



Cyprus

Tackling child poverty and promoting the social inclusion of children

A Study of National Policies

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1. Summary

This report gives an independent overview of the situation as regards child poverty and social exclusion in Cyprus. It first examines the background and main trends to identify the extent of the problem and to highlight underlying causes. The results show that the level of child poverty is low overall, a phenomenon largely attributed to the high labour market participation, low unemployment rates, and the fact that family bonds are still strong in Cypriot society. Using simulation analysis, this report shows that an additional reason for the low level of child poverty in Cyprus is the increasing amount per child paid to households as child benefit; and that child poverty would have been even lower if the child benefit had been targeted towards low income families.

Excessive emphasis on the low overall child poverty rate, however, can disguise the fact that certain groups, such as children living in single parent households, in rural areas or in households headed by female, inactive or low-educated persons, are at a very high risk of poverty. Furthermore, since the official data available do not include foreign workers, immigrants and asylum seekers, the child poverty rate for all households living in Cyprus may not be as low as that estimated from these data.

A strategy for combating child poverty is expected to be prepared by the end of this year and the intention of the government is to involve all relevant actors in developing this strategy. In the meantime, measures for fighting child poverty are mainstreamed as a priority objective in the NSR/SP/SI (National Strategy Reports on Social Protection and Social Inclusion). These measures aim towards keeping a balance between a universal approach, aimed at promoting the welfare of all children, and a targeted approach. Furthermore, combating the social exclusion of children is supported by measures proposed in the NSR/SP/SI for the reduction of the overall risk of poverty and the integration of vulnerable groups into the labour market. On the basis of the information drawn from the NSR/SP/SI, observers can be satisfied that the social inclusion strategy in Cyprus includes well defined policies and measures addressing children's problems. However, questions are also raised as to whether the announced policy measures will be translated into concrete action, as previous experience shows that the implementation of such measures is often confounded by inadequate levels of resources.

Results from a questionnaire distributed to relevant actors show that awareness about issues concerning the wellbeing of children is high, and that several organisations are involved in policies fighting child poverty. However, satisfaction with the results is not high, mostly reflecting dissatisfaction with the implementation of planned policies. Inadequate income is considered the most important factor contributing to child poverty, followed by neglect by the family and the state. Weaknesses in childcare services obtain the highest score in the league-table of sectors creating/increasing child poverty, followed by weaknesses in education and housing. At their last annual gathering in the Parliament, children demanded, among other things, the tackling of religious discrimination in school curricula, a greater say in the organising of cultural events and in deciding their own futures, more police protection, the appointment of a Commissioner for Children's Rights, more health and safety at schools and improved fostering arrangements.

The monitoring of the expected Strategy for Children will be undertaken by an ad hoc committee. The planned monitoring process will be based on indicators derived from the EU agreed Laeken list; however, the methods and procedures for following progress have not yet been reached. In general, the notion of impact assessment is new to Cyprus and there is a long way to go until a satisfactory level of evaluation methods is reached. There are, however, some signs suggesting

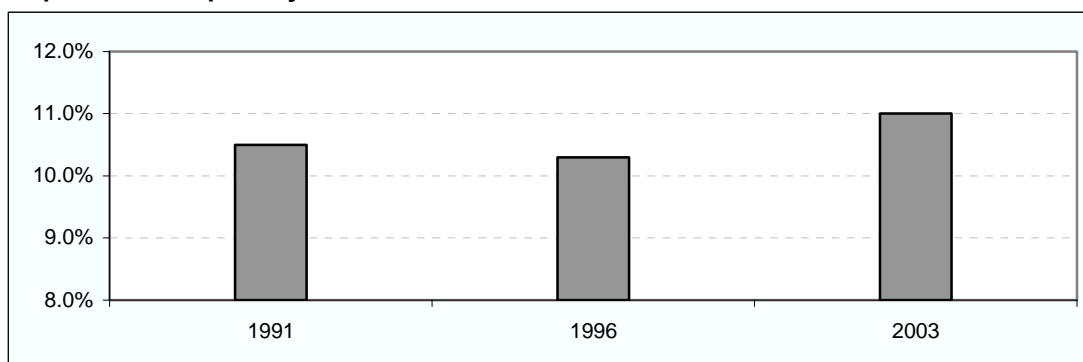
that an assessment culture involving all relevant stakeholders is gradually developing in the country, so one can be hopeful about the future.

2. General and background key trends

The definition of the term 'poverty line' used in this report is the one suggested by the EU, i.e. equivalent income equal to 60 % of the median. 'Child poverty' is calculated as the ratio of the number of children¹ in families below the poverty line to the total number of children in all families. The analysis² in this section outlines how certain household characteristics relate to child poverty in Cyprus for the years 1991, 1996 and 2003, for which data are available.

Child poverty is a less frequent phenomenon in Cyprus compared to other EU countries (Bradshaw et al, 2006). As seen in Graph 2.1, although child poverty has increased between 1996 and 2003, only 11 % of children were living in households below the poverty line in the latter year (the latest for which data exist). This child poverty rate is below the overall poverty rate in Cyprus (15 %) and well below the average EU child poverty rate (20 %).

Graph 2.1: Child poverty rates, 1991-2003



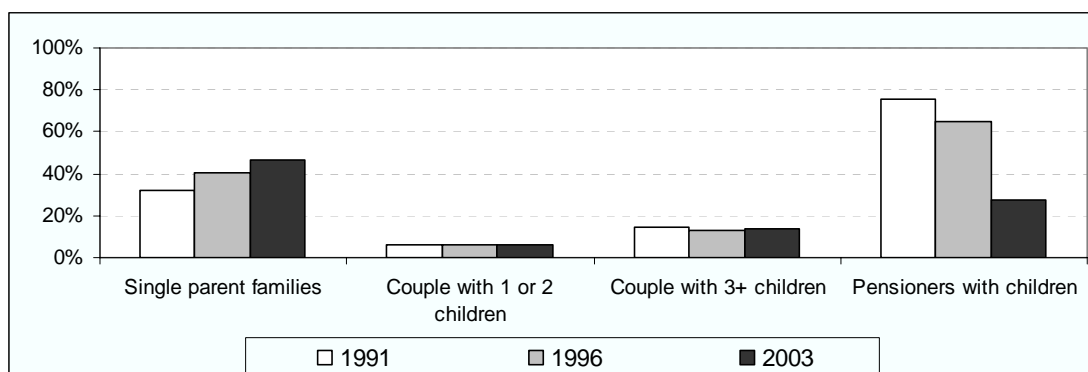
Source: Family Expenditure Survey, 1991-2003, Statistical Service.

Graph 2.2 shows how child poverty varies according to family structure. Single-parent families and households headed by pensioners appear to have the highest incidence of child poverty in all years examined. Furthermore, child poverty appears to exhibit an increasing trend over time for the single parent households (from 32 % in 1991 to 47 % in 2003), while the opposite is true for households headed by pensioners (76 % in 1991 to 27 % in 2003). The lowest child poverty rates (around 6%) appear to occur among couples with one or two children.

¹ We consider that 'children' are persons aged 0-17, which is the new Laeken definition.

² We use the child as the unit of analysis rather than the family or household.

