How the economic and financial crisis is affecting children & young people in Europe

based on evidence collected through Eurochild membership

December 2012 - 3rd year release
How the economic and financial crisis is affecting children & young people in Europe

Written by Sandy Ruxton

December 2012
Children in alternative care
Helplines and Hotlines
Health services
Early childhood education and care
Child protection and family support services
Food and clothing support
Services for hard to reach children (e.g. Travellers, Roma)

How the economic and financial crisis is affecting children & young people in Europe
Acknowledgements and authors

This report was written by Sandy Ruxton, Honorary Research Fellow, European Children’s Rights Unit, University of Liverpool, on the basis of active contributions from Eurochild member organisations to whom Eurochild would like extend its gratitude and appreciation. The additional information for the report was collected by Eurochild’s own Nicoleta Popstoeva, whose help was invaluable. Eurochild secretariat put the finishing touches on the publication; thanks go to all staff for teamwork spirit and readiness to contribute.

EUROCHILD

Eurochild is a network of organisations and individuals working in and across Europe to improve the quality of life of children and young people.

We envisage a Europe where every child grows up happy, healthy and confident, and respected as an individual in his/her own right. We work:

• to promote wide recognition of children as individual rights holders;
• to convince policy and decision makers to put the best interest of the child in every decision affecting them;
• to encourage all those working with and for children and their families to take a child-centred approach;
• to give children and young people in Europe a voice by promoting participatory methods in child and family services, raising children’s awareness of their rights and supporting child and youth led organisations.

Eurochild currently has 116 full member organisations across 35 European countries.

For more information see: www.eurochild.org

Or get in touch with Eurochild Secretariat, Avenue des Arts 1-2, B-1210 Brussels (Belgium). E-mail: info@eurochild.org. Phone: +32 (0)2 511 70 83. Fax: +32 (0)2 511 72 98.

This publication is supported under the European Community Programme for Employment and Social Solidarity – PROGRESS (2007-2013). This programme is managed by the Directorate-General for Employment, Social Affairs and Equal Opportunities of the European Commission.

The views expressed by Eurochild do not necessarily reflect the position or opinion of the European Commission.

For more information see: http://ec.europa.eu/employment_social/progress/index_en.html
The stark evidence set out in this report shows that the circumstances of children and families across Europe have seriously deteriorated compared with Eurochild’s previous analysis of the situation in 2011. Despite greater recognition of children as independent rights holders in recent political statements of the European Union, the downward trend, jeopardising the respect of children’s human rights is evident in all three pillar areas of the forthcoming European Commission ‘Recommendation on Child Poverty and Child Well-being’: access to adequate resources; access to quality services; and children’s participation.

Key messages:

- **When social protection systems are undermined, it is the most vulnerable groups who are most affected, among them children.** Recognising the indivisibility and universality of human rights, support to the poorest and solidarity in times of crisis is essential. There is no price tag on respect for the human rights of children: social protection is about ensuring everyone a dignified life.

- **Access to preventive support services, health care and education that are affordable, available and of good quality is an investment in the future, not a cost.** The denial to children of access to these universal rights ultimately results in their recourse to intensive, specialised rehabilitation services. The social cost of addressing the consequences of exclusion, homelessness, poor physical or mental health and abuse is very high. If children grow up in poverty, their well-being today, their life chances tomorrow, and society’s future will be irreversibly damaged.

- **EU policy and funding mechanisms should be directed at tackling child poverty and promoting child well-being at all levels.** In particular, the Structural Funds should be used to support children and families, by establishing sustainable services in the community, providing early intervention mechanisms, and creating good quality alternative care placements.

---

1 Council of the European Union, Conclusions on ‘Preventing and tackling child poverty and social exclusion and promoting children’s well-being’, SOC789/EDUC283, Brussels, 5 October 2012
Introduction

CHILDREN AND THE CRISIS: EUROPEAN CONTEXT

'Out of the 100 million people under the age of 18 in the EU, around 27% are at risk of poverty or social exclusion, including 20.5% at risk of poverty, 9.6% severely materially deprived and 9.1% living in households with very low or zero work intensity. Moreover, the percentage of children living in poverty or social exclusion is on the rise in a number of Member States as a result of the impact of the economic crisis'.


Following a brief period of stimulus measures and expansion in public expenditure to counter the first impact of the crisis in 2008, most European governments introduced strict austerity measures in recent years, posing a series of threats to children and their families. Overall budget contractions have affected social sector spending and in many countries social security systems are failing to provide adequate support for the most vulnerable – among them children, who have been disproportionately affected by the austerity measures.

This study shows that since the crisis began several governments have introduced social expenditure cuts that are directly felt by children and their families. These have undermined their access to adequate resources, limited their access to – and damaged the quality of – service provision (eg. health, education, welfare), and restricted opportunities for children to participate fully in family and social life. The crisis has affected all European countries, but to different degrees. In the most serious cases, governments in Greece, Ireland and Portugal have agreed massive loan packages with the troika of the European Commission, European Central Bank, and International Monetary Fund, conditional on delivering huge cuts in social expenditure.

In the face of hardship, families inevitably adopt coping strategies; often it is mothers who act as ‘shock absorbers’, managing budgets and debt and going without in order to ensure that their families have what they need. But the long-term effects of job losses, insecurity and deteriorating working conditions, both on parents and on their children’s well-being, can be severe. The EU Member States concurred that ‘children growing up in poverty and social exclusion are less likely than their better-off peers to do well at school, enjoy good health and realise their full potential later in life, as the risk of becoming unemployed and poor and socially excluded is higher for them’.

But child poverty is not inevitable, and some countries are doing much better than others at protecting their most vulnerable children. Recent comparisons by UNICEF3 of countries with similar economies, demonstrate that government policy can have a significant impact on the lives of children. For example, Denmark and Sweden have much lower rates of child deprivation than Belgium or Germany, yet all four countries have roughly similar levels of economic development and per capita income.

A RIGHTS-BASED APPROACH

‘As the need for intervention is increasing, key services and policies supporting children and families have started to be affected by budget cuts, through tighter eligibility criteria, cuts or freezes in the level of benefits. Yet even in a context of budget consolidation, we must and we can find ways to keep investing in Europe’s children and give them the best possible start in life’.


---

2 Council of the European Union, Conclusions on ‘Preventing and tackling child poverty and social exclusion and promoting children’s well-being’, SOC789/EDUC283, Brussels, 5 October 2012

As all EU Member States have ratified the UN Convention on the Rights of the Child, they are bound to respect, protect and fulfil their international human rights obligations – including those pertaining to children’s economic, social and cultural rights – even when resources are limited. States are also obliged to ensure that recovery measures do not exclude children or exacerbate their situation, and that essential services (eg. primary education, basic health care and social assistance programmes) are protected to the greatest extent possible from reduced expenditure\(^4\).

Moving away from the dominant paradigm of seeing children solely as dependents is an essential prerequisite to realising children’s rights under the Convention. A focus purely on the needs of parents or families can render children’s rights and needs invisible and does not reflect their particular experiences in relation to access to quality services (including healthcare, education or housing), protection and care. Children must be involved in decision-making processes which affect their lives – lack of ‘voice’ is a core element of the powerlessness involved in living in poverty.

In addition, a rights-based approach should focus both on children’s quality of life and opportunities now, as well as on the longer-term effects of poverty and social exclusion on their potential contribution to society in the future\(^5\). Failure to do so risks damaging their immediate development and well-being, and may result in a ‘lost generation’.

Eurochild welcomes repeated calls by EU institutions for a multi-dimensional integrated approach to tackling child poverty and social exclusion to be mainstreamed across all relevant policy areas at EU and national levels, and concurs with other social partners that it is now time to apply this principle in practice\(^6\). The forthcoming European Commission ‘Recommendation on Child Poverty and Child Well-being’ presents a unique opportunity for EU Member States to embrace a comprehensive approach and endorse practical mechanisms through which its implementation can be monitored across the EU.

**METHODOLOGY AND STRUCTURE**

‘The impact [of the economic and financial crisis] has been essentially twofold. On the one hand, rising unemployment has significantly reduced incomes and increased the risk of poverty for some families. On the other hand, the increased emphasis on reducing budgetary deficits and the introduction of austerity measures has led to cut backs in services essential for children’s development and wellbeing and has, in some countries, led to restrictions or cut backs in income support for families with children’.


Since 2008 Eurochild has regularly asked its member organisations to provide information on how the crisis is affecting children and families and their work with them. Our *last year report*\(^7\) highlighted some key themes: rising absolute poverty levels; growing unemployment, especially among marginalized groups; salary cuts increasing in-work poverty; young adults lacking job prospects; growing numbers of children at risk or in the public care system; negative impacts on children’s mental health; squeezed family budgets; and rising family tensions and discrimination.

The current report finds that these overall themes are still relevant, and presents additional and updated information about the situation of children and families. The report draws primarily upon responses to a survey of Eurochild members and partners carried out between July and September 2012. The survey received 25 responses, mainly from NGOs in EU Member States, but also from other European countries (Bosnia Herzegovina, Moldova, Kosovo) that are affected by the crisis in the EU as well. Given the increasing demands on organisations, and their declining capacity to respond as a result of the severe funding cuts they face, many Eurochild members who would have wanted to reply to the survey were unfortunately unable to do so.

