

The EU Mutual Learning Programme in Gender Equality

Support to lone parents

France, 21-22 October 2015

Comments Paper - Slovakia



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This publication is supported by the European Union Rights, Equality and Citizenship Programme (2014-2020).

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Lone parents support in Slovakia. What can be learned?

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1. Introduction

Lone-parent families represent a significant part of households in Slovakia. Their proportion has grown during the last decades: while in 1980 they represented 8.1 % of all households, in 2001 the share was 11.9 % and in 2011 it reached 16.1 %. The continuous increase in the share of lone parent households is usually explained by several factors. One of them is represented by an increase in divorces during the nineties and in the first decade of the 21st century. The total divorce rate reached the level of 37 % in 2011, with the peak in 2008 and 2009 (above 40 %). Secondly, the relation between parenthood and wedlock weakens. It is indicated by a strong growth of the share of children born out of wedlock. In 2013, there were 37 % out-of-wedlock births, compared to 23 % in 2003. Thus, lone parenthood is to a great extent a result of divorces and non-marital births. The death of the partner plays rather a minor role. The lone parenthood is not a gender-neutral category because women are over-represented among lone parents.

Lone-parent families belong to the most vulnerable types of households in Slovakia. 30 % of persons from those families were below the poverty line (at-risk-of poverty threshold) in 2013 - far above the poverty rate for total population (12.8 %). Proportion of poor people in lone-parent families has increased by 9 percentage points since 2008. Vulnerability of their living conditions can be confirmed by plenty of other indicators, paying attention to various dimensions of material deprivation, incidence of arrears and debts, housing conditions, etc. Single-wage and difficulties with reconciliation of family responsibilities and working life may account for this. Labour market status of lone parents is an important factor. On the one hand, most of lone parents are in paid employment. As OECD data show³, 68 % of sole parents⁴ in Slovakia were involved in full-time employment and 3 % worked parttime⁵ in 2013. A dominant working arrangement for employed sole parents in Slovakia is a 40 to 44 hour week: 68 % of all employed sole parents worked usually 40 - 44 hours per week, compared to 19.6 % who worked 30 to 39 hours and 3.2 % who worked usually less than 30 hours per week. On the other hand, 29 % of them remained outside of the labour market.⁶ The fact that lone parents face higher risk of weak labour market attachment is also confirmed by the indicators "very low work intensity". In 2013, 19.5 number of persons (aged 0 to 59 years) in lone parent

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Data based on Census in 1980, 2001 and 2011 (most recent census).

Šprocha, B. (2012): Divorces. In: Vaňo, B. (ed.): Population Development in Slovakia". Infostat.

http://www.oecd.org/els/family/LMF-2-3-Distribution-working-hours-sole-parent-households.pdf

The OECD data refers to sole parents with a dependent child under the age of 15.

The part-time sector is not developed in the Slovak labour market. Part-time employment incidence is one of the lowest in the EU for a long time, although it has risen during and after the financial and economic crisis. Prior to the crisis, in 2008, the part-time employment represented 2.7 % of total employment. In 2010 its share increased to 3.9 % and in 2013 reached 4.8 % of total employment.

http://www.oecd.org/els/family/LMF-2-3-Distribution-working-hours-sole-parent-households.pdf
Work intensity of household refers to the ratio of the total number of months that all working-age household members have worked during the reference period and the total number of months they

families lived in households with very low work intensity. This very low work intensity rate is significantly higher than the rate for total population (7.6 %) and for other household types. Changes in incidence of very low work intensity among lone parents follow the same pattern as changes in the risk of monetary poverty they face. Proportion of persons (aged 0 to 59 years) in single-parent families with very low work intensity rose substantially during the last five years — in 2008 it represented only 6 %.

The situation of parents in the labour market is influenced by an accessibility of high-quality childcare services. A lack of affordable childcare might prevent parents from fully participating in the labour market. Although there is no detailed information on lone parents' access to childcare, general data on availability of childcare services (for all parents) may reveal some key tensions. There is a widespread consensus among politicians and experts (as well as parents) that there is a lack of formal childcare facilities in Slovakia. Proportion of children aged less than three years in formal child care has remained very low for a long time. In 2010 it represented 3 % and in 2013 it reached 4 %. The proportion of children aged from three years to compulsory school age in formal childcare is substantially higher, but still below the EU average and below the national target set within Europe 2020. The number of rejected applications for submission to kindergartens increased substantially since 2006. Mismatch between demand/supply of childcare is also recognised by the parents, as sociological surveys show (e.g., Filadelfiová and Gerbery, 2014)⁹.

