informal as well as after school programmes, creating permeable and flexible education pathways, forming smaller classes and preparing individualised education plans, may help reduce early school-leaving. Providing quality vocational training options, educational experimental frameworks aimed at boosting attractiveness of schools and enhancing motivation of pupils as well as special programmes for children with specific needs are vital to combat disadvantages. Making available transfers to alternative or non-formal education, raising compulsory schooling age or making secondary schools universally accessible will improve the flexibility of education systems⁹¹.

⁸³ An updated strategic framework for European cooperation in education and training. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions (2008)

⁸⁴ "Tackling early school leaving: A key contribution to the Europe 2020 Agenda", Commission Communication COM(2011)final

⁸⁵ See "Progress towards the Common European Objectives in Education and Training. Indicators and benchmarks 2010/2011" Commission Staff Working Document 2011

⁸⁶ Idem

⁸⁷ Idem

⁸⁸ Idem

⁸⁹ "Call for an EU Recommendation on Child Poverty and Child Well-being", Background paper to the EU Presidency Conference: Child Poverty and Child Well-Being. Belgian Presidency of the European Union, June 2010

⁹⁰ See Eurostat Labour Force Survey table.

⁹¹ "Progress towards the Common European Objectives in Education and Training. Indicators and benchmarks 2010/2011", Commission Staff Working Document 2011

Improving the quality of education, learning environment and chances

The quality of education should be improved and/or maintained at a high level, enabling schools to adequately help disadvantaged students.

Individualised support, orientation, counselling and guidance can help assess and improve a child's possibilities. The same applies to after-school activities, mentoring and tutoring. Afterschool care is not yet very common in most Member States, although this is influenced by the national choice of school hours⁹².

Emphasis should be given to guiding, empowering and actively involving parents in education and training. This would give teachers a chance to learn about the background of children and create solutions hand-in-hand with parents. Putting into place an early-warning system in schools may prevent and eliminate risks that are a threat to children. The timely recognition of learning support needs and problems like family dysfunctioning, child abuse, absenteeism or a threat of a prolonged school stay can provide a signal and lead to preventive measures.

A tolerant, inclusive and positive learning environment helps children to keep up their motivation. A good social mix of pupils from different backgrounds helps to avoid stigmatisation and segregation. There is proof that a social mixture in schools is also more advantageous for the better performing children⁹³.

Early "tracking", that is, assigning students into different school type levels based on their ability can increase segregation and may boost social inequality as a result of "streaming". Tracking at ages 10 to 12 is a frequent phenomenon in several European school systems and is known to have an especially negative effect on children from households with low socio-economic status. Postponing tracking to a later stage in the educational process is likely to promote social mobility⁹⁴.

The most effective way to boost educational fairness is to improve the quality, experience and motivation of teachers⁹⁵, for they are crucial to securing the continued participation of disadvantaged children in education or training. But attracting quality teachers to schools with many disadvantaged children remains a challenge⁹⁶. Evidence from PISA suggests that an attractive salary coupled with an adequate school infrastructure - i.e. modern buildings and educational tools - can help address this challenge.

⁹² "Child poverty and child well-being in the European Union", TARKI Social Research Institute Hungary and Applica Belgium, January 2010

⁹³ See "The Children Left Behind. A league table of inequality of child well-being in the world's rich countries"... UNICEF 2010

⁹⁴ Commission Staff Working Document, Accompanying document to the Communication from Commission to the Council to the European Parliament, "Efficiency and equity in European education and training systems", SEC(2006) 1096

⁹⁵ Communication from the Commission to the Council and to the European Parliament (2006) "Efficiency and Equity in European Education and Training Systems"

⁹⁶ Efficiency and Equity in European Education and Training Systems Analytical Report for the European Commission prepared by the European Expert Network on Economics of Education (EENEE) 2006

Healthcare

Health status plays a determining role in defining children's future life chances and giving them the best start in life. Despite significant progress over recent years, strong differences remain both within and outside EU Member States regarding healthy birth, somatic, psychomotor, social and cognitive developments, as reflected by indicators such as infant mortality, oral health and dietary habits⁹⁷. In 2009, the rate of infant mortality was 4.3 (per thousand live births) in the EU⁹⁸, ranging from 2.4 in SI, 2.5 in LU and SE and 2.6 in FI to 7.8 in LV, 9 in BG and 10.1 in RO. Within individual countries, important disparities can also be seen across regions.

A strong social gradient

Many obstacles remain in children's access to good health, which often bear a strong social component. National and international studies point to the existence and persistence of social inequalities in children's health outcomes and access to prevention in various fields across the EU. Children from wealthier households typically take more regular exercise, have healthier eating habits, face and report fewer obesity and health problems⁹⁹. Social inequalities in pregnancy outcomes have been highlighted in many European countries¹⁰⁰ and children born to parents with low educational attainment or into homes with lower socio-economic status are more likely to die in the first twelve months of their life in most OECD countries (though with a varying degree across countries)¹⁰¹. Although data on social patterns in mental health problems among children are rare, surveys from the UK indicate a strong social gradient in all forms of mental health problems in young children (below 12) apart from conditions such as autism¹⁰².

While there are few EU wide comparative data on health inequalities among children, the 2009 EU-SILC module on material deprivation can provide additional insights¹⁰³. Table 2 shows that the rate of children facing an unmet need to consult a general practitioner or a dentist is much higher among those that are at risk of poverty or materially deprived. In many Member States, the social gradient appears to be higher than the rural versus urban gradient. Besides, indirect information on basic health drivers, such as being able to afford a healthy diet, reveals more inequalities. Within the countries for which data are available, 11% of the children at risk of poverty cannot eat fresh fruits or vegetables once a day because the household cannot afford it, against 3% for the rest of the population.

⁹⁷ "Child well-being in the European Union – Better monitoring instruments for better policies", Tárki Social Research Institute, 2011, available at http://www.tarki.hu/en/research/childpoverty/tarki_chwb_mainreport_online.pdf

⁹⁸ Defined as the ratio of the number of deaths of children under one year of age during the year to the number of live births in that year (expressed per 1000 live births). Source: Eurostat

⁹⁹ "The Children Left Behind, A league table of inequality in child well-being in the world's rich countries", UNICEF, 2010

¹⁰⁰ "Child poverty in rich countries". UNICEF Innocenti Research Centre. Florence, 2005

¹⁰¹ Mathews, M.S. and Macdorman, M.F. 2010, "Infant Mortality Statistics from the 2006 Period Linked Birth/Infant Data Set", in National Vital Statistics Reports, Vol. 58 No. 17, National Center for Health, Statistics, Hyattsville, MD (quoted in UNICEF (2010), The Children Left Behind, A league table of inequality in child well-being in the world's rich countries)

¹⁰² "The European health report 2009: health and health systems" WHO Regional Office for Europe. Copenhagen, 2009, available at http://www.euro.who.int/__data/assets/pdf_file/0009/82386/E93103.pdf

¹⁰³ Data are not available at EU level, as the questions were not mandatory and not all Member States included them in their surveys.

Table 2: Unmet need for children for consulting a general practitioner, 2009

	TOTAL	At risk of poverty	Non at risk of poverty	Severely Materially Deprived (SMD)	Non-SMD	Materially deprived	Non-MD	Single adult with dependent children	Two adults with dependent children	Households with dependent children	Densely populated	Intermediate	Thinly populated
BG	10.5	30.3	4.2	20.7	2.8	16.8	2	14.1	10.2	10.4	8.7	6.4	12.5
EE	6.3	1.9	7.5	8.4	6.2	4.7	6.7	4.1	6.7	6.3	7	28.4	4.2
IE	2.3	5.7	1.5	6.4	1.8	5.2	1.4	5	1.6	2.3	2.9	2.5	1.5
EL	1.9	2.3	1.7	5.5	1.4	5.4	0.8	1.2	1.9	1.9	2.3	0.3	1.9
FR	2.3	5.9	1.6	13.4	1.6	7.4	1.3	4	2	2.3	2.6	1.9	2.4
IT	2.9	4.5	2.4	11.3	2.1	8.7	1.6	4.9	2.7	2.9	2.8	3.2	2.2
CY	2.5	4.1	2.3	9.7	2	6.6	1.6	4.4	2.4	2.5	1.8	5.2	2.5
LV	3.6	5.2	3.1	6.7	2.6	5.8	2.1	3.6	3.6	3.6	4.1	0	3.5
LT	2.3	2.2	2.3	0.6	2.6	2.2	2.3	0.2	2.5	2.3	2.6		2
LU	1.3	1.6	1.2	1.4u	1.3	1.9	1.3	0.5	1.4	1.3	1.5	1.6	0.4
MT	1.2	2.7	0.8	8.2	0.7	3.5	0.7	4	1	1.2	1.3	0.3	:u
PL	5.3	9.3	4.1	16.6	3.2	10.5	3.1	7.3	5	5.1	5.6	5	5.1
PT	3.8	6.6	3	15.4	2.4	10.6	1.5	5.1	3.7	3.8	5.1	3.3	1.5
RO	7.2	9.9	5.8	11.8	4.1	9.5	4.1	14.5	6.9	7.2	5.9		7.8
SI	0.1	0.2	0	0	0.1	0	0.1	0	0.1	0.1	0	0.1	0
SK	3	8.9	1.8	14.2	1.4	7.2	1.3	5.2	2.9	3	1.2	2.3	4.6
UK	1.9	2.9	1.6	3.1	1.8	2.5	1.8	2.3	1.8	1.9	2	1.3	2.3

Source: Eurostat, EU-SILC ad-hoc module 2009¹⁰⁴

Note: optional questions, not asked in all Member States

A range of factors behind inequality in children's health outcomes

Social gradients can be linked to a variety of factors, including the psycho-social and physical environments in which children are conceived, born and raised. Health systems and related social policies play also a key role, by impacting on access to, affordability and quality of healthcare, as well as on the availability of equipment and health professionals, which can affect the way and the speed with which diseases are diagnosed and treated. While most EU countries ensure a form of universal access to healthcare, many obstacles remain in practice, related among others to poor supply in disadvantaged areas or for disadvantaged communities, discrimination, or to payment systems. Also, high levels of private health care expenditure as a proportion of household income may deter lower socio-economic groups from accessing health care.

¹⁰⁴ While the data are based on declarations by household respondents, and as such should be interpreted with care when comparing levels between countries, they are considered as reliable to measure the inequalities in access to care within a country.

Again, early intervention and prevention are essential. Evidence shows that social factors are particularly critical in the early years of life, which have a strong impact on a child's future health, as a result of major changes in their body structure and functions. Better access to maternal health and public health prevention programmes (in particular for minority groups) including vaccination promotion, parenting support and child nutrition programmes can help achieve better outcomes. Outreach services for disadvantaged communities and groups, the training of staff to work in a multi-cultural environment and taking special initiatives to assist immigrants and ethnic minorities when accessing health services are examples of effective measures.

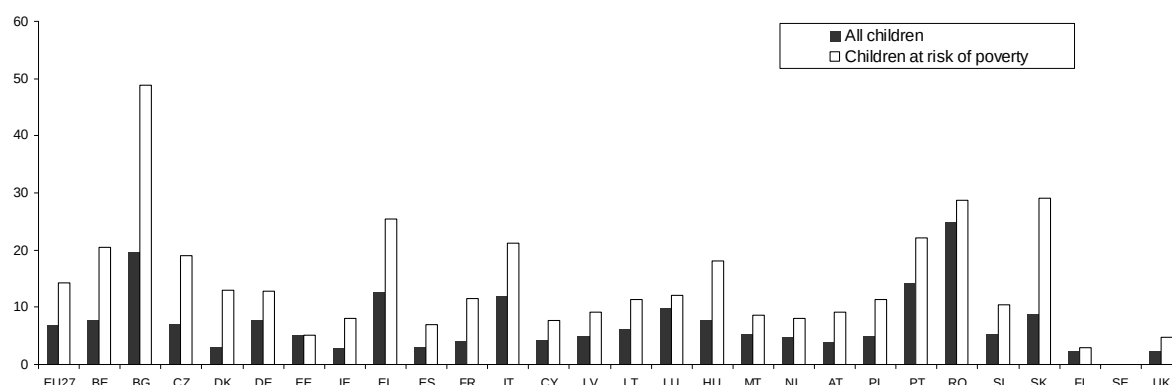
Environment and housing

Children's need for an adequate living environment

Children have both the right and need to live in a safe, clean, healthy living environment which can support their balanced development. What is to be considered as an adequate living environment depends on the age, background, household composition and the special needs of children (i.e. accessibility is an important criteria for children with disabilities).