The survey has been supplemented by information and data from other reports and papers on the impact of the crisis. In particular, we have sought where possible to close gaps in country coverage, and to ensure that information from the

---


\(^7\) http://goo.gl/H94Dw
survey responses on specific countries is well-evidenced. We note, however, that the way the crisis is playing out shifts over time, and that it has therefore been necessary to draw upon sources such as newspaper articles, as well as the available academic and policy literature.

It hard to assess the impact of the crisis on children and families accurately and survey data in this area must be treated with caution. Comparisons between countries are hazardous; data collection methods are not harmonized between countries, and different countries are at very different stages of development too. It is also hard to separate out the specific impact of the current crisis on children and families from the impact of longer-term poverty, social exclusion and inequality that predated the crisis. Finally, it is difficult to disentangle the direct and indirect impacts of the crisis on children and their wider families.

Whilst acknowledging some limitations to the survey findings presented here, what is clear is that our evidence most likely under-represents the extent of the negative impact of the crisis on children and families – and that the situation is likely to get worse. As UNICEF has argued8: ‘It is nonetheless evident that front-line services for families are everywhere under strain as austerity measures increase the numbers in need while depleting the services available. It is also clear that the worst is yet to come. Many families, even those on low incomes, have some form of ‘cushion’ – whether in the form of savings, assets, or help from other family members – by which to maintain spending during difficult times. There is therefore almost always a time lag between the onset of an economic crisis and the full extent of its impact.’

The report mirrors the proposed structure of the forthcoming European Commission ‘Recommendation on Child Poverty and Child Well-being’. It is therefore separated into different sections reporting on the impact of crisis on children’s access to adequate resources (section 2), access to quality services (section 3), and child participation (section 4). The report also presents the evidence of the impact of the crisis on Eurochild member organisations (section 5). It then continues to outline the European policy initiatives taken to counteract the crisis (section 6) and propose recommendations to the European and national decision-makers (section 7).

---


How the economic and financial crisis is affecting children & young people in Europe
A recent report proposed a new EU material deprivation indicator related to children (aged 1-15) to measure and compare the living standards of children in different households (and different countries). On the basis of this indicator, 21% of children in the EU are materially deprived. But proportions vary considerably between Member States, from 3.7% in Sweden, Denmark, the Netherlands, Finland and Luxembourg to more than 70% in Bulgaria and Romania.


1. Access to adequate resources

The EU Social Protection Committee state that ‘while, on average, earnings represent 90% of the gross income of households with children, this proportion falls to 60% for families that are at risk of poverty. Social transfers (other than pensions) represent 1/3 of the gross income of households with children living under the poverty threshold, with family allowances playing the biggest role in supplementing the income of these households’. Based on data from 2010, they group EU countries according to three profiles in terms of the effectiveness of their system of social benefits and the way they interact with labour market participation:

- Group 1: Impact of social transfers is effective compared to the EU average; low share of children in households with very low work intensity; children in working households face low risk of poverty (Denmark, Finland, Sweden, Germany, Austria, Netherlands, France, Czech Republic, Slovenia, and, to a lesser extent, Belgium, Cyprus and Estonia).
- Group 2: Children in households with very low work intensity are numerous; they are protected to a greater degree by the impact of social transfers, and therefore relatively less exposed to risk of poverty than in other EU countries (Ireland, Hungary, UK).
- Group 3: Low impact of social transfers in reducing child poverty risk; children in medium-high work intensity are exposed (Bulgaria, Greece, Spain, Italy, Lithuania, Latvia, Poland, Portugal, Romania and Slovakia).

This basic categorisation is supplemented by more recent information from Eurochild members and from other sources. For example, in Estonia, the subsistence and single parent allowances paid in the first semester of 2012 amounted to 12 million euros - 13 percent less than for the same period in the previous year; this is largely because fewer people were eligible for allowances. In 2013, the government plans to raise child allowances for families living in ‘relative poverty’ from 19 to 28 euros per month. In Finland, families with young children bear the heaviest burden from increases in indirect and direct taxation and from rising food prices - and child benefit payments have not been increased in line with the rising cost of living. In Denmark, child benefits for families earning over 761,000 kroner (€102,000) will be scaled down. In future, social welfare benefits will rise in line with inflation and not in line with the average wage increase, saving 3 billion kroner. France maintains a generous system of cash benefits, tax breaks and pre-school childcare provision; it does not especially target the poorest families but has a more holistic approach and a more universal coverage, taking into account middle class families too. Some types of family (eg. single parent and large families) are eligible for extra benefits or means-tested premiums. Although the proposed 2013 Budget envisages significant tax rises, and cuts to public expenditure in some areas, it appears that allocations for families and children will be largely protected.

In Ireland, the government is implementing major structural reforms to the social welfare system, with transfer of payments to a single working age payment. Child benefit was cut for larger families in Budget 2012 (in addition to similar cuts in the two previous years), and for all children in Budget 2011 and 2010. Budget 2012 also saw severe cuts

Families pressured by increased tax and food prices, Helsinki Times, 19 April 2012

How the economic and financial crisis is affecting children & young people in Europe 7
Impacting on lone parents who are on social welfare or in low paid insecure jobs, at the same time as they will be required to move onto Jobseeker’s Allowance (ie forced to look for jobs) when their youngest child is seven (One Family). In the UK, the past year has seen major tax credits and benefits changes previously announced by the Government come into effect. Child Benefit rates have remained frozen (and will continue to be so until 2014), and couples with children are now required to work at least 24 hours a week rather than 16 to be eligible for the Working Tax Credit. From January 2013 Child Benefit will be withdrawn from households where someone has an income over £50,000 (€62,110) a year. A benefit cap will come into effect in April 2013 which will limit the amount of benefit – including housing benefit – that couples and lone parent households can receive to £26,000 (€32,300) a year. The major structural reform of ‘Universal Credit’ will also be introduced in October 2013, replacing the main existing benefits with one integrated system; there are fears that some people may be worse off in work and struggling to manage their finances, with many left to deal with a more complex benefits system than before.

In Portugal, cuts in child care benefits in 2010 and 2012 were particularly severe and had a significant impact on the income of many families with children. The new restrictive eligibility criteria for social benefits can lead to some beneficiaries being unduly deprived of access to social welfare which can also constitute an important reduction in their incomes. In total, the state reduced its support for families with children by 30% between 2010 and 2011 (EAPN). In Spain, in 2010 the only universal benefit for families with children – the ‘2,500 euros’ provision for those with newborns – was cut completely, and Child Benefit has also been reduced significantly. Over the past two years, there have been reductions in assistance from almost all regional governments; these include cuts in the amounts available, restrictions in coverage, and the elimination of certain measures.

**UNEMPLOYMENT**

Over the past 13 months to April 2012, the number of unemployed in the EU has risen by more than 2 million and is now over 25 million overall. The trend in unemployment remains upward in most Member States, but the rate of increase has slowed over the last three months. Compared with a year ago, the unemployment rate has risen in 15 Member States, with the highest rises in Greece (+ 1.1pp up to February 2012 to 21.7%), Spain (+0.8 pp to 24.3%), Italy (+0.7 % to 10.2%), Cyprus (+0.5 pp to 10.1%), Portugal (+0.5 pp to 15.2%) and Bulgaria (+0.5 pp to 12.6%). Some countries – e.g. Estonia, Malta, Hungary, Ireland, Slovakia, Germany, UK - saw their unemployment rate go down over the same period. At 22.4% in April 2012, the youth unemployment rate (i.e. 15-24 year olds) remains extremely high compared to the average. The youth unemployment rate is now over 15% in all but four countries (Austria, Germany, Malta and the Netherlands). At the other extreme, unemployment affects more than 30% of active young people in Bulgaria, Italy, Portugal and Slovakia, and half in Greece and Spain. Wide disparities in early school leaving rates (which are more frequent among young people from disadvantaged backgrounds, among migrants and ethnic minorities, and among boys) exist between Member States, but across the EU, more than half of young people who drop out of school are unemployed. The proportion of young people who are neither in employment, education, nor in training (NEET) continues to increase.

In 2010, 9% of children in the EU lived in households with ‘very low work intensity’ (i.e. working less than 20% of their total work potential during the past year). But there are wide variations among Member States, from less than 4% in Cyprus, Luxembourg, Slovenia and Greece to more than 12% in Belgium, Latvia, Hungary, 17% in the UK and 25% in Ireland. The situation has become worse with the crisis: between 2008 and 2010, the number of children living in households with very low work intensity in the EU increased by 3 million. The EU Social Protection Committee notes, however, that ‘having a job remains the best safeguard against poverty and social exclusion, but it is no guarantee. In 2010, 10.7% of the working population, living in a household with dependent children, had an income below the national poverty risk threshold, as against 8.5% of the overall working population’. Lone parent families, 90% of them headed by women, are at particular risk of in-work poverty.