2. Policies

Lone parents don't belong to the explicit objects of social and family policies. There are no specific measures which would address the problems and risks they face. On the other hand, there are some schemes and programmes which identify lone parents and their children as one of the key target groups. Lone parents are entitled to specified amounts of minimum income benefits (depending on the number of children in the household), they are entitled to longer maternity leave, they are identified as one of the categories of disadvantaged jobseekers in the Act on Employment Services for the purposes of active labour market policies. In addition, there are some initiatives, supported by the European Social Fund, which address the reconciliation of work and family life and which are of great importance for this category. More details are provided in following paragraphs.

2.1. Income support

It is expected that income of lone parent households is regularly supplemented by the second parent. In order to avoid problems arising from lacking this source of income many countries established compensatory schemes. In Slovakia, the substitute child maintenance (substitute alimony) is provided in case that obliged person doesn't fulfil its payment obligation towards dependent children.¹⁰ Provision

theoretically could have work in the same period. In household with low work intensity working-age household members work less than 20 % of their total potential working months.

Filadelfiová, J. – Gerbery, D. (2014): Potreby rodín s maloletými deťmi [Needs of families with small children].

Ministerstvo školstva, vedy, výskumu a športu (2013): Správa o stave školstva na Slovensku a o systémových krokoch na podporu jeho ďalšieho rozvoja [Ministry of Education, Science, Research and Sport (2013): Report on Situation in Education].

Substitute alimony is provided also in the situation when orphan's pension is below the minimum maintenance amount set by the Act on Family (Ministry of Labour, Social Affairs and Family, 2015: The report on the Social Situation of the Population in the Slovak Republic in 2014, page 78).

of the benefit depends on three conditions, including income test of the claimants' households. In 2014, there were 8 922 recipients per month (on average), covering 13 410 children. The maximum entitlement to substitute child maintenance payments for one child was € 108.5.¹¹

Regarding other income support measures, lone parent families benefit mostly from universally designed policy measures. In some schemes, however, the levels of benefits or the duration of support take into account the composition of households. Maternity leave is an example. In Slovakia, maternity leave is financed from sickness insurance contributions paid by employers and employees. The length of standard maternity leave is thirty-four weeks (six to eight weeks prior to birth). Single parents are entitled to an extended maternity leave of 37 weeks.

Another example of specific treatment of lone-parent families is minimum income protection which is provided within the scheme called *Assistance in material need*. Here, the benefit in material need and related allowances are provided. The benefit in material need is intended to secure basic living conditions, which include one warm meal per day, necessary clothing, and housing. As the table 1 shows, lone parents are entitled to specific amounts, depending on the number of children. We can see that number of children plays a minor role, equalling the situation of lone-parent families with one child and lone parent families with four children. The benefits are set at a low level, however. In 2013, the amount for one adult person represented 18 % of the at-risk-of-poverty threshold. For a couple with two children it reached 22 % of the threshold for this type of household.

In addition to the benefit in material, need four allowances (the activation allowance¹², the protection allowance¹³, the housing allowance and the dependent child allowance¹⁴) can be provided which require the fulfilment of various conditions.

Table 1: Amount of benefit in material need (EUR/month)

	Adult			Couple		
	No children	1-4 children	5+ children	No children	1-4 children	5+ children
2009 – 2013	60.5	115.1	168.2	105.2	157.6	212.3
2014	61.6	117.2	171.2	107.2	160.4	216.1

Source: <u>www.upsvar.sk / Note</u>: The government can change the amount of benefit in material need in September each year. Thus, amounts for the year 2014 are still valid in 2015.

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The activation allowance (63.07 EUR) is provided in order to obtain, maintain and develop knowledge, skills and practical experience, and working habits. Eligible activities include: participation in education and preparation for the labour market; activation works in form of small community services for the municipality or for the self-governed region, or in the form of voluntary activities; increasing qualification through external study at the secondary school or the university. For long-term unemployed, the activation works are the most used tool.

The protection allowance is provided to persons who are not able to take part in activation measures due to their age, health condition, parental duties of lone parents, or care responsibilities for disabled persons. Protection allowance is provided at three levels. The highest amount (63.07 EUR) is conditioned by age, disability, parental duties and care responsibilities. The lower amount (34.69 EUR) is given to persons in poor health condition lasting for more than 30 days. The lowest amount (13.5 EUR) is for parents caring for children aged up to 1 year and pregnant women regularly attending preventive medical examination.