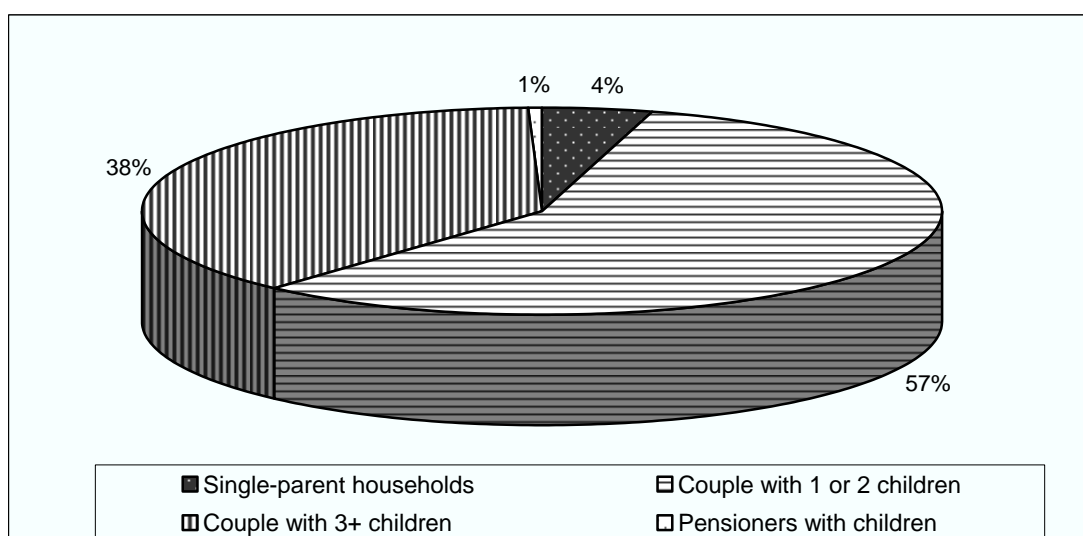
Graph 2.2: Child poverty rates by family structure, 1991-2003



Source: Family Expenditure Survey 1991, 1996, and 2003, Statistical Service.

To complement the picture emerging from Graph 2.2, it would be useful to know the distribution of children by family structure (Graph 2.3)³. Notably, the highest percentage of children (57 %) lives in households with 1 or 2 children. Households with 3 or more children follow (38 %), while the smallest part of the pie chart shows the groups of single parent households and households whose head is a pensioner (around 4 % and 1 %, respectively). The small proportion of children in the last two household groups explains why the high incidence of child poverty among them does not impact on the overall rates of child poverty.

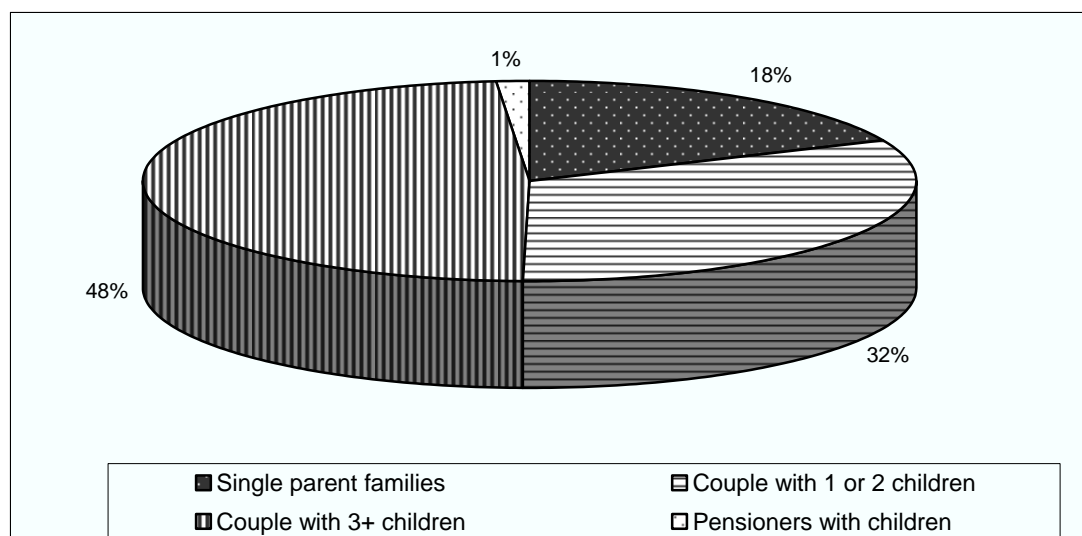
Graph 2.3: Percentage of children by family composition, 2003



Source: Family Expenditure Survey 2003, Statistical Service.

³ The distribution of children is illustrated only for the year 2003, as the distribution of the population does not present significant changes over the recent period.

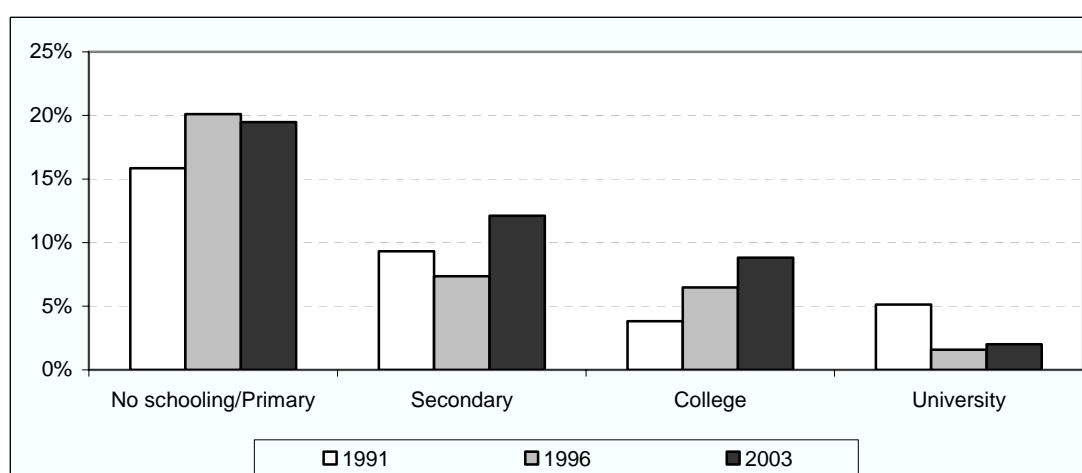
Graph 2.4: Percentage of children at risk of poverty by family composition, 2003



The distribution of children at risk of poverty by family composition is shown in Graph 2.4. Almost half of children at risk of poverty live in large households (3 or more children), and about one third in households with 1 or 2 children. In addition, 18 % of the children at risk of poverty live in single-parent households, a high percentage in relation to the overall small percentage of this family type in the population.

Twenty percent of children in poverty live in households whose head is illiterate, or with only primary school education. This rate has increased over the years. The child poverty rate among households whose head is educated to secondary level ranges from 7 % -12 %, whereas this rate drops to 5 % for households whose head is a university graduate. Overall, Graph 2.5 suggests that the parents' education level is negatively associated with child poverty.

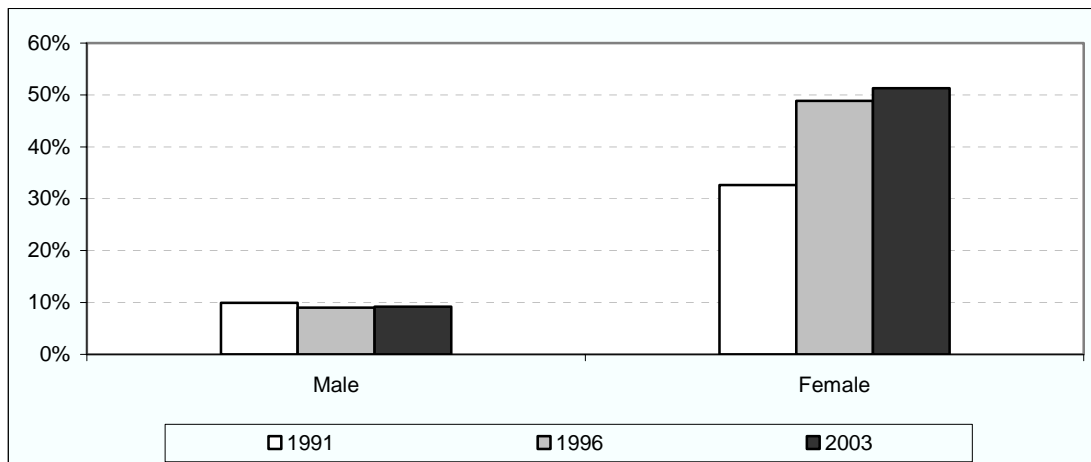
Graph 2.5: Child poverty rates by the educational level of the household head, 1991-2003



Source: Family Expenditure Survey 1991, 1996, and 2003, Statistical Service.

