

# The EU Mutual Learning Programme in Gender Equality

## Support to lone parents France, 21-22 October 2015

## **Comments Paper - Latvia**



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## The socio-economic situation of lone parents in Latvia and policy tools preventing the risk of poverty

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## 1. Introduction

In Latvia, a lone parent is an adult person living alone with one or more of their own or adopted children in one household. Also the term 'incomplete families' is used to describe single parent families in Latvia.

Official figures show that in relation to the percentage of lone-parent families, Latvia is among the countries with the highest rates. According to the Population Census in 2011, single mothers account for 30.5 % of all families, single fathers for 4.4 %, and cohabiting couples for 16.2 % of all families. The separation of married or unmarried couples, or of those who never lived together are the most common reasons for becoming a lone parent. Lone parenthood has a highly gendered dimension as the vast majority of lone parents are women. It must be noted that there is a large percentage of children born out of wedlock and without registered paternity in Latvia. The tendency of unmarried childbearing is constant and noticeable for Latvia and definitely results in a big amount of single-parent families. Last year 53 % of the first-born children were born outside marriage. In 1990, 83.1 % of all babies were born to a married family, whereas in 2000 this number accounted for 59.6 % and in 2013 for only 55.4 %.

The problem of poverty and income inequality is still an important topic in Latvia, which is attested by high poverty risk both for households of unemployed persons and households with children, the deprivation index and the high S80/S20 index<sup>1</sup>. Latvia ranks 3<sup>rd</sup> EU-wide for people at risk of poverty or social exclusion. This especially concerns lone-parent families and large families (3 and more children).

	2011	2012	2013
All households with children	20.7	20.1	20.4
Single-parent household with one or more children	41.5	38.3	41.1
2 adults and one child	16.8	14.3	12.1
2 adults and 2 children	18.7	16.0	17.2
2 adult and 3 or more children	35.9	32.6	27.7

#### Table 1. The risk of poverty for different households (in %), CSB data

<sup>&</sup>lt;sup>1</sup> According to the SILC data, the S80/S20 decreased in 2013 from 6.5 to 6.3 percentage points.

Lone parents are usually motivated to get into employment. Many lone parents withdraw from the labour market or experience difficulties finding a job. Lone parents face severe difficulties matching working hours and childcare (caused by both lack of flexible working hours and lack of flexible childcare options).

# 2. Support measures to lone-parent families and policy debate

The Latvian legislation has not set special status and has not provided for social support for single parents. State policy in the area of family is aimed towards protection and support of any and all families regardless of whether a child is taken care of by one or both parents.

The Latvian legislation provides several specific forms of social support for loneparent families:

- State social security benefit;
- Pension in case of loss of supporter;
- State maintenance payments;
- Support measures of local governments to lone parent families.

### 2.1. State social security benefit

State social security benefit is granted to children who have lost their supporter in case they have not reached the legal adult age, have lost one or both supporters and have not entered into marriage. State social security benefit is granted to these persons and cannot be smaller than 50 % of the amount of statutory state social security benefit per each child in cases where the benefit is granted to 3 and more children. In this case the state social security benefit is granted until 18 years of age. Benefit is paid afterwards if they attend general educational establishment or vocational school and are not older than 20, or if they study full-time in high-school and are not older than 24. The amount of state social security benefit is generally 64.03 EUR per month.

### 2.2. Pension in case of loss of supporter

This form of pension payment is granted to:

1) children of the deceased person irrespective of the fact whether they had been supported by him/her: children under 18 years, irrespective of age; children if they have become disabled before reaching the age of 18;

2) family members incapable of work, that had been supported by the deceased person: brothers, sisters, grandchildren younger than 18, if they do not have parents capable of work; brothers, sisters, grandchildren that have become disabled before

reaching the age of 18, if they do not have parents capable of work. Abovementioned persons between 18 and 24 have the right to this pension if they are fulltime students. Survivor's pension is calculated, taking into account the breadwinner's possible old-age pension: for one child 50 % from the pension; for two children 75 % from the pension; for three and more children 90 % from the pension.

### 2.3. State maintenance payments

One of the ways for a parent to receive direct financial support is alimony collection from the other parent, or the disbursement from the Maintenance Guarantee/Alimony Fund, if the other parent does not pay alimony.

In accordance with the information provided by Latvian Council of Sworn Advocates, in 2003 11,400 underage children did not receive sufficient alimony from their parents, since in approximately 6,000 cases of maintenance recovery, bailiffs found recovery of maintenance from the debtors to be impossible. About a third of the maintenance amount that should be recovered for children, based on judicial decisions made per year, was never recovered. In order to improve the situation and ensure equal opportunities for all parents to sustain their children who for whatever reasons are being raised in lone-parent families, the Ministry of Children and Family Affairs began development of laws and regulations for the establishment of the Maintenance Guarantee Fund. On July 1<sup>st</sup> of 2004, the Maintenance Guarantee Fund Act entered into force, and in August 2004 the Maintenance Guarantee Fund started to operate with a view to the implementation of children's rights to social security, guaranteeing a minimum amount of maintenance for children that are being raised and sustained by only one parent since the other parent does not comply with the court decision on recovery of maintenance. At the same time the Maintenance Guarantee Fund Administration was established - an establishment of direct management whose purpose is to pay child support from the Fund and manage all funds.

State maintenance payments: the Administration of the Maintenance Guarantee Fund provides child support in the following cases: if the implementation of the court decision (court judgement) on the collection of child support payments is declared impossible by the law enforcement officer; if the parent who has to pay child support for his/her child as determined by the court decision (judgement) pays less than the minimum amount of child support (not exceeding the amount of payment set out by the court decision). The minimal amount of the Maintenance Guarantee is 71.14 EUR per each child under 7 years of age and 78.26 EUR per each child between 7 and 18 years of age.

## 2.4. Support measures of local governments to lone-parent families

Lone parents living in a difficult financial situation may apply (like any other deprived person) for financial support at the municipality's social support department.

## 3. Transferability issues

French experience of policy continuation should be seen as an example of sustainable policy change in different economic circumstances. The diversity and development of childcare services in France makes it easier to meet the needs of single parents. French childcare system is more flexible and offers more options to families (incl. lone-parent families) than the Latvian system does. Flexible childcare options in Latvia should be ensured for parents. Also, French situation shows it is important to focus not only on short-term cash transfers, but also on the long-term accessibility of services and provision of balanced social support for the whole childhood.

The German discussion paper identified some practices relevant for the Latvian case. Latvia should focus on the German example and aim to support lone parents' family-employment reconciliation and increase their participation in the labour market. There should be consideration to introduce similar project-type programmes (as pilot projects) to test and verify tools for work-child care reconciliation options.

### 4. Recommendations and conclusions

- It is important to focus not only on short-term cash transfers, but also on the longterm accessibility of services and provision of balanced social support for the whole life cycle of a child.
- Flexible childcare options should be ensured for parents.
- Flexible working arrangements should be promoted in organisations; Without the willingness of organisations (employers) to support workers in the area of work-family reconciliation it is not possible to put into practice the national policy in the field. Thereby the contribution of the organisations should be facilitated. The most effective facilitative factor would be some economic mechanisms, for example, granting family-friendly entrepreneurs some privileges, like tax allowances. There must be some material incentive; employer must see the benefit of being family-friendly.