

## The EU Mutual Learning Programme in Gender Equality

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

## **Comments Paper - Czech Republic**



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# Reluctant support to lone parents in the Czech Republic

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## 1. Social and demographic situation

One-parent families currently represent approximately 7 % of all types of households in the Czech Republic, and among family households about one tenth are one-parent families with dependent children (Data from Census 2011). There is one child in 70 % of them, two children in 26 %, while three and more children in the single parent families are exceptional cases. In 2011, 1.5 million people, among them 488,000 children, lived in one-parent families. Most lone parents are mothers – 85 %, most often divorced women with children. After divorce, children are placed in the care of the mother in 90 % of cases in judicial practice. Compared to other types of families, one-parent families more frequently live in a household that is not their own, usually with their parents.

One-parent families are a markedly heterogeneous social category. There are differences by marital status and life trajectories leading to lone parenthood. The socio-demographic heterogeneity is reflected in the uneven living conditions of lone parents and their children. The worst are the economic conditions of single mothers, as they have lower education level, less paid jobs, more precarious jobs, and lower family incomes per capita.

The ratio of one-parent families among families generally increases and its structure is undergoing changes. The number of divorced persons heading households is relatively decreasing; on the contrary, the number of unmarried persons, primarily young women up to 24 years, is increasing; the number of men heading one-parent families is slightly growing.

Remarkable differences exist between the regions. To a great extent there is some connection between the incidence of lone parenthood and social and economic conditions of the regions. Moreover, in the regions with less favourable economic conditions, single parents more often have to cope with unemployment and precarious jobs.

However, these characteristics are to some extent common for most of one-parent families in comparison with parents living in couples with children. In more than 40,000 one-parent families with dependent children the parent is unemployed (i.e. 12 % of them). People living in one-parent families are among social groups that are most exposed to the threat of poverty, material deprivation and living in a household with low work intensity (Strategie 2014).

Balancing family and work is more difficult for lone parents, and this affects the living standards of one-parent families and performance of parental roles. The overall employment rates of lone mothers as well as their average wages are higher in comparison with mothers living in two-parent families, but their risk of unemployment – primarily when caring for very young children – is higher, and family incomes per capita are lower.

#### 1.1. Risk of poverty

One-parent families are to a greater extent at risk of poverty than most other types of families and similarly to two-parent families with three or more children. The risk of poverty of one-parent families dropped in the period 2008-2013 (from 40.8 % to 27.8 %, Sirovátka 2015) as it generally did in all households (from 9.1 to 8.6 %). On the other hand, the intensity of poverty<sup>1</sup> of poor families, including one-parent families, in the same period increased significantly (from 19.9 to 28.3), while generally it decreased (from 18.5 to 16.7). Material deprivation of one-parent families is congruent with 18 % (Strategie 2014).

The high cost of living affects the households with lower income most; especially the households with only one income are critical, namely one-parent families (Strategie 2014). Housing costs higher than 50 % of disposable income can be found in 16 % of lone-parent households which contributes to their risk of poverty<sup>2</sup>. The impact of the labour market position of parents is crucial. Lone mothers on average are disadvantaged by their higher unemployment, lower educational level, less qualified jobs, often precarious jobs and also that they cannot (significantly) share the care of children with a partner. This is not so much the case for lone fathers.

## 2. Policies supporting lone parents

The main focus of the government policy supporting lone parents is on non-direct forms of support within the framework of social, family and employment policies and social inclusion policy. The needs of single parents are also considered in the Labour Code. No strategic plan or document on a governmental level dealing with a complex or specialised support for lone parents or one-parent families exists in the Czech Republic. These families are taken into account as particularly endangered by risks such as social exclusion, poverty, unemployment etc., however usually without a concept of direct measures helping to cope with these threats. For example the "Government strategy for gender equality in the Czech Republic 2014-2020" identifies problems of higher unemployment and lower employment levels of lone parents, but it does not explicitly define adequate measures or policies that would address specific features of their situation.

The coordination of policies aimed at supporting families is not centralised on the governmental level into the competencies of one department. The Ministry of Labour and Social Affairs (MoLSA) is the main actor in the support of lone parents. It is responsible for most aspects of social policies, such as family and social benefits, pension system and social insurance, special measurements of social and legal protection of children, youth and families as well as employment policy. The Ministry of Education, Youth and Sports (MEYS) is responsible for the basic part of the early care and education system, the Ministry of Regional Development has housing policy in its competency. A great deal of responsibility for family support including one-parent families is transposed to regional and local authorities and especially to non-governmental organisations. The former create their own family policy concepts or measures, mostly universal and helpful for lone parents, namely when they are aimed at social or day-care services and creating of pro-family climate. The latter

<sup>&</sup>lt;sup>1</sup> Poverty gap, measured in median value of difference between poverty line and household incomes <sup>2</sup> One-parent families belong among households which are disadvantaged on the property market as they represent higher risk in the eyes of landlords.

usually offers direct assistance in cases of special social and psychological needs connected with lone parenthood or e.g. assistance with job search. Solving such crucial lone parents' problems as lack of decent employment or poverty, should be mainly a government's task. Principles of subsidiarity should be stressed in practical policies.