Families at risk of poverty are more likely to live in regions with multiple disadvantages, face unhealthy and unsafe housing conditions, to be deprived from access to basic services (including sanitary facilities, safe water, electricity or heating) and to lack a suitable place where their children could play, learn and have enough physical activities.

Figure 6: Lack of suitable place to study or do homework for children, 2009



Source: Eurostat, EU-SILC ad-hoc module

Housing deprivation and policies

Having a decent home is an essential need¹⁰⁵ and access to affordable and quality housing is one of the main determinants of children's well-being and social participation. Housing policies provide low-income families with roof over their head even when they lack resources. Adequate support should be made available to those in need¹⁰⁶.

¹⁰⁵ Social housing and housing support are recognised as essential services in support of active inclusion policies in the 2010 Joint Report on Social Protection and Social Inclusion

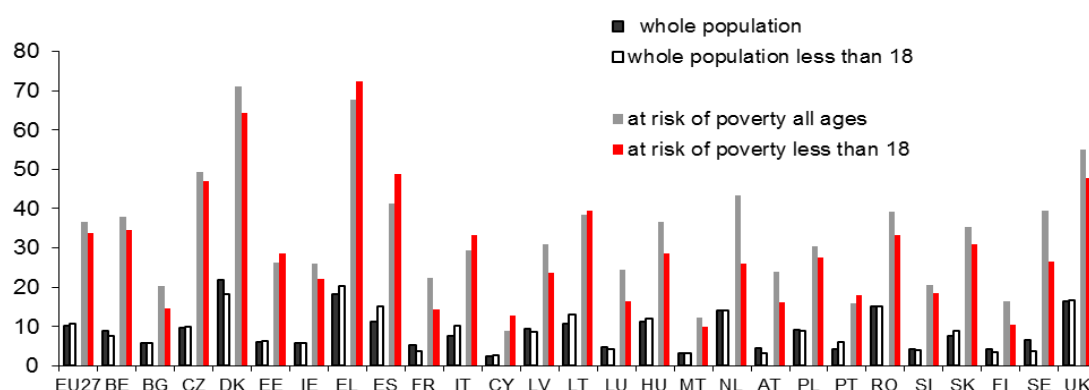
¹⁰⁶ See the Commission Recommendation on active inclusion [2008/867/EC] paragraph 4(c), Council Conclusions of 17.12.2008 paragraph 29 and the European Parliament resolution of 6.05.2009 (A6-0263/2009).

Although Member States face different housing deprivation problems, the recent mortgage crisis has reduced the affordability and supply of housing in Europe. Especially in EU-12 many owners live in bad quality flats and houses, requiring urgent renovation¹⁰⁷. Policies should try to raise housing quality standards, to diminish the impact of the mortgage crisis and provide assistance to young parents and low-income families in areas suffering of multiple disadvantages¹⁰⁸.

Housing affordability is an important dimension considering that housing costs represent a significant proportion of people's income. For a significant part of the population these costs represent more than 40 % of their disposable income, which significantly reduces their capacity to adequately cope with all the other needs besides accommodation, even if the relevance of a relatively high housing cost burden on household welfare depends on the level of household income¹⁰⁹.

Approximately 10% of the EU population was overburdened by housing costs¹¹⁰ in 2010. The figure was 37 % for the at-risk-of-poverty population (Figure 7). Furthermore, in DK, EL and the UK, over 50 % of the at-risk-of poverty population faces an excessive housing cost burden. This represents an important challenge in terms of increased risks for social and housing exclusion. It also points to the importance of housing affordability as a fundamental element in improving the living standards of children at risk of poverty. Households with children face a slightly higher incidence of being overburdened by housing costs than other households. The gap is particularly relevant in Southern countries (EL, ES, IT, PT, CY)¹¹¹.

Figure 7: Housing costs overburden rate by age and poverty status, 2010



Source: Eurostat, EU-SILC

¹⁰⁷ "Child well-being in the European Union – Better monitoring instruments for better policies", Tárki Social Research Institute, 2011, available at http://www.tarki.hu/en/research/childpoverty/tarki_chwb_mainreport_online.pdf

¹⁰⁸ Idem

¹⁰⁹ Data in the paragraph are from the 2010 Joint Report on Social Protection and Social Inclusion

¹¹⁰ The housing cost overburden rate is the percentage of the population living in households where the total housing costs ('net' of housing allowances) represent more than 40 % of disposable income ('net' of housing allowances).

¹¹¹ Data in the paragraph are from the 2010 Joint Report on Social Protection and Social Inclusion

Housing quality puts children also at a greater disadvantage compared to the rest of the population. 18% of the EU population, and 24% of the children lived in overcrowded¹¹² accommodation in 2010. Overcrowding is an especially significant problem in Bulgaria, Lithuania, Latvia, Hungary, Poland and Romania – which are also countries where the share of multigenerational households is high¹¹³. Children at risk of poverty are especially suffering from overcrowding. Nearly 40% of children at risk of poverty live in overcrowded accommodation in the EU, as opposed to 24% of children in the whole of the population. The overcrowding rate for the children at risk of poverty is over 70% in BG, LV, HU, PL, RO and SK.

As a consequence, the share of households where at least one child does not have access to a suitable place to do homework is two times higher in the population at risk of poverty (14% at EU level; see Figure 7) than in the whole population. 20% or more of the children at risk of poverty do not have a suitable place to study or to do homework in BE, BG, CZ, EL, IT, HU, PT, RO and SK¹¹⁴.

The share of children affected by both poverty risk and housing deprivation¹¹⁵ is 18 % in the EU as a whole (Figure 8). This compares with 8% of the whole children population, and 14% of the population of all ages at risk of poverty or social exclusion. The share of children at risk of poverty or social exclusion living in poor quality accommodation is over 50 % in BG, LV, HU and RO. Children with parents born outside the European Union tend to face a much greater risk of housing deprivation and overcrowding¹¹⁶. Roma children tend to live in the most deprived housing conditions. In BG, EL, HU, IT, PT, SK, CZ, FR, PL, RO, ES about 40% of the Roma households covered by the 2012 FRA UNDP study lacked at least one among the following amenities: indoor kitchen, indoor toilet, indoor shower or bath and electricity.

¹¹² The dwelling is considered overcrowded if one the criteria mentioned below is not fulfilled:

- one room for the household;
- one extra room for each couple;
- one extra room for each single person aged 18+;
- one extra room - for two single people of the same sex between 12 and 17 years of age;
- one extra room - for each single person of different sex between 12 and 17 years of age;
- one extra room - for two people under 12 years of age.

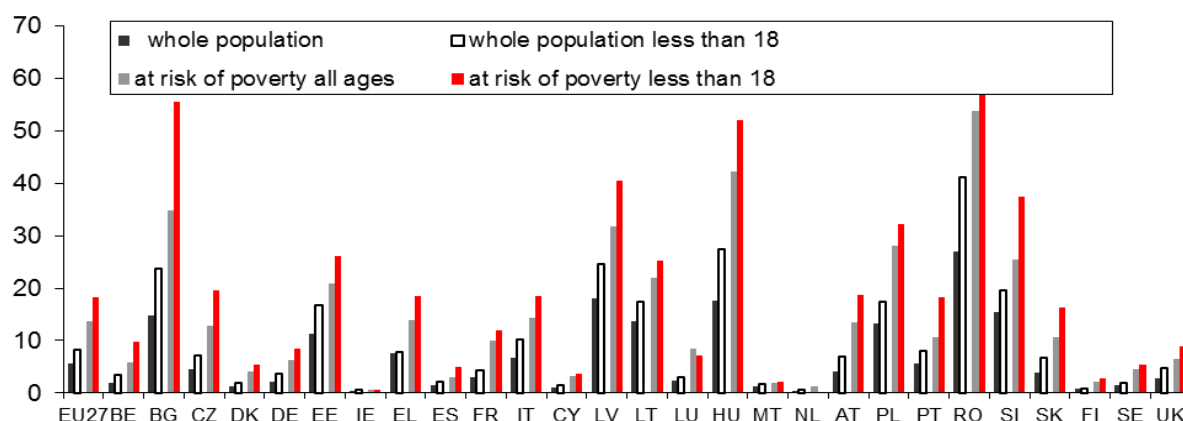
¹¹³ See Eurostat, "More than 10 % of households in Romania, Latvia and Bulgaria were three-generation in 2008", Statistics in focus No. 52/2011.

¹¹⁴ Data in the paragraph are from the 2010 Joint Report on Social Protection and Social Inclusion

¹¹⁵ Severe housing deprivation rate is defined as the percentage of population living in the dwelling which is considered as overcrowded, while also exhibiting at least one of the housing deprivation measures. Housing deprivation is a measure of poor amenities and is calculated by referring to those households with a leaking roof, no bath/shower and no indoor toilet, or a dwelling considered too dark.

¹¹⁶ "Child well-being in the European Union – Better monitoring instruments for better policies", Tárki Social Research Institute, 2011

Figure 8: Severe housing deprivation rate, by age and poverty status, 2010



Source: EU-SILC (Note: Data for LV refer to 2011)

With a growing number of extra-marital births, increasing single parenthood and divorce rates, the number of children living in single-parent households has also been on the rise, which increases further the housing deprivation risk. Children living in single parent households are less likely to have their own room and an estimated 20% of these children experience overcrowding, which is twice the average¹¹⁷.

Trends in child homelessness

Despite scarce and fragmented data some emerging trends regarding homelessness of households with children can be identified¹¹⁸. Instead of street homelessness, households with children face more frequently shorter or longer stays in shelters and other types of insecure and/or inadequate housing¹¹⁹. Undocumented children, young asylum-seekers, children raised in care institutions all have a higher risk to become homeless¹²⁰. Signs of rough sleeping (rooflessness) among children can be perceived already at a very early age, some street children are only 12-year-old¹²¹. Life cycle transition periods in young persons' lives, like leaving family or institution, starting to work or early parenthood may lead to an increased risk of homelessness.

Environmental risks affecting children

Environmental harm is proven to have a long-lasting adverse effect on children's health and lives. Children are especially vulnerable vis-à-vis traffic, air, noise and water pollution, land contamination or food additives, as their body and immune system is still developing. The exposure of children to harmful substances and agents is usually prolonged when the foetus and infant suffer harms through their mother's blood, placenta and milk¹²². There is possibly a link between poverty risk and illnesses, attributable to environmental harms, including

¹¹⁷ Pirus, C. (2011), "Les conditions d'habitat des enfants: poids des structures familiales et de la taille des fratries", *Portrait Social*, France, available at http://www.insee.fr/fr/ffc/docs_ffc/ref/FPORSOC11n_D3_HabEnf.pdf

¹¹⁸ "Child Homelessness in Europe- an Overview of Emerging" Trends, Feantsa, June 2007

¹¹⁹ "Call for an EU Recommendation on Child Poverty and Child Well-being", Background paper to the EU Presidency Conference: Child Poverty and Child Well-Being. Belgian Presidency of the European Union June 2010

¹²⁰ "Child Homelessness in Europe- an Overview of Emerging Trends", Feantsa, June 2007

¹²¹ Idem

¹²² "Call for an EU Recommendation on Child Poverty and Child Well-being", Background paper to the EU Presidency Conference: Child Poverty and Child Well-Being. Belgian Presidency of the European Union June 2010

allergies, asthma and other respiratory diseases, childhood cancer or under-developedness. Children's risk for injuries and accidents is also higher in inadequate environments¹²³.

