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New social risks affecting children. A survey of risk determinants and child outcomes in the EU

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Abstract:

Socio-economic transformations associated with the shift to post-industrial societies have not only created new opportunities and prosperity, but have also given rise to the emergence of new social risks occurring at different stages of life. This paper examines the situation of children, who can arguably be considered a particularly vulnerable social group. It provides an overview of the changes generating child-related risk structures and, given this background, compares child well-being outcomes across a number of dimensions in the countries of the EU15. The analysis reveals considerable heterogeneity both across and within welfare state regimes, suggesting overall a sort of "North-South-divide" with Nordic Europe coming out on top and Southern Europe on the bottom. In Austria, children seem to be better-protected from poverty risk than the average child in the EU15. However, the level of material well-being is lower compared to the Nordic countries and does not translate into equally good performance in all the selected non-material domains.

Keywords: new social risks, children, welfare state regimes

JEL classification: D6, I3

Introduction

The most recent literature on comparative welfare state analysis indicates that the focus of the academic agenda has now moved beyond the crisis of the welfare state and towards an analysis of actual social policy changes and their outcomes (*Palier*, 2009). In spite of the long-held view of a "frozen welfare landscape", European welfare states have proven to be open for reform, with a substantive extent of welfare redirection taking place over the last two decades (see e. g. *Hemerijck – Eichhorst*, 2009; *Palier – Martin*, 2008).

The renewal of welfare state architecture is driven by the need to adapt institutions and policies that were shaped between the end of the 19th century and the first decades of the post-war era to the reality of the 21st century. Social, demographic and economic transformation processes entail the emergence of a set of new social risks affecting specific groups of the population as well as substantial challenges to the effectiveness and financial sustainability of the social protection systems. The objective of the present paper is to provide a comparative analysis of how European welfare states are coping with one area of particular importance, namely risks and inequalities at early stages in life. EU countries are compared in order to detect similarities and differences with respect to socio-economic risks affecting children. The paper's main contribution resides in the attempt to set the findings on risk outcomes against the backdrop of determinants of risk as well as of the heterogeneous institutional settings and policies across countries.

The situation in which children live and grow up can be of interest for different reasons, not least because of the strong link between childhood development and the ability to earn a living and be economically independent as an adult. We live in knowledge-driven economies, characterized by persistent levels of unemployment, a decreasing demand for low-skilled workers and an increasing need for continuous skill adjustment and skill upgrading. Welfare states are confronted with the challenge to equip all children – irrespective of their background – with the resources that are necessary for a successful cognitive, social and emotional development (*Jenson*, 2008). This challenge is not new, but – as we try to show in section 1 of this paper – it has become both more urgent and more difficult to meet.

Section 2 provides a systematic overview of the socio-economic transformations that have taken place in the past decades and generated the new social risk structures which lie at the heart of the subsequent analysis. In this comparison of childhood contexts, we take a broad view and map the situation in the EU (excluding Malta and Cyprus). In order to compare not only single countries, but also welfare state regimes, we cluster countries according to an adapted version of Gøsta Esping-Andersen's welfare-regime typology (*Esping-Andersen*, 1990, 1999), distinguishing between the Nordic, the Continental, the Liberal, the Southern (Mediterranean), and the Central and Eastern European countries (CEEC). For the subsequent analysis of child outcomes, we restrict the focus to the EU15 and pay special attention to Continental European countries which can be closely associated to the Bismarckian type of welfare state (Germany, Austria, France, Belgium, Luxembourg, the

Netherlands). The data used come from two sources: Eurostat (LFS, EU-SILC) and the OECD (primarily OECD Family Database).

The experience of poverty during childhood, particularly when it is extended over many years, can have a major detrimental effect on future life chances. Poverty disadvantages children directly through a lack of resources and investments, but also indirectly through stress in the family environment and through the interplay of socio-cultural patterns and poverty. Since the material living conditions are of paramount importance and display a strong correlation with other dimensions of child well-being, the risk of poverty and deprivation takes centre stage in the analysis. It would however be reductive to interpret the young generation's situation solely in light of its material resources. The set of circumstances necessary for a child to enjoy a high quality of life and to develop its capabilities can be understood as a sophisticated recipe with many ingredients. Accordingly, in the literature child development is conceptualized in a multi-dimensional way (see for instance *Bradshaw et al.*, 2007). We follow this approach and – although making no claim to provide a comprehensive measure of well-being – assess the situation of children on the basis of a broad set of outcome indicators in section 3, thereby reaching beyond the material dimension. The paper closes with some tentative policy conclusions based on the comparative analysis of risk determinants and child outcomes (section 4).

In brief, our findings highlight that (1) children represent a particularly vulnerable group of society and therefore deserve special attention, even more so in light of the socio-economic changes of the past decades. (2) Incidence and severity of child-related risks vary widely both across and within welfare state regimes, whereby contexts correspond strongly with outcomes. Generally those countries which experience higher levels of income inequality, poverty risks and gender gaps in labour market participation are also particularly exposed to social risks affecting children. (3) In many respects, the Nordic countries represent a benchmark for the rest of Europe. Targeted active labour market policies, an effective redistribution of resources through the tax-benefit system and a coherent child policy-mix comprising financial allowances, leave facilities and extensive child care services seem to provide a favorable context resulting in the best performance on child well-being outcomes in the EU15, especially in the material domain. (4) Continental European countries generally perform better with respect to both context and outcome indicators than the worst performing Southern European countries and in most areas better than the Liberal welfare states but lag behind the top performing North. (5) Austria, one of the Continental countries, scores above the EU15-average in the material well-being dimension. However, children's at-risk-of-poverty rates are higher compared to the Nordic European countries. Moreover, there seems to be even more scope for improvement as regards non-material well-being domains.

1. Concept of new social risks

1.1. Defining new social risks

The concept of new social risks has been enjoying increasing popularity in the literature on social policy and welfare state analysis (see among others *Taylor-Gooby*, 2004; *Bonoli*, 2005; *Armingeon – Bonoli*, 2006; *Jenson*, 2008). In a broad sense, new social risks can be described as "situations in which individuals experience welfare losses and which have arisen as a result of the socio-economic transformations that have taken place over the past three to four decades and are generally subsumed under the heading of post-industrialization" (*Bonoli*, 2005). These transformations encompass tertiarisation of employment, skill-biased technological shifts, stricter international competition, demographic ageing, migration, and the break-up of traditional family structures. Depending on the exact definition and the perspective of interest, a list of new social risks can contain a varying number of items. A non-exhaustive enumeration comprises possessing low or obsolete skills, lacking access to lifelong learning and skill upgrading, being a working poor, being a single parent, lacking the means to reconcile work and family, becoming frail and lacking family support, being called on care for a frail relative as well as lacking stable employment and sufficient social security coverage (*Taylor-Gooby*, 2004; *Bonoli*, 2005). Building loosely upon the literature, we can cluster new social risks affecting European societies around two major areas:

- *Labour market*: Technical change and the intensification of international competition have tightened the link between qualification and employment. The incidence of unemployment (as well as of poverty) is considerably higher for people with compulsory education or less than it is for those who have completed tertiary education (see Annex Table 1 and Annex Table 2). Skills have become increasingly important while at the same time labour markets are characterised by slackness, with persistent levels of unemployment and growing segments of atypical, low-wage and precarious jobs. The pressure to adapt to international competition, the shift to a service-based economy, and the political response to changes in external and internal conditions have resulted in increased flexibility and precariousness on the labour market. Particularly in "low-end" segments of the service sector this transformation process implied stagnation or even downward adjustment of wages and employment conditions for workers (*Clasen – Clegg*, 2006). While a core of workers is employed in relatively stable patterns, a growing minority of workers is confronted with more discontinuous labour market careers. Young adults, today struggling to gain a foothold in the labour market, are likely to be disproportionally affected by this rising prevalence of fragmented employment records. As a result of trends in earnings inequality and labour market instability labour income is sometimes not sufficient to maintain a poverty-free existence (in-work poverty), especially for families with children (*Bonoli*, 2006). Difficulties to enter the labour market as well as breaks in the career path due to illness or unemployment spells can seriously prejudice the subsequent employment career. Labour market research has highlighted the existence of state

dependence and duration dependence in unemployment, the combination of which "means that there is the potential for any individual experiencing a period out of work to become trapped in non-employment" (*Cappellari et al.*, 2010).

- *Family structure and gender roles*: The emergence of post-industrial labour markets has been accompanied by far-reaching changes in family life. One of the major trends is the increase in labour market participation of women, which is associated with an erosion of the traditional male breadwinner/female carer family model and an increasing shift towards dual-earner families (*Daly*, 2005). The strong inflow of women in the labour market – spurred by the demand from women for greater equality, individual independence and self-fulfilment as well as the demise of family-wage employment and the need to have two earners to maintain a satisfactory living standard – has created new opportunities, but also new tensions and needs for parents, especially mothers, who struggle with the increasingly complex task of reconciling family and working career. On the one hand, long working hours can lead to a "care squeeze" (*Lewis – Campbell – Huerta*, 2008) for households. On the other hand, having children or a frail relative and lacking adequate care opportunities may represent a major obstacle to the pursuit of stable employment and financial independence, which can in turn trigger the risk of family poverty. Since the increase in women's employment has not resulted in an equal gender division of the unpaid work, women informally caring for a child or a frail relative carry a double burden, which is a prime source of the persistent labour market gender gaps (wage level, degree of labour market integration, job and sector of employment, etc.). As part of an increasing fragmentation and diversification of living arrangements, many countries in Europe have experienced substantial rises in the share of single-parent families – a household type, for which the poverty risk is particularly acute. In addition to the emotional distress caused by family break-ups, single parents face a precarious financial situation and work-life balance: Even if they receive alimony from their former partner, they cannot take advantage of the synergies and economies of scale used by couples when pooling their time and income. Women are affected more severely than men by the risks associated with family break-up due to their weaker labour market attachment and the prevailing gender pay gap. More generally, increasingly unstable family structures cast doubt on the ability of all households to compensate for labour market instability. Thus, new social risks may be related to changes either in the sphere of the labour market or the family, but often result from the intersection of these two life domains (*Bonoli*, 2006).

Clearly, most of the risks were present in the past too. One novelty lies in the fact that today they occur more frequently than a few decades ago: Long-term socio-economic transformations have increased the size of social groups at risk as well as the likelihood of given social groups to be affected by these risks (*Huber – Stephens*, 2006). A second feature is that consequences are more likely to be severe, not least because risks tend to cumulate more often. Their analysis is complicated by a high degree of interdependence, both simultaneously and along the life course. As an example, difficulties to reconcile family care

and employment may force a parent to reduce working hours or exit the labour market, which does not only trigger poverty risk for low-income families in the short run, but may also hamper the degree and quality of labour market integration in the long run, heightening in turn the risk of insufficient social security coverage up until old age. This scenario, striking particularly women, can be further exacerbated by family break-up or the combination of singlehood and low retirement benefits. A third feature is that while in the post-war welfare state the prime focus was on the protection of the male breadwinner against the risk of being unable to earn a labour income due to sickness, invalidity, old age or lack of employment, socio-economic transformations – among others the erosion of the male breadwinner family model – have broadened the focus to include additional risk groups. New social risks tend to be concentrated among certain groups of individuals (*Bonoli*, 2006), usually comprising children and the youth, families with small children, working women and – often low-skilled – individuals with a migratory background. Differences in size and risk propensity of these groups exist across countries, as is shown in section 3. Nevertheless, the simultaneous overlap and concentration of different risks on the same categories of persons represents a challenge for social inclusion in all EU countries. It is nothing new that one contingency can cause or increase the risk of other forms of distress. It can however be argued that today more than in the past the risk of becoming an "outsider" – to be relegated to the margins of society – is more closely associated with membership in a specific social group. Whereas the *trente glorieuses* coincided with a period of rising living standards and welfare even for the more disadvantaged groups of society, increasing social stratification and inequality along numerous dimensions have increased the risk of these groups to suffer a loss of welfare with respect to the previous generation.

1.2. The role of risks at early stages in life

Although children and youth have always been a category exposed to particular risks, the social and economic transformations of the last decades carry important implications for the youngest members of society. In some respects children today face more favorable conditions for their development than in the past. Our societies possess more material resources and knowledge than ever before. This implies that in crucial sectors such as education and health care we should be able to supply children with services of ever increasing quality, tailored to their needs. In fact, indicators such as the infant mortality rate or the life expectancy at birth display a clear positive trend over time.[1] In addition, the sharp decrease in fertility rates has reduced the number of children in our societies, making each one of them more valuable. In spite of these favorable developments, there is ample reason

[1] According to data from the OECD family database, on average across the OECD the infant mortality rate was just below 30 deaths per 1000 live births in 1970 and fell to just over 5 deaths per 1000 live births in 2005. This decline corresponds to a cumulative reduction of over 80% since 1970. Life expectancies at birth have increased remarkably in all OECD countries. In 2007, a newborn girl in a typical country could expect to live to age 81.9 years, which is 10.9 years more than a newborn girl in 1960. Similarly, a newborn boy could expect to live 10.4 years more in 2007 compared to 1960 (76.2 years).

for the fact that child well-being analysis with a focus on young people's living conditions at large has developed into a mature research field in recent decades (*Jonsson*, 2010). Increasing attention for the socio-economic situation of children in our societies can be justified on several grounds:

- Fairness and equity, normative considerations: Just like adults, the young are dependent on opportunities for realizing their goals and ambitions. In contrast to adults, they are not in a position to choose or change on their own any of the fundamental determinants of these opportunities. If we take for granted that social justice based on a notion of equality of opportunities enjoys a certain level of consensus, it is clear that children and youth deserve particular attention.
- Research in different disciplines (developmental psychology, educational research, sociology, economics, …) has firmly established the existence of a strong link between what happens in early years of life and future biographic outcomes in a broad range of areas including education, employment, crime and early parenthood (*Hansen – Jones*, 2010). As Amartya Sen put it: "The capabilities that adults enjoy are deeply conditional on their experience as children" (*Sen*, 1999). In accordance with such findings, the early years of life have been identified as a crucial area of policy intervention with respect to long-term outcomes and goals. This is particularly important in light of the high degree of interdependence between risks.
- Skill-accumulation beginning at early stages of life is becoming more important for individual life chances. Children of disadvantaged households risk to be penalized more severely than in the past if they fail to acquire skills. In contrast to the post-war era, today the labour market no longer provides rising real wages for all workers across the skill distribution (*Danziger – Danziger*, 2010). In a context of globalised (labour) markets and persistently high levels of unemployment in the least qualified strata of the workforce, possessing low or obsolete skills today entails a much higher risk of welfare loss than in the past (*Bonoli,* 2006).
- Research has shown that social inheritance is today as present as in the past. Parents' outcomes – be it in terms of health status, employment, earnings or education – are still transmitted from one generation to the next, which carries the reproduction of poor social capital and of social exclusion risks with it (see e.g. *OECD*, 2009; *Jenkins – Siedler*, 2009). Children coming from a low-educational background face considerable obstacles in achieving a higher level of education than their parents (see the results from the 2005 EU-SILC module on the intergenerational transmission of disadvantages in *European Commission*, 2008A).
- There is also a macro-economic side to this point: Arguably not only individual life opportunities but also overall economic development depends on the ability of post-industrialized states to empower people to succeed in a market that is imposing increasing demands in terms of skills and flexibility. An unequal distribution of chances in early life stages can represent a serious obstacle on the way to become competitive, knowledge-

based service economies, not least because children grow up to become the workers, caregivers, and taxpayers on whom the economy depends (*Folbre*, 2008). This idea can be synthetically expressed with reference to Gøsta Esping-Andersen (2002A) who stated: "We cannot afford not to be egalitarians in the advanced economies of the twenty-first century".

1.3. Notion of well-being

Building upon Amartya Sen's capability approach (*Sen*, 1993, 2000) as a framework of thought, we consider child well-being or the quality of children's lives to be a concept encompassing a broad variety of dimensions ranging from material living conditions over health and education through to social relationships, cultural and political participation. In a capability or human development perspective, evaluation is centred around the question what people are effectively able to do or to be, the emphasis being not so much on achieved outcomes as on real opportunity or capability sets, from which individuals can choose in order to live the life they have reason to value. It is assumed that the quality of lives has to be judged not only by the way people end up living, but also by the substantive alternatives they have (*Sen*, 1999). However, capabilities are not directly observable and therefore difficult to measure and compare. Due to this reason, we asses and compare the situation of children in European welfare states by drawing on a large number of context and outcome indicators, but without claiming a clear distinction between opportunities and achievements.

With respect to both context and outcomes, a special view is on material aspects of well-being, particularly income poverty, since this is a key dimension of children's living conditions per se. Material disadvantage is furthermore demonstrably correlated with other important dimensions such as housing conditions, educational outcomes, and health. As an example, numerous studies indicate that children who grow up in poverty are "less likely to enter school ready to learn, more likely to have health and behavioural problems, and more likely to drop out of school and become teen parents" (*Danziger – Danziger*, 2010). However, conceiving well-being in general and poverty in particular as multidimensional concepts, we address both monetary and non-monetary aspects in a direct manner. In accordance with a broad definition of poverty, indicators of relative income poverty are complemented by "absolute" material deprivation measures that provide an estimate of the share of people whose living conditions are severely affected by a lack of resources. Additionally, we include educational outcomes, housing conditions and health, when comparing children's outcomes.

In the following section we devote ample space to discuss determinants affecting the situation of children and the youth.

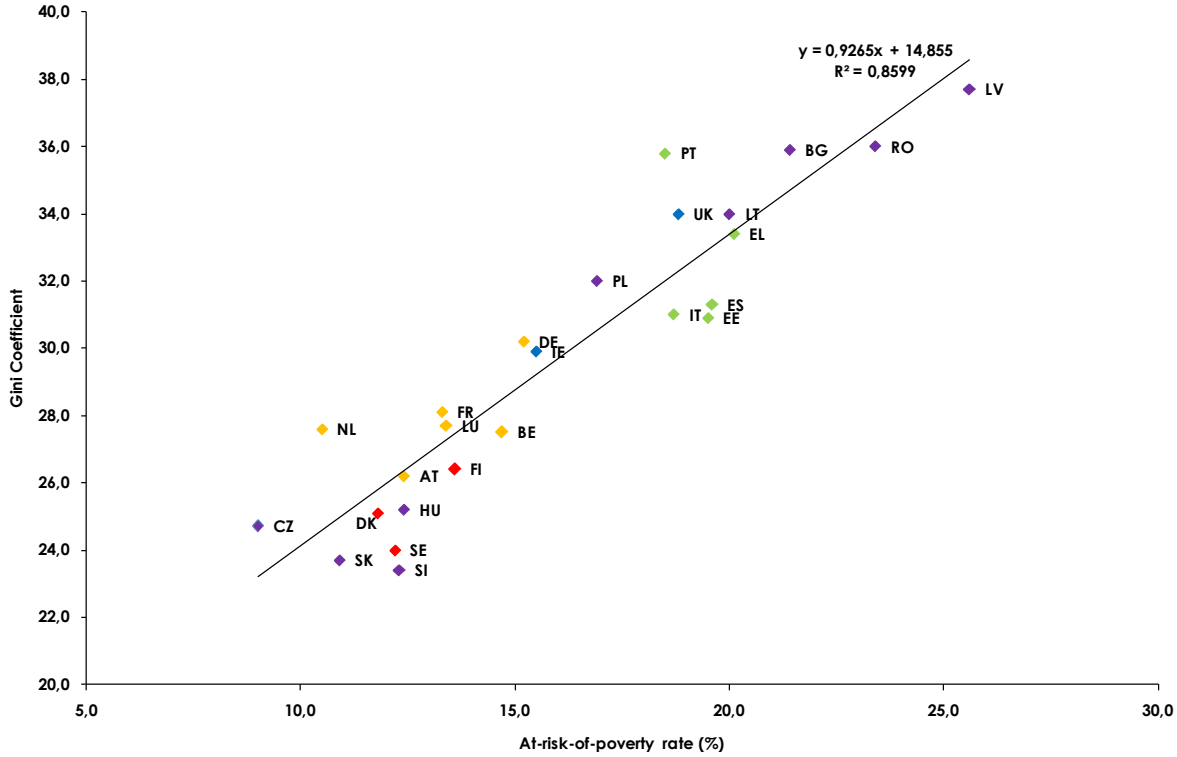
2. Risk determinants

2.1. Income inequality and poverty risk in the population at large

Income inequality has been on the rise in the majority of OECD countries over the last three decades (*Atkinson*, 2007). The main drivers behind this trend include: a stagnation or even decline in real wages for workers or jobs with low skill profile and increasing earnings differentials between low- and high-skilled workers; structural labour market transformations characterised by high, persistent levels of unemployment on the one hand and labour market reforms which favoured the expansion of atypical and precarious employment on the other; and a more than proportional increase in incomes from capital and entrepreneurial activity, which are distributed very unequally.

