

Foundation Mother and Child

Targeted policies – access to support – societal impact

Discussion Paper

Hugo Swinnen
Verwey-Jonker Institute

Introduction

The initiative presented by the German government to be discussed during the Peer Review concerns the activities of the Foundation Mother and Child. The German Federal Foundation Mother and Child has been created to prevent pregnancy and child birth becoming a poverty threat for women. But it also aims at giving children a better start in life, and promoting the social inclusion of parents, i.a. by increasing the opportunities for young mothers to become economically independent.

The Foundation Mother and Child has been created in 1984 by the German Federal Government. Its only activity is to provide financial support – through regional institutions – to pregnant women at risk of poverty. The aims as mentioned above seem to be intended “side-effects” of the core activities.

This Peer Review will look into the role of the Foundation Mother and Child in the prevention of poverty and social exclusion among parents and children, in its impact on the promotion and functioning of support services for pregnant women, and its importance for the social and economic inclusion of young families. What is the relevance of this German approach for other European countries? And what could German learn from other – different – approaches to similar problems?

This paper will start with an attempt to place the activities of the Foundation Mother and Child in a European framework of demographic challenges, active inclusion and children’s rights. It will try and place this German initiative in a comparative perspective and discuss impact and transferability issues. A short description of the Foundation Mother and Child will lead to an overview of the results so far, including assessment issues related to outcome and impact.

This paper will end with suggesting some topics and issues for exchange, reflection and discussion during the Peer Review meeting. This is where the title of the paper refers to: targeted policies – access to support – societal impact.

Part A: The policy debate at European level

1. The European policy framework

On European level, these issues touch on policies and debates related to demographic challenges, to children's rights, and to policies for combating poverty and promoting social inclusion. The latter relates to Active Inclusion policies, with its three pillars: a decent income; access to the labour market and quality of jobs; access to quality services.

Demographic challenges

Eurostat expects that the European population will continue to grow until 2025 (470 million). This growth is entirely due to foreign migration (15 million). Until 2025 the number of deceases will be 5 million higher than the number of births. The European population will start decreasing after 2025 (450 million in 2050)¹.

About ageing, according to the OECD the number of people over 65 in OECD countries will grow on average from 13.8% of the population in 2000 to 25.6% in 2040. People over 85 years represented 3.1% in 2000. In 2040 they will represent 7.7% of the population. Of course there are great differences between countries. The extremes are expected to appear in Italy and Ireland, with respectively 33.7% and 20.5% of more than 65 year old persons in 2040. In Italy 10.0% of the people will be more than 85 years old in 2040, in Ireland this figure will probably be 5.5%.²

According to the Euro Barometer survey in 2006, in all EU member states men and women report having fewer children than they expected. A consistent gap between the intended and the effective number of children is observed in all countries. The findings also confirm the emergence of below replacement family size ideals all over Europe, and notably in Germany, Austria, Italy, Spain, Slovakia, the Czech Republic and Malta, where a low fertility culture is emerging among young people. This could be read as a first sign that below-replacement fertility preferences may become more common also in other European countries in the future. The fact that young Europeans who report being satisfied with their family size have on average 1.9 children tends to reinforce this assertion. Also, the ideal time for becoming a mother is higher than the current age at the first child birth. Countries with a higher mean ideal age for motherhood also show a larger family size ideal.³

¹ CBS (2006). *Bevolking EU groeit vooral door migratie*. Webmagazine, 20 February 2006. (<http://www.cbs.nl/nl-NL/menu/themas/dossiers/eu/publicaties/archief/2006/2006-1886-wm.htm>)

² OECD Factbook (<http://lysander.sourceoecd.org/vl=445823/cl=29/nw=1/rpsv/factbook/about.htm>)

³ M-T. Letablier, A. Luci, A. Math, O. Thévenon (2009). The costs of raising children and the effectiveness of policies to support parenthood in European countries: a Literature Review. A report to the European Commission, p. 77. (http://ec.europa.eu/employment_social/emplweb/families/docs/EU_Report_Cost_of_children_Final_11-05-2009.pdf)

Child poverty and children's rights

In the European Union, 19% of children are exposed to the risk of poverty (Commission européenne, 2008). In some countries, more than one child in four is poor or deprived. In addition, in most countries, children are more exposed to poverty risk than the population on average. Children who grow up in poverty and social exclusion have lower opportunities than others to succeed at school, to be in good health and to get a good job later on. For these reasons, the EU has given priority on its agenda to the reduction of child poverty and social exclusion. In spring 2006, the European Council decided to implement measures aimed at reducing child-poverty by giving equal opportunities to all children whatever their social origin. In 2008, a report on child poverty was published by the social protection committee in which the main causes of poverty are analyzed. The report also includes recommendations to make improvements on this issue.⁴ According to this report, in 27 EU member states in 2005, 19% of children under 17 were at risk of poverty, against 16% of the whole population. Between 1996 and 2001, child poverty remained unchanged (19 to 20%) in the 15 EU member states whereas poverty was decreasing (from 17 to 15%) in the whole population. Between 1995 and 2005, child-poverty has only declined in Spain, Hungary, Austria and the UK. But child poverty increased in many countries in the period 2000-2005, in particular in Italy, Germany, Belgium (poverty threshold at 50% of the median household income). But it has also decreased in the UK, Hungary and Spain. Nevertheless, the highest rates are still found in Italy (over 25%), Spain, Germany and Greece while the lowest are in Nordic countries with a rate below 5%, though slowly increasing. France also displays a fairly low child poverty rate (around 8%).

According to European data (with a threshold at 60%), child poverty is lower in Nordic countries, especially in Denmark and Finland where the child poverty risk is around 10%. However, in more than half of EU member states, the child poverty risk exceeds 20% and even more in Romania (25%) Latvia (27%) Poland (29%). Only a few member states display a child poverty risk lower than for the whole population: Belgium, Denmark, Germany, Cyprus, Slovenia and Finland. The standard of living of poor children varies across countries.⁵

Following national and European analyses, child poverty has been put higher on the agenda in most European countries, as can be verified in the recent NAPs/Inclusion. Eurochild also recognises that in many countries child poverty is described in a multidimensional way. But it also states that the failure of most NAPs/inclusion to adopt a children's rights perspective to combating poverty and social exclusion is a serious weakness. In particular, most NAPs/inclusion make no reference to the UN Convention on the Rights of the Child or to the parallel reporting process to the UNCRC Committee and the very relevant recommendations made by that Committee. Indeed, in several countries (e.g. Bulgaria, Ireland and Lithuania) important work done in the context of the UNCRC appears to be ignored in the preparation of the strategy in relation to child poverty. The failure to emphasise children's rights can lead to an overemphasis in some Member States on childhood policies which are centred on the future economic and labour potential of children and not sufficiently on their rights and specific needs and well-being now.