---

13 Family and Parenting Institute, the family report card 2012: must try harder.
In times of economic downturn and rising unemployment it is particularly important for social protection systems to be effective in cushions falling income for those becoming unemployed, and their households. However increased unemployment may make a high level of protection unsustainable for countries with high budgetary deficits and debt. In practice, the cushion effect of social protection system across the EU on households income started weakening after 2009 – and in some countries more and more people are not covered by any scheme at all.19

A comparison of the effectiveness of the cushioning effect of the tax-benefit systems in eight EU countries (Bulgaria, the Czech Republic, Greece, Spain, Latvia, Poland, Slovakia and the UK) found that countries with relatively generous earnings related unemployment benefits and those where the households of the newly unemployed retain high levels of market income perform relatively well in terms of income protection. However, ‘once entitlement to unemployment insurance is exhausted, and especially if households have no other market income to fall back on, the picture is different’.20

These findings are based on 2009 tax-benefit rules, and they also take no account of any non take-up of benefits; the results therefore measure the intended effects of the tax-benefit systems, rather than necessarily reflecting what happens in practice. Responses to the Eurochild survey suggested that in several countries benefits for the unemployed had recently been cut, and organisations tended to be very critical of the new arrangements. For example, in Spain unemployment benefits for new applicants have been reduced and new rules have been introduced that make access to them more difficult (Aldeas Infantes SOS). In Denmark, the period of unemployment subsidy has been reduced from 4 years to 2 years (Joint Council for Child Issues). In Portugal the amount of unemployment benefit has been cut so that it has ‘a limit 20% lower and gradually reduces to 10% of the amount initially paid’; it also lasts half the previous amount of time (Sérgio Hugo Costa Araújo, Eurochild associate member). In Ireland, a range of adult social welfare rates were cut in the 2011 Budget. Benefit sanctions have also been introduced for claimants failing to take up offers of employment or training.21 In the UK, ‘there is a huge package of welfare reform measures that have been agreed by the UK Parliament - unemployment benefit and most other benefits and tax credits are being replaced by a ‘universal credit’. The UK government claims that this will not make people worse off though most poverty campaigning groups and benefits advice agencies disagree strongly’ (Children in Scotland).

**RENT/MORTGAGE ALLOWANCES**

The European Commission’s Quarterly Review of the EU Employment and Social Situation in June 2012 stated that ‘An increasing number of people, who lost their job due to recession, are facing difficulties in paying rents or servicing their mortgages. The resulting homelessness is expected to become an important social issue over the coming years. In spite of acute lack of reliable EU-level data, the available evidence shows that foreign nationals and young people have been disproportionately affected. On the other hand, the austerity budget cuts are likely to diminish the capacity of the welfare state to alleviate homelessness’.

The Review found considerable variation in the extent to which countries had been able to contain the spread of homelessness by effective assistance schemes. For example, it argued that Ireland limited the repercussions of the real estate crash through dedicated actions against homelessness taken by the government, municipalities and charities. But in January 2012, the government stated that the rent being paid by people on rent supplement was too high in some areas and issued new maximum rents tenants could pay. The personal contribution a tenant would have to make was also increased from €24 per week to €30. Tenants themselves would have to renegotiate rents with landlords. If they could not achieve lower rents, their supplement would be stopped and they would have to find alternative accommodation. Housing organisations say this is forcing the poorest tenants into accommodation that does not meet legal minimum standards, and others into homelessness.23

In Estonia, more and more families with children and people have been having recourse to homelessness services which cushioned the first crisis shock wave and provided accommodation to those in dire need, notably families with children.

---


Yet in the longer run, the available social aid is proving insufficient to offset the high unemployment and persistent financial difficulties. The UK government introduced measures at the end of 2008 to make it easier for homeowners to defer mortgage payments if they faced a temporary or unexpected drop in income, with the express intention of reducing repossessions. However, for low income families Children in Scotland pointed out that ‘a limit will apply from 2013 to the amount of housing benefit any household will receive, irrespective of the rent they have to pay. This will affect families in high-rent areas such as central (and not so central) London where benefit will not now cover all their rent. This means of course they will have to make up the shortfall out of their other income or move to a lower cost area’. These reforms will result in around two million households receiving lower benefits, with a smaller number of households receiving substantially less.

The Review also states that in Latvia, where there is no strategy to reduce homelessness, the number of homeless people increased dramatically following the crisis. Similarly in Hungary, many people lost their homes having been unable to pay the rents or service their mortgages and no government scheme offered assistance. In Spain, in 2010, there were 18,152 evictions, around 5 a day, and the number has remained at this level in 2011. Evictions have also increased in Portugal as a result of non-payment of mortgages. In Italy, the number of families unable to make mortgage payments had risen to an alarming level of one in four by the first quarter of 2011, suggesting a continuing rise in the number of evictions.

**RECONCILING WORK AND FAMILY**

Mechanisms to assist parents to reconcile work and family life and participate in the labour market are essential to tackling child poverty and improving children’s well-being. Whilst Eurochild’s survey provided little information about changes to leave arrangements (eg. Maternity leave, Paternity leave, Parental leave) over the past year, a review by the International Network on Leave Policies and Research provides an up-to-date picture. This found that arrangements had improved between April 2011 and 2012 in a wide range of countries, including improved Maternity leave (Croatia, Poland), new or improved Paternity leave (Austria, but for public sector only, and Poland) and improved Parental leave (Belgium, Greece, Netherlands, and Sweden). Germany introduced ‘Familienpflegezeit’ (family caring time) to allow employees to reduce their working time for up to two years to a minimum of 15 hours, if they need to care for a dependent relative; during this period they are paid a lower income. Other countries reported policy proposals and discussions, which had not (as yet) led to any policy changes. Most significantly, the Finnish government is preparing a gender equality programme, which emphasises in its draft the development of tools for a more equal sharing of child care responsibilities and proposes an increase of leave earmarked for fathers. The UK government has conducted a consultation on re-configuring leave policy, intended to reduce the length of Maternity leave and pay, but extend Parental leave.

Cuts affecting payment for leave takers have been implemented in four countries. In Greece, ‘due to job cuts, dismissals, high unemployment, the conversion of full-time to part-time jobs, rotation, undeclared work and generally high employment insecurity, both leave entitlement and leave use have been negatively affected’. Working mothers returning from maternity leave have been offered part-time work and job shares, reducing their levels of pay. In Spain, the removal of additional measures to parents taking leave provided by regional governments (Autonomous Communities) has been announced. These regional benefits have already been reduced or else income ceilings have been increased. In Lithuania from January 2012, the maximum monthly benefit paid to working parents has been reduced, and Parental benefit was also reduced for parents taking the two year paid leave option. In Slovenia, austerity measures from June 2012 include a decrease in the payment for Parental and Paternity leave.

---

2. Access to quality services

IMPACT ON CHILDREN’S SERVICES

A good range of quality public services is a critical component in making children’s rights a reality in any country. Outcomes for children are also closely bound up with those for women; women remain the primary carers for children and the main users of (and workers in) frontline public services. Cuts to public spending therefore have the effect of transferring greater responsibility for care onto women and reinforcing traditional gender roles, and have a particularly strong impact on poverty among women and children.27 28

The survey also provides evidence of how government cuts – either proposed or implemented - have undermined particular services, either directly or indirectly, such as statutory services providing support for children and families; education services; school meals and school transport; and services for hard to reach children.

Statutory services providing support for children and families

A clear finding from the literature and survey responses was that many statutory services had suffered cutbacks as a result of the economic crisis. This was not however universally the case. In France, for instance, during the 2008-2011 period, there have not been significant cuts in the social action budget of the CAF (Caisse d’allocations familiales). CAF’s social action covers several functions such as childcare services, leisure time, social support, housing support, social facilitations and other family benefits like back-to-school allowance. CNAF (Caisse Nationale d’allocations familiales, the French National Family Fund) report that: ‘As a reaction to the crisis, family policy has been used as part of a stimulation policy for economic recovery’.

In contrast, in some countries the impact was described as particularly severe. Of Greece, for example, one survey response stated that ‘the recession and the financial problems are too high, so the whole situation - economic benefits, educational programmes etc. - has changed thoroughly…there is a cut in every service regarding children and this situation has influenced all fields’ (Iliachtida NGO – A Hospice for Children). Another, that ‘there is a general cut and reduction to the budget. Thus, all are affected either directly or indirectly’ (Socialist Women’s Movement).

In Spain too, all services for children and families are being affected by the crisis and austerity measures: ‘Not only is direct aid to families, but also health services, the education system and services social are being seriously affected. The reductions in both current expenditure (including staff) and investment are widespread and will probably increase in the future, which will undoubtedly have implications for coverage and service quality’.29

In Ireland, the 2012 Budget has led to concerns about ‘the cumulative affect the cuts to social welfare and public services coupled with the imposition of more taxes will have on vulnerable low income families’.30 In 2011, a UN Report strongly criticized the Government’s policy of making major cutts in public services while keeping Ireland a low-tax country, stating that this approach hits poor people hardest in a time of recession.31

In the UK, investment is being made in parenting classes, relationship support, childcare for disadvantaged two-year-olds, and in tackling the problems faced by families with complex needs. However ‘far-reaching cuts to local authority budgets will have a mounting impact on family life across the country’.32 Children in Scotland highlight that local authorities and regional health boards have all experienced significant reductions in their overall budgets (though the nature of the reduction will vary from place to place). Children in Wales state that ‘many support organisations are reporting increased requests for help and advice’.