The housing allowance should cover a part of housing costs. It is provided for a single adult household (55.8 EUR) and a household with two or more members (89.2 EUR). The dependent child allowance (17.2 EUR) is aimed at supporting upbringing, education and development of the child with regular school attendance.

The minimum income scheme has a strong workfare design. In order to activate poor people, it offers a combination of very low basic benefits with the possibility to increase income by participation in activation measures. It is supported by the fact that the amount of activation allowance is quite high in relation to the basic benefit. Since 2014, the provision of the benefit in material need is conditional on "work": the total amount of the benefit in material need for a given type of household is reduced by 61.6 EUR per each adult who doesn't take part in small community services for a municipality/self-governed region, voluntary works or works related to the prevention and elimination of consequences of natural disasters and other emergency situations (in amount of 32 hours per month). An obligation to work for the benefit is not applied to persons who are not able to work due to various reasons (age, health condition, caring for very young children or disabled persons, etc.), to persons receiving the activation allowance for participation in graduate practice, voluntary services, or small community works. Taking into account various capacity of municipalities to offer opportunities to work for the benefit, the obligation is not applied to persons who didn't accept an offer to take part in the activation works.

Combination of work and family responsibilities is a crucial issue for lone parents. In Slovakia, it is supported by several measures which are, however, universal without specific treatment of lone parents. Parents are entitled to quite long paid parental leave (up to three years of the child or up to six years of the child in longterm unfavourable health condition) with parental allowance at the low level (203.20 EUR per month). Expressed in full-rate equivalent terms, the period of parental leave in 2013 represents 27.9 weeks, which is well above the OECD average (14.5 weeks). Since January 2011 parents receiving parental allowance can work without a loss of their entitlement. In addition, they can choose between parental allowance and childcare allowance which covers some of the childcare costs. Currently, it allows covering a significant part of the costs related to childcare in formal childcare facilities and, thus, it supports entering the labour market. It is provided to one of the parents who work or take part in secondary or tertiary education, up to the age of three years of child (or six years in the case of a disabled child). It covers officially declared costs of childcare, provided by official provider, up to 230 EUR per month. In case childcare is provided by relatives or other persons, it is paid at the level of 41.10 EUR per month, without the need to declare childcare costs.

2.2. Childcare services

In the governmental policy documents, early childhood education and care (ECEC) represents an important tool. Widening the gap between the demand for childcare services and their supply is seen as "an alarming problem which requires an intensive and immediate solution". There is a sharp difference between the childcare services coverage of children aged less than three years and children aged three years and above, as mentioned in previous section. Most of public policy attention has been paid to kindergarten during the last decades, crèches have attracted far less attention. It is the result of the fact that while kindergartens are part of the educational system in Slovakia, nurseries have no such institutional coverage. Recently, new plans for ECEC have been published, paying attention to very young children. The government is going to support childcare facilities for small children in

Ministerstvo školstva, vedy, výskumu a športu (2013): *Správa o stave školstva na Slovensku*

a o systémových krokoch na podporu jeho ďalšieho rozvoja [Ministry of Education, Science, Research and Sport (2013): Report on Situation in Education].

companies, covering part of the costs using resources from EU funds. The intention is to help mothers entering the labour market regarding lacking child care facilities. ¹⁶

According to the OECD Family Database, the childcare fees per two-year old child are equal to 8.4 % of the average wage in 2012 (sixth-lowest level among OECD countries). As approximately 2/3 of persons in the labour market had earnings below the average wage in 2012¹⁷, for many households the childcare costs represented a higher burden than indicated. Moreover, the real prices in the childcare facilities vary widely. In big cities an availability of the places in public childcare facilities for very young children is very limited and costs of private services are very high. In smaller towns and villages, the public services are very rare and the private ones may represent a significant burden in the context of lower wages.