Data for EU Member States indicate that income inequality is generally lowest in the Nordic countries as well as in some CEE countries (Slovenia, Slovakia, Czech Republic), followed by Continental Europe (see Figure 1).

Figure 1: At-risk-of-poverty rates and income inequality, 2008



Source: Eurostat.

Gini coefficients and income quintile share ratios are highest for Mediterranean and Anglo-Saxon countries (particularly the UK) as well as for CEE countries such as Bulgaria, Rumania, Latvia and Lithuania. In Nordic Europe the total (disposable) income received by the richest

20% of the population is about 3.5 to 3.8 times higher than the income going to the quintile with the lowest income. Similarly low values can be observed for Slovenia, Slovakia, Hungary, and the Czech Republic. Countries with high inequality display income quintile share ratios in the range between 6 and 7, with 7.3 (Latvia) as the highest value. Among Continental welfare states Germany represents an outlier, with a Gini coefficient of 30.2 and an income quintile share ratio of 4.8 in 2008 (against an unweighted average of 27.4 and 4.0 for the remaining countries in this group). Austria displays the most equal distribution in this country group, with an income quintile share ratio of 3.7 and a Gini coefficient of 26.2.

Rising inequality represents a risk for social inclusiveness and is associated with an increase in poverty risk at the macro level. Data for the EU show that countries with a more unequal distribution of income are also characterized by higher at-risk-of-poverty rates after social transfers.[2] Following the concept of relative poverty adopted by the European Union, in 2008 17% of the total EU population was assessed to be at-risk-of-poverty after social transfers. The lowest shares in the EU lie in the range between 9 and 12% (DK, NL, CZ, SK), whereas in countries with high rates (UK, the Mediterranean and some CEE countries) between one fifth and one fourth of the population is exposed to the risk of poverty. As with income inequality, members of Continental Europe generally lag behind the top performing countries, while at the same time fare better than the Anglo-Saxon, the Mediterranean and some CEE countries.

Figure 1 displays a simple correlation between Gini coefficients and at-risk-of-poverty rates in the EU 27. This strong positive correlation is not sensitive to the use of alternative indicators for poverty and inequality. The rise in income inequality that occurred in the last decades is likely to have impacted children more than proportionally. This is due to the fact that the observed increase in income inequality was not symmetric across groups of the population. OECD calculations reveal that the older generations (those aged 55 to 75) saw the biggest increases in incomes over the past 20 years, whereas younger segments of the population lost income shares. These developments have not been without consequence for the poverty risk of the respective groups: "Pensioner poverty declined in many countries, while at the same time poverty among young adults and families with children increased (*OECD*, 2008). In addition, income inequality can be related to other child outcomes such as education. *Mayer* (2001), for example, finds that in the United States the increase in income inequality was associated with a decline in the educational attainment of low-income children, while the opposite was true for high-income children.

[2] As pointed out in *Atkinson – Marlier* (2010), there is no reason why this should necessarily be the case. Theoretically it would be possible for a country to have a very low poverty risk combined with a relatively unequal distribution of income, provided the income of the bottom percentiles in the distribution was close enough to the median.

2.2. Family structure and household situation

The diversity and fragility of family backgrounds is increasing, with direct implications for child well-being and child development. Despite limited data for comparisons of both levels and trends in lone parenthood across post-industrialised countries, there is abundant empirical evidence suggesting that many countries have experienced substantial rises in the numbers of lone parents over the last generation (*Chapple*, 2009). According to the OECD (2001), particularly high growth rates in the proportion of lone-parent families were recorded for Belgium, Ireland and the UK. The trend towards single parenthood was strong, albeit from a very different base, also in France and Italy. The increase in the population share of single adults with children was accompanied by a rise in single households and in households with two or more adults but without children (*Brodolini*, 2007). These combined trends have boosted the share of children living in lone parent households on the total number of children in Western societies. According to *Haskins* (2008), in the United States the share of children living in single-parent families has tripled between 1960 and 2007. As a consequence, at any given moment nearly 30 percent of American children live in a single-parent family. Single-parenthood has increased particularly among less-skilled women, while there has been little change in single motherhood among mothers in the top third of the educational distribution (*Meyers et al.*, 2003). Figures for European countries are considerably lower, but they point in the same direction. According to census data, in Austria the share of children living in one-parent households increased from 14.6% in 1981 to 18.4% in 1991 and 20.0% in 2001. In Germany the statistical office recently released data indicating that in 2009 about 19% of children lived in households with a single parent. This was an increase by 5 percentage points compared to 1996.

Table 1 below contains a selection of data from Eurostat and the OECD Family Database. According to these data, on average in the OECD one in every five children lives with one parent only. The United Kingdom displays high values that are very close to those in the United States and in other Anglo-Saxon countries such as Canada and New Zealand. In these countries, well over one fifth of all children are living in households with only one parent.[3] At the other end of the spectrum, the lowest shares of children in lone parent households can be found in Southern European countries. Only in Spain this share reaches 15%, whereas in Italy, Greece and Portugal it is below 10%. Continental and Nordic countries are less homogenous, and it is difficult to establish a clear pattern in the available data. Among Bismarckian welfare states, Austria has a high incidence of children in lone parent households, while this share is particularly low in the Netherlands and in Belgium. The proliferation of new and less stable household and family arrangements, including the increased likelihood that children do not grow up with both mother and father throughout childhood, indicate expanded freedom of choice on the one hand, but insecurity and risk on the other (*Esping-Andersen*, 2002A).

[3] The definition adopted by the OECD refers to „sole-parent families", i.e. a situation where one parent lives with his/her children but without any partner. The household can however include other adults living under the same roof.

Table 1: Indicators on family structure

	Crude marriage rate		Proportion of live births outside marriage		Crude divorce rate		Adolescent fertility rates		Share of sole parent households	Share of children in single parent households
	1960	2009	1960	2008	1960	2008	1980	2005	Around 2000	Around 2000
Nordic										
DK	7.8	6.0	7.8	46.2	1.5	2.7	16.3	5.6	18.2	17.4
FI	7.4	5.6	4.0	40.7	0.8	2.5	18.9	10.3	23.0	15.3
SE	6.7	5.2	11.3	54.7	1.2	2.3	15.7	5.9	19.6	21.0
Continental										
AT	8.3	4.2	13.0	38.9	1.1	2.4	34.5	12.8	23.8	15.9
BE	7.1	4.4	2.1	:	0.5	3.3	20.2	9.9	15.6	
DE	9.4	4.6	6.3	32.1	1.0	2.3	11.9	10.6	18.1	13.4
FR	:	4.0	:	52.6	:	:	17.8	11.7	19.7	13.3
LU	7.1	3.5	3.2	30.2	0.5	2.0	16.6	12.0	18.7	
NL	7.7	4.4	1.4	41.2	0.5	2.0	9.2	5.8	15.9	10.7
Liberal										
UK	7.5	:	5.2	45.4	:	:	30.5	25.9	26.4	22.9
IE	5.5	:	1.6	33.1	:	:	22.6	16.7	:	:
Southern										
ES	7.8	3.8	2.3	31.7	:	2.4	25.7	11.5	18.5	14.9
EL	7.0	4.7	1.2	5.9	0.3	:	52.6	10.4	17.1	7.4
IT	7.7	4.0	2.4	17.7	:	0.9	19.9	6.4	17.6	9.2
PT	7.8	3.8	9.5	36.2	0.1	:	42.0	18.7	15.8	9.8
CEEC										
BG	8.8	3.4	8.0	51.1	:	1.9	80.3	38.5	17.3	:
CZ	7.7	4.6	4.9	36.3	1.4	3.0	53.1	10.9	27.3	20.8
EE	10.0	4.0	:	59.0	2.1	2.6	44.6	21.4	34.1	24.0
HU	8.9	3.7	5.5	39.5	1.7	2.5	68.0	20.0	23.7	14.4
LT	10.1	6.2	:	28.6	0.9	3.1	28.1	18.7	23.1	18.3
LV	11.0	4.4	11.9	43.1	2.4	2.7	39.9	20.9	40.2	
PL	8.2	6.6	:	19.9	0.5	1.7	33.0	13.5	23.6	15.5
RO	10.7	6.3	:	27.4	2.0	1.7	:	:	18.7	10.7
SK	7.9	4.9	4.7	30.1	0.6	2.3	48.3	20.2	:	13.9
SI	8.8	3.2	9.1	52.8	1.0	1.1	56.3	6.1	22.4	15.5

Source: Eurostat. OECD Family Database for sole parent families; children aged 0-14 years; most recent year available.

As we would expect, when looking at lone parents we find an overwhelming preponderance of women. According to *Lehmann – Wirtz* (2004), in 2001 over 90% of all lone parents in the EU 15 were women. The picture is very similar across countries with the exception of Sweden, where 26% of lone parents were men (*ibidem*). The strong gender bias in lone parenthood exacerbates the potential risks associated with this status. Due to the existence of gender gaps in the labour market, women face more obstacles than men in achieving financial independence and in securing an adequate level of income. Moreover, women tend to be responsible for young children, whereas lone parenting fathers typically care for older

children.[4] This is of relevance because the reconciliation of family and work is particularly difficult when children are very young.

Research on the effects of lone parenthood for child well-being is still fragmentary. In a literature overview *Kamerman et al.* (2003) refer to studies for the United States showing that children living in divorced and single-parent families face numerous and difficult obstacles later in life. These obstacles include disadvantages in terms of psychological functioning, behavioural problems, education, and health. For instance, children from single-parent families are more likely than their peers to drop out of school, to have a child while still being teenagers and, more generally, to possess low levels of social capital. *Laftman* (2010) reaches very similar conclusions for a sample of 24 countries, highlighting the tendency across countries that children in single-mother households report less welfare than their peers living with two original parents. This family type effect appears to be consistent, although overall of relatively modest size and – depending on the outcome indicator – not always statistically significant. More research is needed to investigate the impact of household composition on child well-being as well as country differences with respect to the strength of the link between family type and child outcomes. It is particularly difficult to establish causal links between lone parenthood and long-term child developments such as educational attainment and labour market status.[5] It is however a well-established stylized fact that households with single parents and dependent children face a much higher poverty risk than other household typologies, as is further described in chapter 3.

2.3. Labour market, gender gaps and the reconciliation of family and work

The employment situation as well as the structure and functioning of the labour market play an important role for assessing the situation of the youngest generation. In the first instance, (dependent) employment is still the primary source of income for a large majority of the population. Difficulties of the working age population to integrate stably in the labour market and to secure a living can therefore have immediate repercussions on the (material) situation of children. Unemployment rates, shares of atypical employment and low-wage employment as well as measures for labour segmentation and gender gaps are relevant context indicators in this respect. In the last 20 to 25 years an intense reform activity has developed in Europe resulting in a structural shift in terms of labour market policies and institutions. Up to the mid-1990s Europe was affected by 'jobless growth' with a high incidence of long-term unemployment and weak employment growth. Most EU countries carried out labour market reforms by lessening employment protection, reducing the generosity of non-employment

[4] According to information from the Federal Statistic Office of Germany (Destatis), in 2009 in Germany only 11% of lone-parenting fathers but 31% of mothers cared for a child aged below 6.

[5] In a recent survey, the *OECD* (2009) reaches the conclusion that the immature state of the literature does not allow strong conclusions on the effects of single-parent family status on child outcomes such as academic achievement, self-concept and social relations, adding however that there is "enough evidence to suggest that policy makers should be concerned about the implications of family structure for child well-being" (*OECD*, 2009).

benefits and increasing the weight of activating labour market policies. Partly as a consequence of these reforms, existing forms of atypical and flexible employment were strongly expanded and new ones introduced. As *Eichhorst et al.* (2010) point out: "In numerous instances, these reforms did not change – and may have even tightened – rules for regular or open-ended employment contracts". Instead, reforms affected primarily new hires, gradually expanding the role of employment forms such as fixed-term contracts, marginal employment and temporary agency work. As a result, the young generation not yet successfully integrated in the labour market is affected more than proportionally by these trends.

Even though the causal relation has been disputed in the academic community (*Bassanini and Duval*, 2006; *Howell et al.*), several European countries experienced a significant decline in unemployment in combination with employment growth before entering the global recession in 2008-2009. Across the EU15, even in 2009 the unemployment rate was still lower (9.1%) than it had been in 1998 (10.3%). Regardless of whether these favorable developments can be linked directly to the abovementioned reforms, the improvements in mobility and employment dynamics were accompanied by an increase in labour market dualisms. *Boeri – Garibaldi* (2009) come to the conclusion that "reforms have been successful in taking Europe away from Eurosclerosis, but created dual labour markets segregating many workers in jobs offering low incentives for human capital investment and highly exposed to labour market risks".

Table 2 below summarizes a number of indicators with the aim to give a synthetic overview of the labour market situation in EU countries. Employment rates have been on the rise in all Western European countries, with a clear catch-up pattern dominating the overall picture. A look at Continental countries reveals that all countries raised their employment rates by at least 4 to 5 percentage points in the period from 1998 to 2009. Employment is particularly high in the Netherlands, whereas Belgium clearly lags behind the other Bismarckian countries. Austria and Germany, with employment rates above 70%, belong to the top-tier countries in the EU according to this indicator. In Central and Eastern Europe, where employment was exceptionally high during communism, employment rates stagnated or even contracted (the notable exception being Slovenia). A comparison of employment on the basis of full-time equivalents confirms the Nordic countries' top position as regards labour market integration. Furthermore, it reveals how strongly the expansion of employment across Europe was driven by the spread of part-time jobs. The last columns provide an overview of qualitative labour market indicators. As illustrated, the use of temporary contracts varies between countries, but for most of them rates remained fairly stable over the period from 1999 to 2009.

Table 2: Selected labour market indicators

	Employment rate		Employment rate in FTE	Employment gender gap in FTE	Unemployment rate		Share of part-time work		Share of employees with temporary contracts		In-work at risk of poverty
	1998	2009	2009	2009	1998	2009	1999	2009	1999	2009	2008
Nordic											
DK	75.3	75.7	67.6	10.7	5.1	6.1	21.6	26.0	9.6	8.9	5.1
FI	63.4	68.7	64.7	4.6	13.3	8.4	12.1	14.0	16.8	14.6	5.1
SE	68.6	72.2	65.7	10.2	9.1	8.5	19.7	27.0	16.5	15.3	6.8
Continental											
AT	67.4	71.6	63.5	21.9	5.5	4.9	16.4	24.6	7.9	9.1	6.4
BE	57.3	61.6	56.9	19.3	9.4	8.0	18.4	23.4	9.9	8.2	4.8
DE	63.7	70.9	61.4	21.5	9.9	7.8	19.0	26.1	13.1	14.5	7.1
FR	60	64.2	59.9	13.6	12.1	9.1	17.1	17.3	14.5	13.5	6.8
LU	60.2	65.2	59.7	23.9	2.8	5.2	9.8	18.2	5.2	7.2	9.4
NL	69.4	77.0	59.2	27.3	4.4	3.4	39.7	48.3	12.3	18.2	4.8
Liberal											
UK	70.2	69.9	60.6	19.3	6.3	7.7	24.6	26.1	7.0	5.7	8.6
IE	59.7	61.8	56.0	16.2	7.8	12.0	16.4	21.2	5.1	8.5	6.5
Southern											
ES	51.0	59.8	55.8	18.3	18.8	18.1	8.0	12.8	32.9	25.4	10.7
EL	56.1	61.2	60.1	26.8	11.1	9.6	5.8	6.0	12.6	12.1	14.3
IT	51.8	57.5	53.9	26.4	12.3	7.9	7.9	14.3	9.5	12.5	8.9
PT	67.1	66.3	64.5	12.5	4.9	10.0	11.0	11.6	18.7	22.0	11.8
CEEC											
BG	:	62.6	61.9	8.6	:	6.9	:	2.3	:	4.7	7.5
CZ	67.5	65.4	64.2	18.7	5.9	6.8	5.6	5.5	7.6	8.5	3.6
EE	65.2	63.5	61.5	2.6	9.7	14.1	8.1	10.5	2.5	2.5	7.3
HU	53.2	55.4	54.6	12.3	8.9	10.1	3.8	5.6	6.2	8.5	5.4
LT	62.1	60.1	59.0	0.2	13.9	13.9	:	8.3	:	2.2	9.4
LV	59.8	60.9	59.7	1.0	14.7	17.5	12.1	8.9	7.6	4.3	11.0
PL	59.2	59.3	58.4	15.3	10.2	8.3	10.5	8.4	4.6	26.5	11.5
RO	65.9	58.6	57.4	14.0	6.2	7.2	15.9	9.8	3.0	1.0	17.7
SK	60.6	60.2	59.1	15.3	12.2	12.1	2.1	3.6	3.9	4.4	5.8
SI	63.5	67.5	65.1	9.0	7.6	6.0	6.1	10.6	10.5	16.4	5.1
EU15	61.2	65.9	59.2	19.7	10.3	9.1	17.6	21.6	13.4	13.7	8.1
EU27	:	64.6	59.2	18.4	:	9.0	15.9	18.8	11.8	13.5	8.6

Source: Eurostat.

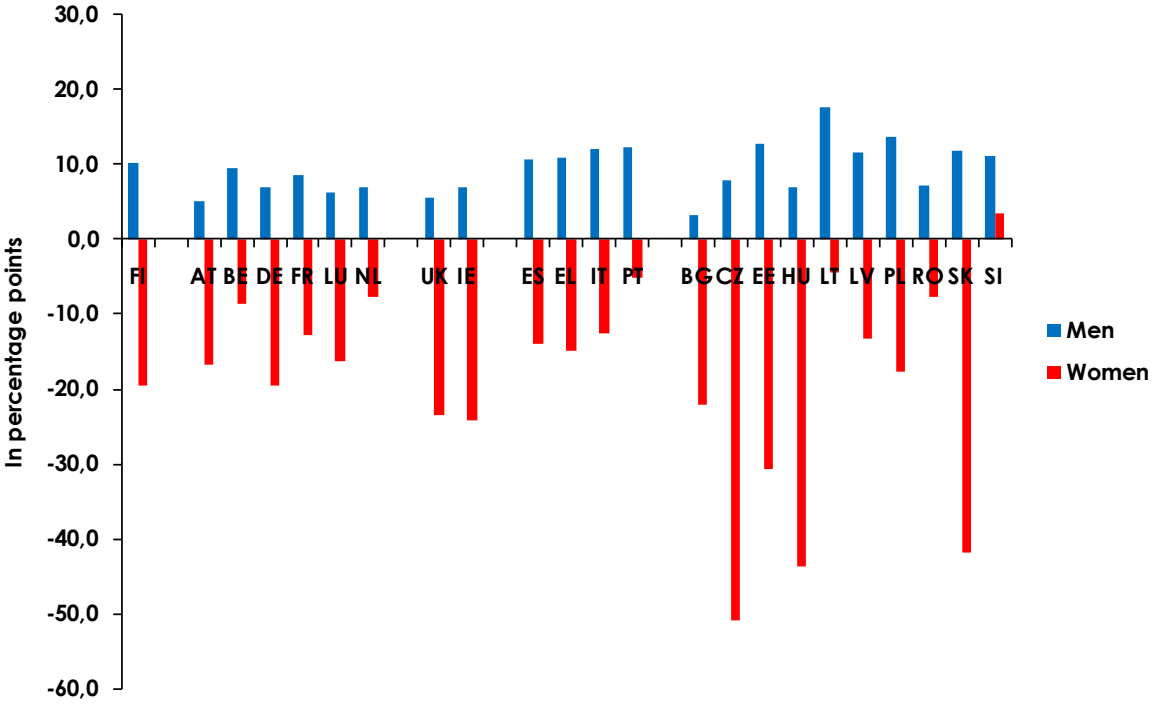
The labour market situation of women deserves particular attention with respect to the discussion of new social risks affecting children. As shown in the preceding section, in the EU roughly one out of five children is growing up in a single parent household, with an overwhelming majority of women being the breadwinner. Women are represented more than proportionally in atypical (marginal employment, part-time work, dependent forms of self-employment) and precarious employment as well as in low-wage sectors of the economy. Understanding women's position can thus help to characterize the labour market as a whole and to highlight cross-country differences in labour market disparities and segmentations.