32 Family and Parenting Institute, the family report card 2012: must try harder.
In **Romania**, since January 2010 there has been a reduction of 25% in the gross income of all personnel in state services. A large number of people have left their jobs to find better paid solutions, most of them abroad. As a result many positions in hospitals and child care services remain vacant due to a freeze on employment – and even if hiring is allowed, low pay means that the applicants are often underskilled (Hope and Homes for Children – SMT).

It is of course important to remember that in some countries there were fewer services to cut before the crisis. As Hope and Homes for Children BiH (**Bosnia Herzegovina**) put it: ‘There have been no cuts in services for children and families as a result of the financial crisis but some of these services are insufficient anyway...the overall poor economic standing of the country makes development of new services virtually impossible’.

**Impact on equality of access for children to quality services**

There were several replies commenting on the damaging impact of the cuts on equality of access for children to quality services. EAPN **Portugal** stated, for example, that it was possible to measure the impact of the crisis in terms of equality in access to services: ‘It is clear that unemployment and the cuts in subsidies have a direct influence on child care and child opportunities. Especially in terms of other activities like sports, arts (music) because families don’t have enough money to maintain their children in these extra activities’.

In **Spain**, Aldeas Infantiles SOS reported that: ‘The decrease in rights protection levels – eg. housing, health, education, work - harm in a disproportionate way the most vulnerable groups, among them, children: reduction of economic help and grants, co-payment for medicines, employment elimination (lack of income), evictions, etc.’. In Catalonia, Esplais Catalans – Esplac opined that ‘The breach between those affected by the austerity measures and those who are not is quite wide, which establishes a clear inequality in access to quality services for certain children’.

In **Wales** the example of lack of equal access for disabled children was highlighted: ‘For many years there have been challenges is ensuring that there is equality of access to services. A recent piece of research for Early Support has highlighted the issues for disabled children’ (Children in **Wales**). This reality is also reflected in other Member States.

Outside the EU, Hope and Homes for Children BiH, **Bosnia Herzegovina** reported similar findings: ‘Cuts in public pay, rising living costs, and loss of jobs have certainly impacted on equality of children’s access to quality services (in particular pre-school education, early years education, early prevention)’.

**Education services**

A recent Organisation for Economic Co-operation and Development (OECD) report was clear that education is even more important during a recession than it is in good times; and cautioned against cutbacks in education spending, stressing the link between investment in education and economic growth, productivity, and reducing social inequality.33

Despite this warning, cuts to education budgets have been severe. In **Spain**, for instance, there has been a clear trend to reduce education services, such as extracurricular activities, provision of textbooks and free meals for students from families with limited income, with cuts of over 20% to school and higher education budgets. As one survey response put it, all state education (including early year’s education and care, and primary education) will be directly affected by austerity measures and quality will be reduced: ‘Increasing number of children in one class, increasing number of hours teachers will need to do, decreasing number of teachers and investment in materials, decreasing investment in improving conditions of classrooms and schools, decreasing investment in research in new pedagogical methodologies and ongoing training for teachers, increasing prices for access to kindergartens’ (Esplais Catalans - Esplac).

Budgetary stringency is also affecting education in **Portugal**, including higher education. The education system continues to be confronted by the challenge of a high number of pupils leaving school early. In April 2012 the government announced that the number of pupils per class would increase to 30 students (EAPN).

In **Ireland**, teacher numbers have been cut in 2012, coming on top of cuts made in successive budgets that reduced capitation grants to schools, cut language support teachers, education psychologists and abolished grants for music, home economics and school libraries. Whilst the 2012 Budget maintained funding for special needs supports in schools, previous years had seen cuts in this provision (Children’s Rights Alliance, Ireland).

Public spending on education in the **UK** grew rapidly between 2000 and 2009-2010, but it has been estimated that it will fall by 3.5% per year in real terms between 2010–2011 and 2014–2015 - the largest cut in education spending over any four-year period since at least the 1950s. Current spending on schools will see the smallest real-terms cut (about 1% in


12 How the economic and financial crisis is affecting children & young people in Europe
total), with the largest cuts in current spending on higher education (40% in total) and capital spending (more than halved). Spending on the early years and youth services is expected to be cut by over 20% in real terms.\textsuperscript{35}

Cuts in public budgets for mainstream education and/or for special school education for children with disabilities and for vocational training for young adults with disabilities have occurred in a series of Member States. Some countries have suspended earlier plans to promote and implement mainstreaming in education for children with disabilities as a consequence of the budgetary crisis.\textsuperscript{36} In Germany, cuts have been applied to special education programmes with the purpose of implementing an inclusive school system (European Network of Masters in Children’s Rights, Germany). In Bosnia Herzegovina, funds are scarce for engaging teaching assistants/special needs teachers in mainstream schools, and over the past few years, no additional funds have been allocated by governments in this area (Hope and Homes for Children BiH).

**School meals and school transport**

The survey indicated that in some countries, provision of schools meals and school transport – limited before the crisis – have declined further since. In Ireland, for instance, there is no school meals scheme, and the cost of school transport has increased (which will hit rural families particularly hard). In Cyprus, there was a cut in school transport in 2011. In Slovenia, neither school meals nor school transport are free. Perhaps the most extreme example is from Moldova, where following the closure of some schools, ‘children had to walk or go by horse and cart to schools in neighbouring communities; many children were held back home by parents in winter months, especially younger children’ (CCF Moldova / Hope and Homes for Children). Having said this, survey respondents also provided some examples of attempts to improve services and protect vulnerable children. In Wales, ‘there is a proposed premium coming out to schools to provide extra support to children who receive free school meals, which is the standard measure of poverty in schools’ (Children in Wales). In Bosnia Herzegovina, school meals and transport subsidies have been introduced for disadvantaged children in many cities and towns (Hope and Homes for Children BiH).

**Services for hard to reach children (e.g. Travellers, Roma)**

The downward spiral of social exclusion of Roma people that was evident in many countries even before the crisis has recently increased, aggravated by xenophobia leading to greater segregation in many countries.\textsuperscript{37} In 2012 EU Member States developed National Roma Integration Strategies, following the European Commission’s adoption in 2011 of an EU Framework for National Roma Integration Strategies up to 2020.\textsuperscript{38} This process has given additional visibility to the poverty and social exclusion Roma children – and other related groups such as travellers and gypsies – face. However a Eurochild review in 2012 concluded that the Strategies ‘do not pay adequate attention to the disproportionate and particular effects of poverty and social exclusion on Roma children, and of specific measures to promote their inclusion and wellbeing holistically’. Most Strategies pay some attention to early childhood care and education (ECEC), but some (e.g. Sweden, Portugal, Italy, Denmark, Lithuania, Cyprus, Latvia, Ireland, and the UK) have little to no mention of the importance of improving ECEC for Roma children. In practice, attendance rates are often low. According to the World Bank, in Bulgaria only 45%, in Romania 37%, in the Czech Republic 32%, and in Slovakia 28% of Roma children aged 3-6 are in pre-school.

Though the issues are widely recognised, it is unclear to what extent budgetary constraints are preventing Member States from implementing the commitments set out in their Strategies. Survey evidence from Slovenia indicates that 20% less money is available for NGOs working with Roma. In Ireland, the ‘Visiting Teachers for Travellers’ scheme was abolished in 2011. In Slovakia, the Commissioner for Human Rights of the Council of Europe has reported that although €200 million were allocated for Roma inclusion projects over the period 2007-2013, ‘the extent to which the funds have actually been used to help excluded Roma communities out of marginalisation is unclear’; he criticizes the lack of effective statistical monitoring.

\textsuperscript{35} Chowdy H., Sibieta L. (2011) Trends in Education and Schools Spending. Institute for Fiscal Studies

\textsuperscript{36} EFC European Consortium on Human Rights and Disability (2012) Assessing the Impact of European Governments’ Austerity Plans on the Rights of People with Disabilities, Bernhard Brunhes International BPI group


\textsuperscript{39} Eurochild (2012) Review of National Roma Integration Strategies


\textsuperscript{41} Children’s Rights Alliance (2012) Report Card no. 12, Ireland

\textsuperscript{42} Report by Thomas Hammarberg, Commissioner for Human Rights of the Council of Europe, following his visit to Slovakia, from 26 to 27 September 2011, https://wcd.coe.int/ViewDoc.jsp?id=1885987
REQUESTS FOR SUPPORT

The survey asked whether services for children and families had received more requests for support across a range of areas of provision since the crisis began. Responses are summarised below under the following headings: food and clothing support; debt and financial advice services; child protection and family support services; early childhood education and care; health services; helplines and hotlines; and children in alternative care or institutional settings.