As seen in Graph 2.6, child poverty is high and rising over the period under investigation among households whose head is female (32.6 % in 1991, 48.8 % in 1996 and 51.3 % in 2003). The same graph also shows that child poverty is low and fairly steady among households whose head is male (9.9 % in 1991, 9 % in 1996 and 9.2 % in 2003). Again, the proportion of female heads of household is very low in Cyprus (4 %) and the high poverty rate among these households does not contribute substantially to the overall levels of child poverty in the country.

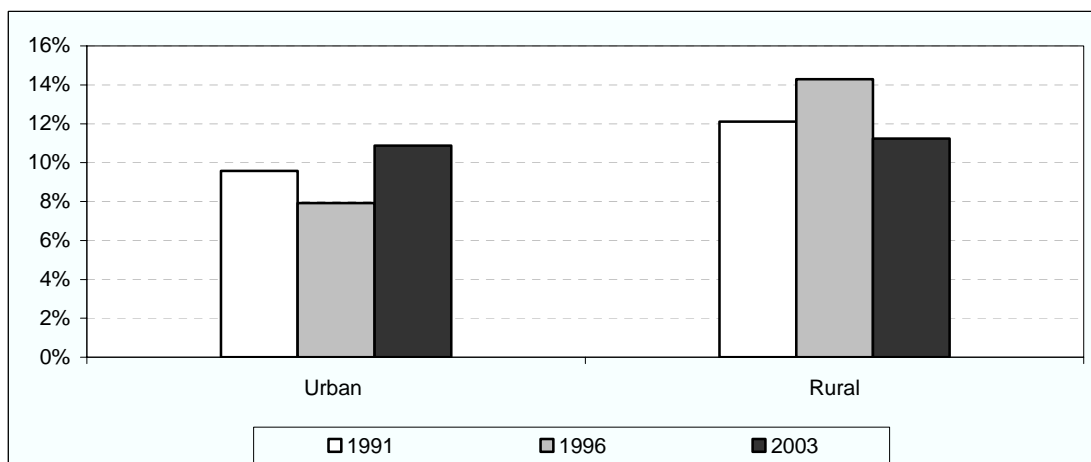
Graph 2.6: Child poverty rates by the gender of head of household, 1991-2003



Source: Family Expenditure Survey 1991, 1996, and 2003, Statistical Service.

Geographical location also seems to be associated with child poverty, with children residing in rural areas faced with higher rates of child poverty than those residing in urban areas. As shown by Graph 2.7, child poverty in rural areas was 12.1 % in 1991, 14.3 % in 1996 and 11.2 % in 2003; whereas in urban areas rates were 9.6 % in 1991, 8 % in 1996 and 11 % in 2003.

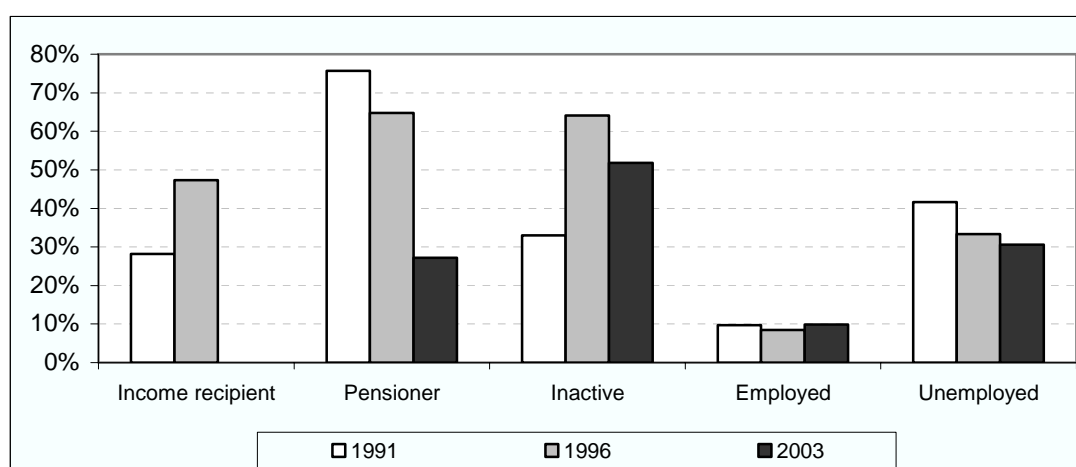
Graph 2.7: Child poverty rates by type of residential area, 1991-2003



Source: Family Expenditure Survey 1991, 1996, and 2003, Statistical Service.

Graph 2.8, shows the percentage distribution of children living in households below the poverty line by employment status of the head of household. Child poverty rates are high among jobless households, in 2003 reaching 52 %, 30.6 % and 27.2 % in households whose head is inactive, unemployed, or of pensionable age respectively. Notably, child poverty rates decline sharply over time among households with a retired head. This is because the state pension system in Cyprus began in 1980 and retirees' pension has increased since that time. In contrast, child poverty is rising among households whose head is inactive. Also declining, but not so sharply, is the rate of child poverty among households whose head is unemployed. In other employment groups, child poverty rates fluctuate rather than following a trend.

Graph 2.8: Child poverty rates by the employment status of the head of household, 1991-2003



Source: Family Expenditure Survey 1991, 1996, and 2003, Statistical Service.

Abduction and trafficking of children are almost non-existent phenomena in Cyprus, as are problems associated with homelessness (no homeless people exist officially). Furthermore, as seen from the figures in Table 2.1, the percentage of children in families lacking basic housing amenities is very low, reflecting the fact that not many houses in Cyprus lack such amenities. More precisely, in 2003 no children appear to live in households without electricity or a refrigerator, or lack kitchen, toilet and bathroom facilities. Also, in the same year, the percentage of children living in households that lack hot water and telephone facilities is only 0.2 %.

The rather high percentage of children living in households without a telephone in 2003 (4.7 %) can be explained by the increasing replacement of fixed line telephones with mobile ones, as suggested by the fact that this percentage has increased between 1996 and 2003. As seen in Table 2.1, a rather large proportion of children (36 %) appear to live in households without a computer in 2003; however, considering that in this proportion was 82 % in 1996, one might conclude that the proportion of children currently living in households that do not have a personal computer is much smaller.

Table 2.1: Percentage of children in households lacking basic housing amenities, 1996-2003

Households without:	1996	2003
Kitchen facilities	0.0 %	0.0 %
Bathroom	0.2 %	0.0 %
Toilet facilities	0.2 %	0.0 %
Hot water	0.7 %	0.2 %
Telephone	1.3 %	4.7 %
Electricity	0.0 %	0.0 %
Refrigerator	0.0 %	0.0 %
Personal computer	82.1 %	35.8 %

Source: Family Expenditure Survey 1996, and 2003, Statistical Service.

Table 2.2 shows the percentage of children in households that fall below the poverty line by age of the child. Children aged 12-17 is the group exhibiting the highest incidence of poverty, reaching 12.8 % in 2003. The lowest child poverty rates are those for young children aged 1-5 (8.9 % in 2003). An upward, albeit small, trend in child poverty is observed for all age groups.

Table 2.2: Child poverty rates by the age of the child

Age group	1996	2003
1- 5 years	7.7 %	8.9 %
6- 11 years	10.4 %	10.6 %
12-17 years	12.3 %	12.8 %
ALL	10.3 %	11.0 %

Source: Family Expenditure Survey, 1996-2003, Statistical Service.

According to Table 2.3, most children are looked after by a relative or a household member, reflecting the strong family bonds that still exist in Cyprus. Although the figures between 1996 and 2003 demonstrate a diminishing trend in these bonds, the falling 'no childcare' and the rising 'childcare service' categories confirm the general commitment of society in Cyprus to looking after children.