Territorial planning and mobility

City and territorial planning requires an integrated approach that recognises the interest of children and local communities to create a child-friendly living environment. Planning should prioritise the development of areas with multiple disadvantages, taking into account sustainable development issues and the need to reduce fuel poverty. Segregated areas and, especially, slums where Roma children live, should be replaced with a social mix of housing¹²⁴.

The mobility needs of children should be better taken into account, for it may enhance their possibilities to break out of poverty and social exclusion. Therefore children's access to transport, networks and other services need to be improved.

Social services including child protection and parenting support

Children have the right to protection from abuse and neglect¹²⁵. Despite legislative measures to ban violence against children¹²⁶, across Europe, children continue being exposed to the risk of violence and abuse in a number of settings: at home and within the family, in schools and educational settings, in care and in the justice system as well as in the community.

Violence against children and domestic violence in EU Member States may be increasing as a consequence of the economic and financial crisis¹²⁷. The complex and multi-layered problems faced by families suffering persistent hardship need to be better understood and addressed through early intervention and support, to avoid escalation that can lead to neglect, abuse and violence. However, cuts in budgets for preventive and protection services supporting families and children are likely to exacerbate the situation, with negative long-term effects also for the society at large. Children who were victims of violence and abuse tend to be more at risk of poverty and social exclusion during their current as well as future lives.

Poverty and social exclusion as an underlying factor in many children's placements in alternative care

Almost 1 million children are estimated to be living in alternative care in the EU¹²⁸. While child protection should aim at protecting all children, regardless of their social and economic background and most Member States exclude poverty and social exclusion among the reasons for placing a child outside their family, economic disadvantage appears in many

¹²³ Idem

¹²⁴ "Child well-being in the European Union – Better monitoring instruments for better policies", Tárki Social Research Institute, 2011

¹²⁵ Article 19 of the UNCRC refers to the state obligation to protect the child from all forms of maltreatment by parents or others responsible for the care of the child and establishes appropriate social programmes for the prevention of abuse and the treatment of victims.

¹²⁶ As of November 2011, 16 EU states have prohibited the physical punishment of children in all settings. Further, six governments have made a commitment to enacting full prohibition and/or draft legislation which would achieve full prohibition, which is under consideration in parliament.

¹²⁷ "Women's poverty and social exclusion in the European Union at a time of recession, highlighting evidence provided among others by helplines, women's shelters, and NGOs in 6 EU countries", Oxfam international/European Women's Lobby, 2010

¹²⁸ "Children in Alternative Care - National Surveys". Eurochild, 2nd edition, January 2010

cases as an underlying factor. Recent studies have confirmed the overrepresentation of children of Roma origin in institutions across several EU countries¹²⁹. The causes for placing children in alternative care arrangements are complex and multi-dimensional but often appear directly or indirectly related to poverty and social exclusion, inadequate housing, single parenthood, lack of access to welfare, unemployment, lack of access to day-care and specialized services for children with disabilities, children's health condition, stigma and discrimination. Key factors such as parents' health condition, lack of parental skills or misuse of substances can be exacerbated by economic precariousness, which puts a serious toll on parents' availability (e.g. extended hours, multiple jobs) and own emotional well-being.

Stepping up preventive efforts and increasing support for vulnerable children

Children's removal from their family is generally seen as a last resort solution. However, the high prevalence of children from disadvantaged backgrounds within alternative care suggests that support towards low income families to care for their children themselves could be stepped up, e.g. moving from remediation to a more preventive approach, whereby children's services and social services play a key role in providing assistance and advice to keep families together.

Disadvantaged children and those growing up in vulnerable situations should have access to the services and supports that help to ensure their well-being, even if they are not at risk of being taken into alternative care. Comprehensive prevention strategies can be particularly effective to build positive social capital, strengthen parental responsibility and empower families most at risk to avoid an escalation of problems, ensure that children grow up in a secure environment and have the opportunity to reach their full potential.

Investing in high quality social services is essential for the development of appropriate and effective child protection services and for the establishment of comprehensive prevention strategies¹³⁰. Social services and social workers working with children play a key role. They can act as advisers, advocates, counsellors and listeners¹³¹. They can provide income support to families, deliver and help fund early childhood education and care, support children having problems at school or help them overcome issues such as the intergenerational inheritance of poverty, addiction, debt, disability, insecure housing, poor mental health, long-term unemployment. They are also key players when it comes to assessing the needs and wishes of a child and their family and bringing together other services (education, health, housing, justice, employment and culture). This is vital as effective and high quality services for vulnerable children depend on effective links between different services, on clear local area planning, on an accurate individual/family needs assessment and on regular performance monitoring¹³².

¹²⁹ "Romani Children in Institutional Care", European Roma Rights Center and Bulgaria Helsinki Committee, 2011.

¹³⁰ "Child Poverty and Welfare in Europe: the Message from Social Services", European Social Network, ESN, 2007

¹³¹ Frazer, H. and Devlin, M., (2011), "An Assessment of Ireland's Approach to Combating Poverty and Social Exclusion among Children from European and Local Perspectives", NUI Maynooth, pp. 55-57, available at http://www.cpa.ie/publications/workingpapers/201103_WP_AnAssessmentOfIrelandsApproachToCombatingPovertyAndSocialExclusionAmongChildrenFromEuropeanAndLocalPerspectives.pdf

¹³² "Consultation response to the European Commission's Communication on the Rights of the Child (2011-2014)", European Social Network, 2010; "Children's Services Combating poverty, promoting Well-being: Good Practices in Multi-Agency Work and Children's Participation from Denmark, France, Finland, Iceland, Ireland and Spain", European Social Network (2012)

Parenting support structures and programmes play an essential role in preventive approaches and take many forms across the EU, including family planning, prevention of abandonment at birth, early childhood services, parent capacity-building, emergency services to support parents at risk and after school programmes. Yet, such support remains an emerging rather than an established policy field¹³³. Two factors appear essential to reach out to those most at risk: combine universal measures with more targeted ones (to ensure best outreach without stigmatisation) and provide the appropriate mix of cooperation and independence between parenting support and child protection services.

Enhancing the quality of alternative care solutions

There is a great variety in alternative care arrangements once placement has been identified as in the child's best interest. These include in particular family and community-based care, such as foster, family-like care and supervised independent living arrangements. Even if the negative consequences of such arrangements¹³⁴ for a child's health and psychosocial development are well known¹³⁵, the number of children in large residential care (also known as institutions) is stable or even rising in a number of EU countries, partly as a result of the economic crisis¹³⁶. A key challenge remains to support the closure of all segregating institutions, to improve the quality and standards of alternative care and to ensure that, when residential facilities are to be built, those remain small and organised around the needs of children, in a setting as close as possible to the family or small group situation¹³⁷.

Obstacles faced during transition to adult life

Young people leaving care settings for an independent life appear particularly exposed to poverty and social exclusion. The population of care leavers ranks particularly high on statistics of school dropouts, unemployment, homelessness, criminality and unstable parenting patterns¹³⁸, resulting in and reproducing a vicious circle of intergenerational transmission of disadvantage. Likewise the process of leaving the home/family appears as a critical phase, which can be smoothed through coordinated support related to education, employment (job orientation and requalification), accommodation, legal advice (in particular for children from disadvantaged backgrounds), administration, health, welfare and social assistance, whereby social services can play a key role.

¹³³ "Building a coordinated strategy for parenting support". Synthesis Report, Peer Review on Social Protection and Social Inclusion, Paris, 6-7 October 2011

¹³⁴ "Forgotten Europeans, Forgotten Rights – The Human Rights of Persons Placed in Institutions", United Nations Office of the Human Rights Commissioner, Office for Europe, 2011.

¹³⁵ K. Browne, "The Risk of Harm to Young Children in Institutional Care", 2009, pp. 9 – 17.

¹³⁶ "Children in Alternative Care - National Surveys", Eurochild, 2nd edition January 2010

¹³⁷ Resolution adopted by the General Assembly 64/142, "Guidelines for the Alternative Care of Children", par. 123 - 126.

¹³⁸ "Guidelines for care-leavers social inclusion", ChildOut.Org; Munro, Emily, and Stein, Mike (eds.), "Young People's Transitions from Care to Adulthood", International Research and Practice, Jessica Kingsley, 2008.

1.3.3. Children's participation

Participation in social, recreational, sporting and cultural activities

According to article 31 of the United Nations Convention on the Rights of the Child (UNCRC), children have the right to leisure, play and participation in cultural and artistic activities. Participation in social, recreational, sporting and cultural activities is crucial to the promotion of a child's overall development because it enhances self-confidence as well as social and civic skills. It also generates a sense of belonging that eases the transition to employment and promotes democratic engagement¹³⁹. Different actors provide opportunities for participation at local level, including public authorities responsible for formal education, NGOs and other volunteers as well as children's more informal social networks. While activities differ in type and scope, they all strengthen social ties among children, across different socio-economic groups and generations¹⁴⁰.

A number of policy initiatives across Member States are currently in place to improve the participation of children from disadvantaged backgrounds. Recent years saw an increase in funding for policies promoting equal opportunities for children's participation, in particular in Member States where such policies had existed before. Opportunities for disadvantaged children to get involved were streamlined into school curricula and after-school activities provided by the formal education system and civil society. Investment into the modernisation of (school) facilities as well as into the training of teaching staff¹⁴¹, often with a specific focus on children with disabilities was stepped up¹⁴².

Until now, only few policy initiatives to strengthen children's participation have been evaluated, which might be due to the lack of systematic and comparable data on children's participation in the first place¹⁴³. However, existing evidence points to persistent inequalities in access to participation, with children from low-income households having less access to social, recreational, sporting and cultural activities¹⁴⁴.

Structural obstacles are often linked to problems with the diffusion of funding from the national to the regional and local level, which impede the sustainable functioning of organisations involved with children's participation, such as voluntary associations, youth and sport clubs¹⁴⁵. This can, for example, result in a lack of quality training for staff and further disadvantage regions and neighbourhoods, where subsidies for the promotion of such activities are already low. While those activities can play an important role in combating poverty, children's access to culture and cultural heritage, as well as

¹³⁹ Verba, S., Schlozman, K.L., and Brady, H.E. (1995). *Voice and Equality: Civic Voluntarism in American Politics*. Harvard: Harvard University Press

¹⁴⁰ Putnam, R.D. (2000). *Bowling Alone. The Collapse and Revival of American Community*. New York: Simon & Schuster.

¹⁴¹ See e.g. 2007 National Reports Bulgaria, Slovenia, UK "Tackling Child Poverty and promoting the social inclusion of children in the EU", available at <http://www.peer-review-social-inclusion.eu/network-of-independent-experts/2007/first-semester-2007>

¹⁴² See e.g. 2007 National Reports Bulgaria, Latvia *ibid*

¹⁴³ "Tackling child poverty and promoting the social inclusion of children in the EU", Synthesis Report 2007, Frazer, H. and Marlier, E., available at <http://www.peer-review-social-inclusion.eu/network-of-independent-experts/2007/first-semester-2007>

¹⁴⁴ "Child well-being in the European Union – Better monitoring instruments for better policies", Tárki Social Research Institute, 2011, p.195, available at http://www.tarki.hu/en/research/childpoverty/tarki_chwb_mainreport_online.pdf

¹⁴⁵ "Tackling Child Poverty and promoting the social inclusion of children in the EU", National Report Germany, 2007, available at <http://www.peer-review-social-inclusion.eu/network-of-independent-experts/2007/first-semester-2007>

opportunities to create and experience culture remain subject to strong social barriers, which might be further increased by the current economic downturn¹⁴⁶.