Food and clothing support

The evidence suggests a dramatic increase in the need for food and clothing support across a range of European countries. In Greece, for instance, it has been reported that one in 11 residents of greater Athens – some 400,000 people – now visits a soup kitchen daily. A network of some 400 welfare organisations, from old people’s homes and orphanages to drop-in centres for the homeless and church, voluntary and municipal soup kitchens, takes up donations redistributed through the rapidly growing Boroume organisation, from fast food chains, grocers and multinationals. In Spain, the Red Cross recently made its first ever public appeal to help those affected by the economic crisis. Before the crisis, it mainly helped immigrants but, with one in four adults out of work, more and more Spanish families rely on food hand-outs. In Portugal, Lisbon’s Banco Alimentar (food bank) - apparently the largest in Europe - operated by 15 full-time staff and some 150 volunteers, processes 12,000 tonnes of food a year, roughly as much as the rest of the country’s 10 food banks put together. Last year the 150-odd local charities it distributes food to (it is not allowed to donate to individuals) helped feed 150,000-160,000 people, a figure that has been growing steadily over the past two or three years. According to EAPN Portugal, ‘children represent approximately a third of the persons using food banks’. According to Save the Children, one in every four children in Italy is at risk of living in poverty – and an increasing number of families living in the country’s south are only able to provide their children with one meal every two days. In the UK, figures from the Trussell Trust show that their rapidly expanding network of over 250 foodbanks fed 128,697 people (including 45,898 children) nationwide in the last financial year, compared to 61,468 in 2010-11: an increase of 109%. Many of those helped were families struggling as a result of rising food and fuel prices combined with static incomes, high unemployment and changes to benefits.’

The Eurochild survey provided further evidence of hardship. In relation to Ireland, the Children’s Rights Alliance state that ‘The cut in the Back to School Clothing and Footwear Allowance in Budget 2012, the only payment dedicated to supporting parents with the cost of school, will seriously affect parents’ ability to provide for their children at this important time of year’. In Slovenia, the Eurochild member organisation reported that ‘Some children go hungry now. This is the reality. Some children have only clothes from Caritas or Red Cross’. In Bulgaria, as a measure in response to the economic crisis ‘a network of crisis centres for homeless people has been developed...and soup kitchens were opened throughout the country. The poorest families with their children also have access to these services’ (National Network for Children). Hope and Homes for Children BiH (Bosnia Herzegovina) stated that ‘Cantons report a significant increase in the number of applications for one-off financial support provided by Centres for Social Work to families meeting the criteria. Funds for this type of benefit are provided in municipal budgets which are continuously being sliced’.

Debt and financial advice services

The survey provided some evidence on how the crisis has been affecting debt and financial advice services. According to Children in Scotland, ‘Citizens Advice Scotland who provide (among other things) money and debt advice, report a 10% increase in referrals this year - this is despite their own service being reduced due to reduction in local authority grant funding’. EAPN Portugal reports that ‘the number of families with problems paying their loans has increased substantially in the past two years’; there has also been a steady increase in requests for support received by the debt advisory service DECO, with demand tripling over the four year period up to 2011. In Ireland, Citizens Information Services and the Money Advice and Budgeting Service have all reported an increasing number of clients in recent years. They state that: ‘Many of the queries from the public relate to the economic downturn, particularly in relation to social welfare entitlements. Issues related to job loss feature consistently. Many of these queries point to difficulties and challenges faced by newly welfare dependent and low-income (usually work-poor)’. 

---

43 Henley J., ‘Greece on the breadline: how leftovers become a meal’, Guardian newspaper, 14/03/12
44 BBC news, ‘Red Cross to make Spain appeal as economic crisis bites’, 9/10/12, http://www.bbc.co.uk/news/world-europe-19881851
46http://www.presstv.com/detail/2012/05/26/243132/italy
47 Trussell Trust, ‘100% increase in numbers fed by foodbanks’, 26/04/12
48 Citizens Information Board, Pre-Budget 2012 Submission
Research by Eurofound similarly suggests there has been increased demand for debt advisory services over the past few years in several EU Member States. For example, they found that even in relatively affluent Sweden, in spite of the impressive growth in the economy during the past three years, an increase has been observed in demand for debt and financial advice.

**Child protection and family support services**

Violence against children and domestic violence in EU Member States appear to be increasing as a consequence of the economic and financial crisis. According to the EU’s Social Protection Committee, 'The complex and multi-layered problems faced by families suffering persistent hardship need to be better understood and addressed through early intervention and support, to avoid escalation that can lead to neglect, abuse and violence. However, cuts in budgets for preventive and protection services supporting families and children are likely to exacerbate the situation, with negative long-term effects also for the society at large'. Increasingly, however, it seems that a particular child protection paradigm is becoming prevalent across a range of countries – fuelled in part by the crisis. The main focus is on targeted measures to protect children from harm and on the assessment of 'risk' to children by family and caregivers, with universal child welfare or support for families deprioritized.

There is evidence from several countries of increasing financial pressures on child protection and social services. In the UK, research by the Association of Directors of Children’s Services has revealed a 51% increase between 2007/8 and 2011/12 of children becoming subject of a Child Protection plan - and an 8% increase on last year. Where authorities have experienced increases in safeguarding activity, the single most quoted presenting issue is domestic abuse and associated concerns. Information from Eurochild’s survey complemented this data. According to Children in Scotland, ‘child protection referrals in Scotland have been rising for several years. Some of this is due to greater public awareness after a couple of high-profile child protection tragedies. However there was a 2% increase in children actually registered on Child Protection Registers last year and the number on statutory Child Protection Orders increased by over 100%’.

In Ireland, the figures for 2007-2010 show a year-on-year rise in reports received by social work departments for both child protection (by 23%) and welfare reports (29%). The Health Service Executive states that ‘this in part reflected a growing 0-17 population but also was influenced by more difficult economic conditions over the previous years which in turn place strains upon families. This presented a very substantial demand on limited social work resources. This trend is likely to continue in the future unless more resources are provided for early intervention, to help families before the concerns escalate’.

In Slovenia, there is more need for child protection services, but parents find them hard to access because of lack of time and heavy work schedules. In Moldova, since January 2010 ‘all vacancies in Child Protection Departments at the local level were frozen due to the economic crisis’ (CCF Moldova / Hope and Homes for Children).

**Early childhood education and care**

The European Commission ‘Communication on Early Childhood Education and Care’ (2011) stresses the need to go beyond earlier conceptualizations of children’s services purely as childcare for working parents; it highlights the importance of integrating care and education, and addressing children’s needs (cognitive, social, emotional, physical) in a holistic way. A forthcoming report by Eurofound (November 2012) looks at what is preventing people from accessing childcare services. It reveals that almost six out of ten say that cost and availability are the main obstacles. Distance or opening hours are preventing one in four (41%), while more than one quarter (27%) claim that the lack of quality services are among the highest on all counts in Greece, and costs were identified as a...
problem for people especially in Malta and the UK. Availability is especially an issue in some countries but the lack of services is evidently widespread. These problems particularly affect women and their ability to participate in the labour market.

The responses to Eurochild’s survey suggest that the sector remains under considerable strain. In Spain, the Educa3 Programme for nursery education up to 3 years old has been cut completely, and in some communities fees for public nursery schools have risen by 25% (Aldeas Infantiles SOS). Similarly, in relation to Portugal, EAPN argues ‘it is urgent to create more public services as families don’t have money to pay for private schools and preschools’. It appears that quality has also been damaged. In Greece, ‘the austerity measures led to less jobs. Thus, fewer people work in childcare and early years education, and consequently the quality of the services is not up to accepted standards’ (Socialist Women’s Movement).

In Ireland, ‘many community-based childcare services are closing due to funding regimes, limiting access to these facilities. This is particularly problematic outside metropolitan areas and heightened in rural areas’ (One Family). More positively, from January 2010 the Government provided pre-school to every child for up to three hours a day in the year prior to commencing primary school, and it is committed to rolling out the free preschool year over two years.

In the UK, the percentage of early years providers rated as good or outstanding has increased but a gap remains between the quality of provision in the most and least deprived areas. The innovative network of ‘Sure Start’ centres set up by the previous government as part of a significant investment in early years provision is being undermined; there were 3,631 Sure Start centres in April 2010, and only 3,350 by June 2012. A survey by the Pre-school Learning Alliance found that 87 per cent of childcare settings believed the costs they will face in providing free places for two-year-old children from disadvantaged backgrounds (a government initiative from 2013) will not be covered when the scheme is rolled out. Welfare reforms will also reduce the proportion of childcare costs that can be claimed against tax.

**Health services**

In many EU Member States – and neighbouring countries - healthcare systems have been under pressure to reduce costs, and access to essential health and social services has worsened during the crisis (although there is not necessarily a clear correlation between the economic crisis and the issues highlighted below). For instance:

- In Portugal the price of a medical consultation in a big hospital like Santa Maria – Lisbon’s main hospital - has doubled. State support for transport services for sick or injured people has also decreased by 30% (Sérgio Hugo Costa Araújo, Eurochild individual member).
- In Scotland, ‘prescribing of anti-depressants is at an all-time high’, however this ‘has been steadily rising since the 1990s, so probably these are other factors at play as well as the economic situation’ (Children in Scotland).
- In Ireland, the Children’s Rights Alliance has highlighted weaknesses in mental health provision for children. In November 2011 there were 61 Child and Adolescent Mental Health (CAHMS) teams in operation, but team staff levels averaged 64% of the recommended level - a drop from 70% in 2010. Not all teams provide full mental health services to all children up to 18 years; at present, one third of CAMHS teams do not provide services for 16- and 17-year olds.
- In Bosnia Herzegovina, ‘cantsons report an increase in the number of applications for services of mental health centres and applications for placement of adults in institutional care’. (Hope and Homes for Children BiH)
- In Moldova, ‘the incidence of teenage pregnancies increased due to lack of parental supervision and guidance, as well as poor or lack of sex education in schools’ CCF Moldova / Hope and Homes for Children
- In Kosovo, ‘the Ministry of Health continues to be affected by a lack of adequate funds and capacity. The health sectors low budget still hampers the fulfilment of basic needs for mother’s and children’s healthcare. (SOS Children’s Village Kosovo)

---

56 European Foundation for the Improvement of Living and Working Conditions (Eurofound), ‘Investment in good childcare and parenting support services required to offset rising child poverty and social exclusion in EU’, 18 October 2012
57 Family and Parenting Institute, the family report card 2012; must try harder.
Helplines and Hotlines

According to the EU’s 2009 Universal Service Directive, Member States must make every effort to ensure that citizens have access to a missing children hotline service. However, the 116 000 hotline for missing children is as yet operational in only 20 Member States. In 2012, EU funding of €3.6 million was made available to set up and run 116 000 hotlines and child abduction alert mechanisms, and 14 organisations have been funded so far this year (in Belgium, Bulgaria, Cyprus, Denmark, Estonia, Spain, Hungary, Ireland, Italy, Netherlands, Poland, Romania, Slovakia, and the UK).