Table 2.3: Percentage of children by childcare category, 1996-2003

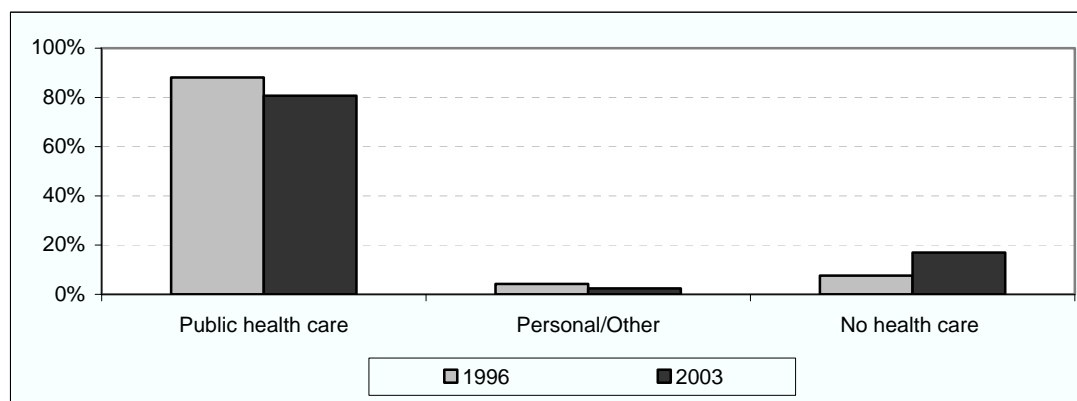
Childcare categories	1996	2003
Childcare by relative/household member	61.5 %	55.1 %
Domestic assistance	0.8 %	1.1 %
Childcare services	26.4 %	39.2 %
No childcare	11.3 %	4.7 %

Source: Family Expenditure Survey 1996, and 2003, Statistical Service.

The majority of children are covered by public healthcare (almost 90 % in 1996 and 80 % in 2003), as demonstrated by Graph 2.9, while less than 5 % are covered by personal or other health schemes for both periods. The incidence of children without health cover demonstrates an increasing trend: in 1996 this category represented 7.5 % of children, whereas in 2003 this increased to 17 %.

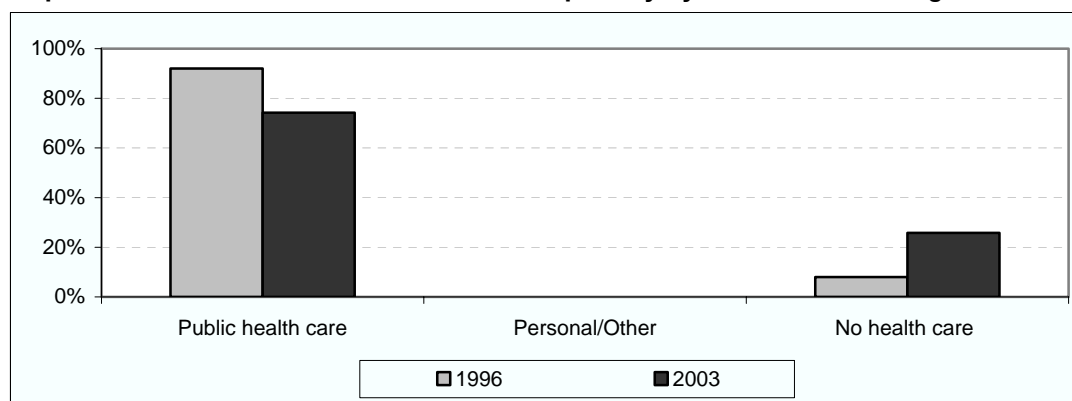
Graph 2.10 shows that the majority of at risk children are covered, as expected, by public healthcare (92 % in 1996 and 74 % in 2003) with a diminishing trend. None in this at risk group are covered by personal or other healthcare plans. The children at risk without any healthcare coverage rose from 8 % in 1996 to 25 % in 2003. The absence of a National Health Scheme is an important drawback for the welfare of children in Cyprus.

Graph 2.9: Distribution of children by healthcare coverage, 1996-2003



Source: Family Expenditure Survey 1996, and 2003, Statistical Service.

Graph 2.10: Distribution of children at risk of poverty by healthcare coverage, 1996-2003



Source: Family Expenditure Survey 1996, and 2003, Statistical Service.

The analysis of Bradshaw et al (2007) places Cyprus at the top of the children’s wellbeing league in the EU, followed by the Netherlands, Sweden and Denmark. In the same analysis, Cyprus is also the best performing country in terms of ‘material situation’.

The analysis above appears to confirm the low overall level of child poverty in Cyprus. The same is not true for certain household groups, however, such as the single parent households and households in rural areas or headed by female, inactive or low educated persons (see also Kouloumou, 2004). Indeed, for some of these groups, child poverty is very high (e.g. 52 % in households whose head is inactive and 47 % in single parent households, in 2003). However, the percentage of these households in the population is too small to impact on the overall child poverty rate. This suggests that the high labour participation, low unemployment rates, and the

fact that family bonds are still very strong in Cypriot society are the main reasons for the low rates of child poverty in Cyprus.⁴

Furthermore, it should be noted that the data used in this report are drawn from the Family Expenditure Surveys of 1991, 1996 and 2003 and include only permanent residents of the Republic of Cyprus. As foreign workers, immigrants from the former Eastern Bloc, and asylum seekers are subject to a high poverty risk, child poverty among these households is also likely to be higher. Therefore, child poverty figures may not be as low as shown above when all households in Cyprus are included in the analysis.

3. Assessment of the overall strategic approach

3.1 Policy Framework/ Analysis of main policies

As stated in the response of Cyprus to the ISG Task-Force questionnaire, a strategy for children is expected to be prepared by the end of this year. The Central Committee for the Monitoring of the Implementation of the Convention on the Rights of the Child, chaired by the Director of the Social Welfare Services (Ministry of Labour and Social Insurance), has paid particular attention to involving all actors in the process of developing this strategy.

In the meantime, strategic measures for combating the social exclusion of children and tackling child poverty are mainstreamed as a priority objective in the National Strategy Report for Social Protection and Social Inclusion (NSR/SP/SI)⁵. Table 3.1 presents the measures adopted in NSR/SP/SI for combating the social exclusion of children. The majority of these measures focus on education and target children in need (illiterate children, pupils with special needs, foreign language speaking children etc.). Protecting children against all forms of discrimination is said to be a key intention of the strategy, as are the upgrading of education through e-learning and the combating of the risk of drug dependency, using a modern, behavioural-based approach.

Table 3.1: Measures in the NSR/SP/SI for combating the social exclusion of children

Zones of educational priority
Programme for the reinforced teaching
Programme for alphabetism
Programme for the support of people with special needs
Introduction of technology into educational system
Services for pre-school aged children
All-day schools
Multicultural education programmes
Preventive actions to combat the risk of drug use

Source: National Strategy Report for Social Protection and Social Inclusion, 2006, Ministry of Labour and Social Insurance.

⁴ As we shall see later, the Cypriot benefit system also helps to lower child poverty.

⁵ The three social inclusion objectives as indicated by the NSR/SP/SI are:

- 1: reduction of the risk of poverty,
- 2: integration of vulnerable groups into the labour market,
- 3: prevention of the social exclusion of children.

According to Eurochild (2007), the Pancyprian Coordinating Committee for the Protection and Welfare of Children (PCCPWC) argues that not all the policy measures proposed in the NSR/SP/SI are translated into action. For example, there is no evidence that the programme for supporting children with special needs has been implemented in the current school year. According to the PCCPWC, insufficient time and resources are allocated to the e-literacy programmes to make a difference, while the literacy programmes after six years of schooling are redundant. Nevertheless, the PCCPWC has a positive opinion on the Educational Priority Zones, which it considers helpful and benefiting from NGOs support. Table A1.2 in Annex 1 provides an overview of the state of play of the implementation of the above measures.