Access fees (e.g. club fee) are known to create crucial barriers of access¹⁴⁷ and children are frequently not aware or do not have sufficient information about alternative ways of participation¹⁴⁸. Additionally, children's immediate social environment is likely to have a strong influence on their own degree of participation¹⁴⁹: supporting disadvantaged children's participation in social, recreational, sporting or cultural activities implies a joint approach targeting local authorities, schools and parents.

Children's participation in decisions affecting their lives

Beyond participation in social, cultural or recreational activities, children's participation in decisions that affect them plays an important role not only as an educational tool, but also by turning their right to be heard into practice.

A variety of participation practices

Article 12 of the UNCRC acknowledges children's right to express their views freely in matters that concern them and encourages States Parties to take these views into account in accordance with the child's age and maturity. As highlighted in the UNCRC Committee General Comment on article 12, the term participation "has now evolved and is now widely used to describe on-going processes which include information-sharing and dialogue between children and adults, based on mutual respect, and in which children can learn how their views and those of adults are taken into account and shape such process"¹⁵⁰. While not giving children full control over decisions affecting them, the article recognises their role as both family members and social actors in their own right.

Children's participation takes many shapes in practice, from the local to the international level. Examples developed across the EU include in particular children's involvement in policy-making (through for instance children's parliaments¹⁵¹, advisory councils¹⁵², advocacy work through NGOs and other organisations¹⁵³), as well as participation in the design, delivery and monitoring of relevant services (such as care services, healthcare, education, children's services, judicial and administrative proceeding¹⁵⁴), which are often organised by schools, NGOs and community organisation or public authorities. Children's participation

¹⁴⁶ Council Conclusions on the role of culture in combating poverty and social exclusion, OJ 2010/C324/03

¹⁴⁷ As a study from Denmark highlights, this applies also to countries where child poverty is less of a problem compared to other Member States. For more detail see Sloth, D. A. (2004). *Færre penge end andre børn - Interviewundersøgelse med børn fra familier med lav indkomst* [Less money than other children — Interview study with children from families with low incomes]. Socialforskningsinstituttet, København

¹⁴⁸ "Who cares Roadmap for a Recommendation to fight poverty", Report on Belgian EU Presidency Conference, 2-3 September 2010, available at http://www.mi-is.be/sites/default/files/doc/EN-Report%20child%20poverty_BAT.pdf

¹⁴⁹ "Children's Participation. From Tokenism to Citizenship", Innocenti Essays N.4, UNICEF, Florence, 1992

¹⁵⁰ General comments N.12 2009, the Right of the Child to be Heard. UN Committee on the right of the child

¹⁵¹ Finish Children's Parliament, Cyprus Children's Parliament, The Children and Young People Assembly for Wales

¹⁵² The Council of Europe Advisory Council on Youth and Sport (DYS) has a co-decision-making structure with youth organisations.

¹⁵³ Many NGOs have involved children in the preparation of shadow reports to the UNCRC Committee and brought children to Geneva for direct discussion with Committee members.

¹⁵⁴ See e.g. *Participation Works*, a partnership of six UK national children's and young people's agencies that enables organisations to involve children in the development, delivery and evaluation of services that affect their lives (<http://www.participationworks.org.uk/>); the Council of Europe Policy Review *Child and Youth Participation in Finland*; Recommendation CM/Rec(2011) 12 on children's rights and social services friendly to children and families; "Child-friendly social services: What do children think?" Report prepared by Mieke Schuurman, Council of Europe, July 2011

can help shape policies and services that are better tailored to the needs and expectations of children, empowers them while improving their knowledge and skills. It also contributes to democratic life by improving decision-making processes.

Challenges

Yet, a meaningful development of children's participation faces many obstacles in practice, which are often linked to a lack of awareness of opportunities for participation among children themselves, and to inadequate training of professionals working with and for children (e.g. teachers, legal professionals, health care workers, police officers, social workers, NGO representatives and municipal, regional and national civil servants). Resources devoted to participation remain in many cases a source of concern (in particular when they are project-based), and scaling-up participation practices from the local to the national, EU and international level is a major challenge: good practices often remain isolated examples rather than mainstream practices.

Children experiencing poverty and social exclusion, for whom participation appears particularly important, often face additional obstacles and fewer participation opportunities. Consultation processes tend to be conducted in mainstream settings (such as schools, services to which vulnerable children might not have access), and traditional approaches often fail to address stigma, discrimination and to reach out to the most vulnerable.

1.3.4. Policy responses in a context of austerity measures

Major reforms undertaken in relation to child-related income support measures¹⁵⁵

A number of Member States have responded (in particular during the initial phase of the crisis) with increased support to groups particularly at risk. Portugal has adopted a Social Emergency Plan which identifies as one of its 5 priority areas the needs of families facing new poverty and social exclusion situations arising from unemployment, over-indebtedness, social or family breakdown. The UK government has published a new child poverty strategy; it remains committed to targets highlighted in its Child Poverty Act and introduced a universal credit for 2013-2017. In BE the Flemish government has introduced a universal child allowance from 0 to 3 years. FI has raised child benefits and childcare subsidies in line with the national pensions' index on 1 January 2012. Maternal leave has been extended in MT from 14 to 16 weeks in 2012 and to 18 weeks in 2013. Moreover, an income deduction for the school fees has been introduced if children go to a kindergarden or secondary school. Maternal leave has also been extended in SK where related income replacement was increased by 5% in 2011. In CY a new lone parent allowance was introduced as from January 2012, based on income and the number of dependent children. In SE the housing allowance was raised for households with children and for youths as of the 1st of January 2012; the supplement for large families in the child allowance was also raised in 2010.

¹⁵⁵ This section is based in particular on the following sources: Richardson, D. 2010, "Child and Family policies in a Time of Economic crisis", *Children and Society*, Vol. 24; "How the economic and financial crisis is affecting children and young people in Europe", Eurochild January 2011; Brown, J. "The Impact of Austerity Measures on Households with Children", Institute for fiscal Studies, 2012; Frazer, H. and E. Marlier, E., 2011, Assessment of social inclusion policy developments in the EU – Main findings and suggestions on the way forward, EU Network of Independent Experts on Social Inclusion

However, austerity packages have also resulted in reduced spending on income support measures to families, which involved in particular:

- a tightening of eligibility rules and cuts in coverage, including the introduction of income based criteria for child benefits in CY (with a ceiling for wealth at 1.2 million euro); a restriction of eligibility in 2010 in LV; limitation of child-related support to low income households to two children per family from 2012 on in the NL; the freezing of the income threshold based for eligibility calculation in PL, reforms related to the universal child allowance in LT;
- a reduction in the level of benefits received, including the absence of indexation of family allowances in HU and of child related support for low income families in the NL for 2012; cut by 10% in 2010 and 2011 in the rate of universal child benefits in IE - with a compensation for those on social welfare in 2010; cuts in child and family benefits in Romania; freezing of child benefit and tax credits reduced for many families in the UK, a reduction of child benefits by 5% in DK;
- the scrapping of specific support schemes, such as the first child tax break in EE, support to grants related to birth/maternity and health in the UK and ES.

A key question in this context is the longer term impact of reforms on the design of child and family support, i.e. whether policy changes introduced in a crisis context will become permanent. In particular, there are signs that the most universal forms of child allowances are being abandoned or cut in a number of countries, shifting support measures towards those most in need. Such a refocus raises important questions as to how to maintain an adequate balance between universal and targeted forms of support, combining effectiveness, efficiency and equity in the long run.

Beyond income support, a range of services affected

The crisis is also having an impact on the design and delivery of key services affecting children. Efforts and investment has been sustained in a number of countries. Funding for an expansion in childcare places was increased in AT. In FI, an additional appropriation for pre-school, morning and afternoon activities was proposed. The budget for universal pre-school was maintained in the 2011 budget in IE, covering one year of pre-school provision only for children older than three. LU will increase childcare places for children between 0 and 12 to 35,000 by 2015 and started in 2011 to raise awareness about existing support among beneficiaries of the minimum income scheme. Financial support to childcare provision was strengthened in DE as a result of the commitment to provide for a judicable right to childcare from 2013 onwards. The UK has extended the offer of 15 hours of free early education to 40% of all two year olds.

However, in many other cases access to front-line child services especially in core areas of health, education and social services was negatively affected by (among other things) reductions in the budget of local authorities). This led to a drop in capacity, changes in the modalities of provision (e.g. German cities have found it hard to meet their 2013 target regarding the provision of childcare, the average size of groups in kindergartens in Hungary has increased) as well as higher costs. A few countries have increased the parental contribution to childcare costs, such as the NL, where the parental contribution was raised by 16.25%, even if these costs will be born mostly by higher income households.

1.4. Transmission across generations and impact of not addressing child poverty and not promoting child well-being

1.4.1. Inter-generational transmission of disadvantage and inequality

Child poverty and social exclusion are a waste of potential that Europe's ageing societies cannot afford. Children growing-up in poverty and social exclusion are less likely than their better-off peers to do well in school, enjoy good health and realise their full potential later in life, when they will be at a higher risk of becoming unemployed and poor and socially excluded themselves. Analysis of correlation between educational achievements of parents and those of children suggest that people from disadvantaged families still face considerable obstacles in realising their full potential and achieving better living standards. There is also much evidence that the socioeconomic status of a child is a good predictor of adult health: growing up a disadvantaged environment can have a long-lasting negative impact on health, which is hardly undone by upward social mobility¹⁵⁶.

1.4.2. Significant long term costs

Child poverty and the transmission of disadvantage across generations produce significant costs not only for those concerned, but also for society as a whole. It is broadly acknowledged that, by allowing children to live up to their full potential, public expenditures linked to mitigating the adverse effects of poverty and social exclusion at an early age would be lower than those of dealing with the consequences of childhood poverty across a persons' life-span. Providing an exact estimation of such costs appears challenging. However, a 2008 UK study highlighted that, in the longer term, about £13 billion might be gained yearly from ending child poverty, through economies linked to the direct costs of services to remedy the consequences of childhood deprivation such as poor health, low educational attainment, crime and anti-social behaviour¹⁵⁷.

Also, the cost-effectiveness of policies could be further enhanced through stronger focus on early childhood years (and in particular during pre-school years) which are essential to break the cycle of inequality and disadvantage. The early mastery of a range of cognitive, social, and emotional competencies makes learning at later ages more efficient, easier and more likely to continue; it also contributes to better health and psycho-social benefits. It is worth highlighting that the highest rate of return to human capital investment is found in early childhood years (Figure 9)¹⁵⁸, while public expenditure is typically lowest for this age group (Figure 10)¹⁵⁹.