Some exceptions include:

⁴ The Social Protection Committee (2008). *Child Poverty and Well-Being in the EU - Current status and way forward*. Brussels: European Commission. Directorate-General for Employment, Social Affairs and Equal Opportunities, Unit E.2

⁵ Letablier, M-T., Luci, A., Math, A., Thévenon, O. (2009). *The costs of raising children and the effectiveness of policies to support parenthood in European countries: a Literature Review. A report to the European Commission*, p. 125-126

- The Belgian NAP/inclusion refers to a report of the National Conference for children's rights which devotes a chapter to child poverty.
- The Finnish NAP/inclusion at least mentions the reports of the Children's Ombudsperson in the list of references but no direct link is made to her work.
- The Romanian NAP/inclusion makes several references to the importance of rights and lists the National Authority for the Protection of Child's Rights amongst organisations responsible for delivering the objective on promoting integrated family policies.

The fact that few links are made with children's rights in the NAPs/inclusion does not mean that in some countries children's rights do not inform policy making. For instance, in the Swedish Report, while no links were made with the Children's Rights infrastructure during its preparation, there is a final comment that the child's rights according to UNCRC is a perspective that will always inform Swedish policy.⁶

The European Policy framework

At European level, the creation of the European Alliance for Families is the outcome of a growing awareness that policy strategies to face the demographic challenges for Europe and issues related to child poverty and social inclusion have to be closely linked. The European Alliance for Families formulates it as follows.

"Demographic change and the ageing of Europe's population is mainly the result of rising life expectancy and low birth rates. While rising life expectancy is a major achievement, the very low birth rates observed in many EU Member States seem to indicate that the conditions for raising a family – a key life goal for most Europeans – are too difficult. In this context, family-friendliness is becoming an increasingly important element of European Union policies. In particular the compatibility of family and career will play an important role in Europe's future economic and social development.

In an effort to meet these challenges, the EU heads of state and government, at the European Summit of 8 and 9 March 2007, decided to establish a European Alliance for Families. The aim of the Alliance is to create impulses for more family-friendly policies through exchanges of ideas and experience in the various Member States and to foster cooperation and fruitful learning from each other in the European Union.

The Alliance is based on the recognition that there is a need to improve the living conditions for Europeans who want to raise a family. Low birth rates, high levels of child poverty and a significant gender gap in terms of labour market participation and earnings show how difficult it is, particularly for women, to realise the desire to raise children and to give them the best possible start in life and to combine family life with a normal working career."⁷

Also, the developments within the social OMC, integrating the three strands of Pensions, Health and Social Inclusion are a way in which the European Union combines issues related to

⁶ Eurochild (2009). Ending Child Poverty within the EU? A review of the 2008-2010 National Strategy reports on Social protection and Social Inclusion, p. 17

⁷ http://ec.europa.eu/employment_social/emplweb/families/index.cfm

demographic challenges with social security, social protection and social inclusion. However, one must recognise that combining the three strands in one National Strategy Report is far from a guarantee that policy strategies in these domains are really integrated.

Within the social inclusion strand of the Social OMC, both the attention for child poverty and the Active Inclusion Recommendation are important developments. First of all, the attention for child poverty (and not only family poverty) means that children are considered in their own right. Children, of course, are living in families (or households). But within the family, the situation of children is specific and different from the situation of their parent(s), as is their relation to issues of social inclusion and exclusion.

The Active Inclusion Recommendation (October 2008) is an important policy document, pointing at the different, but equally important pillars of income, access to the labour market and access to quality services. The activities of the Foundation Mother and Child relate – directly or indirectly – to all three pillars in that they provide an extra income, they increase the use of support services, which in their turn link up with education and labour access support.

2. The European policy debate

At European Union level there seems to be a growing consensus towards the following combined objectives:

To ensure Europe's social and economic future, the birth rates in most European countries will need to increase and more people (men and women) will have to take part longer in both paid work and unpaid caring tasks for the household, for children and for other dependent persons.

In more concrete policy terms this statement asks for innovations in at least three directions:

- Children and other dependent people friendly equal opportunity policies (modern family and household policies)
- Policies for alleviating the burden on women (reconciliation of professional, family and private life)
- Increasing incentives for men to take up more caring tasks (sharing responsibilities and tasks).

The Communication on "The demographic future of Europe – from challenge to opportunity" (COM (2006) 571final), adopted by the European Commission in October 2006, the Communication "Promoting solidarity between the generations" (COM(2007)244 final), adopted on 10 May 2007, and the conclusions of the European Council, adopted at its meeting on 30-31 May 2007, argue in favour of modernising policies supporting parenthood: policies should be made more effective in creating conditions conducive to child-raising, in supporting women's participation in the labour force and gender equality, and in improving the social inclusion of families and the well-being of children. The modernisation of policies supporting families is expected to be crucial, not only in enabling Europeans to have the number of children they want, thereby contributing to Europe's demographic renewal, but also in combating child poverty (a priority in the context of the

Open Method of Coordination applied to social protection and social inclusion). Moreover, the modernisation process is crucial for promoting equal opportunities for women and men, for parents and non-parents and for children from different backgrounds and, ultimately, for the success of the Lisbon strategy, which depends, to a significant extent, on increasing the labour force participation of women.⁸

Combined policies

If one reads carefully these policy options, it becomes clear that a lot of different policy sectors are involved. The operational policies have to be developed by many different instances. Even if on a meta level they are all dealing with the same basic concerns of the sustainability of society and economic growth (the Lisbon objectives), it is not self-evident to develop operational measures and initiatives respecting all three directions at the same time. The development of 7 days, 24 hours child care facilities e.g. do alleviate the burden for women, but are not necessarily child friendly, neither do they stimulate men taking up more care tasks. Sometimes policy options in different sectors could even be conflicting. One example is the option to increase labour market participation of women and the option for counting more on voluntary caring for dependent relatives. And what to think about fully justified financial compensations for care givers, resulting in women retiring from the labour market?