Table 3.2 illustrates the balance which exists in the NSR/SP/SI between a universal approach, aimed at promoting the welfare of all children, and a targeted approach, aimed at alleviating poverty amongst groups of children at high risk of poverty: Three out of nine policy measures are universal ones, while the rest are targeted ones with emphasis on illiterate pupils and immigrants. The needs of children in other vulnerable groups, such as children with special needs and pupils in rural or other disadvantaged areas, are also addressed. The introduction of all-day schools can facilitate the labour market participation of single parents and couples with large families, thereby increasing family income and child welfare.

Table 3.2: Universal and targeted measures in NSR/SP/SI

Measures	Universal	Targeted					
		Children with special needs	Immigrant	/disadvantaged areas In rural children	Families with 3+ children	Single parents	Illiterate pupils
Zones of educational priority			√	√			√
Programme for reinforced teaching							√
Programme for alphabetism							√
Programme for the support of people with special needs		√					
Introduction of technology into educational system	√						
Services for pre-school aged children	√						
All-day schools	√				√	√	
Multicultural education programmes			√				
Preventive actions to combat risk of drug use	√						

Source: National Strategy Report for Social Protection and Social Inclusion, 2006, Ministry of Labour and Social Insurance.

In addition to measures specifically aimed at combating the social exclusion of children, the same objective is also supported by measures proposed in the NSR/SP/SI for the reduction of the overall risk of poverty and the integration of vulnerable groups into the labour market. In particular, as shown in Table 3.3, all measures for the reduction of poverty — and more than half of the measures for the integration of vulnerable groups into the labour market — support the child poverty objective.

On the basis of the information drawn from the NSR/SP/SI, one can therefore argue that the social inclusion strategy adopted in Cyprus includes policies and measures that are well defined and that address the problems of children. Furthermore, the fact that combating child poverty and the social exclusion of children is pursued not only by adopting measures targeting the needs of

children, but also through other policy measures, can be taken to imply that this is a mainstreamed objective receiving priority at national level.

Evidently, education is the main pillar through which the government attempts to resolve child poverty problems and qualitatively improve the conditions in which children are raised, since low education is one of the main characteristics of people at high risk of poverty (Graph 2.4). Therefore, most measures are under the jurisdiction of the Ministry of Education. By investing in education the Government attempts to uproot the problem, in the sense that the improvement of educational attainment is expected to lead to increased future employment opportunities and access to goods and services and, thereby, higher standards of living.

As there are a variety of problems faced by children, the measures taken should follow a reasonably multi-dimensional approach, so as to combat all forms of child poverty and protect all groups of children. Annex 1, Table A1.1 provides a series of policy areas covered by the measures taken for this purpose. Most of these measures aim at facilitating access to education, social services, and reducing inequalities by helping the children of families with low income and living in disadvantaged areas. Foreign children are benefiting from measures aimed at facilitating their integration into society and protecting them against all forms of discrimination and social exclusion. Furthermore, the Government claim that these policies are designed with a view to promoting general care and protection of all children at risk and, in particular, to assist children with special needs, such as children with disabilities.

Table 3.3: Measures in the NSR/SP/SI indirectly combating the social exclusion of children

Policy measures and legislative proposals	Children objective relativeness
Measures for the reduction of poverty:	
Public assistance	√
Social Insurance System	√
Social pension	√
Special sponsorships for pensioners	√
Social pensioners' card	√
Child benefit	√
Measures for the inclusion of vulnerable groups into the labour market:	
Modernisation of the public employment services	√
Programmes for the promotion of training and employability of:	
Inactive female labour force	√
Unemployed	√
New secondary school graduates	
Minimum wage	√
Programmes for the long term education	√
Apprenticeship Scheme for young people	
Programme for the enhancement of youth entrepreneurship	
Programme for the enhancement of female entrepreneurship	√
Development of programmes for the social protection and inclusion of children, elderly people and other dependents	√
Centres for the professional restoration of people with disabilities	
Scheme for the professional restoration for people with disabilities in specialisations not offered in the centres	
Self-employment scheme for people with disabilities	
Schemes for the employment of people with disabilities with support	
Scheme for the modulation of work environment to facilitate people with disabilities	

Policy measures and legislative proposals	Children objective relativeness
Scheme for the employment of people with disabilities by subsidising social insurance contributions	
Schemes for the employment of people with disabilities in the private sector	
Access to public buildings, pavements and means of public transportation	
Strategic measures for the employment of immigrants	√

Source: National Strategy Report for Social Protection and Social Inclusion, 2006, Ministry of Labour and Social Insurance.

Notably, none of the measures proposed for combating child poverty include provision of social protection through tax benefits. It seems that this is because the emphasis is not on the direct economic support of households at high poverty risk, but on the creation of a qualitatively better environment and enhanced opportunities for the children themselves.⁶ Health, housing and transport services are also not included in the policy agenda. In contrast, the prevention of the risk of dependence on narcotic substances via the formulation and promotion of ad hoc programmes within the school environment appears to be given high priority. In the author's opinion, there are well defined policies and measures for promoting access to education for all children, with emphasis on the less fortunate of them. Social services are also promoted and well defined, as well as care and protection of children in need, but there is still room for improvement in the areas of housing, health and transport. The neglect of these areas is probably due to the very small number of households facing transport or accommodation problems. Financial support to families with children at risk of poverty should, perhaps, be better targeted, as explained later in this report.

In our opinion and, as suggested by the SWS (Social Welfare Services Department), childcare services in Cyprus are efficient, as is shown by the absence of homeless children and child trafficking. The involvement of the NGOs in child protection (foster care, institutional care) is limited and, as we shall see later, some of them believe that certain childcare services are unsatisfactory. Nevertheless, the promotion of various programmes of child support (e.g. nursery schools) creates an environment where they can play a positive role in tackling child poverty.

Following discussions with the SWS, we have come to the conclusion that a major obstacle to the effective implementation of measures to tackle child poverty is the lack of a strong commitment by Ministries responsible for these measures. Funds required specifically for the implementation of measures to tackle child poverty should be included in the Ministries' budgets, in order to be approved and become part of the national strategy. Furthermore, the effective implementation of such measures requires coordination and the setting of appropriate monitoring mechanisms.

3.2 Opinion expressed by relevant actors and stakeholders

We sent questionnaires to 20 organisations involved in activities related to the welfare of children in Cyprus, asking them to express opinions about issues concerning child wellbeing and their own involvement in fighting child poverty. Only the following nine organisations completed and returned the questionnaire:

- Ministry of Education and Culture (MOEC)
- Social Welfare Services Department (SWS)
- Union of Cyprus Municipalities (UCM)
- Cyprus Family Planning Association (CFPA)
- Anti-Drugs Council ADC, Advocacy Group for the Mentally ill (AGMI)
- Cyprus Sociologists' Association (CSA)

⁶ According to the Cyprus government, the policy approach towards eliminating child poverty is informed by the recognition of children's rights and the commitment and cooperation of the relevant actors (parents, school etc).

- Centre for the study of childhood & adolescence (CSCA)
- Pancyprian Coordinating Committee for the Protection and Welfare of Children (PCCPWC)
- Association for the Prevention and Handling of Violence in the Family (APHVF)

However, a large proportion of the organisations above did not fully answer the questionnaire. The results described in this part of the report are based on the opinions expressed by those responding to our questionnaire and on the extent to which they did so.

The results obtained from eight out of nine respondents regarding their awareness, involvement and level of satisfaction, vis-à-vis the measures promoted to combat child poverty in Cyprus, are summarised in Tables 3.4 and 3.5. A more detailed presentation of the responses to our questionnaire is provided in Annex 2.