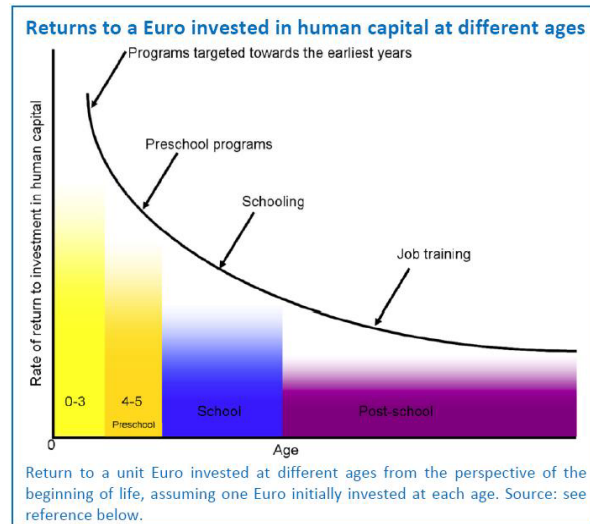
¹⁵⁶ Poulton, R., Caspi, A., Milne, B.J., et al. (2002), "Association between children's experience of socioeconomic disadvantage and adult health: a life-course study", *Lancet*, Vol. 360, pp. 1640-1645

¹⁵⁷ "Estimating the cost of child poverty", Joseph Rowntree Foundation, 2008

¹⁵⁸ "The case for investing in disadvantaged young children", James J. Heckman University of Chicago and University College Dublin, European Experts Networks on Economics in Education, January 2012

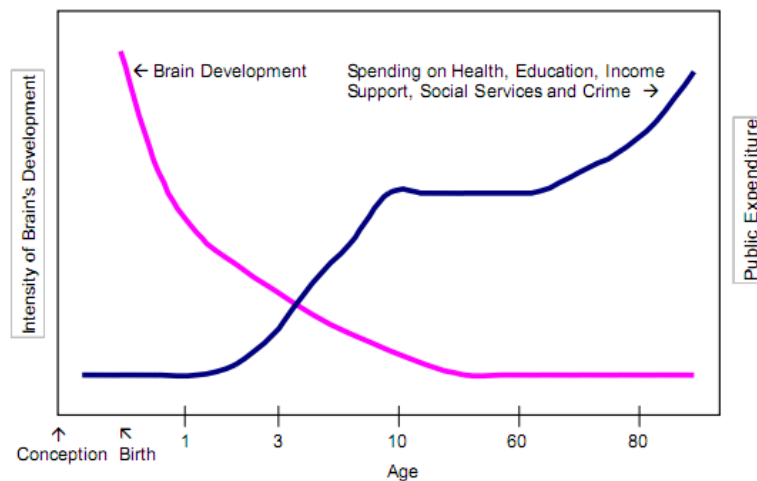
¹⁵⁹ Van der Gaag, J. and Tan, J.P., "The Benefits of Early Child Development Program: An Economic Analysis", available at <http://siteresources.worldbank.org/INTECD/Resources/Benefits.pdf>

Figure 9: Return to a Euro invested in human capital at different ages



Source: *The case for investing in disadvantaged young children*, James J. Heckman

Figure 10: Early childhood development: costs and financing



Source: Presentation given to World Bank on Benefits of Early Child Development Programme by Jacques van der Gaag (2004) ¹⁶⁰

Finally, with a current average EU fertility rate of 1.6 children per woman and an ageing population in a large majority of EU countries, it is crucial to avoid that socio-economic conditions act as an obstacle for Europeans to realise their desire to have children. This will be all the more challenging in a context of crisis and economic uncertainty which makes many young Europeans feel insecure. The crisis could lead to a temporary decline in fertility rate, with a particular impact on those with uncertain employment prospects, with a low income or not owning their housing)¹⁶¹.

¹⁶⁰ Graph taken from Melhuish, P. E. (2010) Report "Scottish Finance Committee: Preventative Spending Inquiry" in Northern Ireland Assembly, Research Paper "Preventative Spending", January, available at http://eunec.vlor.be/detail_bestanden/Melhuish.pdf

¹⁶¹ "Economic recession and fertility in the developed world, A literature review", Vienna Institute for Demography, 2010. The study shows that among OECD countries, over the period 1980-2008, a decline in GDP was followed by a

2. Key policy issues

In line with the objectives outlined above, the Recommendation should spell out high level political messages that can create a common framework to mainstream the fight against child poverty and the promotion of children's well-being into essential policy areas for the years ahead. Those should as much as possible build on the policy orientations that have emerged under EU cooperation in the social field (and in particular the Social OMC), reflect subsidiarity and proportionality, whilst remaining measurable and action oriented. The accompanying set of commonly agreed indicators should help monitor progress and serve as a basis for future in depth reviews.

While the monitoring of the Recommendation's implementation through the SPC should be limited to those topics that fall within its mandate, the following are important elements which the European Commission could usefully consider in its Recommendation, as well as for further joint work at EU level. Their number and nature reflect the need for a holistic approach in efficiently tackling and preventing child poverty and in promoting child well-being.

To the extent that they only partially fall within the mandate of the SPC, this underlines the importance of ensuring cooperation between the SPC and the relevant EU Committees and High-Level Groups responsible for these aspects – this applies, in particular but not solely, to issues related to children's rights and education. It is with this logic in mind that a number of issues below have been identified “for further consideration”.

2.1. Overarching issues

- Considering combating child poverty and social exclusion as well as preventing the inter-generational transmission of disadvantages as a crucial investment in Europe's future, as well as a direct contribution to (and an important focus of) the Europe 2020 strategy for smart, sustainable and inclusive growth;
- Recognising that investing to tackle and prevent child poverty and promote child well-being will have costs, but that these will be outweighed by the long-term benefits for children, the society and the economy;
- Addressing child poverty and social exclusion as well as promoting child well-being through a children's right approach, as enshrined in particular in the Treaty on the European Union, the EU Charter of Fundamental Rights and the UN Convention on the Rights of the Child (UNCRC), taking children's best interests as a primary consideration and recognise children as independent rights-holders, whilst fully acknowledging the importance of supporting families as children's primary carers;
- Mainstreaming the objective of “fighting child poverty and social exclusion and promoting child well-being” across all relevant policy areas at EU and national level to ensure positive results;
- Where necessary, developing comprehensive, multi-dimensional and integrated strategies that go beyond ensuring material security and focus on key aspects of child

fall in total fertility in 81% of cases. However, this decline was usually small and never exceeded 5% in the three decades under observation.

well-being; promoting equal opportunities and empower all children, regardless of their social background, to live up to their full potential;

- Recognising the key role played by local services and ensure their effective coordination so that they meet the needs of children in an integrated manner and ensure early identification of children at risk;
- Maintaining an appropriate balance between, on the one hand, universal policies, aimed at promoting the well-being of all children and the prevention of their poverty and social exclusion, and, on the other hand, targeted approaches (including through means tested benefits) aimed at combating poverty and social exclusion among the most vulnerable children (in particular Roma children, children from a migrant background, children of ethnic minorities, children with a disability, children living in institutional care, street children, children within single parent or large families and children in low work intensity households).

2.2. Access to adequate resources and support to households

Supporting parents' participation in the labour market, notably by helping them to reconcile work and family life

- Supporting parents' access to quality employment, whilst maintaining an adequate degree of flexibility;
- Making work pay for parents by identifying and tackling the specific disincentives they face when entering, remaining or progressing in the labour market, including those linked to the design and integration of tax and benefits systems;
- Enhancing the work intensity of low income families especially, including by supporting the participation of second earners as well as single parents in paid work, by further promoting gender equality in the labour market and in family responsibility as well as active fatherhood;
- In addition to training and support, considering measures to keep parents close to the labour market when they are long-term unemployed; or in the short-term when they are unable to access employment or when appropriate employment is not available. This may include, for example, participation in voluntary, supported employment or non-commercial (e.g. social economy) activities;
- Providing enhanced support to parents' labour market reintegration, after a period of parental leave, through targeted training measures and job search support, with a specific focus on groups particularly at risk (e.g. single parents, large families, long-term unemployed); supporting entrepreneurship skills as well as self-employment;
- Addressing the lack of affordability of child care and early childhood education services, increase their quality and supply to make access to these services a reality for all children (including the most disadvantaged);
- Whilst keeping a strong focus on the best interests of the child, adapting the design of early childhood education and care services to address increasingly diverse working patterns, enabling parents to maintain their work commitment or to take up work and support unemployed parents in their job search;

- Promoting a working pattern and environment that enables all workers to balance work and parenting roles, including through workplace support and flexible working arrangements. Engaging with social partners and NGOs in this debate.

Providing adequate income support through a combination of benefits

- Providing adequate income support to households with children, considering the different costs associated across the age range, to allow them to live a life in dignity, through a range of benefits such as tax relief or credit, family and child benefits, housing benefits and minimum income schemes;
- Complementing income support through in-kind benefits related to childcare, education, health, housing, utilities, transport and access to sport or recreational activities, whilst maintaining an adequate balance of cash and in-kind benefits;
- Developing, monitoring and evaluating income support measures for children on the basis of pre-determined criteria and adequate resources, taking into account children's perception;
- Ensuring a high take up of targeted benefits by facilitating an easy access and outreach to beneficiaries; delivering such benefits in ways that avoid stigmatisation, differentiate between children's needs and minimise the risk of creating trap effects;
- Ensuring that universal benefits reach out to all children, in particular the most vulnerable;
- Developing timely, regular and responsive delivery mechanisms that maximise coverage and ensuring that child or family allowances benefit children most;
- Assessing and preventing the negative impact on children of conditionality measures and financial sanctions linked to parents' activation into work as well as parenting behaviour (such as children's school attendance);
- Encouraging a systematic ex ante assessment of the potential impact of policies and measures on the situation of children; monitoring ex post their actual impact;
- Working towards ensuring adequate and sustainable spending on child and family support measures within a context of fiscal austerity, mitigating negative impact on the most vulnerable and opting when relevant for temporary reforms which do not preclude the longer-term design of income support measures.

2.3. Access to quality services

Investing in reducing inequality through early childhood education and care

- Further developing the social inclusion and development potential of early childhood education and care (ECEC), using it as a tool to eliminate discrimination and reduce the educational, developmental, physical, psychological, social and behavioural challenges faced by disadvantaged children;
- Stepping up or, if necessary, refocusing effective public investment in early childhood years which have a crucial influence on children's development and education;

- Further developing the affordability and accessibility of quality ECEC for all children including the most vulnerable, ensuring their universal availability regardless of the parental labour market situation;
- Delivering ECEC services in ways that respect a child's individual needs and skill level, while avoiding stigmatisation and segregation;
- Supporting the empowerment and involvement of parents in their role as educators, provide parental support as necessary, encouraging ECEC to work in close cooperation with parents, families and communities;

Issues for further consideration and beyond the SPC's mandate:

- Reinforcing the integrated educational and care role of ECEC services and ensure the smooth transition from ECEC to primary school while laying down the foundations for basic educational and social skills;
- Enhancing the ECEC's role as an early warning system for children at risk, through which, as of conception, any kinds of family or school related physical, psychological problems or special needs of children can be identified and tackled;
- With the participation of key actors, setting clear quality criteria, promote quality assurance and monitoring for quality early childhood services, including adequate professional qualifications enabling staff to support the integrated education and care of children.

Further developing educations systems' impact on equal opportunities

- Ensuring that all children can attend high quality and inclusive education and training that promote their emotional, social, psychological and physical development in addition to cognitive development;
- Further developing the universal availability, affordability and local accessibility of quality education and training for all children, including the most vulnerable, whilst promoting de-segregation policies, taking into account children's needs and skills, and promoting inclusive learning environments;
- Strengthening the capacity and role of schools as an early warning system to identify children at risk;
- Strengthening the capacity and role of education in preventing and breaking the poverty and social exclusion cycle by removing financial barriers, ensuring equal opportunities and providing necessary additional, personalised support to compensate for specific disadvantages;
- Devoting specific efforts to involve parents and local communities and overcome barriers which stop or seriously hinder children from attending school, with a view to creating a positive and supportive learning environment for children;
- Seeking to ensure the provision of affordable and adequate after school support and out-of-school activities, regardless of parental status;

Issues for further consideration and beyond the SPC's mandate:

- Reducing prolonged school-stays and school drop-outs, by implementing comprehensive and evidence-based strategies¹⁶² involving all relevant actors;
- Further developing and putting in place suitable tools for the regular and comprehensive monitoring of education and training systems, which also enable identifying risk groups, barriers to access to education and training and changing patterns.