Although in recent decades women's labour force participation has increased in all European countries, job opportunities and the division of familial responsibilities continue to be characterized by a strong gender bias. In many countries new forms of gender inequality have been emerging, most notably a segregation of women with dependent children in part-time employment. The polarization between "male" full-time employment and "female" part-time employment has been particularly strong in Continental Europe. In countries such as Germany, France and Austria the typical male breadwinner household model has given way to a model where the main (male) income is complemented by the part-time income of the (female) partner. Nordic countries have made conscious efforts to enable women to work full-time and to make it more attractive for men to work part-time. As a consequence, gender gaps in full-time equivalent employment rates amount to 10 percentage points or less in Denmark, Finland and Sweden, against an average for the EU15 and EU27 of respectively 19.7 and 18.4 percentage points. In Continental Europe, only France has a comparatively low employment gender gap in full-time equivalents (13.6 percentage points), the unweighted average amounting to 21.3.

In combining work and childcare, parents are confronted with difficult choices. Employment permits them to maintain a certain living standard, while at the same time working time deprives them of time spent with their children (*Lohmann et al.,* 2009). Women are particularly affected by the increasingly complex task of combining family and career, even more so if they are lone parents. Their predominant role in the care of children is reflected in their employment rates which generally decrease with the number of children in the household and are often particularly low when children are very young. Contrary to the marked negative influence on women's employment rates, the presence of children impacts positively on those of men (see Annex Table 3). Across the EU, the presence of a child (aged 0-14) in the household increased the likelihood of men to be employed by about 8 percentage points in 2009 (measured on the basis of the employment rate). In contrast, the employment rate of women with children was almost 11 percentage points lower than that for women without children. The size of this "child effect" varies greatly between countries, as can be seen from Figure 2.

Figure 2: Employment impact of parenthood for men and women aged 25-49, 2009

Difference in percentage points in employment rates with presence of a child (aged 0-14) and without the presence of any children



Source: Eurostat. For DK and SE no data available.

Data from the OECD Family Database reveal that maternal employment rates are highest for the Nordic countries Denmark, Sweden and Island. Finland is an exception with a low ratio for mothers of very small children, but a significant leap up to high levels of (full-time) employment as soon as children turn three years old. Therefore, the Nordic countries set the benchmark in several ways. They report not only the lowest levels of income inequality and poverty risk but also the highest (full-time equivalent) employment rates both for men and women with and without children.[6] As shown further in section 3, maternal employment rates and poverty risk ratios are positively correlated.

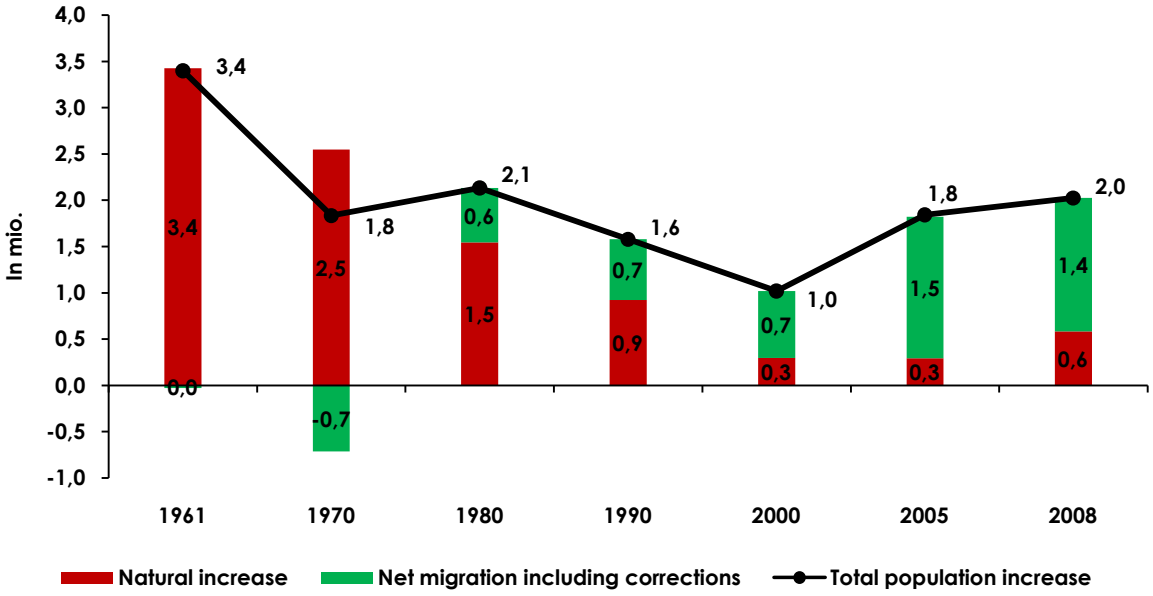
In Continental Europe more mothers actively participate on the labour market compared to the Anglo-Saxon and Southern European countries, albeit most often on a part-time basis. As Eurostat data reveal, while full-time employment among mothers is most widespread in Nordic Europe, it is least common in the Continental European countries.

[6] Despite EU-guidelines for the classification of parents on parental leave, national treatment of long or unpaid leave takers varies across countries. Parents classified as employed are not necessarily in paid work in all countries.

2.4. Migration and cultural diversity

Migration is one further dimension to be mentioned when analysing the context in which children grow up. Following what *Castles and Miller* (2003) call the "age of migration", most of Western countries "now host a substantial and growing population of immigrants, a considerable number of whom are children" (*Levels et al.*, 2010). Figure 3 displays the long-term population change in the EU as sum of natural population change and net migration.

Figure 3: Components of population change in the EU27 (in mio.), 1961-2008



Source: Eurostat.

Indicating the increasingly important role it plays, since the 1980s net migration has been contributing positively to population growth in the EU, with a clear increasing trend. As *Harttgen and Clasen* (2009) argue, "most European countries have realized only rather recently that they have been de facto immigration countries for quite some time". In spite of considerable variation between countries with respect to the intensity, time periods and patterns of migration, all of them are confronted with similar challenges. The migratory flows have intertwined the destiny of "new" and "old" members of European societies: The well-being of migrant children is of critical importance for successful social and economic development of the host countries. The contribution that this and future generations with migration background can make in turn depends to a good extent on the way the host countries are promoting their economic, educational and social opportunities. The second generation of migrants comprises an increasing share of children. There is however very limited information on the share and number of children with migration background in Europe. The overall shares of the foreign born population and of the foreign population vary significantly, with shares in the majority of Western European countries at or above 10%.

Official statistics indicate that the shares of the 15-24 and 65+ years old among the total population are higher among the native born, while the share of the 25-64 years old is higher among the foreign-born population. A problem behind this data, which makes it difficult to estimate the size of the young population with migration background, is that many children of immigrants are themselves neither foreign-born nor foreign citizens, and therefore not distinguishable from native children. Indicators for the population shares with a migration background and for migration trends over time are presented in Table 3. One should however be cautious when interpreting the size of the immigrant population in a country or region as a causal determinant for risks affecting immigrant children. As the example of countries such as Australia and Canada shows, high levels of immigration do not impair integration.

In spite of the lack of comprehensive, harmonized data, numerous studies highlight strong correlations between having a migration background and poor socio-economic outcomes. One field which is deemed of crucial importance for the integration and future development of immigrant children is education. In this respect, in Europe differences between children with different cultural and/or ethnic background tend to be very pronounced. In the words of *Becker* (2010): "Ethnic educational inequality is a well-established phenomenon in most Western countries (...). Many studies have shown ethnic educational inequality at different stages of the educational career. Children of immigrants usually perform worse than native children at school, although there are clear differences among various ethnic groups". *Gogolin* (2002) finds that although cultural and linguistic diversity is a common reality in Europe, the educational systems have hitherto failed to adapt to this reality: "It can be observed that a linguistic and cultural background different from the respective national one serves as a means of exclusion, of prevention from equal access". An evaluation of the 2003 PISA study revealed that while immigrant students in OECD countries generally exhibit strong learning prerequisites, in the test they perform at levels significantly lower than their native peers. Differences across countries vary however considerably, and in a number of places (mainly Australia, Canada, New Zealand) immigrant and native students perform at similar levels (*OECD*, 2006). In Europe, the school performance of children with migration background is of much greater concern than in these traditional 'settlement' countries. Differences within the EU, which are also of major importance for future labour market outcomes, will be discussed in section 3.

Table 3: Indicators for migration

	Growth rate of migrant stock				Foreign-born population		Foreign population	
	85/90	90/95	95/00	00/05	1995	2007	1995	2007
Nordic								
DK	2.9	2.5	3.9	4.9	4.8	6.9	4.2	5.5
FI	4.6	10.4	5.4	3.0	2.0	3.8	1.3	2.5
SE	3.7	3.0	1.8	2.4	10.5	13.4	6.0	5.7
Continental								
AT	10.3	8.3	5.1	5.7	:	14.2	8.5	10.1
BE	0.3	0.2	-0.7	-4.0	9.7	13.0	9.0	9.1
DE	:	8.5	1.5	0.7	11.5	:	8.8	8.2
FR	-0.2	0.6	0.6	0.6	:	8.5	:	:
LU	1.9	3.4	3.4	1.6	30.9	36.2	33.4	43.2
NL	9.0	3.0	2.4	0.6	9.1	10.7	4.7	4.2
Liberal								
UK	0.7	2.2	2.5	2.5	6.9	10.2	3.4	6.5
IE	0.4	2.8	7.5	8.4	:	15.7	2.7	:
Southern								
ES	12.7	5.5	9.6	21.6	:	13.4	:	11.6
EL	5.7	5.7	5.7	5.7	:	:	:	5.7
IT	1.9	1.9	1.9	8.7	:	:	1.7	5.8
PT	4.6	3.8	3.7	3.7	5.4	6.1	1.7	4.2
CEEC								
BG	-0.3	15.5	15.5	0.6	:	:	:	:
CZ	:	1.3	:	:	:	6.2	1.5	3.8
EE	:	-4.3	-4.3	-4.3	:	:	:	:
HU	0.5	-3.4	0.2	1.3	2.8	3.8	1.4	1.7
LT	:	-5	-5	-5	:	:	:	:
LV	:	-2.4	-5.6	-3.7	:	:	:	:
PL	-3.1	-3.1	-3.1	-3.1	:	:	:	0.2
RO	-3.4	-1.1	-0.1	-0.1	:	:	:	:
SK	:	20.2	0.9	1.0	:	6.8	0.4	0.8
SI	:	:	:	:	:	:	2.4	:

Source: OECD Factbook 2010; Harttgen – Clasen (2009): Growth rate of migrant stock corresponds to estimated average exponential growth rate of the international migrant stock over each period indicated.

2.5. Interim conclusion

The discussion of determinants of child outcomes and the description of corresponding context indicators lead to some general remarks and conclusions. Our societies are in principle well-equipped with material and cultural resources to care for their children and to endow all of them with adequate capability sets. At the same time however, long-term social and economic trends have changed the intensity of existing risks affecting children and created risks of new quality. First and foremost, our societies are more unequal, more fragmented at the household level and characterized by more socio-cultural diversity than in the past. This poses a great challenge given the objective to equip all children with equal opportunities and to address their very diverse needs and situations. In addition, labour markets are characterized by higher competition within the workforce for "decent" jobs securing continuous employment and an adequate standard of living. Our collection of data

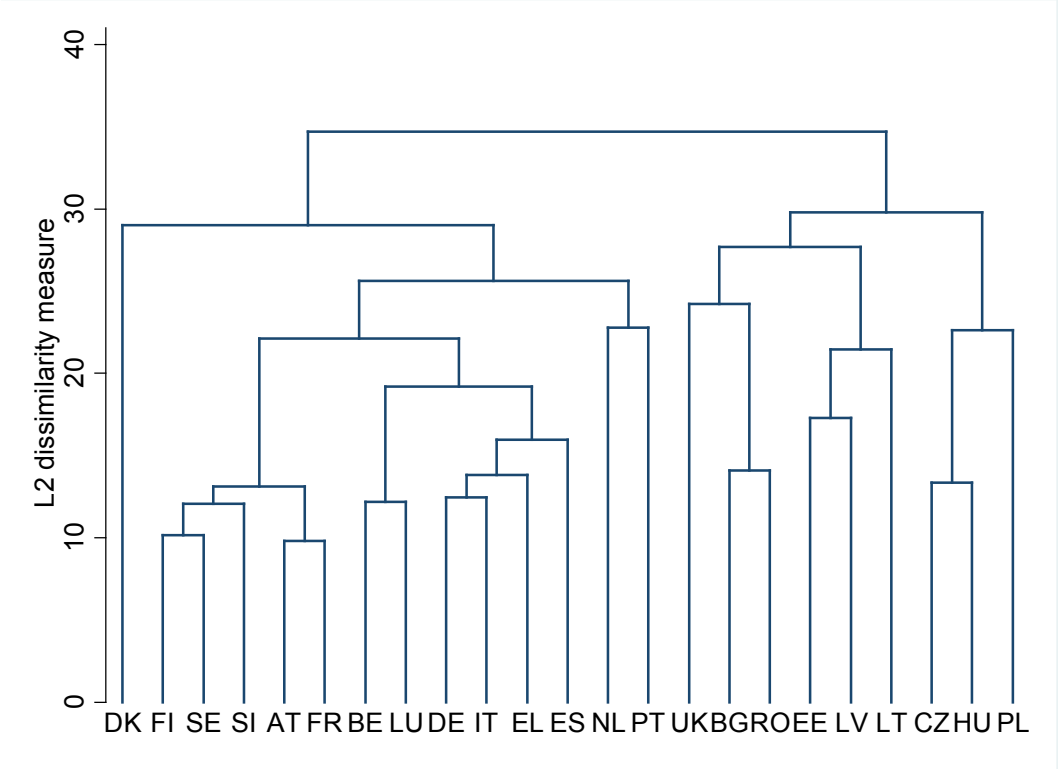
and indicators, incomplete and fragmentary as it is, highlights the existence of a considerable amount of cross-country variation with respect to determinants of children's economic security and other dimensions of child well-being. The worlds-of-welfare classification established by Esping-Andersen is a valid heuristic tool to analyze and interpret these data. This is confirmed by a hierarchical cluster analysis we carry out in order to identify in a more rigorous way similarities and dissimilarities across EU countries and country groups, based on a selection of indicators among those discussed in the previous sections (see Figure 4).

Although the exact ordering of countries can change depending on the choice of indicators included in the model, the main results of the clustering are robust to different specifications and different clustering methods (types of cluster linkages, dissimilarity measures). Figure 4 presents the results of one clustering exercise, visualized by means of a dendogram, i. e. a graphical representation of (dis)similarity between countries. Being positioned to the left (and thus close to the Nordic countries) in our dendogram can be interpreted as a sign for more favorable conditions with respect to determinants of risks affecting children. In fact, Denmark, Finland and Sweden score well according to almost all indicators that have been collected and discussed in this section. They are also a comparatively homogeneous in this respect, although similarities between Finland and Sweden are more pronounced than the ones between these two countries and Denmark. The Central and Eastern European countries also form a very homogenous block. Slovenia is the only exception to this pattern, being singled out from the other CEE countries in all specifications. Very often it is grouped together with Sweden and Finland. According to the indicators we observe, the UK can be grouped together with Central and Eastern countries, thus forming a block with "residual" welfare states. Our analysis suggests that – in comparison to the remaining Western European countries – in the UK the potential for socio-economic outcomes affecting children negatively is particularly high. Ireland, which is not included in this specification, can usually be found in the middle of the dendogram. Among Southern European countries, all clustering exercises reveal great similarity between Italy, Spain and Greece; the position of Portugal is not consistent across different specifications, but at any rate it tends to diverge from the other Mediterranean countries.

The clustering consistently groups the Continental countries in between the Nordic and the Southern European countries. As highlighted by the overview of indicators in this section, it is not straightforward to interpret differences in child risk determinants between Continental countries. To a certain extent Austria and France reveal greater similarity to the Nordic countries, whereas Belgium, Luxembourg and Germany are part of a different sub-group. The position of the Netherlands is, together with Portugal, the least consistent with traditional welfare state typologies and also the most sensitive to specification choices. France can be singled out from the other Bismarckian welfare systems due to its high levels of maternal employment and comparatively small gender gaps in the labour market. In Austria, the available indicators reveal more traditional gender patterns in the labour market and thus the existence of more obstacles in the reconciliation of work and family life. With respect to

other child risk determinants, the Austrian situation is however impacted positively by comparatively low levels of earnings inequality and poverty risks as well as by high activity rates and low unemployment. Of the remaining Bismarckian welfare states, Germany has the highest concentration of risk potential concerning the situation of children: high income inequality, pronounced gender gaps in the labour market as well as high shares of precarious and low-wage employment.

Figure 4: Cluster analysis dendogram, based on context indicators for child well-being



Source: Eurostat data, own calculations. In this specification, Ireland and Slovakia are excluded because of missing observations for some of the variables. They include: income quintile share ratio, Gini coefficient, at-risk-of-poverty rate of the total population, relative median at risk of poverty gap of children and the total population, at-risk-of-poverty rate of single parent households, FTE female employment rate, part-time gender gap, employment rate of low-skilled workers, proportion of low wage workers, share of employees with temporary contract, long-term unemployment rate, share of sole parent households in all households with children.

3. Child outcomes

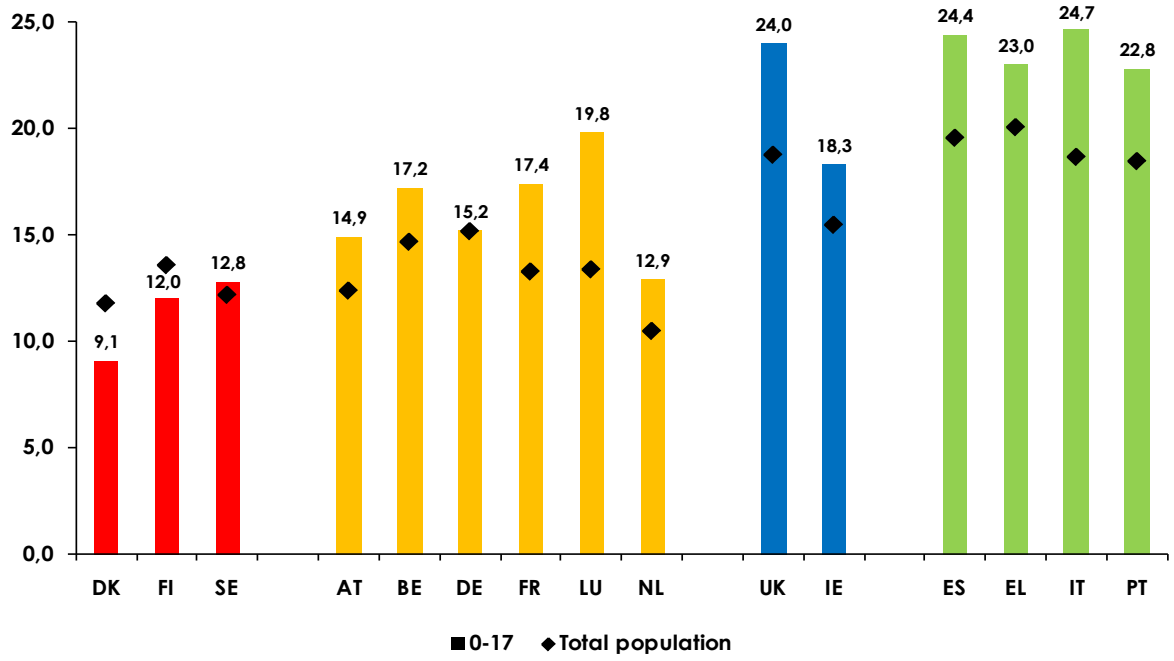
In the following sections we sketch a portrait of children's current well-being outcomes across European countries against the backdrop of the socio-economic transformations that have taken place in the past decades. Based on a broad definition of poverty, indicators of relative income poverty are complemented by "absolute" material deprivation measures that provide an estimate of the share of people whose living conditions are severely affected by lack of resources. Further aspects of living conditions under consideration are educational outcomes, housing and health. We focus specifically on the group of Continental countries, exploring the heterogeneity within this cluster as well as comparing it with the other groups of welfare states.