A survey of NGOs in 2012 revealed that the most important challenge facing national hotlines was lack of funds. Responses to Eurochild’s survey suggested that this situation is especially acute as demands on services are growing. Children in Scotland reported ‘we have no official picture but our impression is that demand is rising’. EAPN Portugal stated that ‘the 24-hour phone line of the NGO “Support for Childhood” reported an increasing number of calls in 2011 related to situations of family poverty’.

In Ireland, Childline received well over 2,000 calls every single day of the year. The demand for their online service increased dramatically, whilst ‘the economic difficulties of the country in 2011 impacted significantly on the Society’s ability to raise adequate funds to cover the cost of service provision’. In the UK, Childline has stated there is evidence that economic pressures are having an increasingly powerful effect on young people’s mental health. Last year 13% of calls were from children who worried about family relationships, with many reporting that financial worries at home were causing rows. The organisation carried out almost 40,000 counselling sessions relating to family relationship problems, up 18% on the previous year.

Hotlines also exist in many countries so that the public can report confidentially content or use of the internet they suspect to be illegal. In 2011, the International Association of Internet Hotlines (INHOPE) processed 29,908 reports of web-based Child Sexual Abuse material, which represents a 24% increase on the previous year.

Children in alternative care

When family care is not possible, alternative care settings, such as kinship care, foster care or supervised independent living arrangements are needed. In 2010, Eurochild estimated that, although data are scarce and there are variations between countries, around 1% of children are taken into public care across the EU – approximately 1 million children.

Although most countries recognized placement of a child in alternative care as the solution of last resort after family support services and family-based care, the number of children in institutions was stable or rising in several EU countries, partly as a result of the economic crisis. Whilst good quality alternative care arrangements are valuable for those children that require such provision, concerns remain about the placement of infants in traditional orphanages in some countries. Although most European countries have standards to protect the rights of the children in alternative care, in many cases their implementation is very weak.

Family poverty remains one of the main reasons for resorting to alternative care of children, as evidenced by Hope and Homes BiH (Bosnia Herzegovina) (‘a significant proportion of children is sent into public care solely because of poor economic standing of their families’). SOS Children’s Village Kosova (Kosovo) stated that, although the number is not high the problem of abandonment, abuse, and neglect of children is linked with poverty.

Some countries have witnessed the increase of children in alternative care setting following the outbreak of the crisis in 2008. In the UK, for instance, the number of children becoming looked after (i.e. in the care system) rose by 30% since 2007/8. There were also 4.5% more children becoming ‘looked after’ by the local authority in 2011–12, compared to the previous year. In Eurochild’s survey, Children in Scotland also reported a 4% increase in the number of children looked after by local authorities in Scotland compared to the same period last year. There are however variations between authorities, and a range of factors – including policy changes, and high profile abuse inquiries – have contributed to these shifts.

In contrast, it is interesting to note that in Bulgaria, where reform of the alternative care system has been a political priority, the number of children in institutions has been steadily on the decrease since 2001, despite the financial crisis (National Agency for Child Protection).

---

60Zajko Z., Presentation at Missing Children Conference: Closing the gaps, Brussels, 30/05/12
62Childline annual statistics, reported in Doward J., ‘Bullying most common problem for young children’, Observer newspaper, 28/10/12
63International Association of Internet Hotlines (2012) Annual report 2011
64Eurochild (2010) National Surveys on Children in Alternative Care
Access of children growing up in alternative care to social assistance has been limited in Portugal, where children and young people in state institutions will not be eligible for the new minimum income scheme and those over age 16 should be available for work. Eurochild Portuguese respondent equated the reform with the promotion of child labour from 16 years.
3. Child participation

The evidence suggests that children’s participation in family and social life has been undermined in various ways as a result of the crisis. Overall, attention to children’s participation appears to have been downgraded. As Esplais Catalans (Spain) put it in their survey response: ‘The economic crisis has focused all the public attention on economic issues, financial problems, etc. and child participation is no longer a public and social priority’. Furthermore, SOS Children’s Village Kosova (Kosovo) state that ‘low income (or loss of income), lack of motivation from parents and other effects of the crisis leads to lack of interest in the participation of children in social life, lack of motivation from the community to support and facilitate participation of children, and an increasing number of instances of neglect on children’.

PARTICIPATION IN FAMILY LIFE

The crisis has had subtle but important impacts on family life and therefore on children’s participation in key decisions that affect them. Aldeas Infantiles SOS (Spain) describe how children perceive - and sometimes suffer - their parents’ stress, and how many children feel guilty about the circumstances the family faces, generating fear and insecurity. Levels of tension within families can also increase as a result of increasing financial pressures. Children’s and parent’s expectations about, and ability to influence, their futures may be affected too. Again, similar comments are made in the response from Children’s Village Kosova (Kosovo): ‘Due to increasing neglect and abuse, to the increasing stress generate by precarious life conditions, the participation of children in family life is significantly affected’.

Some groups of disadvantaged children – eg. children with disabilities, children in care - face particular obstacles in participating in family life. For instance, ‘children from economically deprived families are now even more marginalized as a result of crisis and austerity measures and are thus prevented from taking equal participation in family and social life’ (Hope and Homes for Children BiH, Bosnia Herzegovina).

RECREATIONAL/PLAY/LEISURE ACTIVITIES FOR CHILDREN

Support for children’s participation in recreational, play and leisure activities has been reduced, with significant cutback in these areas in various countries. In Ireland, for example, youth centres have had to close due to cuts to funding, and over the past three years the youth service grant scheme has been cut by almost 20% (Children’s Rights Alliance). In Catalonia, government and municipalities have progressively cancelled grant programmes for children to access leisure time activities organised by NGOs or the government, and many families have had problems paying the fees for summer activities for their children (Esplais Catalans - Esplac - Spain). In Estonia, parents report that after the crisis, they cannot afford extracurricular activities for their children, and that the social life of their children suffers as a result of the crisis.66

There are also considerable variations within countries.

In the UK, the youth sector faced some of the biggest budget cuts of any public service in 2011. The Unite trade union forecast that at least 3,000 youth workers (of about 7,000) would lose their jobs - and 20% of youth centres in England and Wales would close - by the end of the year.67 Whilst there are no reliable figures for 2011-2012, there is evidence that state funding has been replaced to some extent by increased use of volunteers and community fundraising, which has helped to keep many clubs open. However, there are concerns about the quality of youth services replacing state-run provision, and about whether community-run services can be sustained longer-term.68 Play services have also been reduced. For instance, more than 70 per cent of local authorities in London have either cut funding for play in the past year or no longer have a budget for the service. Of the 22 councils that responded to a survey by London Play, 10 made cuts to their play services in the past 12 months and six had no budget left. Only one council had expanded its service.69

In France, according to a survey by the Observatory of Holiday and Leisure of Children and Youth (OVLEJ), a quarter of young people aged 5 to 19 did not get the opportunity to go on holiday in 2011. Furthermore, 32 percent of children in families with incomes of less than 1,500 euros a month haven’t left the family home to be away for even one night.70

---

67 ‘Parliament rally over cuts to youth services’, http://www.bbc.co.uk/news/uk-18829011
68 Easton M., ‘Can the Big Society save youth clubs?’, http://www.bbc.co.uk/news/uk-18829011
69 Mahadevan J., ‘Seven in 10 London Councils reduce or lose play budget’, Children & Young People Now, 03 May 2012

---

How the economic and financial crisis is affecting children & young people in Europe 19
the Netherlands, in many cases there is no money for sports club memberships or swimming lessons and clothes and shoes are secondhand.\(^{71}\)

In contrast, in Germany 2.5 million children and young people in families dependent on social welfare and/or unemployment benefits are entitled to allowances within the framework of the government’s new ‘Bildungs- und Teilhabepaket’ (‘education and participation package’) so as to be able to participate in social and cultural activities. The package, which only came into effect in April 2011, aims to enable children from low-income families to participate in school excursions and youth camps, be active in music schools and sports clubs, but also to receive warm school and nursery lunches as well as extra tuition for academically weak students. However as yet, take up has been surprisingly low.\(^{72}\)

**INFORMAL/NON FORMAL EXTRA SCHOOL HOURS SUPPORT/ACTIVITIES**

Survey respondents indicated that support for informal extra school hours support had also diminished. For instance, in Romania, ‘activities were reduced due to cuts to the budget in general’ (Hope and Homes for Children, Romania). In Slovenia, the number of teachers was reduced and their hours extended to cover afterschool activities. In the UK, it is estimated that there have been as many as **20,000 breakfast clubs nationwide** (providing meals for children before school), but those supported by local authorities are now seeing their funding cut, and just as demand is rising many are being forced to close.\(^{73}\)

In Ireland, such schemes tend not to be provided by the State but by civil society supported in some cases by the State, and civil society groups have felt the brunt of cuts from both state and other funding sources (Children’s Rights Alliance). In Bosnia Herzegovina, public funds are not allocated specifically for informal extra-curricular support activities, except through one-off projects delivered by NGOs (Hope and Homes for Children BiH).