Policies to be developed should therefore be assessed for their complementary quality as to all three policy directions. Not only in theory, but also in their (sometimes unexpected) impact.

Moreover, policy makers will have to synchronise initiatives at macro, meso and micro levels. State provisions have to go together with stimulating policies in regions, cities, companies. But finally, people within households and families have to deal with changing societal contexts and expectations. They have to match these, and the possibilities offered, with their own needs. Initiatives and policies at micro level are therefore needed as well. At the end, there is a double challenge: that of a fair division of roles and tasks between men and women, and that of solidarity between generations.

The importance of combined policies is confirmed by literature and research. In a literature review for the European Commission, the authors come to the following conclusions: "... policy to support parenthood should be assessed with regard to the balance achieved between different outcomes relating to income distribution, children's well-being, parental labour market status and fertility decisions. We raised arguments supporting the idea that an efficient policy design should be made up of a mix of parental leave and support in cash and in kind. Universal programmes offering support in kind can be overcome the risk of inefficiencies related to targeted programmes with benefits in cash. To sum up, this overview concludes that helping parents to bear the cost of children can be positive for all the outcomes considered, provided policies are designed to reconcile the different aspects of parents' and children's lives that are at stake. We found evidence that a range of support made up of paid leave entitlements, cash benefits and service provision is certainly a first requirement to achieve such outcomes. A period of parental leave that provides

⁸ M-T. Letablier, A. Luci, A. Math, O. Thévenon (2009). *The costs of raising children and the effectiveness of policies to support parenthood in European countries: a Literature Review. A report to the European Commission*, p. 153 (http://ec.europa.eu/employment_social/emplweb/families/docs/EU_Report_Cost_of_children_Final_11-05-2009.pdf)

time for parents to care for their children is certainly beneficial for children and for parents, who avoid the stressful problem of trying to achieving work-family balance during this period. However, policies that support a rapid return to work have a positive influence in reducing poverty and can have positive impacts on children provided high quality and affordable childcare solutions are available. This support is especially important for low income families, or single parents, for whom the positive impact of an early formalised childcare (via childcare centres or preschool) on both female labour market status and children's outcomes is clearly recognised. Continuity and complementarity of support, without gaps within the childhood period, also seem important dimensions in achieving a combination of positive outcomes: for example, taking parental leave will not have a detrimental impact on the labour market position of the leaver if (i) both parents are encouraged to share the leave, (ii) childcare services are available and affordable at the end of the leave (iii) working times are adjusted to family life. The better set of outcomes observed in countries where support is more comprehensive is also certainly not independent from institutions' ability to tend to act as complementary goods, i.e. the effect of each of them strictly depends on the presence of a consistent set of others. The challenge is thus to design this set in a way that produces positive outcomes for all aspects simultaneously."⁹

The importance of gender sensitive policies

A report of the Eurofamcare group gives an overview of social attitudes towards family care¹⁰. The wide variety of approaches is of course striking, but also the fact – but not surprising – that mostly women are the care givers to dependent relatives, also when they have a paid job. In Norway it seems even that women having a paid job are more involved in care for dependent relatives than women without a paid job. Furthermore, there is the well known fact that women do most of the household work, even if they have a paid job. In most European countries women do twice as much caring for children than men. The largely unsolved gender gap both in paid work and in care and household tasks leads to the rough conclusion that if we want to raise the participation rate of women on the labour market, men will have to take a greater share of care and household tasks.

But beside the argument of justice and fairness, also fertility and participation rates largely depend on gender sensitive policies. When childcare facilities are available, when gender division of parental responsibilities are more effective and when there is a family-friendly work and policy context, like in Nordic countries and to a certain extent in France the fertility level remains high, as does also women's employment level.

Gender sensitive policies also take into account and act upon awareness and public opinion. The already mentioned literature review concludes in this respect the following. In line with the relevant influence of a good partner on reproductive decisions, family size ideals are higher in those countries where a majority of respondents agree with the idea that men and women should share childrearing and family responsibilities equally. The positive link between egalitarian gender roles and fertility ideals suggests that fertility and childbearing intentions are influenced not only by

⁹ M-T. Letablier, A. Luci, A. Math, O. Thévenon (2009). *The costs of raising children and the effectiveness of policies to support parenthood in European countries: a Literature Review. A report to the European Commission*, p. 34 (http://ec.europa.eu/employment_social/emplweb/families/docs/EU_Report_Cost_of_children_Final_11-05-2009.pdf)

¹⁰ E. Mestheneos & J. Triantafyllou (2005). *Supporting Family Carers of Older People in Europe – the Pan-European Background*. Eurofamcare, University of Hamburg: Hamburg, p. 22

current difficulties in combining work and care, but also by the perceived tension between working and mothering. This result was confirmed by a comparison of the fertility level in Germany and France.¹¹

Subsidiarity

Behind concrete policy choices, measures and practices facing the abovementioned societal developments and challenges, there are also governance issues at stake: the way in which society in general, and policy makers more in particular deal with the relationship between public and private responsibilities; with the respective roles of the State, private business, civil society, families and individual citizens; with the competencies of different government levels. In other words, what are the major tendencies in government and governance¹²?

The relative importance of the State in dealing with societal issues differs considerably from country to country; moreover is it often within one country very different from one policy issue to the other. However, there seems to be a converging tendency in Europe towards the subsidiarity principle. This includes different forms of decentralisation, deregulation and privatisation. Not to forget that, depending on the state of development, convergence sometimes will mean more state regulation or intervention and forms of centralisation. This can be the case, not only where policy makers look for the most optimal solutions but where new policy levels or institutions have to prove their legitimacy.

Universal or targeted policies

A last and more concrete issue under debate is about the choice for and relative advantages of universal versus targeted policies. Roughly speaking: universal policies tend to be more easily find political and societal support, to be easier to implement, but more costly, while targeted policies find support less easily, are sometimes more complicated in implementation, but would be more effective and less costly.