3.1. Material well-being of children

Incidence and severity of child poverty

Even in the economically rich countries of Europe the current social situation of children is characterized by persistent and sometimes increasing levels of poverty and social exclusion. Following the EU agreed concept of relative poverty, almost one in every five children (19.3%) was at-risk-of-poverty across the EU15 in 2008. In the majority of the EU member states as well as the EU15 as a whole, children were facing a higher risk of poverty than the overall population (16.4%) (see Figure 5).

Figure 5: At-risk-of-poverty rate after social transfers by age group, 2008 (%)



Source: Eurostat. Share of persons with an equivalised disposable income below 60% of the national median equivalised income, which is defined as the household's total disposable income divided by its equivalent size.

Within the EU15, the highest figures were reported for the Southern European countries and the United Kingdom, in terms of both the poverty rates of children and the population overall. In the Continental welfare states, a smaller share of all children was exposed to poverty risk. However, there is considerable cross-national variation within Continental Europe, and child poverty rates are, on average, higher than those in the Nordic countries.

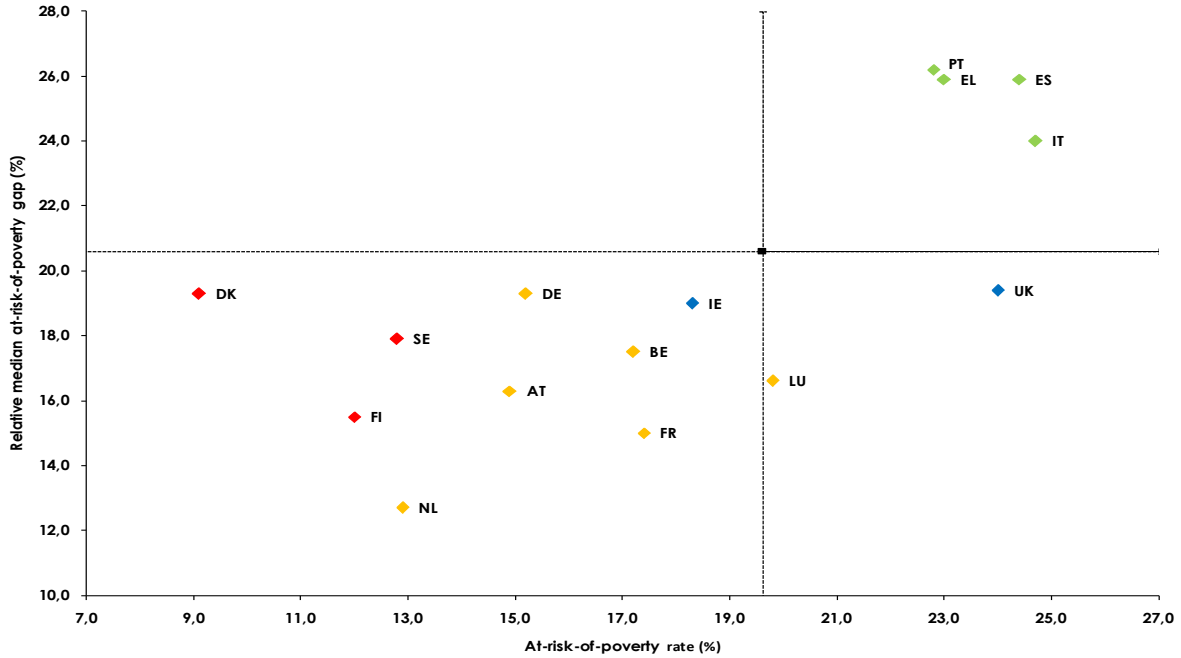
Comparing population-weighted averages of the available national values, 15.9% of all children under 18 years were living under a poverty threshold of 60% of the national median equivalised household income in the Continental welfare states, compared to 11.6% in the Nordic countries (Liberal 23.6%; Southern 24.3%). The share was highest in Luxembourg (19.8%), followed by France (17.4%) and Belgium (17.2%), and lowest in the Netherlands (12.9%) where it only slightly exceeded the level of the Nordic countries. Austria (14.9%) and Germany (15.2%) score in a medium position within Continental Europe. With the exception of Germany, children were at greater risk-of-poverty in 2008 than the total population in all Continental countries, the relative gap ranging from 20% in Austria, Belgium and the Netherlands over 30% in France to 50% in Luxembourg[7].

Not only the proportion of children living under the poverty threshold, but also the intensity of child poverty as measured by the distance between the median equivalised income of people living below the poverty threshold and the value of that poverty threshold, was lower in Continental welfare states (16.9%) than in Southern Europe (25.0%) and in Liberal welfare states (19.4%). On (population-weighted) average, the poverty gap was even narrower compared to the Nordic countries (17.6%). However, Eurostat data reveal a contrasted picture across the EU15 in general and Continental Europe in particular. While in Germany (19.3%) the poverty gap reached similarly high levels as in the liberal welfare states, France (15,0%) and the Netherlands (12.7%) reported the lowest levels throughout the EU15. Again, Austria scored in a medium position. The median equivalised income of poor children was 16.3% lower than the national poverty threshold in 2008.

Figure 6 summarizes child outcomes with respect to both at-risk-of-poverty rates and the relative median at-risk-of-poverty gap showing that altogether the Nordic countries set the benchmark. The Continental countries performed better than the Southern European countries and the UK, but worse than the Nordic countries, as far as the incidence of child poverty is concerned. As regards severity, poverty gaps in the Continental welfare states were in a similar range as those in the Nordic countries, except for the Netherlands which stood out as the country with the lowest poverty gap and a poverty rate which was lower compared to the rest of Continental Europe. Austria recorded the second-lowest at-risk-of-poverty rate among the Continental countries in 2008 and scored in a medium-position regarding the poverty gap. Whereas Luxembourg had the highest proportion of children at poverty risk, Germany recorded the highest poverty gap.

[7] It should be borne in mind that the living standards of children at-poverty-risk vary greatly across the EU (*Eurostat*, 2010).

Figure 6: At-risk-of poverty rate and relative median at-risk-of-poverty gap of children, 2008



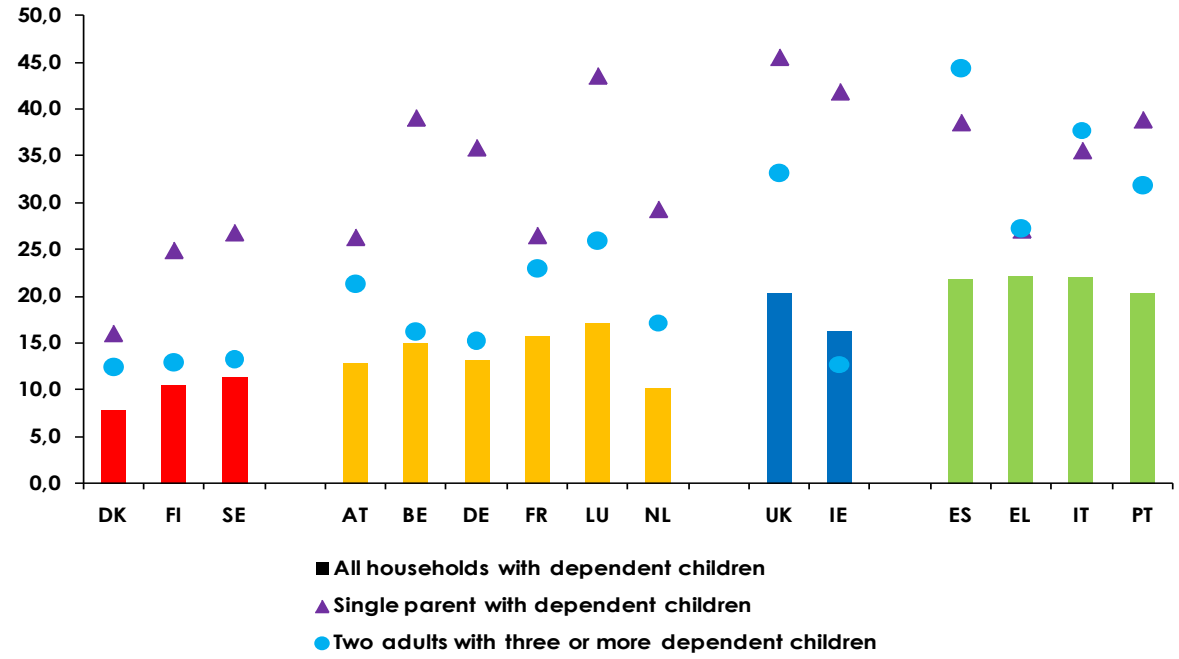
Source: Eurostat. At-risk-of-poverty rate: Share of persons with an equivalised disposable income below 60% of the national median equivalised income, which is defined as the household's total disposable income divided by its equivalent size. Poverty gap: Difference between the median equivalised total income of persons below the at-risk-of-poverty threshold and the at-risk-of-poverty threshold, expressed as a percentage of the at-risk-of-poverty threshold (60% of median equivalised income).

Child poverty by household type

It is well established in the literature that size, composition and work intensity of the household are among the prime factors influencing the material well-being of children. First, sole parent families are generally more likely to be poor than two-adult households with children, reflecting constrained opportunities to pool resources and particular difficulties in reconciling family life and work. Second, the probability of being in poverty tends to rise with the number of children in the household, at least it increases when a third child is present. Third, children's material well-being is strongly determined by the labour market situation of their parents. Among households with children, poverty rates are significantly higher for jobless families than for families with at least one parent in employment (*Whiteford – Adema*, 2007).

As illustrated by Figure 7, the at-risk-of poverty rates of single-parent families and of large families comprising two adults with three or more dependent children were well above the average of all households with dependent children in 2008 in all countries considered except Ireland, where large families were less likely to be at-risk-of-poverty than the average for all families with dependent children. While households with children were generally most at risk in the Southern welfare states (rates between 20.4% in PT and 22.2% in EL) and large families faced the highest risk in Spain (44.4%), single-parent families were particularly vulnerable in the United Kingdom (45.6%).

Figure 7: At risk of poverty rate in households most at risk, 2008



Source: Eurostat. Cut-off point at 60% of median equivalised income after social transfers.

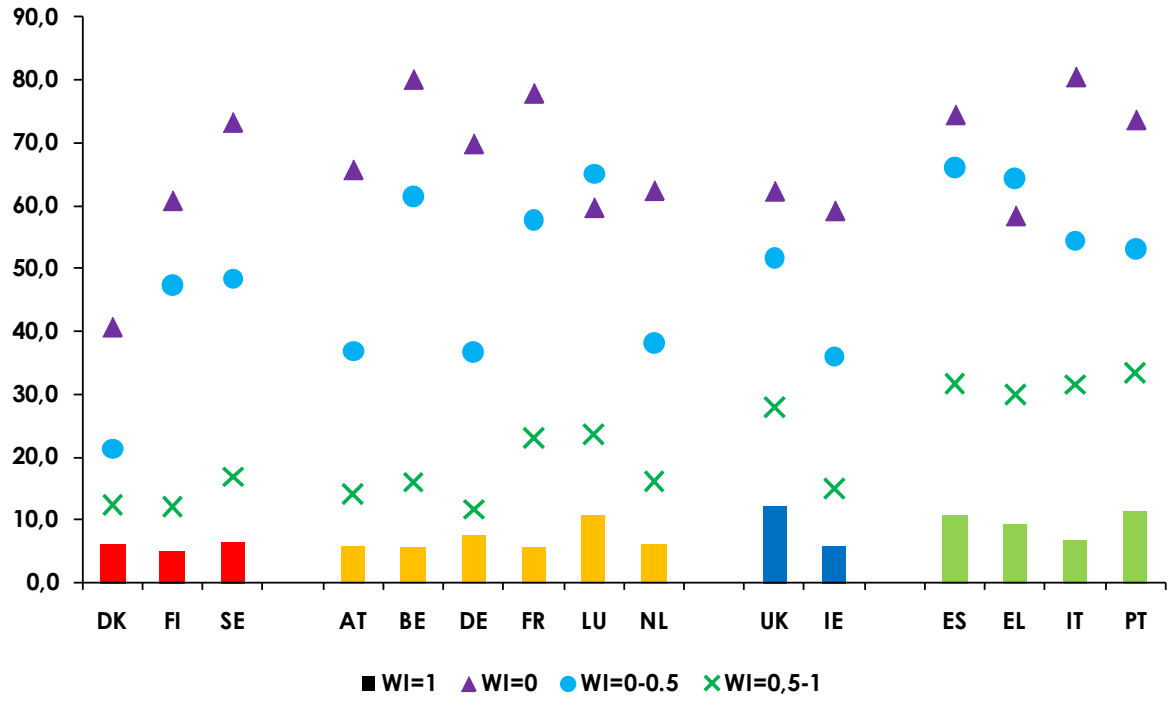
Lone-parent households and large families are the two types of families most exposed to poverty risk in all Continental welfare states, but the distribution of the affected households varied greatly, implying that these countries are faced with different policy challenges in their efforts to alleviate child poverty. Restricting the focus to the Continental welfare states, at-risk-of-poverty rates were highest in Luxembourg for all types of households with children. In Belgium (39.1%) and Germany (35.9%), the risk of poverty among lone-parent households was roughly as high as in Luxembourg (43.6%), amounting to more than double the average risk of poverty for all households with dependent children in 2008 (14.9% in BE, 13.1% in DE, 17.1% in LU). At the same time the risk of poverty for large families was lowest, differing only slightly from the average (16.2% in BE, 15.2% in DE). Compared to Luxembourg, Belgium and Germany, the poverty risk for lone-parent families was considerably lower in Austria (26.3%), France (23.0%) and the Netherlands (17.1%). The risk for large families was higher in Austria (21.3%), France (23.0%) – and to a lesser extent in the Netherlands (29.3%) – compared with Belgium and Germany.

Child poverty by the working status of the household

The extent to which children in various family types experience risks of poverty very much depends on the labour market situation of their parents – their employment status on the one hand and the characteristics of their employment on the other. As can be seen from Figure 8, children are not necessarily protected from poverty, even if both parents work. This holds true even more for France and Luxembourg than for the rest of the Continental countries.

However, it proves to be a general rule that the lower the work intensity of the household the higher is the at-risk-of-poverty rate of children. Except for Luxembourg and Greece, it is by far the highest, when no one in the household has been working during the income reference year, exceeding the risk rate for families with full work intensity by many times. Belgium and France are among the countries with the highest at-risk-of-poverty rates of children living in jobless households across the EU15, with rates at 80% and 77.8% respectively. In the rest of the Continental states, the proportion is smaller but still reaches levels of about 60% and above. It may come to a surprise that the lowest at-risk-of-poverty rate of children living in households at work (work intensity greater or equal to 0,5) was reported for Germany in 2008, According to the available data, there is a strong discrepancy in poverty risk between working households with and without dependent children in this country. While the risk rate for those without children is the third highest, the one for households with dependent children is the third lowest across the EU15.

Figure 8: At-risk-of-poverty rates of children (0-17) by work intensity of the household, 2008

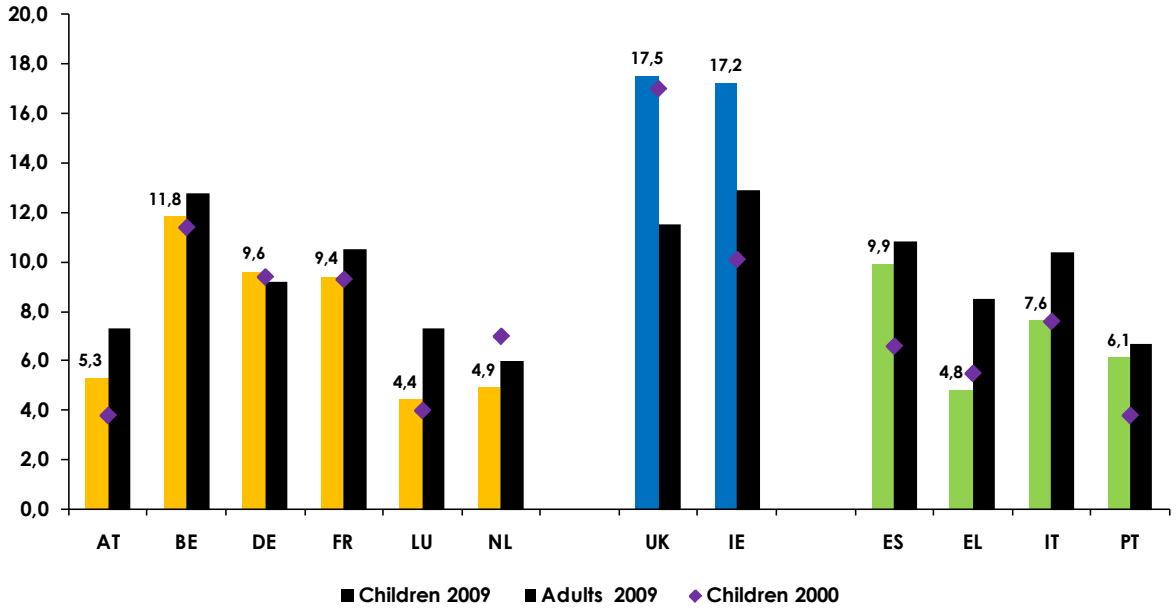


Source: Eurostat. Work intensity of the household (WI) refers to the number of months that all working age household members have been working during the reference year as a proportion of the total number of months that could theoretically be worked within the household.

Comparing the proportion of children living in jobless households regardless of the associated poverty risk, the Liberal welfare states stand out with the highest rates (17.5% in the UK, 17.2% in IE) in 2009. In Belgium (11.8%), Germany (9.6%), and France (9.4%) the rates were lower but still considerably higher than in Austria (5.3%), Luxembourg (4.4%), and the Netherlands (4.9%).

While remaining rather stable in Belgium, Germany, France, and Luxembourg, rates have fallen considerably in the Netherlands and have risen in Austria – from 3.8% in 2000 to a value of 5.3% in 2009 (see Figure 9).