\(^{72}\) ‘Germany’s way of tackling child poverty and social exclusion’, Special feature, Eurochild website, 30 September 2011 http://www.eurochild.org/en/news/details/index.html?tx_ttnews%5Btt_news%5D=3589&tx_ttnews%5BbackPid%5D=204&cHash=0693d8619fbd b1f504ab1217ef1bb196

\(^{73}\) Rayner R., ‘Why school breakfast clubs are on the education frontline’, Guardian newspaper http://www.guardian.co.uk/education/2012/sep/16/breakfast-clubs-schools-funding
4. Impact on Eurochild member organisations

The crisis has had a clear negative impact on the work of Eurochild member organizations, and other organisations working with children and families, according to survey responses. Whilst demand for services has increased, funding has declined significantly. Families are also increasingly unable to pay for services they need. This is especially evident in countries where the crisis has hit hardest:

- Funding is very difficult and we cannot always work on a voluntary basis, there are times that we need funding. There is not enough, neither from the public nor from the private sector. (Socialist Women’s Movement, Greece)

- We haven’t any financial support from our government. We rely on volunteers who are always next to us in every field. We struggle to offer as much as we can because we are in a very difficult period. (Iliachtida NGO – A Hospice for Children – Greece)

- Social institutions in Portugal have been affected by the austerity measures and have financial problems. These institutions try to keep with their mission but in many cases they have to sack their employees and the work that they must do with beneficiaries became less qualified. (EAPN Portugal)

- We have seen many families having more problems in the payment of participation fees, also municipalities and government have reduced their grant programmes to help all the children that participate in our local groups. (Esplais Catalans - Esplac – Spain)

- Demand for information and crisis intervention services up 20 %, also demand for play therapy up 30%. Our advocacy work has increased; our demand for services is up 20%; our ability to respond to needs is hampered by austerity measures and the lack of multi-annual funding; impact of the austerity means greater demand for services but less resource to deliver. (One Family, Ireland)

- Like many other organisations, funding received from the State to the Alliance has been cut on a continuous basis over the past number of years. Most organisations have experienced cuts at some level. (Children's Rights Alliance, Ireland)

The impact is also felt in some poorer Central and Eastern European countries that are not EU members. For instance, Hope and Homes for Children BiH (Bosnia Herzegovina) report that ‘The crisis has impacted on the work of social and child protection providers in that funds for social protection are continuously being cut and benefits/allowances are not regularly paid, or are not paid at all’. SOS Children’s Village Kosova (Kosovo) state that ‘Many NGOs active in Kosovo have reduced the size of their operations because of less funds available, especially NGOs that conduct their activities with independent funds. At the same time more stress in placed on strong NGOs with funds available to cover areas where local authorities are deficient’.

The impact is, however, not restricted to the countries highlighted above. For example, the Joint Council for Child Issues (Denmark) state that ‘Requests from poor families for subsidies for children have risen dramatically (i.e. subsidy for holidays, Christmas and clothes and computers for children and young people)’. Children in Wales report ‘services contracting, due to reduced finances at a time of increased demand’. Children in Scotland indicate that both public and voluntary organisations are being affected: ‘Our public sector members’ budgets have been reduced - this has a knock-on effect on the volume of service they commission from voluntary agencies. Our voluntary sector members report reduced income and some have had to close or reduce services’. They note too, that the latter tend to be preventative community based services, and that cutting these is likely over time to lead to increased demand for statutory interventions.
5. European policy initiatives

This section outlines initiatives at EU and Member State levels in response to the crisis. Within a short report of this kind, it is not possible to provide a comprehensive analysis of specific measures, current or proposed, to tackle child poverty and improve child-wellbeing. However the information presented here highlights that, although some welcome actions have been taken both by the EU and particular Member States, these have so far been relatively limited and insufficient – particularly when set alongside the scale of cuts to family resources and children’s services.

What is required is a more bold approach, recognising the important connections between action at EU and Member State levels. This must involve strengthening social protection systems and investing in support for children and children’s rights, both now and into the future.

ACTION AT EU LEVEL

Common objectives and cooperation at EU level in the field of child poverty and well-being add much value to Member States’ efforts. They strengthen political commitment, facilitate mutual learning and provide tools for benchmarking and monitoring progress. A range of recent initiatives are of particular importance, which, if implemented effectively, can significantly contribute to the mitigation of the effects of the crisis on child poverty and child well-being.

The EU has repeatedly stated its endorsement of a child-rights approach. For example, Article 3(3) of the Treaty on European Union explicitly requires the EU to promote the protection of the rights of the child, and this is also set out in Article 24 of the Charter of Fundamental Rights. The EU ‘Agenda for the Rights of the Child’, adopted in 2011, further states that ‘In the future, EU policies that affect directly or indirectly children should be designed, implemented, and monitored taking into account the principle of the best interests of the child enshrined in the Charter of Fundamental Rights of the European Union and in the UNCRC’. The Agenda also sets out the need for targeted action to protect children when they are vulnerable, and specifically mentions the needs of children at risk of poverty and social exclusion. The Agenda therefore provides an important anchor for further work in this area to be based on a child rights approach.

An important objective of the EU’s ‘Europe 2020’ Strategy is the reduction of the number of people living at risk of poverty by 20 million by 2020. This is the first time that such an EU wide target has been established, and Member States are required to adopt their own national targets and to set out how they will achieve these in 2012 National Reform Programmes (NRPs). However, it has been suggested that the Europe 2020 Strategy has been accorded less attention in 2011-2012 by Member States, who have concentrated on measures to rebalance budgets and tackle national debt.

An analysis by Eurochild has also revealed that only a minority of Member States identified child poverty and social exclusion at least to some extent as an important issue in their NRP – and even fewer (Belgium, Greece, Ireland, the UK) stated that they have set, or intend to set, specific targets on child poverty. The European Union has recommended a number of Member States (including Bulgaria, Czech Republic, Denmark, Slovakia) should step up efforts to provide adequate childcare services to families, as a poverty alleviation measure, in the framework of Country-Specific Recommendations in 2012.

In 2011, the EPSCO Council concluded that a ‘reinvigorated Social OMC’ was needed to strengthen the social dimension of Europe 2020. This would be supported by annual National Social Reports (NSRs) providing more in-depth coverage than the NRPs of social inclusion and social protection issues such as child poverty and child well-being. A review by Eurochild has found that NSRs had only been delivered by the due date (April 2012) by 11 Member States, reinforcing the impression that social inclusion issues have been a low priority in the Europe 2020 process.

Prospects in 2012-13 for a stronger emphasis on tackling the social consequences of the crisis look more promising. In June 2012 the Social Protection Committee (the body that is responsible for overseeing the implementation of the EU’s Social Protection and Social Inclusion process) adopted a wide-ranging advisory report on child poverty and well-being. Eurochild has welcomed the report and the vision it expresses, and argues that ‘it comprises all the necessary elements

---

76 Idem.
and is well referenced’. However, the organisation cautions against an over-reliance on getting parents back into the labour market as the main measure for tackling child poverty and promoting well-being.

The SPC report has prompted the development in October 2012 of EPSCO Council Conclusions on this issue, which rightly acknowledge the alarming rise in the numbers of children living in poverty and social exclusion, aggravated by the economic crisis. The Conclusions state EPSCO support for comprehensive anti-poverty measures (including monitoring mechanisms, collection of data and cross-policy synergies) and call on Member States to focus on promoting children’s well-being, alongside actions to reduce child poverty. Eurochild and other social partners have welcomed this emphasis, and argued that it now time to put these commitments into practice.

The SPC report and EPSCO Conclusions have together stimulated further debate about the development in 2013 – postponed from 2012 - of an EU ‘Recommendation on Child Poverty and Child Well-being’, building on an initiative of the earlier Belgian EU Presidency. The Recommendation is expected to propose a multi-dimensional approach based on the three pillars of access to adequate resources, access to quality services, and children’s participation. Its implementation will be assisted by common principles, common objectives, as well as monitoring frameworks facilitating mutual learning and exchange. If duly implemented at the national level, this would represent a strong policy statement by the Member States, demonstrating their renewed commitment to tackling child poverty. And as Commissioner Andor argued at the European Children’s Rights Forum in November 2012: ‘It will support Member States’ efforts to develop better policies. It will also send a clear signal that investing in children and families is essential not only for the dignity of our societies now, but also for Europe’s economic and social future.’