Letablier et al.¹³ come to the conclusion that a realistic and efficient support would be a system organised in two dimensions:

¹¹ M-T. Letablier, A. Luci, A. Math, O. Thévenon (2009). *The costs of raising children and the effectiveness of policies to support parenthood in European countries: a Literature Review. A report to the European Commission*, p. 78 (http://ec.europa.eu/employment_social/emplweb/families/docs/EU_Report_Cost_of_children_Final_11-05-2009.pdf)

¹² See on the topic of governance i.a:

- Davelaar, M., Swinnen, H., & Woerds, S. ter (2003). *European cities and local social policy: Survey on developments and opinions in six European countries* (Forschungsbericht ; nr. 7/04). Bern: Federal Social Insurance Office. (also available in French and German)
- Swinnen, H. (2006). *Social Inclusion, cross cutting policy tools – document de politique transversale, synthesis report, peer review on social inclusion*. Paris: Ösb CEPS Instead, IES.

¹³ M-T. Letablier, A. Luci, A. Math, O. Thévenon (2009). *The costs of raising children and the effectiveness of policies to support parenthood in European countries: a Literature Review. A report to the European Commission*, p. 35 (http://ec.europa.eu/employment_social/emplweb/families/docs/EU_Report_Cost_of_children_Final_11-05-2009.pdf)

- The first dimension providing “universal” support in cash and in kind to cover basic needs. On the one hand, universal cash benefits would aim to limit the risk of poverty; on the other hand, the provision of a universally-based minimum of childcare services would guarantee equal conditions of care and equal preparation for school for all children.
- A second dimension, offering “targeted” benefits and/or services to meet specific needs and to enhance support in favour of the population with the greatest needs.

Several advantages of a two-dimensional framework can be mentioned as a conclusion. First, by keeping a range of universal support, such a combination is likely to receive wider political and public support, even in a period of economic austerity. Maintaining a set of universal supports would also limit the stigmatisation of families receiving support. Moreover, the combination of two dimensions is likely to create confidence about the sustainability and durability of the system. This confidence is certainly needed to encourage people to use the existing support, and so to make the policy effective. It is also certainly partially explains the success of policies to support families in countries like the Nordic ones or in France where there is a long tradition of such support.

3. European comparative aspects

Poverty among families and children

Lone-parent families and also large families are more at risk of poverty than other families. The disposable income for a child depends on the family size, and the composition and characteristics of the household in which he/she is living. In the EU on average 22% of poor children live in lone parent families and 25% in large families, whereas only 13% of children live with only one parent. In 90% of cases, the lone parent is the mother. However, reasons for lone parenthood differ deeply from one country to another. More than 20% of children living in large families are exposed to poverty risk. Although large families are not common in Southern Europe or in Eastern countries, it is in these countries (Greece, Spain, Slovenia) that the poverty risk for children living in large families is the highest. The opposite is observed in Nordic countries and the Netherlands where large families are more common (26 to 33% of all families) but where the poverty risk is the lowest. Children in immigrant families face more difficulties than other children, as also do children with parents suffering from a handicap or drug addiction.¹⁴

Of the total German population, 6% lives in single parents households, which is 1% more than the EU-25 average (Eurostat – LFS 2007). 34% of the single parents (with at least 1 dependent child) are at risk of poverty (SILC 2007, Income data 2006). This is exactly the same rate as the EU-25 average. Of all households at risk of poverty, in Germany 11% are single parents households (with at least 1 dependent child), against 9% on average in the EU-25. One-person households represent 31% of households at risk of poverty, 18% are single women! (SILC 2007, Income data 2006).

¹⁴ M-T. Letablier, A. Luci, A. Math, O. Thévenon (2009). *The costs of raising children and the effectiveness of policies to support parenthood in European countries: a Literature Review. A report to the European Commission*, p. 127 (http://ec.europa.eu/employment_social/emplweb/families/docs/EU_Report_Cost_of_children_Final_11-05-2009.pdf)

The at risk of poverty rate among German children (0-17 year) is 14%, which is one % lower than the at risk of poverty rate for the total population. With this figure, German is among the best performers in Europe (EU27 average = 19%)¹⁵

Social transfers

Germany has a high level of social transfers, resulting in an important income difference after social transfers for low income groups. The net income of social assistance recipients as % of the at-risk of poverty rate threshold is 1,2 (Joint EC-OECD project using OECD tax-benefit models, and Eurostat). Together with the UK, this is the highest % in the EU.

A study of Fondazione Brodolini mentions for Germany, based upon Mikrocensus 2003, that lone parent families with dependent children represent 17.1% of all families with dependent children. Lone mothers take 14.9% in this figure, lone fathers only 2.2%.¹⁶

Cash benefits for families

Cash benefits are vital to protect children from poverty. Recognising the fact that a considerable share of households is not able to support themselves through employment, cash benefits secure the basic living standard of many children and their families.¹⁷ While all EU Member States have a bundle of cash benefits for families as well as for poor people there are considerable differences in policies, depending on the extent benefits are universal and/or means-tested. Means-tested benefits, targeted to the poorest families are often implemented out of worries about negative work incentives through too generous benefits. However, child poverty rates in countries with mainly universal benefits (Sweden) compared to those with an emphasis on income-tests (UK, US, Greece) and those in between (France, Germany, Netherlands) suggest the contrary: means-tested benefits can discourage the take up of work as marginal taxes are unreasonably high. Tax Credit schemes or exemptions from tax and social contributions are examples for countermeasures taken in response. Universal benefits on the other hand don't get lost and are thus no barrier to employment (cf. Phipps 2001). They are expensive though and thus go along with high taxation. More important than the nature of benefits is however their structure and how they are combined with other policies, i.e. employment policies and services. It is the interplay of policies that either creates poverty traps or brings families out of poverty.

Germany has a high level of cash benefits, representing some 2.2% of GDP in 2005 (see annex 1). The question then is of course to what extent these benefits are targeted to poor children. A recent study on child poverty comes to the conclusion that on average in Europe they are not serving the poorest. On average in the EU, family benefits represent close to 5% of the net income of households with children. The table in annex 2 illustrates to which extent family benefits are targeted to poor children. Family benefits tend not to be targeted at poor children since they receive a share of all family benefits that is slightly lower than their weight in the population (a

¹⁵ EU-SILC 2007, income data 2006

¹⁶ R. Trifiletti (2007) Study on poverty and social exclusion among lone-parent households. Study for the European Commission, Directorate-General for Employment, Social Affairs and Equal Opportunities.