Preventing health inequalities through early intervention

- Seeking to provide universal access to health care for all children, addressing obstacles faced by the most vulnerable children and families, such as cost, lack of information and access;
- Stepping up efforts to reduce health inequalities among children by investing in preventive and early intervention measures, putting in place holistic policies that combine health, education and social action;
- Tackling social gradients in unhealthy lifestyles (including those related to substance abuse) and eating habits by supporting all children's access to balanced diets and physical activity as well as through targeted prevention programmes;
- Devoting special attention and develop specific outreach to children particularly at risk (including children with mental health problems, young pregnant women);

Issues for further consideration and beyond the SPC's mandate:

- Expanding mental health support services and their availability to all children who need them, through specific programmes and awareness raising actions targeted at the most vulnerable groups and areas.

Housing and living environment

- Ensuring affordable and quality housing for families with children, taking measures to enable all children to live in healthy and safe environments, which best support their development, including reducing material deprivation, fuel poverty, exposure to environmental harm, overcrowdedness, noise, pollution and second hand smoke;
- Providing adequate housing support and access to basic services to families, enabling the creation and maintenance of a healthy and safe home environment, ensuring the suitable development of children, avoiding ghettoisation, slums and promoting a social mix in housing and schools;
- Providing families and children at risk of homelessness with rapid access to temporary shelters and long-term housing solutions, while avoiding evictions, unnecessary moves and school changes and separation from families;

¹⁶² See the Council Recommendation on policies to reduce early school leaving, OJ C 191 2011

- Providing adequate support and ensure a proper living environment for children who are separated from their families due to institutionalization or other reasons;

Issues for further consideration and beyond the SPC's mandate:

- Taking due consideration of children's best interest in city and territorial planning in order to create a more child-friendly living environment; promoting community and children's involvement in city and territorial planning;
- Reducing the exposure of children to harm arising from deteriorating living and social environments, taking efficient measures to tackle and prevent children from falling victim to crime or violence;
- Supporting children's mobility and reduce mobility barriers arising from regional disparities; providing children with better access to transportation and information technology.

Support children and families in the child's best interest

- Strengthening child services, including healthcare, child protection and social services in the areas of prevention and early intervention to inform and empower families, so that they can develop sustainable parental skills in a non-stigmatising and accessible way;
- Preventing children's removal from their families due to a lack of resources and enable families to care themselves for their children, provided this is in the best interest of the child;
- Promoting the transition from institutional to alternative quality care and supporting the inclusion in society of all children without parental care, ensuring they have access to mainstream services, in particular education, health and social services;
- Supporting young people in alternative care during their transition to adulthood and independent living through specific integrated services related among others to education, employment, social assistance and social security, housing.

Issues for further consideration and beyond the SPC's mandate:

- Developing and implement child protection systems in accordance with the UNCRC so that children experiencing abuse and serious neglect have access to appropriate, high quality services;
- Whenever possible and in the child's best interest, ensuring that institutional placement is limited to a short period, that it is used to support families and sets the best conditions for a child to return to their family environment.

2.4. Children's participation

Supporting the participation of all children in social, cultural, recreational, sporting and civic activities

- Reaching out to and provide incentives for all children, including the most disadvantaged, to participate in culture, youth, sports, recreational and social activities, actively seeking to remove barriers such as costs, access and cultural differences;
- Encouraging schools, local and regional authorities and other key community actors to promote more and better after and outside school facilities and activities for all children, regardless of their parental work situation and background;
- Providing specific incentives and support for disadvantaged areas and communities in this respect.

Issues for further consideration and beyond the SPC's mandate:

- Ensuring that families receive sufficient support to have access to joint leisure activities.

Putting in place relevant mechanisms to ensure children's participation in decisions affecting their lives

- Developing instruments and infrastructures to ensure that the voices of children, including the most vulnerable, are at the centre of decisions affecting them and that their views are reflected in key policies, raising awareness of related rights and obligations;
- Supporting the involvement of all children in existing participation structures, reaching out to and supporting the participation of children from disadvantaged backgrounds and the most marginalised in existing structures for children's participation;
- Ensuring children's involvement in the follow-up to the Recommendation.

Issues for further consideration and beyond the SPC's mandate:

- Developing standards and a code of good practices for involving all children in civil life and using these as a basis for training workers, policy makers and children themselves;
- Ensuring that the child's right to be heard in all justice-related decisions affecting them is respected; promote child-friendly justice, in particular by ensuring children's effective access to the judicial process for all children in poverty/social exclusion.

3. Indicators-based monitoring framework

3.1. Background and scope

The Council Conclusions of June 2011¹⁶³ invited the European Commission to put forward an EU Recommendation on child poverty and child well-being, “outlining common principles and *effective monitoring and assessment tools*.” The aim of this section is to put forward a detailed proposal for indicators that could be part of the monitoring framework of the Recommendation.

The SPC and its Indicators Sub-Group have been actively involved since 2001 in analytical and policy-related work as well as in the development of indicators in the field of child poverty and child well-being. This work has been guided by the common objectives of the EU cooperation in the social field (in particular the social OMC) and has resulted in the adoption of a number of child-related indicators in the domains of social inclusion and health as part of the EU indicators on social inclusion and social protection. Yet, to allow for satisfactory monitoring of the broad policy coverage proposed by the EU Recommendation, it is necessary to go beyond the existing set of child-related EU social indicators. The SPC Ad-hoc Group has therefore developed a specific indicators-based framework for monitoring the implementation of the EU Recommendation on the basis of a comprehensive review of other policy relevant indicators, taking into account the existing research in this field and the useful suggestions received through the consultation of EU Stakeholders involved in the fight against child poverty and social exclusion and in the promotion of child well-being. The framework suggested for monitoring the EU Recommendation is fully complementary to the Joint Assessment Framework (JAF) developed jointly by the Social Protection Committee, the Employment Committee and the European Commission in the context of the Europe 2020 strategy. Thus, the EU headline target on poverty and social exclusion and its components are part and parcel of the proposed EU Recommendation's monitoring framework.

In selecting indicators, the SPC Ad-hoc Group used the methodological principles adopted by EU Heads of State and Government in 2001 for the development of EU Social indicators (first for social inclusion and then for both social protection and social inclusion, once EU cooperation in the social field was extended to pensions and healthcare and long-term care).

Therefore, the following criteria have guided the proposal for the Recommendation's monitoring framework as a whole. The monitoring framework...

- should be comprehensive and as much as possible cover all key dimensions in the common principles;
- should be balanced as much as possible across the different dimensions;
- should enable a synthetic and transparent assessment of a country's situation

And the selection of individual indicators has been guided by the following methodological criteria. Each individual indicator...

¹⁶³ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/lisa/122878.pdf

- a) should capture the essence of the problem and have a clear and accepted normative interpretation;
- b) should be robust and statistically validated;
- c) should provide a sufficient level of cross countries comparability, as far as practicable with the use of internationally applied definitions and data collection standards;
- d) should be built on available underlying data, and be timely and susceptible to revision;
- e) should be responsive to policy interventions but not subject to manipulation.

The proposed monitoring framework distinguishes between two possible uses of the proposed set of indicators – one for regular monitoring of progress and one for more in-depth analysis.

Indicators with important policy relevance can be used to monitor progress in the main policy areas on a regular basis. They are expected to contribute to an assessment of Member States' progress towards the objectives of the Recommendation. These indicators refer primarily to outcomes, but some focus on intermediate outcomes or outputs. Primary indicators are lead indicators which cover the broad fields that have been considered the most important outcome elements whereas secondary indicators support the lead indicators by describing in greater detail the nature of the problem or by describing other dimensions of the problem.

Additional statistics and indicators which provide more detailed and contextual information can be used in the framework of in-depth (thematic/analytical) follow-up of the Recommendation. The list of context information proposed is obviously indicative and leaves room to other background information that would be considered relevant to better frame and understand the national context.

Such an approach allows for a consolidation of the assessment framework on child poverty and child well-being already being undertaken by the SPC and its Indicators Sub-Group, complementing it with statistics and indicators from other relevant areas, without hindering the need for precise and accurate monitoring of main outcomes and processes.

The structure of the proposal as per the tables below follows the pillar approach adopted in defining the common principles of the Recommendation and corresponds to the broad topics addressed by each pillar. The suggested breakdowns by age of the children indicators (i.e. 0-5, 6-11 and 12-17 years) are those agreed by the SPC Indicators Sub-Group and will be provided only when they are statistically robust (in line with Eurostat statistical requirements as far as EU-SILC and LFS indicators are concerned). Besides, in case some indicators are not available for specific countries, national statistical offices could be invited to provide them.

3.2. Overall objective of combating child poverty and social exclusion and promoting child well-being

Europe 2020	Definition	Breakdowns	Source	primary/ secondary/context	Comments
At risk of poverty or social exclusion of children (breakdown of the Europe 2020 poverty and social exclusion headline target)	The sum of children who live in a household which is: at risk of poverty and/or severely materially deprived and/or with very low work intensity (for the definition of these 3 indicators, see below)	By age (0-17, 0-5, 6-11, 12-17)	EU-SILC	primary	Comparison with the working age population (18-64) and the elderly population (65+) is recommended

Indicator	Definition	Breakdowns	Source	primary/ secondary/context	Comments
At-risk-of-poverty rate for children (to be analysed together with the value of the poverty threshold in PPS for a household consisting of 2 adults and 2 children aged below 14)	Share of children living in a household with an equivalised disposable income below 60% of the national median equivalised disposable income	By age (0-17, 0-5, 6-11, 12-17) and household type	EU-SILC	primary	Comparison with the working age population (18-64) and the elderly population (65+) is recommended
Severe material deprivation rate	Proportion of children who live in a household that has living conditions severely constrained by a lack of resources, i.e.: they experience at least 4 out of 9 following deprivations items: cannot afford i) to pay rent or utility bills, ii) keep home adequately warm, iii) face unexpected expenses, iv) eat meat, fish or a protein equivalent every second day, v) a	By age (0-17, 0-5, 6-11, 12-17)	EU-SILC	primary	Comparison with the working age population (18-64) and the elderly population (65+) is recommended

	week holiday away from home, vi) a car, vii) a washing machine, viii) a colour TV, or ix) a telephone.				
Share of children living in very low work intensity households	Share of children living in a household where working-age adults (18-59) have worked less than 20% of their total work potential during the past year (i.e. during the income reference period)	By age (0-17, 0-5, 6-11, 12-17)	EU-SILC	primary	Comparison with the working age population (18-64) and the elderly population (65+) is recommended
Child deprivation indicator¹⁶⁴	Under discussion		EU-SILC	n.a.	Under construction in the context of the Eurostat Task Force on Material Deprivation and the research work of Net-SILC 2 (ISG will discuss the proposal).
Dispersion of child poverty risk around the poverty risk threshold: At-risk-of-poverty rate calculated with 50% and 70% thresholds	Share of children living in a household with an equivalised disposable income below 50% and below 70% of the national equivalised median income	By age (0-17, 0-5, 6-11, 12-17)	EU-SILC	secondary	Comparison with the working age population (18-64) and the elderly population (65+) is recommended

¹⁶⁴ Even if further work by the SPC and its ISG will be required in this field, the adoption of this child deprivation indicator together with that of some other indicators listed below (e.g. in the area of health) will already represent a major step forward in responding to the long-standing SPC call for completing the EU portfolio of social inclusion indicators with one or more “child well-being” indicators.