Investing in children is particularly important at the current time. The European Commission recently presented its proposals for a new Multiannual Financial Framework (MFF) for the EU budget from 2014-2020 and these are currently under negotiation with the European Council and the European Parliament. Eurochild believes that if Member States are serious about meeting the Europe 2020 targets on poverty, they must keep earmarked funding for social inclusion and the fight against poverty in the EU budget. However, the proposed multi-billion decrease in the level of the overall EU budget and in the amounts for cohesion policy in particular would severely undermine this commitment and lead to unacceptable cutbacks.

Although EU financial instruments, in particular the Structural Funds, have supported some actions that contribute to tackling and preventing child poverty and social exclusion, such action should go further. The Social Protection Committee has suggested, for instance, that the Structural Funds should be used to support measures in the field of parents’ access to the labour market, early childhood education and care, education and community development, support to housing infrastructures, and transition from institutional to quality alternative care.

MEMBER STATE RESPONSES

According to Eurochild’s analysis of the NRPs/NSRs, most ‘do not sufficiently or do not at all acknowledge the impact of the economic and financial crisis and financial consolidation measures on children even if they often acknowledge its impact more generally’. Moreover, in most NRPs/NSRs there is no explicit acknowledgement of the need to protect children at risk of poverty and social exclusion and educational disadvantage from the worst effects of austerity packages. However, the analysis highlights a few exceptions that Member State governments themselves have identified in their NRPs/NSRs (eg. in Estonia, Germany, Greece, Hungary, Poland, and the UK).

The more upbeat accounts of governments set out in their NRPs/NSRs are sometimes hard to reconcile with the evidence provided by respondents to Eurochild’s survey for this study – particularly in light of the information set out in the previous sections of this report. Asked whether national government had introduced any measures intended to alleviate the impact of the crisis on children and families, most respondents either left the answer blank or stated ‘no/none’. For instance, Hands Across that Divide (Cyprus) stated ‘No’, adding ‘In fact they have ignored it’. Aldeas

---

78 EPSCO Council Conclusions on ‘Preventing and tackling child poverty and social exclusion and promoting children’s well-being’, Brussels, 5 October 2012
81 Supra, nr 18.
82 Supra, nr 75.
Infantiles SOS (Spain) also say ‘No, because all the applied measures don’t favour the most underprivileged groups’. Similar replies were also received from organisations working in countries neighbouring the EU.

However, in a small number of cases, respondents had some positive comments about the efforts made by their governments (even if set along negative assessments in some policy areas). CNAF in France (the National Family Fund) argued that, unlike other Member States where significant cuts were made to social protection, the main reaction to the crisis in France was to promote a social safety net through family policy. Children in Scotland noted that the Scottish government does not control the main financial levers open to national governments so is restricted in the actions available to it. They stated that ‘the Scottish Government has introduced a Welfare Reform Bill aimed at protecting children, families and other vulnerable groups from the impact of the UK welfare reforms. It has sought within the powers it has to protect local budgets and has taken specific action such as allocating an additional £20m to address youth unemployment. It has also extended specific support for some programmes eg pre-school education, child care for vulnerable 2 year olds, Family Nurse Partnership for teenage parents and is developing a National Parenting Strategy’. One Family Ireland highlighted that ‘we now have a Minister for Children and Youth Affairs which pushes children and young people up the political agenda - however as yet child poverty is a grey area of ministerial responsibility’. The Children’s Rights Alliance Ireland add that the Department of Children and Youth Affairs has been established; that a Child and Family Support Agency will be introduced in 2013; that National Standards for the Protection and Welfare of Children have been introduced, and that a National Children’s Strategy is being developed (2012 – 2016).

Unsurprisingly perhaps, contributions from countries that have been most affected by the crisis tended to be less enthusiastic about government approaches. EAPN Portugal report that the government adopted a social emergency programme in August 2011. EAPN argues that ‘some of the measures contained in this programme act as social safety nets aiming to mitigate the impact of the austerity measures on children. For instance, from April 2012, around 7500 families with children in which both parents are unemployed can benefit from a 10% increase in their unemployment benefit. Nonetheless, since the entry into force of this measure, only a limited number of families had requested such assistance, due to allegedly cumbersome procedures’.

Esplais Catalans - Esplac (Spain) state that government measures focus on increasing taxes, cutting services, and giving further incentives to companies; these are intended to relieve the crisis of the country in general, but ‘without taking into consideration the direct impact on daily lives of individuals (and therefore families with children)...there have been no direct measures intended to alleviate the impact of the crisis on children and families. On the contrary, regarding children, even existing specific measures previous to the crisis have been eliminated, such as the benefit for families for each newborn baby, has disappeared’.

In relation to Greece, the Socialist Women’s Movement state that initiatives by various non-state actors are taking place, however ‘when this is not structured and targeted then the impact is minimal and does not reach as many children as we would like to’.

---

83 Eg. Hope and Homes for Children BiH, Bosnia Herzegovina; CCF Moldova / Hope and Homes for Children; SOS Children’s Village Kosova – Kosovo.
6. Recommendations

This report provides extensive evidence of the hugely damaging impact of the crisis on children and families across the EU. The combined effects of financial turmoil, falling real incomes and public service cuts have hit children and families extremely hard – particularly, but not exclusively, in countries that have implemented austerity packages. As we have shown, many families lack adequate resources to support their children and have reduced access to a wide range of quality services. Children’s participation in family and community life has also been undermined.

This reality impacts on children’s well-being in the here and now, and puts their individual futures at risk. It also damages society as a whole – with negative consequences for educational attainment, social protection, productivity, growth and so on. Moreover the actual costs of attempting to deal with the wide range of problems that entrenched child poverty and social exclusion cause are heavy. The economic arguments for investing in children’s futures and preventing them from falling into poverty in the first place are therefore very strong.

The following recommendations are intended to address the main issues identified by Eurochild members in their responses to our survey. These are based upon the international human rights principles underpinning the 1989 UN Convention on the Rights of the Child, which all governments are obliged to respect, protect and fulfil – even when resources are limited. The recommendations are divided into two sections: Recommendations to the EU and Recommendations to Member States:

RECOMMENDATIONS TO THE EU:

- The EU must hold the Member States to account for their commitment under Europe 2020 to reduce poverty and social exclusion. The lack of emphasis in the NRPs on tackling child poverty and promoting child well-being calls for an urgent firm response from the European Commission to strengthen political will at the national level.

- The forthcoming European Commission ‘Recommendation on child poverty and child well-being’ should promote the establishment of comprehensive monitoring and evaluation mechanisms, both at national level and across the EU, in order that children’s circumstances can be effectively analysed. Up-to-date information on the situation of children is required so ensure the most cost-effective way of using limited resources to protect children from the effects of poverty84.

- The next EU Presidency Trio (Ireland, Lithuania and Greece) should commit to building on the work of the two previous Trios on child poverty and well-being. In the first semester of 2013, the Irish Presidency should ensure a strong and positive political response to the Commission Recommendation on child poverty and call for its effective implementation.

- Negotiations on the next European Multiannual Framework must be based on the commitment to ensure long-term social return on investment. Better and more strategic use should be made of the EU Structural Funds to tackle child poverty and social exclusion through intelligent investment into social services, quality alternative care for children without parental care,

- Explicit assessment of the potential impact of austerity packages on children must be conducted before they are agreed upon between the country concerned and the Troika (European Central Bank, 84 Adamson P. (2012) Measuring child poverty: New league tables of child poverty in the world’s rich countries, Report Card 10, UNICEF Innocenti Research Centre
International Monetary Fund and European Commission) and before the implementing measures are adopted by the country. This is necessary in order to protect the most vulnerable groups of children and their families from the disproportionately high impact of fiscal consolidation/austerity measures.

- The mutual learning developed between Member States within the Social Open Method of Coordination should be reinforced, so that policy and practice that protects children and families most effectively from the damaging impact of the crisis can be shared.

RECOMMENDATIONS TO MEMBER STATES:

- Member States should develop comprehensive approaches to tackling child poverty and promoting child well-being as part of overall national strategies to combat poverty and social exclusion. Increased investment in supporting children through provision of adequate prevention/early intervention services should be recognized as a priority and mainstreamed into all policy areas. Accessible and affordable prevention services in the community help prevent escalation of problems that can push children and their families further into poverty; they also help to mitigate the pressures of increasing demand on statutory social care services.

- National governments should establish flexible working and leave arrangements to support quality work/family life balance for all parents. Flexible working arrangements are important to enable parents to balance work and family commitments. More attention must be given to parental leaves and statutory leave periods must be dovetailed with provision of accessible, affordable high-quality education and care services including pre-school and after-school care.

- Services in the community should be strengthened to prevent children from unnecessarily being taken into public care. In parallel, efforts to ensure provision and quality of alternative care placements (such as foster care) must be stepped up recognizing that institutionalisation and poor quality alternative care can result in long-term damage to children’s overall physical and mental health.

- Children and young people must be recognised as actors in their own right and actively consulted on policies and practices to promote their social inclusion and well-being at local, regional and national levels. The participation of children’s organisations in consultations about the development and implementation of NRPs and NSRs – and wider social processes of Europe 2020 - should be ensured.

---

85 European Foundation for the Improvement of Living and Working Conditions (Eurofound), ‘Investment in good childcare and parenting support services required to offset rising child poverty and social exclusion in EU’, 18 October 2012