¹⁷ P. Hoelscher (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 - Final Report. University of Dortmund, p. 115

ratio of 96%). Among the countries that target benefits to poor children, we find countries that significantly reduce poverty through family transfers (CZ, DE, IE, FR CY), but also countries in which family benefits have only a limited impact in reducing child poverty (EL, MT, PL).¹⁸

Fertility rate

The fertility rate in Germany is at the lower end, compared to other European countries (see annex 5). Several studies show that fertility rates and high labour market participation of women go together in several European countries. But accompanying services seem to be important. The importance of childcare facilities has been confirmed in a recent Norwegian study. This study concludes that the availability of high-quality, affordable childcare leads to higher rates of women making the transition to motherhood. The effects proved to be substantively large. With respect to Germany the birth rates of East- and West-German women in the years 1996 until 2000 have been studied with reference to the provision of childcare. The central finding of the survey is that a sufficient supply of formal childcare places has had an impact on the decision for a first child in East Germany. In contrast, in West Germany the availability of informal childcare proved to be important. The study concludes that the results express the existing supply structures in East and West Germany.¹⁹

Comparable interventions?

It is hard to identify similar initiatives to the Foundation Mother and Child. Of course, other European countries have minimum income schemes in which there are possibilities for cash benefits in case of specific needs. In the Netherlands e.g. there is a scheme for assistance to exceptional expenses for low income groups (Bijzondere Bijstand), but it is not specific for pregnant women. Many European countries also have local information centres more or less specialised in issues linked to sexuality and procreation, but there seems not to be a specific possibility for cash benefits in case of financial needs.

If one looks at studies covering support for families in Europe, they only mention interventions after child birth. A comprehensive overview is to be found in the already mentioned study about policies to prevent and reduce child poverty²⁰. It categorises the initiatives as follows²¹:

¹⁸ The Social Protection Committee (2008). *Child Poverty and Well-Being in the EU - Current status and way forward*. Brussels: European Commission

¹⁹ Plantenga, J. & Remery, C. (2009). *The provision of childcare services – A comparative review of 30 European countries*. Luxembourg: Office for Official Publications of the European Communities, p. 29

²⁰ P. Hoelscher (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 - Final Report*. University of Dortmund.

²¹ See a detailed overview in annex 3

- 1 Policies to increase families' financial resources
 - 1.1 Bring people into work that pays
 - 1.2 Improving living standard through direct cash transfer
- 2 Policies to reduce expenses of families
 - 2.1 Make high quality childcare affordable
 - 2.2 Make decent housing affordable
 - 2.3 Health care
- 3 Policies focusing on prevention and child well-being

Also, the overview of good practices as given at the web site of the European Alliance for Families, gives categories of practices – and examples – covering the situation of families after the birth of children²².

4. Transferability and learning value

The Foundation Mother and Child as it exists and functions in Germany seems to be an exceptional practice. Of course, a specific financial support for pregnant women in need, if not existing, could be introduced in other countries. But it would largely depend on financial possibilities and political priorities. The choice for delivery system as it has been made in Germany at the very start in 1984 is surely linked to the specific situation in which delivery of social and health services in general was most often done by private institutions and organisations. To day, it seems to correspond very well with modern views on governance (subsidiarity, deregulation, decentralisation).

But perhaps the learning value of the Foundation Mother and Child is not so much in its specific constellation, but more in the principles behind:

- Early help for pregnant women (and families) in need;
- Well targeted cash benefit (as complement to universal provisions);
- Low bureaucratic burden, both on the side of government as on the side of the beneficiaries;
- Reach-out to the target population through networking with existing support systems and organisations;
- Create a link between financial help and economic, social and health support.

Each of these principles could (should?) be subject for transfer and/or learning, but also the comprehensive approach should be taken into account and the place of this approach within the whole set of family policies.

5. Measure results and impact

The financial delivery of the Foundation is yearly closely monitored. This includes the number of applications and beneficiaries in each of the *Länder*, with a number of personal characteristics: age, economic situation, nationality, length of pregnancy at the date of application (how many

²² See the overview of good practices and their link to the web site in annex 4.

weeks), marital status (single, living together, married). Also the number of births in the region is as reference mentioned in the report.

Beside the information on the beneficiaries, the monitor report also includes information on the local mediating organizations and institutions, on complementary financial support given by some regions and about the income thresholds used, because these are regionally defined (and are determining the budget to transfer to that region).

The monitor report gives statistics about the level of financial support, i.e. the number of benefits lower than 300 Euros, between 300 and 600 Euros, between 600 and 1000 Euros, between 1000 and 1500 Euros and above 1500 Euros. Linked to the economic situation of the beneficiaries, registration makes it possible to see how many beneficiaries had another income or other benefits, and how many did not have any other income or benefit.

But the host country gives no evidence about measuring the impact of the financial support on the beneficiaries and their families. Neither is their evidence of measuring or evaluating the side-effects as they are mentioned in the host country paper, namely the fact that the request for financial support is often a first step in a contact with support organisations (see also the goals and objectives in the next chapter).

Part B: The Foundation Mother and Child

1. Background

The Federal Foundation Mother and Child has been created by law in 1984. The initiative came from the federal government, with the aim to for better protect the unborn child and to improve the circumstances for pregnant women at risk of poverty. Background for the creation of the Foundation were the experiences of pregnancy information centres, both private (faith based and others) and public. These experiences showed that the economic situation of families and their fear for the future influence their decision to continue a pregnancy. Family support (in cash or in kind) until then only started after the birth of a child.

In 1993, the activities have been enlarged to all new *Länder* of the federation.

The Federal Foundation can be seen as a semi-public institution, providing financial support to families in need during pregnancy. It delivers the financial support through regional institutions in all *Länder* of Germany. Each of the *Länder* has an implementation body receiving the financial means to deliver the financial support to individual families. The potential beneficiaries receive information and guidance about the financial support through the more than 1200 local information centres with different private and public background.