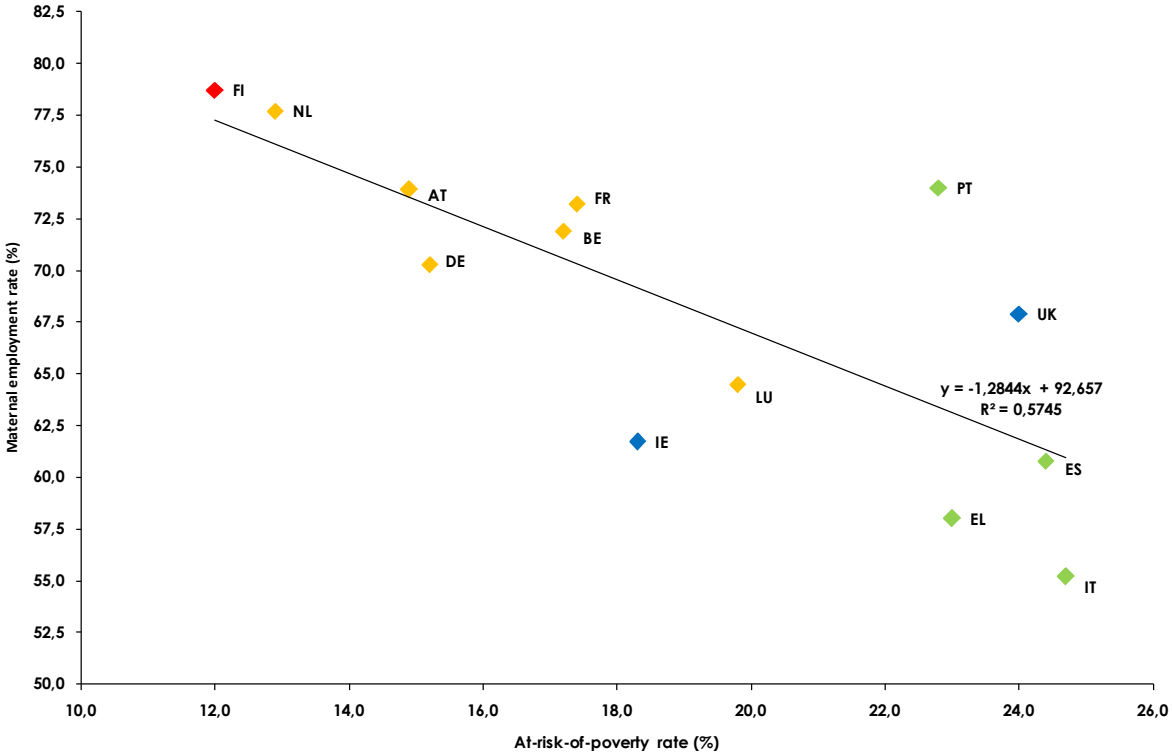
Figure 9: Proportion of children (aged 0-17) and adults (aged 18-59) living in jobless households, 2000 and 2009



Source: Eurostat. Share of persons aged 0-17 who are living in households where no-one is working. No data available for the Nordic countries.

Relating mother's employment rates to children's at-risk-of-poverty rates suggests a strong correlation for the majority of countries for which data are available (see Figure 10). Children's at-risk-of poverty rates tend to decrease with the rates of mother's employment. However, the figure confirms that parents' labour market participation is not a sufficient condition for the protection from poverty. Rather it is also the quality of jobs with regard to working time, income and other dimensions that are affecting children's living conditions as well.

Figure 10: Maternal employment rates vs. children's at-risk-of-poverty rates, 2008

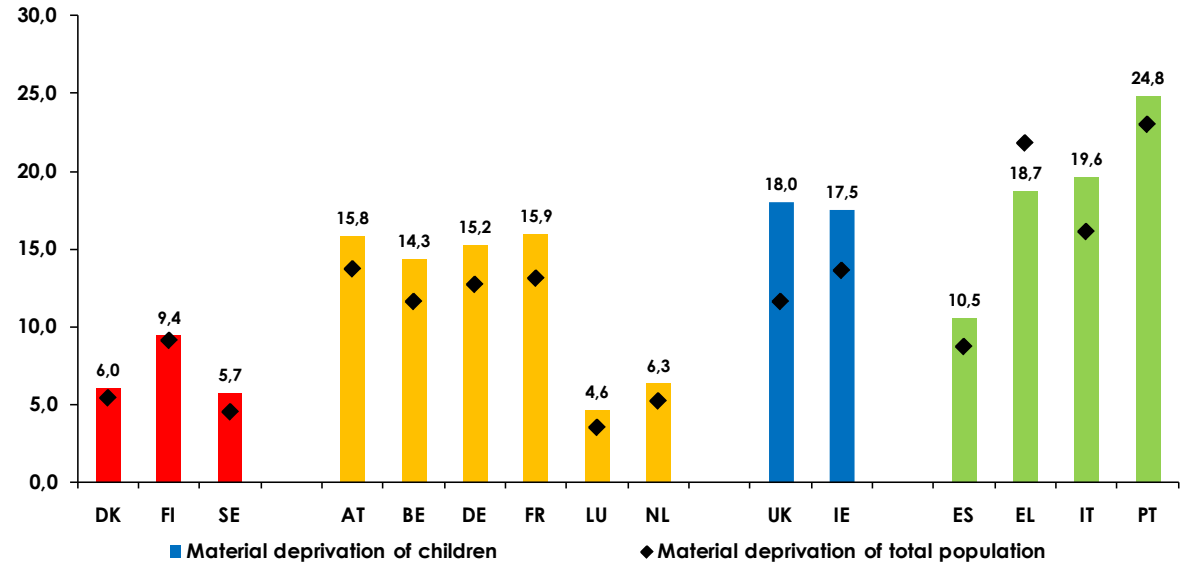


Source: Eurostat. Employment rates of women aged 15-64 with children aged 0-17.

Material deprivation of children

Children are in most countries at higher risk than the total population, not only in terms of relative monetary poverty but also regarding absolute material deprivation, which is defined as the enforced lack of a combination of items that can be considered as necessary to enjoy a decent standard of living. Focusing on the economic strain and durables dimension, 15.3% of all children in the EU15 were materially deprived in 2008 in the sense that the households they lived in could not afford to pay for at least three of nine items such as unexpected expenses, a meal with meat or fish every other day, a washing machine or a one week holiday away from home (see Figure 11). In Austria (15.8%), Belgium (14.3%), Germany (15.2%), and France (15.9%) shares were similar to this average, whereas in Luxembourg (4.6%) and the Netherlands (6.3%) they were among the lowest in all Europe. A joint consideration of material deprivation and at-risk-of poverty rates yields a coherent picture for the Netherlands, since it belongs to the best relative performers in the EU15 with regards to both measures. In contrast, Luxembourg performed best in terms of material deprivation, but at the same time performed rather poorly with regards to the relative poverty-risk-rate indicator.

Figure 11: Material deprivation rate (economic strain and durables dimension) (%), 2008



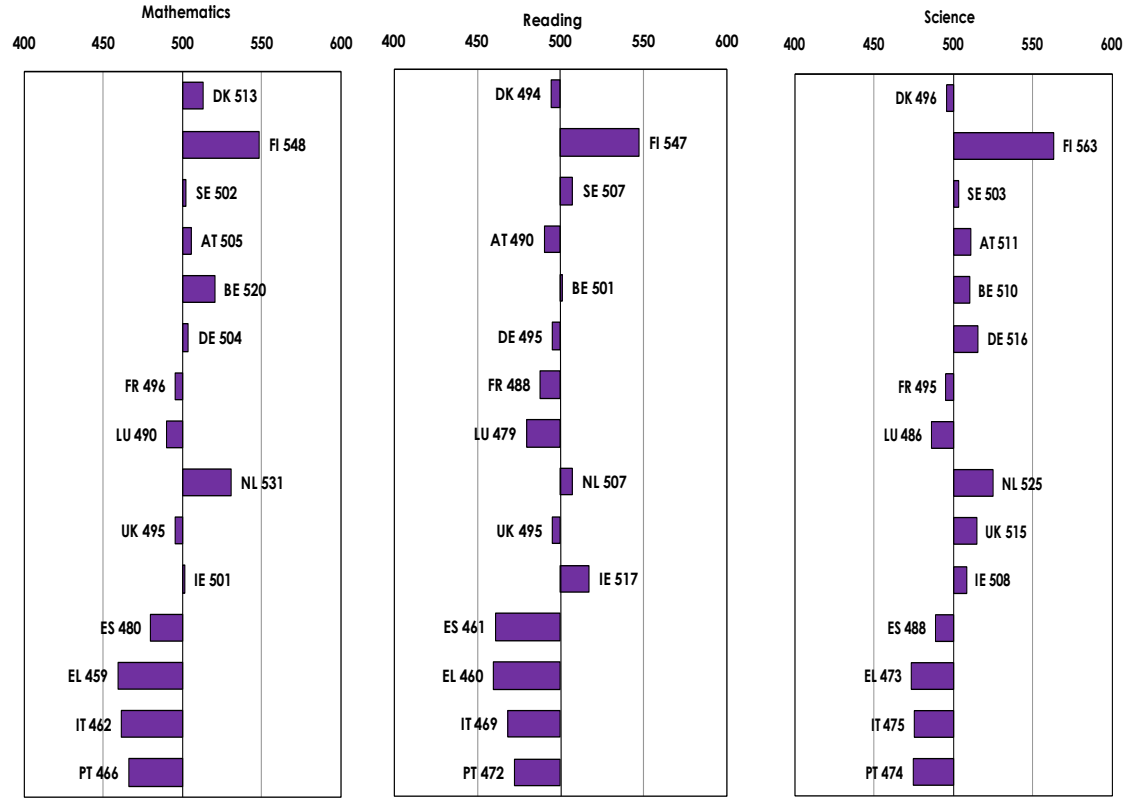
Source: Eurostat.

3.2. Educational outcomes of children and youth

School performance of children

An assessment of students' performance towards the end of compulsory schooling on the basis of the results from the OECD Programme for International Student Assessment (PISA) in 2006 reveals pronounced differences not only across welfare regimes but also within Continental Europe (see Figure 12). Regardless of gender, Finland stands out as the top country, while the Southern European countries are bottom in all categories. Within Continental Europe, Belgium and the Netherlands are the only countries with scores above the OECD average (set at 500 for each subject) in all areas. Most strikingly, the Netherlands twice had the second-best (mathematics and science) and once the third-best performance (reading). The school performance of pupils in France and Luxembourg was comparatively poor in all the three subjects. In Austria and similarly in Germany, science and – to a lesser extent – mathematics scores were above OECD average, while reading test scores were below.

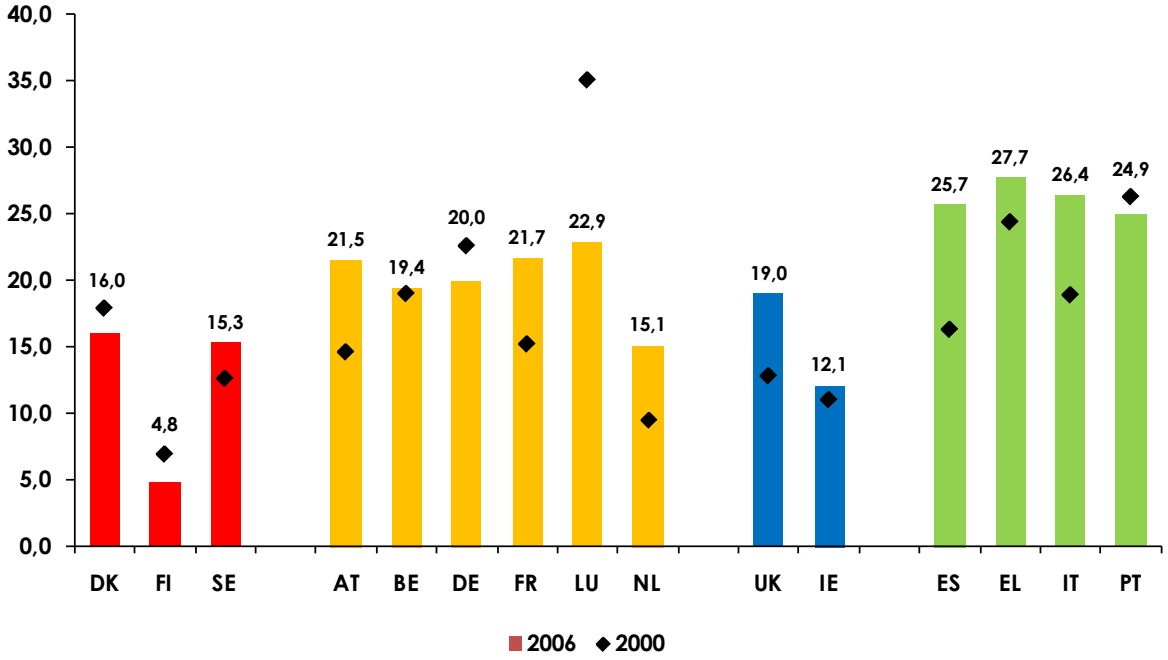
Figure 12: Students' performance – mean scores on the mathematics, reading and science scales in PISA 2006



Source: OECD PISA 2006.

As far as reading literacy is concerned, which is defined within OECD's PISA as understanding, using and reflecting written texts, in order to achieve one's goals, to develop one's knowledge and potential and to participate in society, more than one in every five pupils in the EU15 (21.2%) was faced with serious difficulties in 2006. Comparing population-weighted averages of the national values, the group of Continental welfare states with a rate of 20.2% scored better than the Southern welfare states (26.1%), but worse than the Nordic countries (12.7%) and the Liberal welfare states (18.5%). Among the Continental countries, the proportion of 15-year-old pupils with low proficiency in reading, meaning that they were not likely to demonstrate success on the most basic type of reading that PISA seeks to measure, ranged between 19.4% in Belgium and 22.9% in Luxembourg in 2006, the Netherlands being an outlier with a level of 15.1% (Slovenia 16.5%) (see Figure 13).

Figure 13: Low reading literacy performance of pupils – Share of 15-year-old pupils who are at level 1 or below of the PISA combined reading literacy scale



Source: Eurostat (originally OECD PISA).

Mean test scores are however only a part of the story. In fact, not only the average skill level in the population, but also the dispersion of skills is of great importance. Since "the proportion of today's youth with inadequate skills signals the likely size of tomorrow's social exclusion problem" (*Esping-Andersen*, 2008), our educational systems should aim at combining high skill means with low overall skill dispersion. Empirical evidence suggests that there does not exist a trade-off between mean performance and skill dispersion, and the example of Finland shows that polarization can be minimized even when the average performance is very high (*ibidem*).

Detailed evaluations of PISA present strong evidence for the fact that performance levels at the lowest percentiles of the distribution depend crucially on the capacity to integrate in the educational system children with migration background. On the basis of PISA 2003 scores, the OECD finds that only small percentages of native students fail to reach baseline levels of mathematics proficiency (level 2), whereas the situation is very different for immigrant students. More than 40% of first-generation students in Belgium, France, and Sweden and more than 25% of first-generation students in Austria, Denmark, Germany, Luxembourg and the Netherlands perform below this basic proficiency level. The situation is particularly critical in those countries where second-generation students fail to improve with respect to first-generation immigrants. In Germany, more than 40% of second-generation students perform below level 2, the same is true for at least 30% of students in Austria, Belgium and Denmark

(*OECD*, 2006). To a certain extent these findings are driven by compositional effects due to the simultaneous presence of low socio-economic status together with low parental educational background and low familial cultural capital. However, even after accounting for these multiple negative influences on educational outcomes in a multivariate setting, there exists significant cross-country variation with respect to the size of the immigrant effect in test scores. Calculations based on the PISA 2000 study carried out by *Esping-Andersen* (2008) are displayed in Table 4: As illustrated, Continental countries and especially Belgium, Austria, Germany and the Netherlands are confronted with large performance gaps between immigrants and natives, even after controlling for confounders.

Table 4: The immigrant deficit in different countries (difference from country mean)

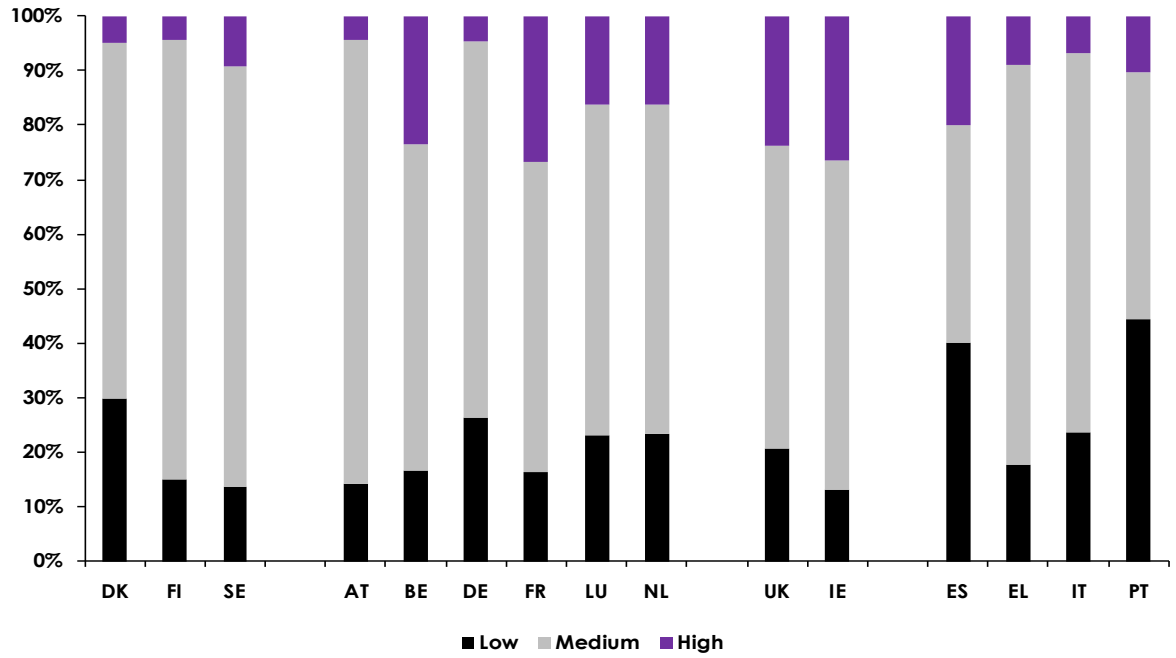
	Raw immigrant effect	Adjusted immigrant effect
	in %	
Nordic		
DK	-33	-17
FI	-18	-22
SE	-37	-25
Continental		
AT	-60	-36
BE	-82	-56
DE	-68	-40
FR	-33	-20
NL	-73	-43
Liberal		
UK	-21	-21
IE	15	13
Southern		
ES	-21	-23

Source: *Esping-Andersen* (2008); PISA 2000 data files. Adjusted effect includes controls for mother education, parental socio-economic status, sex and books in home.

Youth educational attainment

In view of the fact that throughout Europe the likelihood of unemployment decreases with the level of educational achievement (see Annex Table 2), education can be regarded as a key determinant of employment and earning opportunities. In 2009, about three quarters (76.1%) of young persons in the EU15 aged between 20 and 24 years had completed at least upper secondary education. As illustrated by Figure 14, Continental Europe can be divided into two groups: The proportion was lower in Germany (73.6%), Luxembourg (75.8%), and the Netherlands (76.6%) than it was in Austria (85.9%), Belgium (83.3%), and France (83.6%). 26.2% of the young people in Germany, 23.4% in the Netherlands and 22.8% in Luxembourg had low educational attainment (at most lower secondary education).

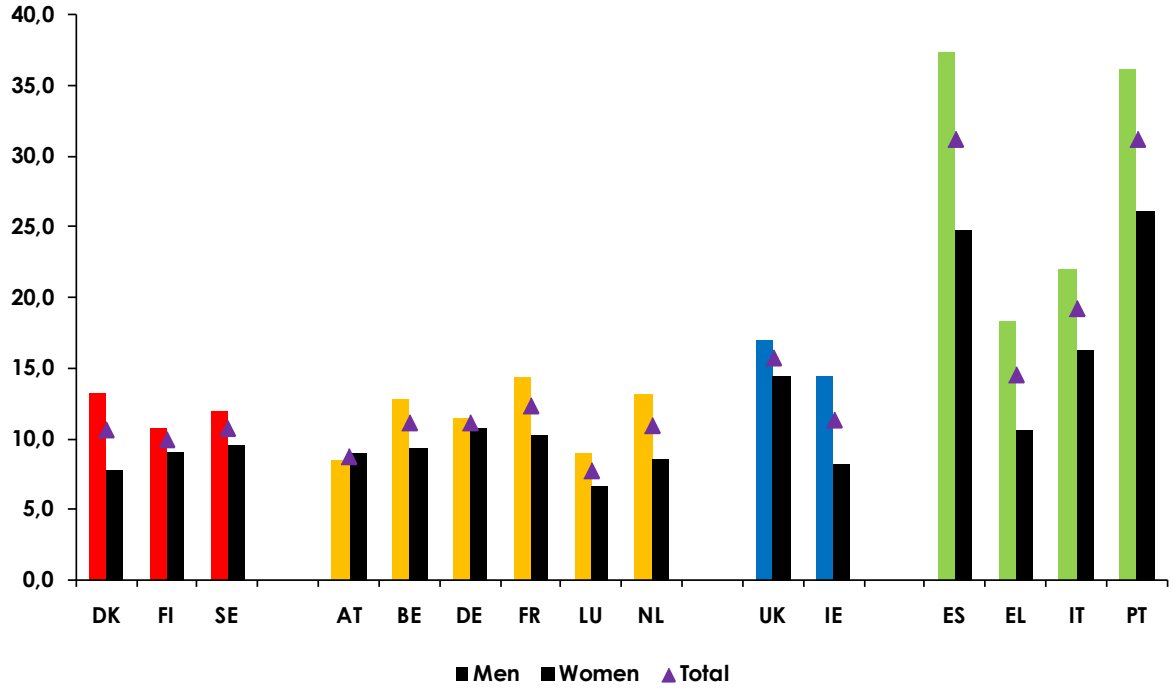
Figure 14: Distribution of young persons (aged 20 to 24 years) by educational attainment, 2009



Source: Eurostat; own calculations. Distribution of young persons (aged 20 to 24 years) by highest level of education attained. Low: ISCED levels 0-2 (pre-primary, primary and lower-secondary education); Medium: ISCED levels 3-4 (Upper secondary and post-secondary non-tertiary education); High: ISCED levels 5-6 (tertiary education).