Persistent at-risk-of-poverty rate for children	Share of children living in a household with an equivalised disposable income below the poverty threshold in the current year and in at least two of the preceding 3 years	0-17	EU-SILC (longitudinal)	secondary	Comparison with the working age population (18-64) and the elderly population (65+) is recommended
At-risk-of-poverty rate anchored at a fixed moment in time (2005) for children	Share of children living in households with an equivalised disposable income below 60% of the national median equivalised disposable where the threshold is anchored at a fixed moment in time (2005) The reference year (2005) will need to be regularly reviewed – for instance, every 4 years in line with the 4-year rotational panel design of EU-SILC.	0-17	EU-SILC	context	Comparison with the working age population (18-64) and the elderly population (65+) is recommended

3.3. Access to adequate resources

Indicator	Definition	Breakdowns	Source	primary/ secondary/context	Comments
In-work poverty rate of people living in households with dependent children	Share of individuals(with dependent children) who are defined as in work and have income below the poverty threshold (60% of the national median equivalised disposable income)	By age (0-17, 18-64, 0-64); by household type (single parents, two adults with dependent children)	EU-SILC	primary	
At-risk-of-poverty rate for children by work intensity of the household	Share of children living in households with an equivalised disposable income below 60% of the national median equivalised disposable income according to the work intensity of the household	0-17, work intensity of the household (very high]0.85 - 1], high]0.55 - 0.85], medium [0.45 - 0.55], low]0.2 -0.45[)	EU-SILC	primary	
At-risk-of-poverty rate for children in households at work			EU-SILC	primary	To be finalised by the ISG
Relative median poverty gap for children	Difference between the median equivalised income of persons below the at-risk-of poverty threshold and the at-risk-of poverty threshold, expressed as a percentage of the at-risk-of poverty threshold	0-17	EU-SILC	primary	Comparison with the working age population (18-64) and the elderly population (65+) is recommended

Child care	Children cared for (by formal arrangements ¹⁶⁵ other than the family) as a proportion of all children in the same age group	Less than 3 years, between 3 years and mandatory school age; less than 30h, 30h or more a week	EU-SILC	secondary	Needs to be examined by the ISG, part of the EMCO Indicators list (EMCO 18 M.3) It is important to ensure that this indicator has a clear and accepted normative interpretation (as required by the adopted methodological framework)
Employment impact of parenthood	Difference in percentage points (pp) between - employment rate among people aged 20-49 living in households in which there are no children aged 0-6 and - employment rate among people aged 20-49 living in households in which there is at least one child aged 0-6	Total, by gender	LFS	context	Looking separately at children aged 0-3 and 3-6 is recommended
Part-time employment due to child care	Employees in part-time as % of total employees, taken because of care for children	Total, by gender	LFS	context	

¹⁶⁵ Formal arrangements are defined as the following services: pre-school or equivalent, compulsory education, centre-based services outside school hours, a collective crèche or another day-care centre, including family day-care, professional certified childminders. The care provided by family members, neighbours or non-certified childminders are therefore not included under this definition of “formal arrangements”.

Impact of social transfers (other than pensions) in reducing child poverty	Difference between the children at-risk-of poverty rate before and after social transfers	By age (0-17, 0-5, 6-11, 12-17)	EU-SILC	secondary	Comparison with the working age population (18-64) and the elderly population (65+) is recommended
Housing cost overburden	Percentage of the population living in a household where total housing costs (net of housing allowances) represent more than 40% of the total disposable household income (net of housing allowances)	By age (0-17, 0-5, 6-11, 12-17), poverty status (above or below the at-risk-of-poverty threshold)	EU-SILC	secondary	Comparison with the working age population (18-64) and the elderly population (65+) is recommended

3.4. Access to quality services

Indicator	Definition	Breakdowns	Source	primary/ secondary	Comments
Early school education	Share of children between 4 years and the age of starting compulsory primary education that participate in early childhood education	By gender	UOE ¹⁶⁶	primary	Currently used in the education OMC, to be validated by the ISG
Proficiency in reading, math and science	Share of 15-year olds who get a score of 1 or below (on a scale from 1 (lowest) to 5 (highest)) in PISA tests	By parental background (educational attainment, country of birth)	OECD-PISA ¹⁶⁷	primary	No data for CY and MT in current data collections. However, part of OMC portfolio.
Young people not in employment, education or training (NEET) rate	Young people not in employment, education or training (NEET) rate	By gender, 15-19	LFS	primary	Currently used in the education OMC and among the EMCO indicators, to be validated by the ISG
Early school leavers	Population aged 18-24 years with at most lower secondary education and not in further	By gender, highest educational level	LFS	secondary	Even though this indicator looks at a population which does

¹⁶⁶ UNESCO/OECD/EUROSTAT database on education statistics

¹⁶⁷ http://www.oecd.org/statisticsdata/0,3381,en_2649_35845621_1_119656_1_1_1,00.html

	education or training,	completed			not correspond to children (0-17), it is here proposed as an indicator of the adequacy of education systems
Infant mortality	Ratio of the number of deaths of children under one year of age during the year to the number of live births in that year (expressed per 1000 live births)	By SES of parents (under development)	Eurostat	primary	
Housing deprivation	Percentage of the population deprived of each available housing deprivation items. The items considered are: 1) Leaking roof, damp walls/floors/foundation, or rot in window frames or floor; 2) Bath or shower in the dwelling 3) Indoor flushing toilet for sole use of the household; 4) Problems with the dwelling: too dark, not enough light	By age (0-17, 0-5, 6-11, 12-17), at-risk-of-poverty status (i.e. above or below threshold)	EU-SILC	primary	
Overcrowding	Percentage of the population living in an overcrowded household. A person is considered as living in an overcrowded household if the household does not have at its disposal a minimum number of rooms equal to: - one room for the household; - one room for each couple; - one room for each single person aged 18+; - one room for two single people of the same	By age (0-17, 0-5, 6-11, 12-17), at-risk-of-poverty status (above or below threshold)		primary	

	sex between 12 and 17 years of age; - one room for each single person of different sex between 12 and 17 years of age; - one room for two people under 12 years of age.				
Low birth weight	Weight at birth of less than 2,500 grams (5.5 pounds)		WHO-OECD	primary	To be examined by the ISG
Obesity	Young people 18-24 with a body mass index of 30 or above	By gender	Eurostat – EHIS ¹⁶⁸	context	To be examined following the examination of EHIS 2014 by ISG
Vaccination coverage	% of infants reaching their 1 st birthday in the given calendar year who have been fully vaccinated against pertussis (whooping cough), diphtheria, tetanus(DPT) and poliomyelitis And % of infants reaching their 2 nd birthday in the given calendar year who have been fully vaccinated against measles, mumps and rubella (MMR)		WHO-Health for All database	context	
Psychological distress	Young people (15-24) having had psychological distress during the past four weeks	By gender	Eurostat – EHIS	context	To be examined following the examination of EHIS

¹⁶⁸ EHIS is the “European Health Interview Survey”

					2014 by ISG.
Regular smokers	Share of daily cigarette smokers in the population aged 15-24	By gender	Eurostat – EHIS	context	To be examined following the examination of EHIS 2014 by ISG.
Causes of death of young people - suicide	Deaths caused by suicide per 100 000 inhabitants aged 15-24	By gender	WHO	context	

A number of the proposed indicators related to health come from data from the European Health Interview Survey. The quality of these indicators would need to be examined by the ISG. In this examination, the Ad-hoc Group suggests that other sources such as ESPAD (European School Survey Project on Alcohol and Other Drugs) and HBSC (Health behaviour in school-aged children survey) are also taken into account in evaluating the most appropriate source for accurate and quality information for the dimensions identified in the framework.

3.5 Children's participation

There is only limited information available at EU level on when and how children participation takes place. There are some attempts at EU level to consult with children on their rights¹⁶⁹. The Youth Indicators dashboard¹⁷⁰ created by the European Commission in cooperation with Member States has attempted to use a Flash Eurobarometer on Youth to get some relevant information with the intention to repeat the questions every 3-4 years. At this stage only one data point is available. The 2009 EU-SILC ad-hoc module on material deprivation includes questions on the possibility of children to participate in culture, youth, sports, recreational and social activities – HD180: regular leisure activity (swimming, playing instrument, youth organization, etc.), HD210: participate in school trips and school events that cost money. If these data are collected regularly in the future, they could provide a useful source of information on children participation, partially filling existing gaps. Yet, it is worth mentioning that these questions included in the 2009 EU-SILC thematic module were not asked from children themselves but from the adult who answered the household questionnaire.

3.6 Context information

The proposed framework will have to be assessed in the light of key context information, and by referring to past, as well as where relevant, future trends. Context information would include, for instance, the share of children in the population by age and household structure, social protection expenditure on family and child benefits (current, gross and net, means and non-means tested¹⁷¹), etc. Such a list would be open and could be extended as required to other background information that would be most relevant to better frame and understand the national socio-economic context.

¹⁶⁹ Flash Eurobarometers on the rights of the child of 2008 and 2009 (N°235 & N°273) & Eurobarometer qualitative survey on the rights of the child, October 2010

¹⁷⁰ http://ec.europa.eu/youth/news/doc/sec401_en.pdf

¹⁷¹ This information is available through the European system of integrated social protection statistics (ESSPROS).

4. Key elements regarding governance, implementation and monitoring arrangements

In a difficult context whereby children have been particularly hit by the current crisis, Europe 2020 can give a new impetus to the EU's efforts to address child poverty and social exclusion and to promote child well-being. However, the Recommendation will only reach its full impact if accompanied by concrete proposals regarding governance, implementation and monitoring mechanisms.

4.1. The need for a multi-annual approach

As highlighted in the report from the SPC Ad-hoc Group on the Social OMC¹⁷², a multi-annual approach would act as a focal point, help rationalise and structure the use of key EU instruments.

With the elements proposed in this report and building on the recommendations from the 2008 SPC report on Child Poverty and Well-Being, the European Commission could propose more concrete actions for the EU to put the Recommendation into practice. On this basis, bearing in mind the respective competences and limited resources of Member States and the Commission, principles of subsidiarity and proportionality, and taking account of Member States' institutional structures, a multi-annual work programme could be further developed in cooperation with the Social Protection Committee, proposing a series of incremental steps.

4.2. Addressing child poverty and social exclusion as a key issue within Europe 2020 and the Social OMC

Europe 2020 has given a new impetus to reducing poverty and social exclusion including that of children. Yet, as acknowledged in the 2012 Annual Growth Survey and Draft Employment Report, children have been hit particularly hard in the current economic context, which puts a considerable toll on the EU's capacity to deliver on the EU headline targets. In this context, the following could be considered by Member States and EU institutions:

- Considering the issues of child poverty and social exclusion as well as child well-being in relevant strands and reports of the Europe 2020 strategy, in line with the commitments agreed to in Council;
- Involving the relevant stakeholders (including services in charge of children and family issues) in addressing these issues;
- Considering, if deemed appropriate from a national perspective and taking into account national specificities, the role of targets in tackling child poverty and social exclusion, in line with the 2011 Council Conclusions and based on existing practice in certain EU Member States;
- Fully exploiting the existing tools provided by the “reinvigorated Social OMC” to improve the monitoring and evaluation of, and the reporting on, child poverty and well-

¹⁷² Background paper to the report from the SPC Ad-hoc group on reinvigorating the Social OMC in the context of the Europe 2020 strategy, SPC /2011.09/1

being, on the basis of the EU framework proposed in the Recommendation¹⁷³. While the SPC role's in combating child poverty and promoting child well-being should be limited to issues that fall within its mandate, cooperation with relevant committees could be envisaged if and where appropriate. In the field of children's rights, it is important to avoid duplications and seek effective synergies with the UNCRC reporting exercise;

- Building on the monitoring framework and indicators proposed in the Recommendation to help inform and strengthen country monitoring in the context of the Europe 2020 and the European semester;
- Considering tackling and preventing child poverty and social exclusion as well as promoting child well-being as key priorities for the European Platform against Poverty and Social Exclusion and for its Annual Convention.