Table 3.4: Stakeholder involvement in and awareness of measures to combat child poverty

Measure	Awareness		Involvement	
	Yes	No	Yes	No
Institutional care for children	8	0	-	-
Foster care for children	8	0	-	-
National policies for combating child poverty	6	2	-	-
Policies aimed at ensuring adequate income for children	-	-	2	6
Access of children to essential services	-	-	4	4
Promoting care and protection of children at risk	-	-	6	2
Counter discrimination	-	-	2	6
Promoting participation in social, cultural, recreational and sporting life	-	-	4	4
Monitoring and reporting arrangements	3	5	3	5

Table 3.5: Stakeholder opinion about measures to combat child poverty

Measure	No opinion	Level of satisfaction:			
		None	Low	Medium	High
Institutional care for children	0	1	6	1	0
Foster care for children	0	0	4	4	0
National policies for combating child poverty	3	0	4	1	0
Policies aimed at ensuring adequate income for children	-	-	-	-	-
Access of children to essential services	4	0	1	3	0
Promoting care and protection of children at risk	2	0	3	2	1
Counter discrimination	6	0	1	1	0
Promoting participation in social/cultural/recreational/sporting life	5	1	2	0	0
Monitoring and reporting arrangements	-	-	-	-	-

Given the small number of participants it would be far fetched to claim that clear conclusions emerge from the results reported in these two tables. Nevertheless, it appears that the organisations concerned with the wellbeing of children in Cyprus are aware of — and most of them involved with — government policies and measures to fight child poverty. For most of these measures, the satisfaction of the responders is low to medium, whereas for two out of the nine measures, their satisfaction is low to none. Given that the policy measures in question are already in operation, the negative view of the respondents is likely to reflect dissatisfaction with their implementation.

Most of those answering our questionnaire⁷ cited inadequate income available to children and their families as the most important factor contributing to child poverty in Cyprus (Table 3.6), followed by neglect by family and the state. The cross tabulation of child categories and factors affecting child poverty also reveals some interesting results, for instance the respondents view that foreign children are not at a substantially higher poverty risk than Cypriot children. In our opinion, this may not be true, since immigrant children often live in families with low incomes and face difficulties with cultural issues, accommodation and, their social inclusion in general.⁸

⁷ The respondents of this part of the questionnaire (Table 3.6 and 3.7) are: CFPA, APHVF, CSA, CSCA, UCM, AGMI, PCCPWC and MOEC.

⁸ Second semester report for Cyprus, "Feeding in and feeding out and integration of immigrants", Michael M., L. Christofides, C. Hadjiyiannis, S. Clerides, M. Stephanides and M. Michalopoulou, "[The effect of immigration on the wages of Cypriot workers](#)", October 2006 - in Greek (English summary).

Table 3.6: Opinion about problems contributing to child poverty
(% average of 1=not at all, 2=a little, 3=substantially, 4=very much)

Child categories	Drugs	Violence	Inadequate income	Neglect by family	Neglect by state	Harassment	Other	Average
Age of the child								
0-5 years	40 %	50 %	90 %	80 %	70 %	55 %	75 %	66 %
6-12 years	50 %	58 %	95 %	83 %	88 %	63 %	75 %	73 %
13-18 years	83 %	63 %	95 %	83 %	88 %	70 %	75 %	79 %
Nationality								
Cypriots	75 %	68 %	95 %	83 %	83 %	70 %	75 %	78 %
Foreigners	80 %	68 %	95 %	88 %	83 %	70 %	75 %	80 %
Sex								
Male	75 %	68 %	93 %	88 %	80 %	68 %	75 %	78 %
Female	75 %	70 %	95 %	88 %	80 %	75 %	75 %	80 %
Family type								
With 3+ children	65 %	75 %	95 %	90 %	83 %	75 %	75 %	80 %
Single parents	70 %	75 %	100 %	90 %	83 %	75 %	75 %	81 %
Other families	65 %	70 %	93 %	85 %	83 %	75 %	75 %	78 %
Place of residence								
Urban areas	68 %	68 %	83 %	88 %	-	-	75 %	76 %
Rural areas	63 %	68 %	95 %	93 %	-	-	75 %	79 %
Average	67 %	66 %	94 %	86 %	82 %	70 %	75 %	

Table 3.7 shows the scores given to various sectors of economic policy for their weaknesses in combating poverty among children of different age groups.

- For children in the younger age group (0-5 years) weaknesses in childcare services obtain the highest score, followed by weaknesses in offering children protection and housing.
- All sectors appear to suffer from more weaknesses in combating poverty among children in the middle (6-12) and older (13-17) age groups, compared to their weaknesses in combating poverty among the younger age group.
- For children in the middle age group (6-12) weaknesses in childcare services also obtain the highest score, followed by weaknesses in housing, in combating crime and in recreation facilities.
- For children in the older age group (13-17), weaknesses in education obtain the highest score, followed by weaknesses in combating drug use and crime, and in recreation facilities.⁹

⁹ One explanation why education appears to be inadequate for young (0-5) children is the absence of state nursery and pre-school education; and for older (13-17) children inadequacies in secondary education forcing them to attend supplementary private classes.

Table 3.7: % score of sectors for their weaknesses in combating child poverty

Weaknesses in:	Children 0-5	Children 6-12	Children 13-17	Average
Health services	25 %	50 %	50 %	42 %
Housing	63 %	75 %	63 %	67 %
Education	50 %	38 %	88 %	58 %
Protection	63 %	63 %	38 %	54 %
Childcare services	75 %	88 %	63 %	75 %
Combating drug use	0 %	50 %	75 %	46 %
Combating crime	13 %	75 %	75 %	50 %
Recreation facilities	13 %	75 %	75 %	54 %
Sporting facilities	25 %	50 %	63 %	46 %
Cultural facilities	38 %	63 %	63 %	54 %
Average	37 %	63 %	65 %	

Our questionnaire gave participants the opportunity to comment on whatever aspect of child poverty they considered important. Below we summarise their comments, giving more details about the exact remarks made in Annex 2.

- The national policy for fighting child poverty needs to be strengthened, since the problem will increase with the number of immigrants.
- Unemployment, the use of addictive substances by parents (alcohol, drugs) and increasing parental neglect, are all likely to make the problem of child poverty worse in the future.
- There is a high incidence of mistreatment of children in rural areas that does not surface in official statistics.
- The problem of child poverty has not received enough attention by the State. The problem of child poverty should be dealt with separately, through policies targeting children, not only the family.
- Childcare stations should involve children in appropriate educational activities, not just keeping them busy while their parents are at work.
- Child benefits should be made payable in a way ensuring that they will be used to increase the wellbeing of children.

3.3 Children's views

The 'Children's Parliament', an institution established in 2001, enables children to gather once a year in the House of Parliament to air their views about problems and needs of interest to them and to communicate to society their demands and expectations.

During its last meeting, on 25 November 2006, the Children's Parliament discussed concerns and formulated proposals for the following issues:

Education

- Provide better support for non-Christian children; more subjective, modern, receptive religion class tutoring at schools, in order to avoid religious or other forms of discrimination.
- Support for children's rights to express their views on the evaluation of teaching; participation in the decision for the organisation of cultural events; emotional support for children with special needs; elimination of early school leaving.

Family

- Safeguard equality between the views and opinions of parents and children about issues impacting on the personality of children.
- Provide basic facilities and adequate care for children to pursue their own objectives and vision, instead of those imposed upon them by their parents.

Public Order

- A more active role for the police in enlightening young people about road safety and more effective application of the law for the protection of children.
- Appointment of a Commissioner for Children's Rights.

Health and Safety

- Creation of a school environment safeguarding children's health, no construction works in schools during term time, health controls on products sold by school-canteens, prohibition of smoking at schools, strict control of nightclub activities and alterations to their timetables.
- Provide education about the problem of sexual harassment and training teachers to identify and report incidents involving violence in schools.
- Appoint qualified personnel in the Department of Social Welfare Services to improve the protection of children, provide incentives for strengthening foster care and offer training to foster families before adoption.

3.4 Child benefit and child poverty

Child benefit in Cyprus consists of a basic and a supplementary part. The basic part is payable to all families permanently residing in Cyprus for each child that lives in the same household and meets the provisions of the Law (see below). The supplementary part is payable only to families with an annual gross income below 18 000 Cyprus Pounds (CYP).

According to the Law, families receive child benefit if they have unmarried children who are (a) under the age of 18, or between 18-23 years in full time education, (b) between 18-25 years serving in the National Guard, or between 23-25 in full time education, and (c) permanently incapable of self-support, irrespective of age.