Since low levels of educational attainment tend to translate into labour market disadvantage, early school leavers are considered as generally being exposed to a higher risk of poverty and social exclusion than other young people who continue their education and training (*Eurostat*, 2010). In the EU15, 15.9% of 18 to 24 year olds had at most a lower secondary education and were not involved in further education or training in 2009, with all countries except Austria reporting a higher proportion among males (see Figure 18). The Southern member states, most notably Spain and Portugal, reported by far the highest figures, followed by the United Kingdom, whereas the Continental welfare states reached similarly low levels as the Nordic countries. Within Continental Europe, the proportion was smaller in Austria (8.7%) and especially Luxembourg (7.7%) than those in the rest of the countries, where in each case it exceeded a level of 10%. Just like the other Continental welfare states, the share of young people with only lower-secondary education decreased in Austria over the past decade (from 10.2% in 2000 to 8.7% in 2009). In Luxembourg, the proportion of early school-leavers more than halved within this period, this way turning from the worst to the best relative performer on this indicator.

Figure 15: Proportion of early school-leavers (aged 18-24) (%), 2009

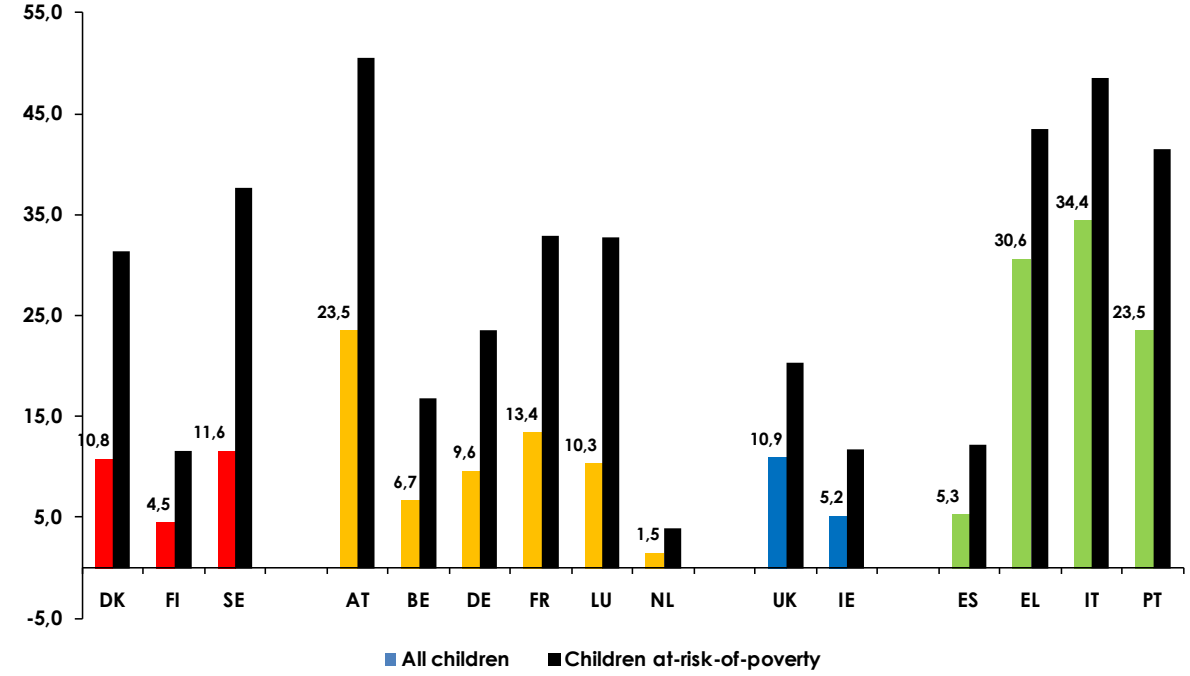


Source: Eurostat. Percentage of the population aged 18-24 with at most lower secondary education (ISCED level 0, 1, 2 or 3c short) and not in further education or training in the four weeks preceding the survey.

3.3. Housing conditions of children

Housing problems can appear in various forms, starting from the extreme of homelessness, crowding, and poor amenities through to environmental problems and crime (*Eurostat*, 2010). As regards overcrowding, which relates to a situation in which the dwelling does not comprise a minimum number of rooms, a smaller share of all children was affected in the Continental welfare states than in the majority of Southern European states. However, Austria was an outlier, recording not only by far the highest share across Continental Europe, but also the third highest proportion in the whole EU15: In 2008 23.5% of all children aged under 18 years were living in an overcrowded household. Contrary to Austria, the Netherlands recorded the lowest overcrowding rate among children. With a rate at 1.5%, a substantially smaller fraction was affected (see Figure 16).

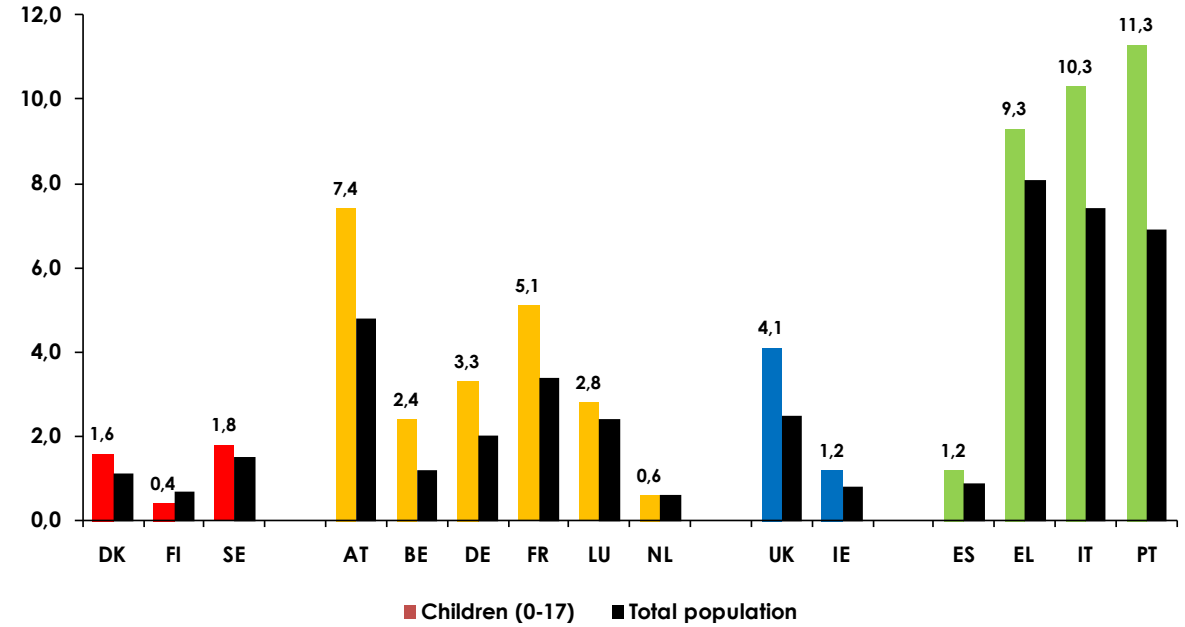
Figure 16: Overcrowding rate among children (< 18 years), 2008



Source: Eurostat. Percentage of all children aged under 18 years living in an overcrowded household, that is a household, which does not have at its disposal a minimum of rooms equal to: one room for the household; one room by couple in the household; one room for each single person aged 18 and more; one room by pair of single people of the same sex between 12 and 17 years of age; one room for each single person between 12 and 17 years of age and not included in the previous category; one room by pair of children under 12 years of age.

Comparing the incidence of severe housing deprivation leads to similar results. While on average by far the highest proportion of children facing severe housing deprivation was found among the Southern European countries and the lowest in the Nordic countries, the Continental welfare states scored in a medium position. Austria recorded the fourth highest rate in the EU15 after Portugal, Italy and Greece, with France following behind. 7.4% of Austrian children were facing severe material deprivation in the sense that they were living in households which were overcrowded, while also exhibiting a leaking roof, no bath/shower and no indoor toilet, and/or a dwelling that is considered too dark (see Figure 17).

Figure 17: Severe housing deprivation among children (< 18 years) and the total population (%), 2008



Source: Eurostat. Percentage of children (0-17) living in a household that is overcrowded and is faced with at least one of the following problems: leaking roof, no bath/shower and no indoor toilet, dwelling that is considered as being too dark.

With few exceptions, both overcrowding and the incidence of severe housing deprivation were more widespread among households with dependent children than households without children. Households with single parents as well as large households with more than two children were particularly affected in all countries considered (see Table 5). This finding is an example illustrating that single-parent and large families with children represent segments of the population that are vulnerable on multiple grounds.

Table 5: Overcrowding rate and severe housing deprivation rate by household type (%), 2008

	Overcrowding rate						Severe housing deprivation rate					
	Households without children	Households with dependent children					Households without children	Households with dependent children				
		Total	Single parent	2 adults, 1 kid	2 adults, 2 kids	2 adults, 3+ kids		Total	Single parent	2 adults, 1 kid	2 adults, 2 kids	2 adults, 3+ kids
Nordic												
DK	4.8	9.9	20.1	3.8	4.4	16.3	0.8	1.5	2.3	0.8	0.5	2.8
FI	7.3	4.1	11.5	2.3	0.8	5.4	0.9	0.4	1.5	0.0	0.1	0.7
SE	9.0	10.9	24.4	7.0	3.8	13.6	1.2	1.7	3.5	1.5	0.4	2.6
Continental												
AT	8.5	21.7	33.7	14.3	11.5	37.8	2.5	7.1	9.4	4.2	3.8	12.0
BE	2.0	6.1	10.2	2.9	1.4	8.6	0.5	1.9	5.9	1.8	0.2	1.9
DE	5.5	8.9	23.3	4.3	4.0	11.0	1.4	2.9	8.1	1.1	1.7	3.9
FR	6.0	13.1	20.3	6.4	5.1	19.0	2.0	4.7	8.6	2.5	1.8	5.8
LU	6.0	9.4	18.4	11.8	5.7	9.4	2.4	2.3	4.0	3.0	1.4	3.6
NL	1.5	1.9	2.7	0.1	0.3	3.3	0.3	0.8	0.8	0.1	0.0	2.3
Liberal												
UK	2.1	9.9	12.8	2.2	3.5	17.6	0.8	3.8	4.2	1.4	1.4	7.9
IE	2.7	5.9	5.3	2.3	0.7	6.0	0.5	1.0	2.1	0.5	0.2	0.6
Southern												
ES	2.0	5.1	8.1	1.8	1.6	10.3	0.7	1.2	3.1	0.3	0.1	3.6
EL	20.4	33.4	41.4	17.5	26.4	62.7	6.1	10.1	9.5	6.9	6.7	15.0
IT	13.0	35.6	34.6	19.3	27.9	55.3	4.4	10.4	11.2	6.1	6.8	16.2
PT	6.9	22.8	29.7	5.7	15.8	41.3	2.4	10.6	18.6	2.7	8.4	15.2
EU15	6.2	14.4	19.7	7.0	8.6	19.2	1.9	4.6	6.8	2.3	2.5	6.3
EU27	10.1	25.7	26.4	15.8	16.9	28.8	3.5	9.5	9.9	5.0	5.3	11.5

Source: Eurostat. Overcrowding rate is defined as the percentage of the total population living in an overcrowded household. Severe housing deprivation rate is defined as the percentage of the total population living in a household that is overcrowded and is faced with at least one of the household deprivation measures.

3.4. Health outcomes of children and youth

Health outcomes of children

Table 6 below contains a selection of indicators that are frequently used, when health outcomes are assessed. Cross-country differences are rather small with respect to life expectancy at birth, but higher regarding the indicator of healthy life years at birth, which measures the number of years that a person at birth is still expected to live in a healthy condition. According to 2007 data, the Nordic countries and the Liberal welfare states recorded the highest numbers of healthy life years for both men and women (numbers well above 60), with the exception of Finland, the country with the lowest figures regardless of gender. Within Continental Europe, two groups of countries can be distinguished: on the one hand countries with numbers below 60, comprising Austria and Germany, and on the other hand countries with numbers clearly exceeding a level of 60 years (Belgium, France, Luxembourg, and the Netherlands).

The infant mortality rate was at similar levels during the year of 2008, ranging from 3.4 to 3.8, in all Continental countries except Luxembourg, where the ratio of the number of deaths of

children under one year of age for every 1,000 live births amounted to 1.8. Luxembourg was also the Continental country with the best performance regarding the proportion of low birth weight infants in 2005.

Table 6: Selection of indicators on health outcomes of children

	Life expectancy at birth, 2007		Healthy life years, 2007		Infant mortality rate, 2008	Low birth weight infants, 2005	Overweight rates among 15 year-olds, 2006		Regular cigarette smoking among 15 year-olds		Repeated drunkenness among 13- and 15-year-olds	
	Men	Women	Men	Women			Boys	Girls	Boys	Girls	Boys	Girls
Nordic												
DK	76.2	80.6	67.4	67.4	4.0	4.9	13.0	9.0	15.0	15.0	34.0	29.3
FI	76.0	83.1	56.7	58.0	2.6	4.1	19.0	12.0	23.0	21.0	28.8	27.3
SE	79.0	83.1	67.5	66.6	2.5	4.2	15.0	9.0	8.0	9.0	15.7	15.7
Continental												
AT	77.4	83.1	58.4	61.1	3.7	6.8	19.0	9.0	24.0	30.0	25.0	20.5
BE	77.1	82.6	63.3	63.7	3.4	7.8	12.6	9.6	16.0	17.0	20.6	14.3
DE	77.4	82.7	58.8	58.4	3.5	6.8	16.0	11.0	17.0	22.0	19.3	17.2
FR	77.6	84.8	63.1	64.2	3.8	6.8	14.0	8.0	17.0	21.0	16.5	11.7
LU	76.7	82.2	62.2	64.6	1.8	4.9	16.0	9.0	17.0	21.0	16.4	12.4
NL	78.1	82.5	65.7	63.7	3.8	6.2	10.0	10.0	16.0	21.0	17.4	12.6
Liberal												
UK	77.7	81.9	64.8	66.2	4.7	7.5	13.8	9.1	13.0	18.0	31.7	33.4
IE	77.4	82.1	62.7	65.3	:	4.9	15.0	10.0	19.0	20.0	22.6	18.7
Southern												
ES	77.8	84.3	63.2	62.9	3.5	7.1	19.0	11.0	14.0	20.0	17.5	20.5
EL	77.1	81.8	65.9	67.1	3.5	8.8	25.0	11.0	17.0	16.0	14.6	11.1
IT	78.7	84.2	62.8	62.0	3.7	6.7	23.0	10.0	20.0	20.0	15.0	10.5
PT	75.9	82.2	58.3	57.3	3.3	7.5	22.0	13.0	9.0	12.0	16.7	12.6

Source: Life expectancy at birth (the mean number of years a newborn child can expect to live if subjected throughout their life to current mortality conditions), Healthy life years at birth (measures the number of years that a person at birth is still expected to live in a healthy condition, which is defined by the absence of limitations in functioning/disability), and infant mortality rate (the ratio of the number of deaths of children under one year of age for every 1,000 live births): Eurostat. Proportion of low birth weight infants (the number of low birth weight births (less than 2,500 grams) divided by the total number of live births): OECD Family Database; data refers to 2005, except for Belgium, France, Italy, Spain, Sweden, and Luxembourg. Overweight rates among 15 year-olds: OECD Family Database; self-reported data; overweight: Body Mass Index equal or greater than 25. Regular cigarette smoking and repeated drunkenness: OECD, Society at a Glance, 2008; UK figures are for England only. Belgium figures are a simple average of Flemish and French-speaking figures when French-speaking Belgium did not participate. Cigarette smoking is for smoking at least one cigarette during the past week. Drunkenness shows the proportion of children aged 13 and 15 who report ever having been drunk 2-3 times or more (sample weights are used to calculate averages between age cohorts).

Austria generally performs rather poorly with respect to the health outcomes of children, when compared with the other Continental welfare states. While healthy life expectancy was low for men (58.4) and women (61.1) in the survey year, the infant mortality rate (3.7%) and the proportion of low birth weight infants (6.8%) were rather high. The overweight rate among 15-year-old boys (19.0%) was substantially higher than that of the rest. In no other country belonging to the EU15, a higher proportion of the 15-year-old boys and girls was regularly

smoking cigarettes, and also repeated drunkenness was more widespread among teenagers than in most of the other European countries.

Health outcomes of youth

As illustrated by Table 7, there were substantial cross-country differences in the distribution of young persons aged between 15 and 24 years according to the body mass index in the period from 1996 to 2003. Whereas the share of underweight young people was lowest in Germany throughout the EU15 (2.3%), the rates were comparatively high in the other Continental welfare states. Germany was among the countries with the highest shares of overweight young people in the EU15, while France had the lowest. Apart from the United Kingdom, were 10.3% of young men and women were classified as obese, Germany also recorded a high share of obese people in comparison. Austria was neither top nor bottom country at any of the three indicators. While obesity was not particularly widespread, the proportions of young people with underweight and overweight respectively were rather high.

Table 7: Distribution of young persons aged 15-24 according to the body mass index (BMI) (%), 1996-2003

	Underweight			Overweight			Obese		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Nordic									
DK	6.4	3.6	9.4	15.2	17.3	12.9	4.2	5.4	3.0
FI	9.5	6.9	11.7	13.5	15.3	12.0	4.3	3.8	4.7
SE	7.4	5.0	9.9	15.0	18.6	11.2	3.1	3.2	3.1
Continental									
AT	14.5	16.2	12.7	14.8	23.1	6.4	2.3	2.4	2.1
BE	11.8	9.1	14.7	10.5	12.4	8.5	2.2	2.3	2.1
DE	2.3	1.2	3.5	19.6	23.4	15.6	6.9	7.7	6.1
FR	15.9	12.4	19.3	8.2	8.1	8.4	2.3	1.9	2.8
LU	:	:	:	:	:	:	:	:	:
NL	11.6	9.8	13.4	12.1	13.2	10.8	1.4	1.1	1.8
Liberal									
UK	16.8	16.9	16.8	20.8	20.9	20.7	10.3	9.2	11.3
IE	2.7	1.3	3.7	19.8	25.2	15.8	6.1	5.9	6.2
Southern									
ES	9.8	5.6	14.2	14.7	19.6	9.6	2.6	2.9	2.3
EL	5.6	1.7	9.2	19.3	28.0	11.3	1.9	2.1	1.7
IT	11.7	5.2	18.3	11.5	16.2	6.6	1.2	1.2	1.1
PT	6.4	3.3	10.0	15.3	19.8	10.1	4.4	5.5	3.1

Source: Eurostat. Data refer to different years depending on the country, going from 1996 to 2003. Classification used for BMI: less than 18.5: underweight; between 18.5 and less than 25: normal weight; between 25 and less than 30: overweight; equal or greater than 30: obese.