4.3. Developing adequate planning, monitoring, evaluation arrangements and instruments

Through a decade of EU cooperation on child poverty and child well-being (especially within the Social OMC), the EU has steered a better consideration of children's situation in key indicators. It has also encouraged, where appropriate, the setting of targets, as well as the development of broader monitoring instruments, going beyond a narrow monetary vision of child poverty and social exclusion. Much remains however to be done, in particular to better reflect the situation of the most vulnerable children and to further develop monitoring instruments and policy assessments. In this context, the following could be considered by Member States and EU institutions :

- Supporting more evidence-based, accountable and transparent policy-making, by carrying a regular monitoring of Member States' outcomes in all three pillars of the Recommendation, helping identify clearly areas in which they could improve their performance;
- Consolidating work on the agreed EU indicators on child poverty and well-being, improving the timeliness, coverage and relevance of related data as well as better reflecting the situation of children in very vulnerable situations;
- Further developing EU level statistical capacity related to child poverty, social exclusion and well-being by exploring the potential of longitudinal data as well as survey of children and households with children;
- Seeking to assess the impact on children of temporary policy reforms introduced in response to the economic crisis before they become permanent;
- Encouraging a better understanding of minimum standards in key areas affecting children such as income support, access to services and children's participation.

¹⁷³ What could be considered, for example, is a yearly monitoring through the SPC annual report, complemented by an in depth monitoring every 3-4 years in line with what was agreed in the context of the "reinvigorated Social OMC" (and in particular §11 of the SPC opinion on the future of the Open Method of co-ordination). The in depth monitoring could usefully be supported by a thematic EU-SILC module on Child well-being in line with what was done in 2009 and what is currently being discussed for 2014.

4.4. Mainstreaming¹⁷⁴ the fight against child poverty and social exclusion and strengthening synergies between key policy areas

Child poverty, social exclusion and well-being cut across many different policy areas. Developing a coordinated approach and sufficient attention to the specific needs and rights of children across them represents a major challenge, from the local to the EU level. In this context, the following could be considered by Member States and EU institutions :

- Encouraging a more systematic ex ante assessment of the potential impact of policies (e.g. such as economic and budget, migration¹⁷⁵, discrimination, gender equality, employment and active inclusion, housing, health and education, culture, environment, energy and transport policies) on the situation of children and monitor ex post their actual impact;
- Seeking to ensure, through specific institutional arrangements, that the fight against child poverty and social exclusion as well as the promotion of children's well-being are taken into account across key policy areas in a coherent manner, for instance by encouraging the mainstreaming of children's policies and the rights of the child through the appointment of a specific children's policies coordinator;
- Developing more regular and systematic links between policy areas with a high relevance to the social inclusion of children (such as children's rights¹⁷⁶, education, migration¹⁷⁷, discrimination, gender equality, active inclusion, reconciliation policies, housing, health, leisure activities);
- At the EU level, strengthening synergies with key relevant policies, such as e.g. the Social OMC, the EU Agenda on the Rights of the Child, the OMC on Education and Training, the EU Health Strategy and the follow-up to the Communication on Health Inequalities, through stronger institutional links, joint actions (events, studies), policy initiatives or common monitoring tools.

4.5. Strengthening cooperation with public authorities at various levels and stakeholder participation

Supporting good governance and stakeholder participation are among the key objectives of EU cooperation on social issues and in particular the Social OMC. Yet, much remains to be done to ensure better horizontal and vertical coordination (e.g. from the local to the EU level as well as across departments), reach out to a broader constituency and encourage meaningful participation of children themselves. In this context, the following could be considered by Member States and EU institutions:

¹⁷⁴ "Child mainstreaming" can be understood as a process involving "viewing social inclusion from a child's perspective and implies integrating a concern with the well-being and social inclusion of children into all areas of policy making", Eric Marlier, A.B. Atkinson, Bea Cantillon and Brian Nolan (2007). "The EU and Social Inclusion: Facing the challenges", Bristol: The Policy Press.

¹⁷⁵ The Maltese delegation expressed reservations on the current text and asked for it to be focused on legal migration.

¹⁷⁶ In particular when also considered as a specific policy area.

¹⁷⁷ The Maltese delegation expressed reservations on the current text and asked for it to be focused on legal migration.

- Seeking, through specific tools, to encourage more integrated intervention on child poverty and social exclusion at national, regional and local levels, including in the most disadvantaged territories;
- Enhancing close cooperation and regular dialogue with public authorities at all levels, social partners, local communities and civil society organisations, including in the context of Europe 2020, of EU cooperation on social issues (and in particular the Social OMC) and of the Recommendation's implementation;
- Taking new steps to deepen the involvement of children themselves, as well as of other actors defending children's needs, such as NGOs, the education community and local social services in the policy-making process;
- In implementing the Recommendation, enhancing communication and outreach efforts to ensure a stronger awareness and broader use of the various instruments and tools developed through EU cooperation on child poverty and child well-being.

4.6. Making full use of relevant EU financial instruments

EU financial instruments, in particular structural funds, have supported a wide range of actions that contribute to tackling and preventing child poverty and social exclusion. Synergies with EU cooperation on social inclusion issues have not been fully grasped so far but the upcoming programming period provides an opportunity to do so, among others through seizing the opportunity offered by the proposal on the new ESF Regulation 2014-2020¹⁷⁸. The following actions could be considered by Member States:

- Considering putting a particular focus on children as a contribution to the proposed objective of "Promoting Social Inclusion and Combating Poverty" when elaborating their Partnership Agreement and subsequent Operational Programmes, 2014-2020; translate this commitment through the monitoring of their operational programme;
- Making appropriate use of relevant provisions and resources provided by Structural Funds to support relevant measures, including in particular in the field of parents' access to the labour market, early childhood education and care, education, culture and community development, support to housing infrastructures, transition from institutional to quality alternative care;

The European Commission could also consider:

- Putting a specific focus on the priorities outlined above in its dialogue with Member States in developing Cohesion Policy 2014-2020's Partnership Agreements and Operational Programme;
- Supporting the development of specific transnational activities and networks in priority eligible areas, such early childhood education and care and de-institutionalisation.

¹⁷⁸ COM(2011) 607 final, Proposal for a Regulation of the European Parliament and of the Council on the European Social Fund and repealing Regulation (EC) No 1081/2006

4.7. Strengthening the use of mutual learning and evidence-based approaches in addressing child poverty and social exclusion

The development of a stronger evidence base for policy development has traditionally been a key element of EU cooperation on child poverty and child well-being. It should be further enhanced in the coming years, making full use of the tools available for EU cooperation on social inclusion, as well as of instruments provided in the context of the EU's action social on innovation and social policy experimentation. In this context, the following could be considered by Member States and EU institutions:

- Strengthening links between the policy and research community and test relevant policy innovations in priority areas identified in the Recommendation, encouraging scientific evaluation of existing programmes' outcomes, promoting visibility and sharing of results;
- Further developing research and analysis related to: children in particularly vulnerable situations, long terms costs of child poverty and social exclusion, the transmission of disadvantage across generations, the impact of quality access to culture and active citizenship on social inclusion;
- Enhancing the use of micro-simulation models to carry out in depth comparative research on the causes of child poverty and social exclusion and the impact of key policies on the situation of children;
- Making full use of financial opportunities provided in an EU context to support social innovation and social policy experimentations aimed to address child poverty, social exclusion and well-being;
- Developing more extensive and systematic mutual learning on child poverty, social exclusion and well-being across the EU and strengthen the integration of lessons from good practice into the training of those working with children, among others through a stronger focus on priority areas, improved visibility and effectiveness, whilst being responsive to Member States' evolving needs.

4.8 Further specific proposals for data and indicators' development

The analysis of available data and indicators on the different dimensions of the key issues suggested in section 2 above has highlighted a number of areas where further work on data and indicators' development is necessary. In this section, these areas are highlighted while at the same time the Ad-hoc Group underlines the continuous validity and need for implementation of all the recommendations made in the 2008 SPC Report on "Child poverty and child well-being in the EU" (these recommendations, which were endorsed by the European Commission and the SPC, are listed in Annex).

One main conclusion of the work of the Ad-hoc Group is the need to explore actively the possible ways for collaboration between the SPC Indicators Sub-Group and the Education and Training Standing Group on Indicators and Benchmarks in terms of further

development of indicators addressing the equity aspect of education, given the transversal nature of child well-being.¹⁷⁹

As already highlighted in the 2008 SPC report on “Child poverty and well-being in the EU”, the mainstreaming of child poverty and child well-being cannot be achieved solely through providing age breakdowns (children vs. other age group) of the existing commonly agreed EU indicators (see also Section 4.4). Further work could be undertaken in this direction. Where meaningful and statistically possible, the possibility of having breakdowns of the agreed indicators by household type and migrant status may be explored. For non-income related indicators (e.g. health, education, well-being, psycho-social development), the collection of additional variables in the original datasets could be explored if and where possible, and in agreement with other relevant Committees (e.g. the Education Committee), so as to allow for suitable breakdowns (e.g. by income level, migrant status, parents’ education, household type). This would allow for the development of performance or outcome gap for children from families in different places across the income distribution. This would also provide information on children which might be in more disadvantaged situations due to the characteristics of the household in which they live. Longitudinal data are also important as they allow for a better understanding of the dynamics of child poverty and social exclusion, including situations of persistent poverty and exclusion.

Situation of the most vulnerable

The current EU-wide surveys (specifically EU-SILC), which are the basis for the commonly agreed EU indicators, do not satisfactorily capture the situation of the most vulnerable children. These major EU data sources would therefore need to be complemented with information related to children coming from vulnerable or ethnic minority backgrounds. migrant children (both unaccompanied minors and children of migrant¹⁸⁰ families), children from an ethnic minority background, children with a disability (or whose parents are disabled) children outside of traditional households (e.g. in institutions). Specific efforts should be dedicated to the exploration of possible data sources and methodologies to collect data on these children.

Child deprivation

Substantial improvement took place in data collection on child-specific deprivation through the 2009 EU-SILC thematic module, the work of the Eurostat Task Force on Material deprivation and the aforementioned Net-SILC2 EU funded research network on the construction of a child deprivation indicator. Regular collection of data should continue in order to allow for this important dimension to be properly monitored.

Health indicators

While the present report already includes some important indicators related to the health status of children, data on one important dimension of health inequalities, the social gradient, is not easily available. This could become a priority in future work in order to allow for an appropriate assessment and monitoring of policy interventions. Specifically,

¹⁷⁹ The need for stronger cooperation between different Open Methods of Coordination, and especially between the social and education OMC, was also highlighted during the panel on “The role of child, family and education policies” held during the recent Expert Conference on “Inequalities in Europe and the Future of the Welfare State (<http://www.destree.be/inequalities/Panel%20VI%20report.pdf>)

¹⁸⁰ The Maltese delegation expressed reservations on the current text and asked for it to be focused on legal migration

further work on a breakdown by socio-economic status may be envisaged for the indicator on infant mortality. Furthermore, there are no data available on important aspects such as access to health care and information on the situation of most vulnerable groups (such as undocumented children, children from ethnic minorities, children affected by addictions, homeless children, children with mental health problems, pregnant teenagers). A number of the data sources for indicators related to health, such as ESPAD (European School Survey Project on Alcohol and Other Drugs) and HBSC (Health behaviour in school-aged children survey), offer additional information related to the socio-demographic status of the child's, parental education, economic situation (how well off students think their families are compared to other families), the occupational status of parents, family affluence and family poverty. The possibility of exploring further breakdowns of these indicators which give more information on the social gradient may be considered.

Early childhood education

The existing information on participation in childcare is not sufficient to give accurate information on the affordability and quality aspects, which are crucial for supporting the participation of parents in the labour market and child development. Better measures related to childcare affordability may be developed in order to allow for improved monitoring, better informed policy-making and better assessment of the long-term impacts of quality early childhood education services. The 2014 EU-SILC thematic module on material deprivation could be used for collecting more information on early childhood.

Child participation

As highlighted in section 3.5, there is currently no comprehensive data collection on how and when children participation takes place. It is proposed that efforts are put in addressing this challenge.

Alternative forms of poverty

Efforts may also be dedicated to exploring additional dimensions of poverty, such as fuel poverty and food poverty, and their relevance for children.