The standard annual child benefit available to all families that satisfy the above criteria are 213, 426, 1278 and 639 CYP (for each child) for families with one child, with two children, with three children and with four or more children respectively. The supplementary amount is payable to families with income either (a) less than 9000 Cyprus Pounds, in which case the child benefit is 53, 213, 479 and 213 CYP (for each child) for families with one child, with two children, with three children and with four or more children; or (b) between 9000 and 8000 CYP, in which case the child benefit is 27, 160, 399 and 133 CYP (for each child) for families with one child, with two children, with three children and with four or more children respectively.

In Section 2 of this report, high labour market participation, low unemployment and strong family bonds were identified as reasons for the low child poverty rate in Cyprus. Here, we show that another reason for this phenomenon is the increasing amount per child paid to households as child benefit. Furthermore, we show that child poverty would have been even lower if the child benefit had been targeted towards low income families.

We illustrate the points above through simulation analysis, that is, using the Tax-Benefit model of the Economics Research Centre of the University of Cyprus, along with data drawn from the Family Expenditure Survey for 2003¹⁰ to calculate the child poverty rate in three hypothetical scenarios:

Scenario 1: 'uniform benefit', where all children receive an equal amount of benefit.

Scenario 2: 'means-tested benefit', where child benefit is paid only to households below a certain level of income; the three income (not equivalent) thresholds are 10 000 CYP, 15 000 CYP and 20 000 CYP.

Scenario 3: 'poverty-tested benefit', where households are eligible for child benefit if their income falls below the poverty line.

In all the scenarios the total Government expenditure for child benefit is kept constant.

¹⁰ This is the latest household expenditure survey available in Cyprus. For the purposes of our analysis all the monetary figures (income, child benefit etc.) are adjusted for inflation and growth to the year 2006.

Table 3.8 below presents the change in child poverty rates for each household category, corresponding to the three scenarios described above.

- Under the ‘uniform’ scenario, overall child poverty increases by 1.9 percentage points (i.e. from 11 % to 12.9 %). The largest increase in child poverty occurs among single parents and, as one would expect, among households with 3 or more children. This illustrates that the increased payment of benefit according to the number of children with the number of children in the family helps reduce child poverty, since families with more children are subject to a higher risk of poverty.
- Under the three ‘means-tested’ scenarios, the child poverty rate decreases. The largest decrease (-4.5 %) occurs under sub-scenario B, where eligibility for child benefit is a household income below 15 000 CYP (around EUR 26 000). The smaller reduction in child poverty under sub-scenario A, where eligibility for child benefit is a household income below 10 000 CYP (around EUR 17 000), occurs because large families below the poverty line are not eligible; while the smaller reduction in poverty when eligibility for child benefit is a household income below 20 000 CYP (around EUR 34 000), occurs because many households above the poverty line are eligible.
- As one would expect, the most effective way to reduce child poverty is to target child benefit towards households below the poverty line. This is the case under the ‘poverty-tested’ scenario, where the overall child poverty rate is reduced by 6.9 percentage points. The largest reduction occurs among families with children at high risk of poverty, single parents, pensioners with children and couples with 3 or more children.

Table 3.8: Change in child poverty rates under various scenarios (percentage points)

Household type:	Uniform	Means-tested			Poverty-tested
		A. 10 000	B. 15 000	C. 20 000	
Single-parent households	5.2	-31.7	-22.3	-5.5	-34.8
Couple with 1 or 2 children	-0.1	-4.3	-3.8	-2.3	-4.8
Couple with 3+ children	4.4	6.6	-3.8	-0.6	-6.7
Pensioners with children	0.0	-27.2	0.0	0.0	-27.2
Total	1.9	-1.5	-4.5	-1.7	-6.9

Source: Family Expenditure Survey 2003, Statistical Service and authors’ calculations.

3.5 Public debate

News reported in the national press and other media might highlight problems facing children in Cyprus not emerging in official statistics. For example, there have been reports of criminal activities by youths, such as robberies and destruction of school property (Politis newspaper 19/4/2007) and sexual harassment of boys aged between 9 and 15 by a 62 year old (Politis newspaper 26/4/2007). These reports, of course, cannot be used to make general statements about specific problems faced by children, as one cannot always interpret news as fact.

Perhaps more interesting is the fact that during the 2005-06 school year, 2 970 pupils visited the psychologists employed by the Ministry of Education, following recommendations by their schools. The majority of these students were in primary education, while the number of boys was almost twice the number of girls. Again, however, as no detailed information is disclosed about

the nature and seriousness of the reasons as to why these pupils were asked to see a psychologist, it is difficult to give meaningful interpretation to this event.

4. Description and Assessment of Monitoring Arrangements

Information provided by the Inter-departmental Steering Group (ISG) Task-Force Questionnaire state that the monitoring arrangements for the expected Strategy for Children will be implemented by the Central Committee for the Monitoring of the Implementation of the Convention on the Rights of the Child. The proposal to set up a Monitoring and Evaluation Committee at the Central Government level for the monitoring for the Strategy of the Children, as well as for the NSR/SI/SP objectives, has been approved by the Council of Ministers. However, this Committee has not yet been set up, even though, according to the decision taken by the Council of Ministers, this was supposed to have happened during the first three months of 2007.

The planned monitoring process will be based on the following indicators derived from the EU agreed Laeken list:

- risk of poverty rate for children aged 0-15, before social transfers;
- risk of poverty rate for children 0-15 years, with the poverty line defined at 60 % of median equivalised income;
- risk of poverty rate for children 0-17 years, with poverty line defined at 40 %, 50 % and 70 % of median equivalised income;
- children (0-17 years) living in jobless households;
- risk of poverty rate for households with dependent children (single parents, with one dependent child, two adults with one/two/at least three/other dependent children);
- social protection expenditure for family and children as a % of total expenditure and as a % of GDP; and
- early school leavers.

The notion of impact assessment has been introduced in Cyprus only very recently, after the participation of the Republic of Cyprus in the procedures followed by the ESF (European Social Fund). Thus, monitoring procedures are still under-developed and there is a long way to go until a satisfactory level of evaluation methods is reached. According to the Social Welfare Services (SWS), there are some signs suggesting that an assessment spirit and culture is gradually developing in the country, so that one can be hopeful about the future. At the moment, however, there are uncertainties about the extent to which the proposed Monitoring and Evaluation Committee mentioned above will be effective.

The SWS accepts that an effective monitoring system requires the involvement and consultation of all relevant stakeholders. Therefore, it encourages active participation of stakeholders by asking all relevant actors to report progress in the accomplishment of their objectives once a year. In addition, an annual seminar is held for discussion and exchange of ideas. While this is

not a monitoring procedure per se, it does provide an opportunity for encouraging the monitoring and assessment of social policy objectives.

The SWS believes that among the limitations of monitoring child poverty in Cyprus is the fact that the adoption of key indicators, as explained above, is not likely to be helpful on its own, since these indicators are just signals of a larger problem. They are, however, useful for pinpointing vulnerable groups and for targeting policy measures. In addition, a method and a procedure for following the progress of a planned strategy are needed and these have not yet been implemented.

Furthermore, the SWS argues for (a) establishing a link between monitoring tools and policy planning; (b) the monitoring committees making full use of indicators in assessing the impact of policies and measures; and (c) the appointment of an ad hoc government department to observe and monitor the progress of the implementation of National Action Plans, as in some other EU countries.

In reply to our question about the monitoring arrangements in place for the supervision of measures to alleviate child poverty, the Ministry of Education and Culture (MOEC) has listed the following targets, to be accomplished by 2010:

- prevention of early school-leaving;
- lowering inequalities and school exclusion among vulnerable child groups;
- expansion of the introduction of e-literacy in the education system; and
- improved inclusion of multicultural students in the school environment.

Naturally, the above are simply policy objectives and one cannot identify a monitoring procedure or mechanism from them. Furthermore, according to the MOEC, its programmes to combat child poverty are evaluated by the Pedagogical Institute, which is part of the MOEC itself.