3.5. Summary of key findings

Table 8 provides an overview of countries' relative performance on child outcomes in the four key domains poverty risk, education, housing, and health as well as on key determinants of child poverty risk. Child poverty risk outcomes are assessed using a score[8] summarizing the relative situation of children in a country with respect to children's (1) at-risk-of-poverty rate, (2) relative median at-risk-of-poverty gap and (3) material deprivation rate (economics and durables dimension) in 2008. In order to summarize educational outcomes, a whole range of indicators is used: (1) the share of young persons aged 20-24 with low educational attainment in 2009, (2) the share of young persons aged 20-24 with at most lower secondary education and not in further education or training (early school leavers) in 2008, (3) students' performance in PISA 2006 in science, readings and mathematics, (4) and the share of 15-year-olds with low reading literacy performance in 2006. Children's outcomes with regard to housing conditions are assessed using a score summarizing (1) the overcrowding rate and (2) the severe housing deprivation rate among them in 2008. Finally, children's health outcomes are compared using (1) life expectancy at birth in 2007, (2) healthy life years in 2007, (3) the infant mortality rate in 2008, (4) the proportion of low birth weight infants in 2005, (5) the overweight rate among 15-year-olds in 2006, (6) regular cigarette smoking and repeated drunkenness among 15- and 13-to-15-year-olds respectively in 2005-06, and (6) the respective shares of underweight, overweight and obese young people (15 to 24 years) in the period from 1996 to 2003.

As regards poverty risk determinants, countries' performances are assessed according to (1) at-risk-of-poverty rates of single-parent-families with dependent children, (2) at-risk-of-poverty rates of large families comprising two adults with three or more dependent children, (3) at-risk-of-poverty rates of children living in jobless households and (4) at-risk-of-poverty rates of children living in households confronted with work intensity equal to or greater than 0.5 (in-work-poverty risk) in 2008.

[8] Standardized z-scores are computed and used to rank countries, identifying six performance levels ranging from "+++" to "---". Summary scores for the domains poverty risk, education, housing, and health are obtained by taking the average of the single scores. Countries are grouped into clusters which maximize the "steps" between them. These country clusters are illustrated in graphs in Annex Table 4.

Table 8: Child outcomes in 4 key domains and in key determinants of child poverty risk

	POVERTY RISK	Lone parents	Large families	Jobless households	In-work poverty	EDUCATION	HOUSING	HEALTH
Nordic								
DK	+++	+++	+++	+++	+++	+	+++	-
FI	+++	++	+++	++	+++	+++	+++	--
SE	+++	++	+++	--	++	+	+++	+++
Continental								
AT	++	++	++	+	++	+	+	--
BE	++	-	+++	---	++	+	+++	+
DE	++	+	+++	-	+++	+	+++	--
FR	++	++	++	---	-	+	++	++
LU	+++	--	+	++	-	-	+++	++
NL	+++	++	+++	++	++	++	+++	++
Liberal								
UK	-	---	-	++	--	+	+++	---
IE	+	--	+++	++	++	++	+++	-
Southern								
ES	-	-	---	--	---	---	+++	-
EL	--	++	+	++	---	--	-	-
IT	--	+	--	---	---	--	--	+
PT	---	-	-	--	---	---	-	--

Source: Eurostat; own calculations.

The summary table reveals the following key findings:

- Nordic Europe clearly sets the benchmark as regards children's material well-being. All three Nordic countries under consideration reach the maximum summary score for the poverty domain. With the single exception of children in jobless households in Sweden, all particular risk groups – single-parent households, large families as well as children living in jobless households or households with low work intensity – seem to be comparatively well protected from poverty risk. All Nordic countries reach the highest score for the housing domain as well. As regards education, Finland stands out with the best performance in the EU15, owing primarily to Finnish students' outstanding performance on all PISA scales. Denmark and Sweden perform better than average. It is only the health domain where the Nordic countries do not uniformly perform well. While overall Nordic Europe comes out on top, the Southern European countries mark the other end of the spectrum, ranking at the bottom in all but the health domain. Thus, there is something like a "North-South-divide" with respect to child well-being outcomes in the EU15. None of the Southern European countries – neither Spain or Greece nor Italy or Portugal – contrasts strongly with the others in that it keeps pace with the EU15-average in more than one outcome domain. In the intermediate space between the top performing North and the worst performing South, the Continental European countries altogether appear as a distinct group, mostly exhibiting higher-than-average performance on child outcomes but lagging behind the Nordic countries. The Liberal countries fare quite well in terms of educational achievement and housing conditions, but fall behind both Nordic and Continental Europe when it comes to poverty risk and the health domain. Most strikingly, the UK is the country

with the highest share of single-parent families at poverty risk across the EU15, Irland follows on third position.[9]

- Even if they constitute a distinct welfare state cluster, there is considerable heterogeneity in risk outcomes within the Continental countries. All of them perform better than the Southern and Liberal welfare states in the material well-being domain. However, whereas the majority – Austria, France, Belgium and Germany – clearly lags behind the benchmark setting Nordic countries, the Netherlands perform even better. Luxembourg belongs to the top-performing countries as well, since material deprivation and poverty gap are rather low. It is however at the end of the line, because children's at-risk-of-poverty rate is highest across Continental Europe. There are remarkable differences within the group of Continental countries concerning the socio-economic characteristics of children most exposed to poverty risk. The Netherlands are the only country with a low at-risk-of-poverty rate among children irrespective of the specific household context. It is also the Netherlands where we can observe the most favorable situation among Continental countries, when it comes to educational achievement. In the housing domain, Continental Europe is roughly in the same range as the Nordic and Liberal welfare states. However, while indicators show that the Netherlands provide the best housing situation for children in the EU15, Austria is an outlier with both overcrowding rate and housing deprivation rate exceeding the EU15-average. Finally, regarding health, Austria and Germany perform rather poorly. By contrast, the remaining Continental countries are among the best performers in the EU15.
- From an Austrian perspective, it can be concluded that children are better-protected from poverty risk than the average child in the EU15. In view of the better performance of the Nordic countries and two other Continental countries – especially the Netherlands –, there is however scope for improvement. This applies particularly to the social protection of children living in large families and in jobless households as well as to non-material aspects of well-being. The share of young persons with low educational attainment as well as the share of early school leavers not in further education or training is comparatively low in Austria, but students' literacy performance is rather poor. More children are confronted with housing problems than children in several other countries. Above all, when considering the number of healthy life years, infant mortality and low birth weights rates, males' body mass index and the incidence of cigarette smoking and alcohol abuse among teenagers, children's health status apparently is not as good as it could be.

[9] For comparison, see *Bradshaw – Richardson* (2009) who produced a child index for the EU27, which is based on an even broader set of domains and indicators and is however derived from data for the year around 2006.

4. Policy conclusions

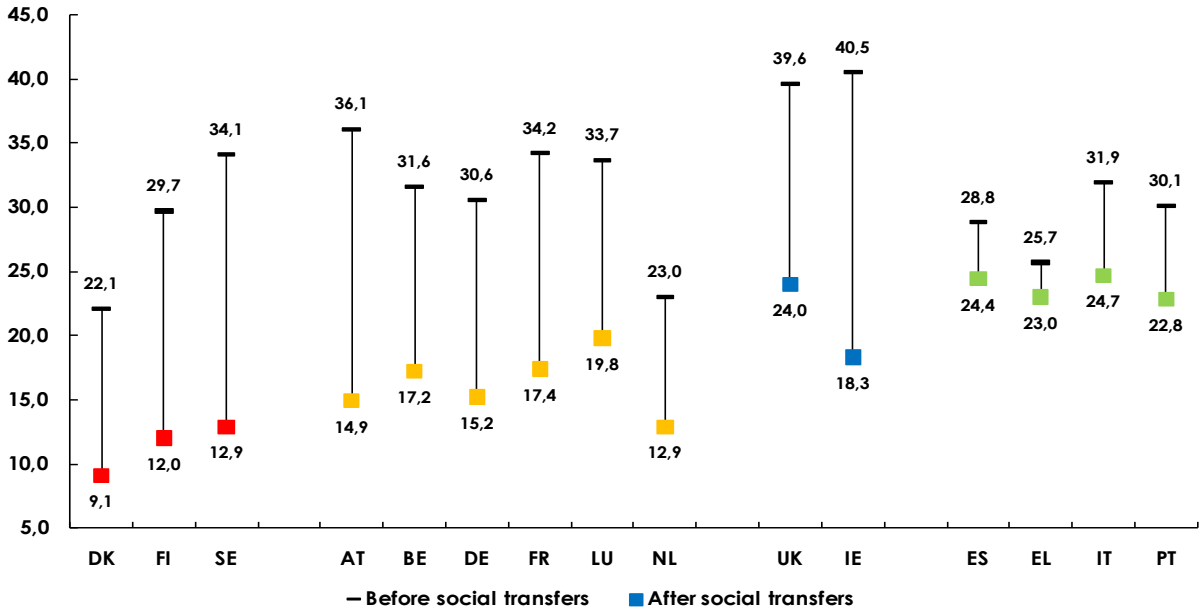
The comparative analysis of child outcomes confirms that children represent a vulnerable group of society and demonstrates that incidence and severity of child-related risks vary widely even across the countries of Western Europe, reflecting cross-national diversity in core institutions such as labour market and family structures on the one hand and government policies on the other. Certainly, cross-country differences in outcomes cannot be explained mono-causally. There is however strong correspondence between contexts and outcomes. Overall, the Nordic countries are in a very good position with regard to both context indicators and child outcomes. Thus, there may be some lessons that can be learnt from this country group, when it comes to the question of how to adapt welfare states to the changing structures of social risk.

Children's living conditions are shaped by a broad range of policies, including social protection and labour market policies, the provision of health care and housing as well as education. As regards the key challenge of preventing and alleviating poverty and social exclusion among children, it can be argued that generally those countries are most successful, which combine high levels of parental employment with an effective redistribution of resources through the tax-benefit system (*OECD*, 2007). Thus, child-related new social risk policies entail labour market policies that enhance the labour market opportunities of parents and an effective redistribution of resources through the tax-benefit system, including special protection for particular risk groups such as single-parent households, large families, jobless households or households at risk of in-work-poverty. The Nordic countries seem to provide a promising child policy-mix covering these basic elements, comprising in particular (1) monetary transfers that compensate the lack of market income and further constitute a formal recognition of parents' caring activities, (2) time that can be devoted to parental care and (3) services that facilitate parents' employment and provide a stimulating environment for children's cognitive and non-cognitive development.

The effect of policies on poverty is most commonly assessed by comparing poverty risk before and after social transfers (excluding pensions). Figure 18 illustrates the redistributive policy impact in the EU15. It is interesting to note that the actual poverty risks that we can observe in single countries result from diverse combinations of market inequality and redistribution. The share of children living at-risk-of-poverty after social transfers is highest and roughly equal in the Mediterranean countries and the UK. In Southern Europe this high level of risk can however be mainly attributed to a lack of redistributive state intervention, whereas in the UK it is primarily the consequence of a high level of risk prior to redistribution. Countries that achieve the highest levels of protection against child poverty do so primarily through high levels of redistribution. In fact, some countries such as Sweden combine low poverty risk rates after social transfers with comparatively high risk rates before social transfers. Disregarding differences in the initial level of poverty risk, the extent to which market-driven child poverty is reduced by government intervention is stronger in Denmark (58.8%), Finland (59.6%) and

Sweden (62.2%) than in all other countries of the EU15. Only Austria (58.7%) has a comparable level of redistribution, whereas welfare state's impact on child poverty is less pronounced in Germany (50.3%), France (49.1%), Belgium (45.6%), the Netherlands (43.9%), and Luxembourg (41.2%). These figures suggest that the tax-benefit system can be very effective in the prevention of child poverty risks and that – within certain boundaries – this is true even in cases where at-risk-of-poverty rates are high before social transfers. Clearly, a high level of redistribution requires both a socio-political consensus for corresponding levels of taxation and the ability of the economy to absorb potentially distortionary effects of taxes on growth dynamics.

Figure 18: At-risk-of-poverty rate of children before and after social transfers, 2008



Source: Eurostat. Cut-off point: 60% of median equivalised income after social transfers.

Enhancing the labour market and earnings opportunities of parents requires both targeted active labour market policies and the provision and/or subsidization of child care services that enable parents to reconcile family and working life. As captured by the labour market figures presented in section 2, there are substantial differences in the extent to which public policies promote fathers' and especially mothers' employment. Both literature and actual employment outcomes suggest that (1) a neutral, individual taxation regime, (2) leave schemes with job protection, a high wage replacement level, sufficient but moderate length and incentives for fathers to take up leave (or individual-based rights to leave) as well as (3) a demand-meeting supply of good-quality childcare are essential ingredients of a policy supportive of women's employment (*Bock-Schappelwein – Eppel – Mühlberger, 2009*).

Universal access to affordable and high-quality childcare allowing parents the return to work after parental leave is a basic prerequisite for continuous employment. Moreover, a growing body of literature suggests that the possible effects of early childhood education and care (ECEC) – services providing non-parental care and education for children under compulsory schooling age – go well beyond facilitating parents' task of reconciling work and family life, ideally fostering both child development and society's progress in several ways. The effect of good-quality child care services on children may even be more direct than those on the labour market possibilities of the parents. There is growing recognition of the potential that these facilities contribute to a sound and healthy – social, emotional and cognitive – development of children in a multifaceted way, providing them with a rich, safe and stimulating environment (*Plantenga – Remery*, 2009). Just one aspect is the potential role of child care as an educational institution for skill formation in early childhood, which is increasingly regarded as crucial for later educational outcomes (e.g. see *Heckman*, 1999; *Bennett*, 2008). Especially children from disadvantaged backgrounds are shown to benefit from early childhood education and care, provided the quality in terms of group size, staff-child ratio, staff education, safety regulations, diversity of activities, design of programmes, pedagogical approach, etc. is appropriate (*Meyers et al.*, 2003; *Eurydice,* 2009).

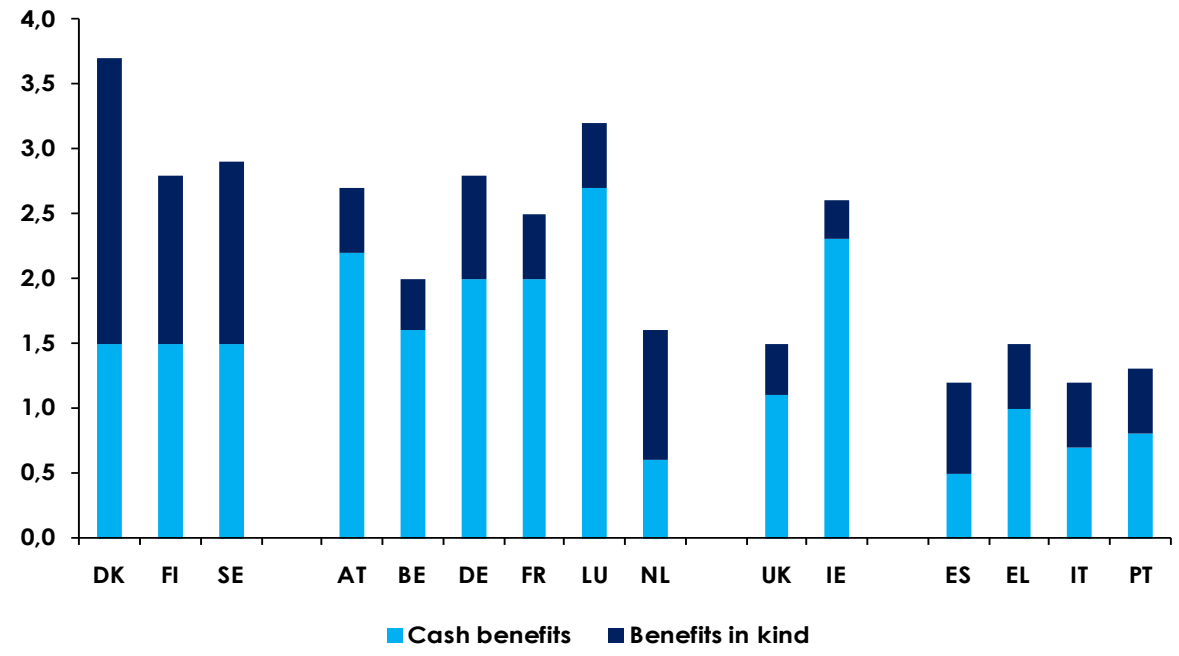
The need to improve the provision of childcare facilities has been recognized by the EU-member states as one of the Barcelona objectives. In a recent report on the subject, the European Commission acknowledges that virtually all countries are stepping up their efforts in this respect. It finds however that "childcare provision for pre-school-age children differs widely between Member States, depending on the systems in place and the different national approaches and priorities accorded to reconciling working life and family life" (*European Commission*, 2008B). As shown by a whole array of comparisons, Nordic welfare states provide the most extensive provision of day care for young children (see for instance *De Henau – Meulders – O'Dorchai*, 2008; *Plantenga – Remery*, 2009). All children under school age are by law entitled to a place in public daycare, and local authorities are obliged to ensure that sufficient places are available (*Rauhala*, 2009). Thus, extensive financial support for families with children is complemented by sufficient provision of day care which serves to facilitate parents' continuous employment on the one hand and to provide a stimulating environment for children's development and learning on the other (*Plantenga – Remery*, 2009). Moreover, financial allowances, leave facilities and services form a coherent mix that promotes the dual-earner family model and gives fathers and mothers a high degree of real choice in the allocation of time between paid work and care (*Gupta – Smith – Verner*, 2008; *Bettio – Plantenga*, 2008).

In Continental Europe, attempts have been made to support women's employment by increasing the supply of formal care facilities and adjusting leave regulations, marking a departure from the traditional male-breadwinner model. However, compared to the Nordic countries, responsibility for care is generally still placed to a high degree on the family. Parents are seen as the main providers of care, at least when the children are very young.

Accordingly, families are supported primarily in the form of (unconditional) financial transfers, and levels of public expenditure on child care services are lower, in most cases less than half of that in the Nordic countries. Moreover, child care policies sometimes produce contradictive effects, encouraging for instance low-income women to make use of long, low-paid parental leave and thus to withdraw from the labour market, which implies the reproduction of gender disparities (*Morel*, 2008).

Austria is an example for how "transfer-heavy and service-lean" (*Morel*, 2008) child-care policies are in Bismarckian countries: More than double the amount invested in services for families and children (0.5%) was spent in the form of cash benefits (2.2%) in 2007, while in Denmark 1.5% of GDP were invested in the form of cash (1.5%) and a share of 2.2% in benefits in kind, which was more than four times higher than that in Austria. Figure 19 provides some insight into government effort in terms of benefits targeted specifically at families and children as a percentage of GDP. In all the Nordic countries, it exceeded a level of 2.5%, while varying more widely across Continental Europe in 2007, from a low of 1.6% in the Netherlands to a high of 3.2% in Luxembourg. The most notable difference between the two welfare state regimes lies however in the benefit structure: While in all but one Continental European countries cash benefits make up most of the total expenditure in this domain, the Nordic countries place about equal weight on cash benefits and benefits in kind (FI and SE) or even attach a higher value to benefits in kind (DK).

Figure 19: Social protection benefits targeted at families and children in % of GDP, 2007



Source: Eurostat.

To sum up our tentative policy conclusions: Good performance on child well-being outcomes – especially in the material domain – is favored by active labour market policies, an effective redistribution of resources through the tax-benefit system and a coherent child policy-mix of financial allowances, leave facilities and services. Certainly not all the institutional characteristics of Nordic Europe can easily be reproduced and transferred to other countries. However, Continental countries such as Austria could use the Nordic welfare model as a benchmark for improving the material and non-material situation of their youngest citizens. Specific policy conclusions and reform blueprints need to draw on empirical analysis that allows for more rigorous, causal inference. The present paper provides a descriptive overview of children's situation in Europe against the backdrop of emerging new risks, and can thus serve as a basis for further research.