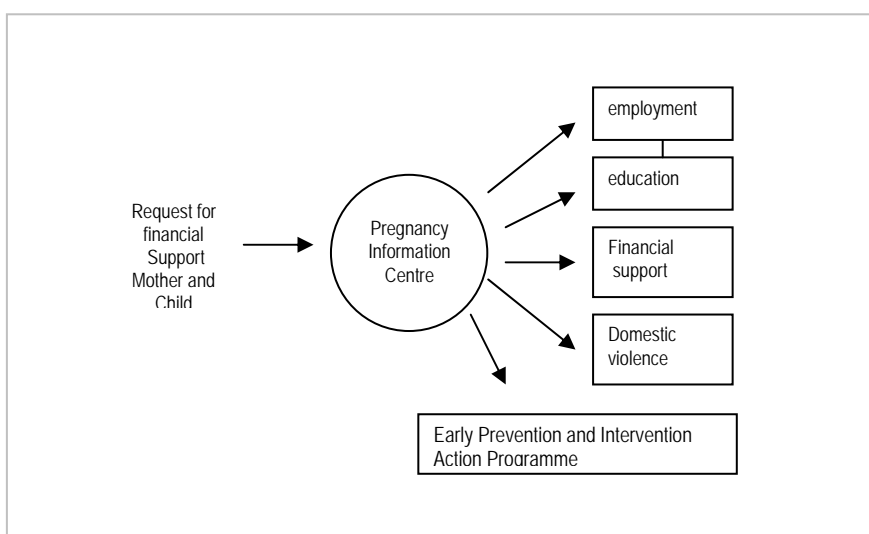
The Federal Act governing the Foundation Mother and Child provides a minimum budget of 92 Million Euros for the activities. The administrative costs linked to the delivery are at the expenses of the delivery institutions in the *Länder*.

2. Goals, objectives and target groups

The primary goal of the Foundation is to avoid financial need to play a role in a women's decision about accepting a pregnancy. The more concrete objectives are to help alleviate the financial burden related to pregnancy and birth for women and families in need. The Foundation gives financial support for buying baby cloths, for related household costs, adaptation of the house and care for the new born baby.

The target group of the Foundation are all pregnant women with an income up to 1.5 times the minimum income. There are no other basic criteria, but the level of support varies depending on the personal situation. The Foundation uses a minimum of bureaucratic rules in delivering its financial support.

During the more than 25 years of its functioning, the Foundation realised that its activities not only served as financial support for individual families, but that they also helped the local pregnancy information centres to better reach their target groups. In many cases the request for financial support was the starting point for important forms of help and accompaniment in different domains. Sometimes these had to do with pathways to economic independency, such as education and employment. In other cases, problems with domestic violence were detected. In that sense, the financial support could be linked to all different elements of the federal Action Programme for Early Help. Following this reasoning, the position of the Foundation could be visualised as follows.



The host country paper put emphasis on the link with the “Early Prevention and Intervention” Action Programme. The financial support of the Foundation Mother and Child is considered to be a “Door Opener” for the action programme. “When young families feel burdened by worries and feel that no help is in sight in their living situations, terrible developments can emerge within a self-perpetuating process: difficult living conditions become a burden, burdens become risks, and risks can result in a child’s being endangered, abused, or neglected.”²³

²³ Host country paper, p. 17

Also the prevention of violence against women is seen as an important side-effect of the Foundation's activities, in that the local information centres can detect the risks and link up with specialised support services.

Part C: The Results

1. Evaluation

According to the host country, the most important results in recent years (2006 to 2008) show that²⁴:

- Of the roughly 160,000 applications for Foundation funds submitted on an annual average, around 92 % have been approved each year.
- The proportion of pregnant women financially supported by the Federal Foundation, remained constant in recent years at a rate of 21.5 %, i.e. more than one in five pregnant women received funds from the foundation.
- Roughly 97 % of the recipients of assistance were over 18 year of age; almost all of the remaining recipients were between 14 and 18 years of age. Only roughly 40 applications per year were submitted by girls under the age of 14.
- Roughly two thirds of the recipients of assistance were German, a third were citizens of foreign countries.
- With a share of over 60 percent, the majority of applications approved were submitted after the twentieth week of pregnancy, and a third between the thirteenth to the twentieth week. The proportion of approved applications that had been submitted within the first twelve weeks averaged around 8 %.
- A large number (over 40 %) of the recipients of assistance were married; almost the same number (roughly 36 % on average) indicated that they lived alone or in their parents' homes. According to the information they provided, roughly a fifth of the recipients of assistance lived in marriage-like relationships.
- On a national average, the allocation per recipient was €629.00 in 2008 (€604.00 in 2006; and €606.00 in 2007).
- For individual cases, nearly half of the allocations were for up to €600.00 and a third were for up to €1,000.00. Allocations of under €300.00 accounted for roughly 12 %, as did those between €1,000.00 and €1,500.00, while allocations over €1,500.00 accounted for only 1 %.
- Nationally, roughly 1,270 pregnancy counselling services cooperate every year in allocating the Foundation's funds, most of these were voluntarily organised by private welfare organisations (Caritas, Sozialdienst katholischer Frauen [Catholic Women's Welfare Service], Dia-

²⁴ See Host Country Paper, p. 10

konie, Donum Vitae, Arbeiterwohlfahrt [National Society for Workers' Welfare], etc.) and only about a fifth of them were organised by state or municipal authorities.

It is clear that the Foundation Mother and Child reaches its primary goals, i.e. give substantial additional financial support to pregnant women in need.

2. Other achievements

Through the delivery system via local information centres, it is clear that the financial support enhances the potential of early help to women and children. It would be interesting to develop more in-depth studies about the effect of this networking on the actual support delivered, both on the social, educational and labour market inclusion of the target population.

Furthermore, the link with other elements of modern family policies (benefits, conciliation services, gender equality) could be the subject of further study.

3. Obstacles, constraints, success factors

In order to improve the communication strategy of the Foundation, the federal government commissioned a public relations strategy²⁵. A SWOT analysis has been made in this framework (see Annex 6). The strengths of the Foundation are identified in terms of early help, the large number of people reached, the national coverage and the link ("door opener") with other early intervention activities. A clear success factor of the Foundation is its networking with and through more than 1200 local pregnancy information centres.

One could see the fact that the Foundation does not provide direct assistance at local level as an obstacle, because the Foundation is more or less invisible to a larger public. Moreover, the Foundation has no direct influence on the entitlement to assistance, neither on the use of the grants provided. The grants are divided annually among the regional (*Länder*) implementation bodies on statistical criteria.