Regarding NGOs, the PCCPWC participates in the effort to persuade the Government to appoint a Commissioner for the Child. It also believes that the involvement of NGOs and children themselves will improve the monitoring and evaluation procedures and will help relevant actors to better understand issues concerning the wellbeing of children.

5. Conclusions

The main conclusions emerging from this report are summarised as follows:

- The low overall levels of child poverty in Cyprus can be attributed to high labour market participation and low unemployment rates, the strong family bonds that still exist in Cypriot society and the increasing amount per child paid to households as child benefit.
- The low child poverty rate is confounded by the fact that certain groups of children are at a high risk of poverty, including, in particular, those living in single parent households, in rural areas or in households headed by female, inactive or low educated persons. Foreign children are also likely to be at high risk of poverty, but this cannot be documented due to lack of data.
- Opinions gathered via a questionnaire show a high level of awareness of child related policies. However, results also show dissatisfaction with the results of these policies due to weaknesses in their implementation. The top factor contributing to child poverty is said to be inadequate income, followed by neglect by the family and the State. Weaknesses in childcare services obtain the highest score in the league of sectors creating/increasing child poverty.
- In their last annual gathering in the House of Parliament, child representatives demanded the eradication of religious discrimination in school curricula, more say in organising cultural events and in deciding their own future, more police protection, more health and safety at school and better fostering arrangements. They also demanded the appointment of a Commissioner for Children's Rights.
- A strategy for combating child poverty is expected to be prepared by the end of 2007, with the involvement of all relevant actors. In the meantime, fighting child poverty is mainstreamed as a priority objective in the NSR/SP/SI, including universal and targeted measures for children and measures to fight poverty and social exclusion in general.
- While the overall impression drawn from the NSR/SP/SI is that the social inclusion strategy in Cyprus includes well defined policies and measures addressing the problems of children, questions are raised as to how effectively the planned strategy will be implemented. These questions derive from past experiences and from weaknesses in the proposed monitoring and evaluation procedures.
- The monitoring of the expected Strategy for Children will be undertaken by an ad hoc committee on the basis of indicators derived from the Laeken list. However, neither the committee nor the methods and procedures for tracking progress are yet in place.
- The notion of impact assessment is new to Cyprus and despite signs suggesting that an assessment culture is gradually developing, there is a long way to go until a satisfactory level of evaluation methods is reached.

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Annex 1: Measures for Combating Child Poverty

Table A1.1: State of play regarding measures in the NRP/SP/SI for combating the social exclusion of children

Policy measures	State of implementation for 2005-2006	Subsequent period objective
Zones of educational priority	3 EZPs (Educational Priority Zones), 17 school units	N/A
Programme for the reinforced teaching	1 060 teaching periods	1 470 teaching periods (for 2006-2007)
Programme for Alphabetism	55 schools (lower secondary education), 978 pupils	62 schools (lower secondary education)
Programme for the support of people with special needs	2 941 pupils and 495 trained teachers in Primary schools 1 019 pupils, 211 trained teachers in secondary schools	N/A
Introduction of technology into educational system	N/A	N/A
Services for pre-school aged children	433 classes in public kindergartens, 244 school units	4 classes will be added from the school year 2006-07
All-day schools	150 primary, 9 kindergartens	Operation of 9 primary schools compulsory for all pupils from the school year 2006-07
Multicultural education programmes	N/A	N/A
Preventive actions to combat drug using risk	6 mobile units (MENTOR programme)	4 more units

Table A1.2: Measures for combating child poverty by policy area

Policy measures/Legislative proposals for the combat of social exclusion of children:	Access to quality employment		Social protection and tax benefits	Subsidized services	Education	Child care	Housing	Health	Social services	Transport	Participation in activities	Care and protection of children in need
	For parents	For children (long)										
Zones of educational priority	√	√		√	√	√			√		√	√
Programme for reinforced teaching		√			√							√
Programme for alphabetism		√			√				√			√
Programme for support of people with special needs		√							√			√
Introduction of technology into educational system		√			√							
Services for pre-school aged children	√	√		√	√	√					√	
All-day schools	√	√		√	√	√			√		√	√
Multicultural education programmes		√			√				√			√
Preventive actions to combat drug risk		√			√			√	√			

Annex 2: Analysis of the Questionnaire

A2.1 Replies to questions

- 2/7 of organisations (APHVF, CSA) believe that child poverty has intergenerational transmission in a low degree and 5/7 in a high degree (CFPA, CSCA, UCM, AGMI, PCCPWC).
- All organisations are aware of the existence of institutional care of children; 6/8 stated that this care is somewhat satisfactory (CFPA, APHVF, CSA, CSCA, UCM, PCCPWC), 1/8 satisfactory (MOEC) and 1/8 not at all satisfactory (AGMI).
- All organisations are aware of the existence of the institution of foster care of children; 4/8 stated this institution is somewhat satisfactory (CSA, CSCA, UCM, AGMI) and 4/8 satisfactory (CFPA, APHVF, PCCPWC, MOEC).
- 6/8 organisations (CSA, CSCA, UCM, AGMI, PCCPWC, MOEC) are aware of the existence of national policies for the combat of child poverty; of those 4 are aware of its contents (CSCA, PCCPWC, AGMI, MOEC) and 3 judge it as somewhat satisfactory and 1 as satisfactory (MOEC).
- 2/8 organisations (AGMI, MOEC) are involved in policies to ensure an adequate income for the children and their families.
- 4/8 organisations (CFPA, APHVF, UCM, MOEC) are involved in policies for ensuring access of children to essential services; 3/4 (CFPA, APHVF, MOEC) education, 3/4 health (CFPA, APHVF, MOEC), 3/4 social services (APHVF, UCM, MOEC), 2/4 child care (UCM, MOEC), 1/4 transport (MOEC); among those, 3/4 assess those policies as satisfactory (CFPA, APHVF, MOEC) and 1/4 somewhat satisfactory (UCM).
- 6/8 organisations (CFPA, CSA, CSCA, UCM, AGMI, MOEC) are involved in policies for promoting care and protection of children at risk, including children with special needs; 3/6 assess those policies as somewhat satisfactory (CSA, CSCA, UCM), 2/6 satisfactory (CFPA, MOEC) and 1/6 very satisfactory (AGMI).
- 2/8 organisations (CSA, MOEC) are involved in policies to counter discrimination and they assess those policies as somewhat satisfactory (CSA) and satisfactory (MOEC).
- 4/8 organisations (CSA, UCM, PCCPWC, MOEC) are involved in policies for promoting the participation of children in social, cultural, recreational and sporting life; 2 of them assess those policies as somewhat satisfactory (CSA, UCM) and 1 not at all satisfactory (PCCPWC); the MOEC did not answer this part of the questionnaire.
- 3/8 organisations (CFPA, APHVF, PCCPWC) that the issue of child poverty is low priority at national level, 3/8 medium priority (CSCA, UCM, MOEC) and 2/8 high priority (CSA, AGMI).

- 3/8 organisations (CSCA, PCCPWC, MOEC) are aware of the existence of monitoring and reporting arrangements on the issue of child poverty; 2 are involved in the monitoring process and 1 not involved (CSCA).

A2.1 Comments

- APHVF: The national policy for the issue of child poverty needs improvement, since it may not be as severe in Cyprus as in other EU countries. Due to the large number of immigrants entering Cyprus from the EU, however, the problem is deteriorating.
- CSA: The abuse of alcohol and other addictive substances by parents contributes to increasing child poverty, as do other habits which are a drain on the household's financial resources; there is as high incidence violence against children in rural areas that does not surface, due to taboos.
- PCCPWC: The State has not yet realised the significance of the issue of child poverty, since it has been preoccupied with the problem of adult poverty; child poverty will not be solved simply by integrating parents into the labour market and needs to be tackled separately through ad hoc policies; childcare stations should offer appropriate activities/education; child benefit should be spent purely for the benefit of children and should not be added to household income and spent differently.