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Annex

Annex Table 1: Employment rate (%) by level of educational attainment and sex, 2009

	Low educational attainment				Medium educational attainment				High educational attainment			
	Pre-primary, primary and lower secondary				Upper secondary and post-secondary non-				Tertiary education - levels 5-6 (ISCED 1997)			
	Total	Men	Women	Gender gap	Total	Men	Women	Gender gap	Total	Men	Women	Gender gap
Nordic												
DK	62.3	66.3	58.3	8.0	78.6	80.9	75.8	5.1	87.3	89.0	85.8	3.2
FI	43.0	45.4	40.1	5.3	71.9	73.5	70.1	3.4	84.4	86.9	82.5	4.4
SE	50.1	53.2	46.9	6.3	78.7	81.4	75.5	5.9	87.0	88.0	86.3	1.7
Continental												
AT	49.1	54.8	45.3	9.5	76.6	80.3	72.6	7.7	86.1	89.0	82.6	6.4
BE	38.6	46.7	30.1	16.6	65.4	72.1	58.2	13.9	81.9	84.7	79.4	5.3
DE	45.6	50.9	41.0	9.9	74.6	78.3	70.9	7.4	87.0	89.7	83.6	6.1
FR	46.0	51.5	40.8	10.7	68.3	72.9	63.4	9.5	80.0	82.7	77.7	5.0
LU	45.0	52.4	38.7	13.7	65.8	74.0	57.3	16.7	83.8	89.0	77.6	11.4
NL	62.2	72.0	52.7	19.3	80.9	84.9	76.9	8.0	87.6	89.6	85.5	4.1
Liberal												
UK	54.1	62.3	47.2	15.1	72.4	76.6	67.8	8.8	84.2	87.2	81.3	5.9
IE	39.9	47.8	30.3	17.5	64.3	69.5	59.2	10.3	80.7	84.3	77.7	6.6
Southern												
ES	49.6	59.5	38.8	20.7	62.6	68.5	56.8	11.7	79.0	82.6	75.7	6.9
EL	51.9	68.0	34.4	33.6	60.4	72.8	48.7	24.1	81.6	86.6	76.6	10.0
IT	44.5	59.6	28.7	30.9	66.5	75.4	57.4	18.0	77.0	82.8	72.3	10.5
PT	62.9	69.5	55.9	13.6	66.3	69.5	63.3	6.2	84.3	84.8	83.9	0.9
CEEC												
BG	32.3	38.2	26.4	11.8	70.0	74.7	64.6	10.1	85.5	89.6	82.9	6.7
CZ	22.8	22.8	22.9	-0.1	71.3	80.1	61.8	18.3	82.0	88.9	74.7	14.2
EE	27.7	32.0	22.3	9.7	66.3	68.3	64.0	4.3	82.1	87.1	79.4	7.7
HU	25.7	29.0	23.0	6.0	61.6	67.7	54.7	13.0	78.1	83.1	74.4	8.7
LT	17.7	19.4	15.7	3.7	61.9	63.9	59.8	4.1	85.9	85.5	86.2	-0.7
LV	29.4	33.2	24.3	8.9	64.6	66.7	62.6	4.1	82.3	84.6	81.1	3.5
PL	24.6	30.6	18.5	12.1	62.7	71.3	53.5	17.8	83.7	88.5	80.4	8.1
RO	42.0	49.1	36.3	12.8	62.2	68.7	55.0	13.7	84.1	85.2	83.1	2.1
SK	14.3	15.9	12.9	3.0	67.1	75.0	58.6	16.4	80.3	86.2	75.3	10.9
SI	41.1	45.9	36.6	9.3	70.0	74.0	65.0	9.0	88.1	90.0	86.8	3.2
EU15	49.0	58.2	39.9	18.3	70.9	76.0	65.6	10.4	82.8	86.1	79.7	6.4
EU27	46.2	54.9	37.7	17.2	69.1	74.8	63.1	11.7	82.9	86.3	79.8	6.5

Source: Eurostat. Data refer to persons aged 15-64.

Annex Table 2: Unemployment rate (%) by level of educational attainment (%), 2008

	Unemployment rates among persons aged 15-64			Unemployment rates among persons aged 15-24								
				Low			Medium			High		
	Low	Medium	High	Total	Men	Women	Total	Men	Women	Total	Men	Women
Nordic												
DK	9.0	5.8	4.0	8.2	7.1	9.5	6.2	5.9	6.4	:	:	:
FI	15.3	9.2	4.1	26.7	27.4	25.9	11.2	11.4	11.0	:	:	:
SE	16.7	7.7	4.5	31.2	30.8	31.6	11.8	11.4	12.1	11.6	:	:
Continental												
AT	10.1	4.2	2.3	12.1	11.3	13.2	5.7	5.6	5.8	:	:	:
BE	13.7	8.1	4.5	28.4	26.3	31.7	16.2	14.3	19.0	11.2	12.6	10.4
DE	15.6	7.6	3.4	13.5	13.7	13.4	8.0	8.3	7.6	:	:	:
FR	14.3	8.8	5.5	29.6	28.6	31.4	16.4	15.0	18.2	9.9	10.6	9.4
LU	8.2	4.3	4.2	22.4	:	:	15.5	:	:	:	:	:
NL	5.5	3.1	2.1	7.2	6.9	7.6	3.6	3.8	3.3	:	:	:
Liberal												
UK	13.3	7.9	4.0	27.9	28.4	27.1	11.3	12.7	9.9	9.5	11.6	7.7
IE	18.0	13.5	6.9	23.9	26.4	19.1	11.2	13.0	9.1	7.6	:	6.8
Southern												
ES	24.7	17.1	9.8	29.7	27.8	33.0	19.6	17.7	21.4	15.9	14.4	16.9
EL	9.7	11.0	7.4	19.0	14.6	30.6	23.3	18.6	28.8	24.6	17.9	27.6
IT	9.6	7.3	5.6	23.3	20.2	29.8	19.9	17.9	22.4	23.8	20.7	25.1
PT	11.0	9.7	6.5	15.8	13.4	19.7	14.3	:	17.6	27.3	:	27.3
CEEC												
BG	15.8	6.2	2.9	28.1	29.9	:	9.6	10.2	8.8	:	:	:
CZ	24.4	6.2	2.5	35.2	33.0	39.0	7.1	7.0	7.2	8.2	:	7.5
EE	29.9	16.1	6.4	:	:	:	10.3	:	:	:	:	:
HU	23.4	9.4	4.0	33.4	32.2	36.2	16.9	15.8	18.5	14.9	:	17.4
LT	30.9	16.4	6.1	26.6	:	:	11.2	:	:	:	:	:
LV	31.4	18.7	8.4	20.5	20.3	21.0	11.0	10.1	12.3	:	:	:
PL	15.4	8.8	4.4	20.6	18.2	26.8	16.9	14.7	19.7	16.8	14.9	17.7
RO	8.9	7.3	4.4	20.3	21.0	18.8	17.5	17.5	17.4	20.4	:	22.0
SK	41.7	11.5	4.3	62.5	59.4	71.8	14.6	13.0	16.9	15.5	:	:
SI	9.5	6.4	3.2	10.9	10.8	:	10.0	9.3	10.9	:	:	:
EU15	14.7	8.3	5.1	20.8	20.3	21.7	12.2	12.2	12.3	11.0	11.4	10.8
EU27	14.8	8.4	5.0	21.1	20.6	21.9	12.8	12.5	13.1	11.6	11.6	11.6

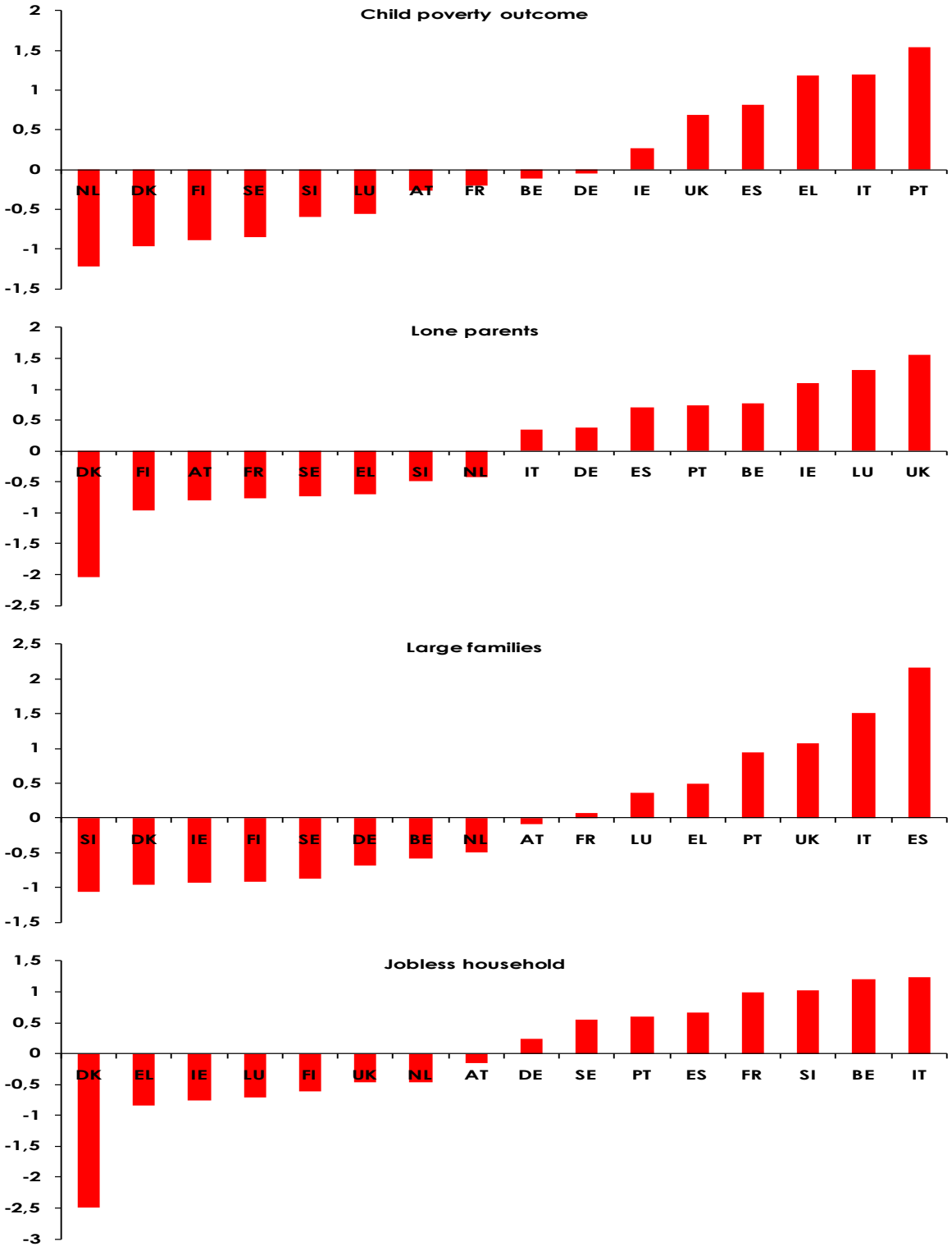
Source: Eurostat. Education level according to ISCED 1997 classification. Low: Pre-primary, primary and lower secondary education – ISCED levels 0-2; Medium: Upper Secondary and post-secondary education – ISCED levels 3-4; High: Tertiary education – ISCED levels 5-6.

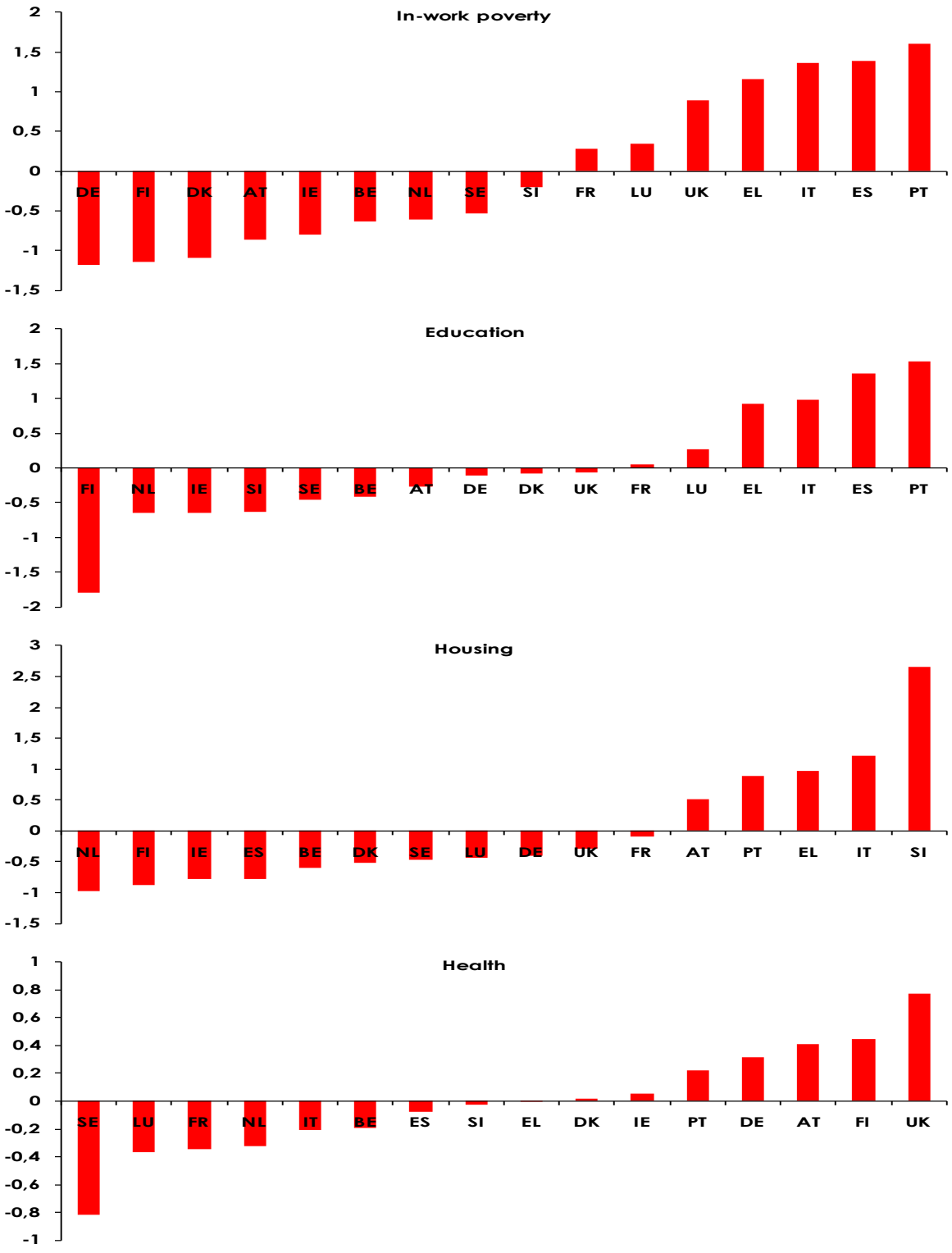
Annex Table 3: Employment rates with and without children by number and age of the children, 2009

	Employment rate for the population aged 25-49		Without children		With children		Employment rate by number of children						Employment rate by age of the youngest child:					
							1		2		3+		Child aged 0-5		Child aged 6-11		Child aged 12-14	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
Nordic																		
FI	80	85.1	84	79.9	77.2	90.4	77	89.1	83	92.4	67.4	88.7	64.4	90.2	87.4	91.8	90.1	89.2
Continental																		
AT	80.6	89.7	85.2	87	77.2	92.6	82.1	92.5	77.3	93.5	60	90.5	68.5	92	81.2	93.3	84.7	93
BE	75.8	86.4	79.4	80.9	74.2	91	76.4	89.8	78	93.4	62.2	87.8	70.9	90.3	76.7	92.4	76.1	90.7
DE	77.1	86.4	83.7	82.8	72	90.9	77.2	90.7	72.4	92.7	53	86.5	64.1	89.8	74.9	92.3	79	91.2
FR	76.4	87.4	80.4	82.2	74.6	91.4	78.6	90	77.8	93.1	59	90	67.6	90.7	80.5	92.9	80.7	90.9
LU	73.1	91.4	83.7	88.4	68	93.7	74.4	92.1	70.8	95.2	52.6	93	67.5	94.7	70.6	94.5	65.9	90.1
NL	81.7	91.5	86.6	88.3	78.8	94.6	79.8	93.7	81.4	95.8	71.3	93.5	78.9	95.2	78	94.6	79.6	93.2
Liberal																		
UK	74.4	86.3	84	83.3	68.8	89.2	75.1	89.6	71.8	91.7	48.6	82.9	60.5	88.9	73.1	89.7	78.8	89.3
IE	67.6	77.2	81.5	73.9	60.4	79.9	68.2	77.6	61.5	82	49.1	79.8	57.4	80.9	60.6	80.6	68.3	75.5
Southern																		
ES	65.4	77.3	73.2	72.2	61	81.7	64.2	80.2	60.2	84.8	48.9	75.4	59.2	82.9	61.2	82.2	63.9	78.6
EL	64.3	89	70	84.8	60.3	93.7	62.5	91.7	59.7	95.5	54.4	93.3	55.2	95.6	61.9	94.4	64.4	89.7
IT	59.9	84.5	67.3	79.5	55.3	89.1	59.5	87.7	53.4	91.1	40.3	87.3	54.7	91.5	55.8	90.2	55.6	83.7
PT	76.6	84.9	78.2	78	75.9	89.8	77.5	89.4	75.5	90.9	66.6	87	73.1	90.2	78.7	91.8	76.7	87.2
CEEC																		
BG	75.8	83.6	78.5	80.6	74.3	86.2	76.6	87.1	74.4	87.4	44.3	67	56.4	83.9	76.1	87.7	83	86.7
CZ	72.4	91	85.4	87	66.9	94.2	68.3	92.9	68.5	96.3	52.6	89.1	34.6	95	84.8	94.1	89.7	93.2
EE	74.9	78.5	83.6	71.9	71.5	83.2	77.3	81.9	69.5	83.7	56.3	86.1	52.8	84.7	83.1	81.7	88	81.7
HU	66.6	80.5	78.2	77.6	61	82.9	65	83.6	65.5	85.7	38.6	74.5	34.4	84.6	70.3	82.3	80.1	81.3
LT	78.8	75.3	77.5	65.1	79.2	82.1	81.7	81.8	79.3	83.7	66.9	77	73.1	82.8	78.4	83	84.6	80.9
LV	75.2	74.9	75.9	68.6	74.9	79.5	77	77.5	75.8	82.7	61.6	77.7	62.6	80.1	82.1	78.7	83.1	79.3
PL	73.5	86	79	78.9	71.5	89.6	75.1	88.4	71.1	91.4	62.8	88.7	61.3	92.5	74.7	89.7	80.1	86.2
RO	69	81.4	71.4	78.2	68	83.1	72.2	82.7	67.4	85.5	52	76.6	63.7	85.3	68.4	85.5	70.8	79.1
SK	71.1	84.8	80.2	78.5	67.3	89.2	69.7	89.3	69.4	90.7	53.2	84.3	38.3	90.4	77.8	88.7	85.8	88.3
SI	84.6	88.2	80.3	82.8	86.4	92.4	85.5	91.4	89.2	94	79.5	90.4	83.7	93.9	89	93.5	87.4	90.2
EU15	71.9	85.2	78.7	81	67.9	89.2	71.6	88.1	68.8	91.3	53.9	86.2	62.8	89.4	70.9	90.3	72.4	87.4
EU27	72	85	78.6	80.6	68.3	88.7	72	87.7	69.1	90.9	54.5	85.6	61.3	89.4	71.7	89.7	74.7	86.5

Source: Eurostat. Data refer to persons aged 25-49. For DK and SE not data available.

Annex Figure 1: Clustering




In-work poverty
2
1,5
1
0,5
0
-0,5
-1
-1,5
DE FI DK AT IE BE NL SE SI FR LU UK EL IT ES PT
Education
2
1,5
1
0,5
0
-0,5
-1
-1,5
-2
FI NL IE SI SE BE AT DE DK UK FR LU EL IT ES PT
Housing
3
2,5
2
1,5
1
0,5
0
-0,5
-1
-1,5
NL FI IE ES BE DK SE LU DE UK FR AT PT EL IT SI
Health
1
0,8
0,6
0,4
0,2
0
-0,2
-0,4
-0,6
-0,8
-1
SE LU FR NL IT BE ES SI EL DK IE PT DE AT FI UK