In a certain sense, one could say that strengths of and challenges for the Foundation are two sides of the same coin. The implementation through networking assures an effective reach-out to the target populations and provides the best opportunities for linking financial help with social and health support systems and organisations. At the same time, this modern governance principle could be an obstacle for the Foundation to link up with and inform the national – balanced and modern – family policy.

²⁵ Familie redlich, Agentur für Marken und Kommunikation (2008). *Federal Foundation "Mother and Child – Protection of Unborn Life" (BuMuK) - Public Relations Strategy, developed on behalf of the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth.*

Part D: Key issues for debate at the Peer Review meeting

A number of questions could be answered by the different country representatives participating in the peer review meeting:

- How do other countries deal with the poverty risk of young families/women, in particular single mothers, and are there any early preventive support measures or deliveries of assistance?
- Are there any benefits delivered by independent support schemes (such as the German Federal Foundation Mother and Child) or are there regular measures by the government which counterbalance this specific poverty risk of pregnant women?
- What projects or institutions are available that encourage women in such emergency situations to continue their pregnancy?
- Which countries have a comparable system similar to the 'Early Prevention and Intervention for Parents and Children and Social Warning Systems' action programme (Host Country Paper 3.2.1.) that aims at an early and comprehensive child protection already starting in the context of birth?
- What are the advantages and inconveniences of the governance model used by the Foundation Mother and Child? Is the delivery through networking with local (private) institutions and organisations appropriate and under what conditions could such approach being effective and efficient? Is this governance model also being used in peer countries? And how do they evaluate this governance model?

Further issues for debate could be:

1. In the first place, the more basic issue of what should be the ingredients of a balanced and modern family policy could be discussed. In this paper it has been argued that a modern family policy should aim at effective child and family protection, at enhancing social and economic (labour market) participation of men and women and at improving gender equality. A balanced approach seems to be a combination of universal and targeted family benefits; qualitative good, accessible and affordable conciliation services; gender equality measures at the labour market (gender pay gap,...) and influencing the gender division of work and care (role of men...). To what extent this statement is shared and does the work of the Foundation fits in and/or informs such approach?
2. Also the evaluation issue could be discussed. How to evaluate the effect and impact of the Foundation's work, both in terms of poverty relief and of the impact on the work and performance of all regional and local network partners?
3. Last but not least: what are the transferability possibilities and interests of participating countries?

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Relevant websites

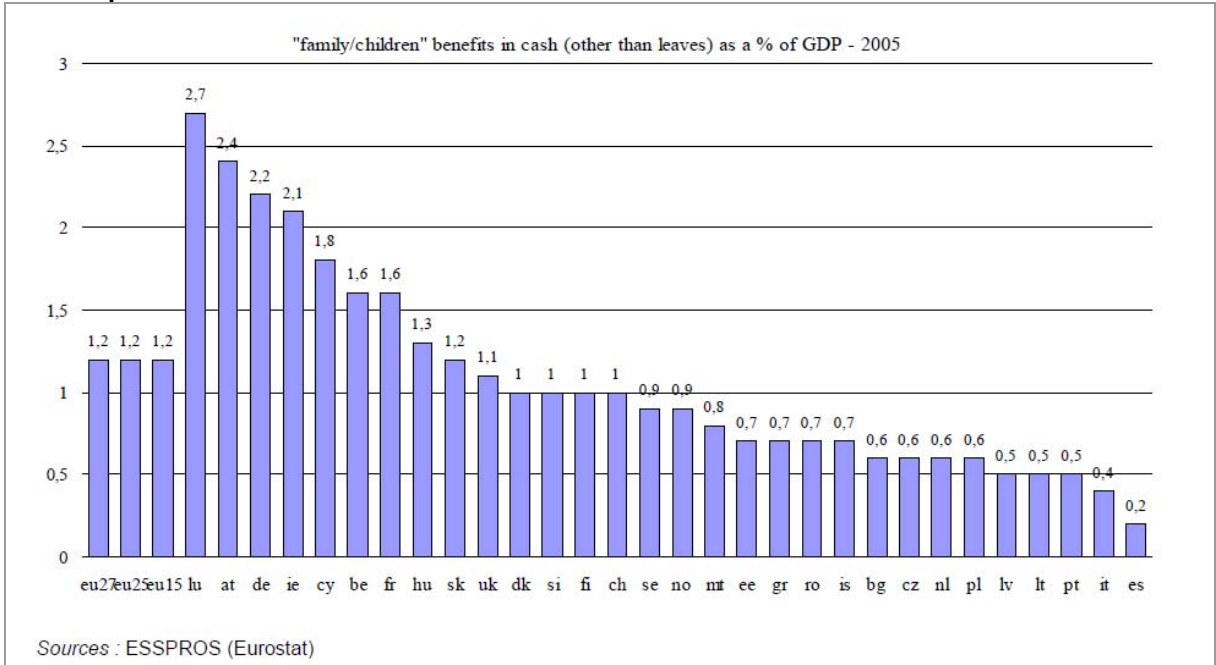
www.schwanger-info.de

www.bundesstiftung-mutter-und-kind.de

http://ec.europa.eu/employment_social/emplweb/families/index.cfm

Annexes

1 – Graph



2 – Table

Table 9: Distribution of family benefits between poor and non-poor children, EU-25, 2005

| | Non-poor | Poor children | Ratio to share of poor children |
|-------|----------|---------------|---------------------------------|
| EU-25 | 82% | 18% | 96% |
| ES | 93% | 7% | 28% |
| SE | 93% | 7% | 75% |
| LU | 84% | 16% | 77% |
| LT | 78% | 22% | 80% |
| PT | 80% | 20% | 82% |
| SK | 84% | 16% | 85% |
| AT | 87% | 13% | 86% |
| EE | 81% | 19% | 88% |
| BE | 83% | 17% | 91% |
| DK | 91% | 9% | 92% |
| LV | 80% | 20% | 92% |
| IT | 77% | 23% | 94% |
| HU | 80% | 20% | 95% |
| NL | 84% | 16% | 96% |
| FI | 89% | 11% | 104% |
| SI | 87% | 13% | 105% |
| FR | 84% | 16% | 108% |
| UK | 76% | 24% | 111% |
| PL | 65% | 35% | 119% |
| EL | 75% | 25% | 121% |
| CY | 84% | 16% | 122% |
| IE | 72% | 28% | 123% |
| DE | 82% | 18% | 127% |
| MT | 68% | 32% | 145% |
| CZ | 75% | 25% | 148% |