3. Transferability

Two discussion papers prepared by experts from France and Germany offer valuable perspectives and highlight some very important aspects of lone-parents support which should attract the attention of experts and policymakers. The shift from "maternalism" toward "activation" in France, which also hit lone parents, should be carefully reviewed as it represents an example of a broader transition in the logic of welfare provision and support of vulnerable categories. The activation paradigm relies on understandable principles of tightening welfare rights and responsibilities and to develop human capital of people at risk of social exclusion in order to create their capabilities to actively adapt to changing social and economic circumstances. Problems may arise when activation approach is implemented universally without taking into account specificity of certain categories. Lone parents are a good example. Their integration into the labour market is a key mechanism of social integration. But it should be done carefully, with providing adequate income support for them and their children and high-quality social services. Activation programmes are often implemented through lowering benefits and pushing people out of the welfare programme without adequate active labour market policies, training and education offers, meaningful integration contracts etc. And it is the case of France where introduction of new minimum income scheme with strong activation elements hasn't resulted into improving the living conditions and life chances of lone parents and their children.

France example is very valuable due to (at least) three reasons. Firstly, it includes a moment of social policy experimentation. Before introduction of new minimum income support, it was implemented as a small scale project. It is a practice which could be – in some social policy schemes – followed in other countries as well. The role of social policy experiments has also been recognised by the European Commission and international agencies like OECD or World Bank. Secondly, the French case shows that monitoring and evaluation of implemented measures is a key precondition of policy decision-making. The need for evaluation and monitoring should be recognised and incorporated in very early stages of preparation of all social policy measures which aims at improving living conditions and life chances.

¹⁷ Štatistický úrad SR (2012): Štruktúra miezd v SR [Statistical Office of the Slovak Republic (2013): Structure of Earnings in the Slovak Republic].

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Other measures supporting reconciliation of private and working life are more available in Slovakia. The Labour Code defines flexible forms of employment and working regimes (flexible working time). These measures are, however, only used to limited extent.

Thirdly, a shift toward activation is a right step, when accompanied by adequate income support and social services.

The good practice from Germany offers other lessons, but it shares one common feature with the French one. All initiatives described in the discussion paper started with a careful review of the field and understanding of the issues related to lone parenthood. The description of four programmes aimed at supporting lone parents shows mixed evidence. The strengths of their implementation include the possibility to build and maintain a network of key actors, the exchange of important information and raise awareness of lone parenthood issues among employers. An effort to frame these projects by a holistic understanding of lone parenthood and involvement of actors from various stages represents another transferable issue which should be carefully taken into account.

However, the construction of these initiatives made them very reliant on funding periods. Thus, the sustainability of outcomes is in question when the project funding is the only resource. In addition, one could expect that collaborating actors know these limitations and prepare themselves in order to achieve sustainability. The question arises also in relation to the content of the projects. Building networks, exchange knowledge and raising public awareness are important aspects of policies directed at vulnerable groups. The question is whether the projects should focus more directly on the needs of lone parents and searching for their solutions. A more precise definition of the objectives (related to the needs of lone parents) could then, establish adequate conditions for a detailed assessment of results.

4. Recommendations and conclusions

- Systematic support of childcare services, development of their capacities and quality should become a policy priority. Without access to high quality services, any support of lone parent families will have weak and short-term impact.
- The childcare services support involves a greater use of the European resources.
 As an example from Germany example shows, it is important to use them for building of networks and improving understanding of the related issues. The attention should be, however, paid to developing of services capacity itself.
- Data show that children belong to the most vulnerable categories in terms of poverty and social exclusion. This is especially true for children from lone parent families. Therefore adequate income support for those families should be secured. A shift toward activation, which is often accompanied by lowering level of social transfers, should take this into account. There is a high probability (or, higher than in the case of other types of households) that lone parent families as single wage households face serious difficulties covering the needs of children.
- Lone parent families' issues consist (at least) of three inter-related aspects: issues related to the labour status and life chances of lone parents, issues related to the living conditions and life chances of children and issues related to the relationship between children and their parents. Regarding the third aspect, more attention should be paid to support of greater involvement of the second parent in caring for children in single parent families. Here, mechanisms for sustainable alimony payments to lone parents should be established or improved.

- At least two of the above-mentioned issues have been highlighted at the EU level. Importance of child-care services and adequate income support has been mentioned in the document on breaking the cycle of deprivation and poverty, in relation to active social inclusion. Thus, at the EU level both issues are visible. Their visibility at the Member State level should be further supported.
- Support of lone-parent families shouldn't be addressed only by the state administration. In order to improve their living conditions, other actors should be involved. Social partners are of great importance. Some kinds of social pacts or agreements in the field should be helpful in this respect. At the same time, raising awareness activities aimed at employers could contribute to improving labour market chances of lone parents.