Source: EU-SILC (2005) - income year 2004 (income year 2005 for IE and the UK)

3 – Overview of policies to prevent or reduce child poverty (Hoelscher, University of Dortmund, 2004)

1. Policies to increase families' financial resources
 1. Bring people into work that pays
 - job creation
 - job training programmes
 - support of maternal employment
 - reduction of barriers to labour market
 - incentives to employers
 - work incentives (e.g. tax credits)
 - minimum wages

- wage supplements
 - tax exemptions
2. Improving living standard through direct cash transfer
 - social assistance
 - child benefits
 - family allowances
 - lone-parent allowances
 - disability benefits
 - maternity allowances
 - unemployment insurance
 - child support enforcement
 - child asset development
 - combat heavy debts
2. Policies to reduce expenses of families
 1. Make high quality childcare affordable
 - childcare allowances
 - access to flexible and affordable childcare
 2. Make decent housing affordable
 - housing allowances
 - access to subsidised housing
 - community and neighbourhood programmes
 - public transport
 3. Health care
 - public health insurances
 - disability benefits
 - rehabilitation services
3. Policies focusing on prevention and child well-being

4 – Overview of good practices from web site: European Alliance for Families

http://ec.europa.eu/employment_social/emplweb/families/index.cfm?langId=en&id=3

Expanding childcare

[Childminders: a personal response to France's childcare challenge](#)

[NGO childcare centre kept open during school holidays](#)

[The cocooning of micro-crèches](#)

['Maisons relais' are aptly named](#)

[Childcare services for disadvantaged women](#)

Promoting family-friendliness in companies

[Flexible working times and teleworking for employees](#)

[Flexible working hours helping employees with families at insurance company Coface Ibérica](#)

[ZF Padova employees can stay on full pay if they take parental leave](#)

[Dell Slovakia introduces family friendly policies based on employee feedback](#)

[Intercompany crèche offers long opening hours](#)

[Mothers being gradually phased back into work](#)

[Airline company develops work from home and other family-friendly measures](#)

[Forestry body puts on events for employees and their families](#)

[Parenthood Charter to help families improve their work-family life balance](#)

[Private sector employees compensated for taking time off](#)

[Making family-friendliness a factor for success](#)

[Work and family audit scheme](#)

[Awards for family-friendly workplaces](#)

[Childcare services at the workplace](#)

Improving children's well-being

[Parental training group sessions](#)

[Facilitating the transition to adulthood](#)

[New centres offer "sure start" to children and their families](#)

Strengthening gender equality

[Equality is Quality award](#)

[Financial incentives for a more equal sharing of parental leave between mothers and fathers](#)

["Who does what?"](#)

Better financial support for families

[Preferential mortgage loans for families](#)

[Financial support for purchase of care services](#)

Adapting services to the needs of families

[Netmums: offering online parenting information locally](#)

[Innovative parenting information and support services](#)

[Rennes *Egalité des Temps*](#)

[Time banks](#)

5 – Table

Table A.3. Total fertility rates and mother's age at birth of first child in 30 European countries

| Country | Total Fertility Rate (2006) | Mother's age at birth of first child (2003) |
|----------------|-----------------------------|---|
| Belgium | 1.6 | n.a. |
| Bulgaria | 1.37 | 24.2 |
| Czech Republic | 1.33 | 25.9 |
| Denmark | 1.83 | 27.8 |
| Germany | 1.32 | 28.8 |
| Estonia | 1.55 | 24.6 |
| Ireland | 1.90 | 28.3 |
| Greece | 1.39 | 27.9 |
| Spain | 1.38 | 29.2 |
| France | 2 | n.a. |
| Italy | 1.32 | n.a. |
| Cyprus | 1.47 | 26.9 |
| Latvia | 1.35 | 24.6 |
| Lithuania | 1.31 | 24.5 |
| Luxembourg | 1.65 | 28.7 |
| Hungary | 1.34 | 25.9 |
| Malta | 1.41 | n.a. |
| Netherlands | 1.7 | 28.8 |
| Austria | 1.4 | 26.9 |
| Poland | 1.27 | 25.3 |
| Portugal | 1.35 | 27.1 |
| Romania | 1.31 | 24.2 |
| Slovenia | 1.31 | 27.2 |
| Slovakia | 1.24 | 25 |
| Finland | 1.84 | 27.9 |
| Sweden | 1.85 | 28.5 |
| United Kingdom | 1.84 | 29.3 |
| EU-25 | n.a. | 28 |
| Iceland | 2.08 | 26.1 |
| Liechtenstein | 1.42 | n.a. |
| Norway | 1.9 | 27.5 |

NB: n.a. = not available.

Sources: First column: Total fertility rate in Belgium for 1997, in Italy for 2005; source: Eurostat population statistics.

Second column: DK, FR: 2003 = 2001; EE, EL, ES, UK: 2003 = 2002; FR: metropolitan France.

EU-25: Estimate ; source: Eurostat (2008).

6 – SWOT analysis

Assistance-related strengths

- The Foundation provides assistance right at the beginning of a pregnancy.
- The Foundation provides a relatively high level of secondary assistance and helps a large number of people in need.
- The Foundation rests on federal structures and operates country-wide.
- The Foundation's grants act as a 'door opener' in early intervention activities.

Assistance-related characteristics

- The Foundation provides no personal/direct assistance at local level and remains more or less invisible.
- The Foundation cannot intervene in individual cases.
- The Foundation has no decision-making authority regarding entitlement to assistance and use of the grants it provides.

PR-related opportunities

- Nation-wide growth in importance and network connections (issue leadership).
- Access to nationally important opinion-makers.
- Access to Länder-based foundations and pregnancy counselling services and thus to pregnant women in need.
- Avoidance of unjustified applications thanks to a clear description of the Foundation's purpose.
- Image-boost both for the Foundation and for BMFSFJ as pro-active supporters of women and their children, particularly during pregnancy.

PR-related risks

- Additional demands and expectations of the type the public relations strategy must combat (clear description of those entitled to apply for assistance, etc.)