#### 2.1. Active employment policy

In the Czech Republic, there are no specific tools to improve the employability of lone parents; neither there are tools for integration of lone parents into the job market following their parental leave. People falling into these categories can, however, use the standard means of employment policy. The available analyses show that direct measures for active employment policies for parents with children are relatively good. However, the insufficient scope of active employment policy measures seems to be a more crucial problem than their targeting lone parents (Sirovátka 2014).

Lone parents are looked after as a part of one of the main target groups within activation policy (parents caring of children up to 12 years of age or, generally, women or mothers) as well as within the ESF operational programmes (here the relevant target groups are pregnant women, breastfeeding women and mothers for up to nine months after giving birth, persons caring for children up to the age of 15). Lone mothers are one of the target groups also in the employment policy priority aimed at promoting equal conditions for men and women on the labour market.

These conditions also mean that lone mothers or fathers share with other social and demographic groups rather weak support for part-time jobs suitable for parents. At the same time, those jobs are more likely to have precarious employment conditions.

#### 2.2. Social protection and family policy

Generally speaking, the system of social transfers in the Czech Republic has been effectively moderating the risks of poverty; however this does not refer to some social groups including lone parents. The effectiveness of social transfers (when pensions are not taken into account) dropped in 2008-2013 by 6 percentage points (Sirovátka 2015). In case of families with children, the effectiveness is rather low as far as the one-parent families are concerned. Average effectiveness in eliminating poverty totals 74 %, while it is 27 % for one-parent families with children and 64 % for two-parent families with children (Strategie 2014). Concerning child poverty, the rate was 46 % in 2013 (Eurostat data, in Sirovátka 2014).

The social protection system (both social and family allowances) and partly the system of child-related leaves have been changing during the last decades and often not in favour of the one-parent families. They are not entitled to specific benefits, but they have a slightly better chance of qualifying for some income-tested benefits and receiving a higher amount. Neither is there currently any special adjustment of maternity leave or parental leave for the needs of lone parents (although there used to be in the past).

An introduction of a substitute maintenance paid by the state to lone mothers (exceptionally fathers) who do not get alimony from their partner has been submitted to the Parliament three times since 2001 (most recently this year). It should be in force next year, but it is uncertain due to criticism concerning its wording. The delimitation of the circumstances under which it should be provided,<sup>3</sup> as well as the necessity of this institute, are still the discussed topics.

The gradually introduced higher flexibility (2008, 2011) of the parental leave and the parental allowance aimed to encourage an earlier return of mothers to employment was less effective for parents with lower wages, i.e. also for lone parents. Moreover, these modifications were neither accompanied with support of wider supply of child day care facilities nor with larger offer of part-time jobs, namely suitable and decent ones.

#### 2.3. Tax deductions and bonuses

Long-term trends in tax policy have brought ambivalent consequences for lone parents. Tax deductions, which consider marital status and parenthood of tax payers, until recently increased, more in favour of richer families but tax bonuses were introduced at the same time. This trend included also the abolition of joined taxation of married couples that had given married parents an advantage over both lone and unmarried parents. In 2015 a step-by-step increase of tax reductions depending on the number of children of a taxpayer has started. It aims at creating incentives for parents to have more children (bigger deductions for higher order children in a family) but in fact are relatively disadvantageous for single parents who usually have less children.

## 3. Policy debate

The main policy issues that are being recently discussed in the Czech Republic are:

#### Persisting discrepancies in work-life balance (especially motherhood)

Three main aspects make it difficult for the Czech young mothers (mainly for lone mothers) to reconcile work and family and improve their participation in the labour market:

- Inadequate use of suitable flexible forms of employment;
- Inadequate offer of quality and affordable child care;
- Inadequate harmonisation between employment policy and social policy (e.g. parental leave schemes, support for parents returning to labour market after parental leave, flexible working arrangements and child day-care services).

<sup>&</sup>lt;sup>3</sup> E.g. the proposed entitlement conditions make limits to its accessibility, as they include income testing, a parent-claimant's proof of both the partner's non-payment of alimony (by a judge's finding) and unsuccessful execution. This procedure should be repeated each year.

The transition from social system to employment is marred by a sharp, inflexible boundary<sup>4</sup>. This sharp boundary may lead, namely in low-income families, to losing motivation to gain employment and become economically inactive.

#### Gender pay gap

The disadvantaged position of women on the job market results mainly from both their lower wages compared to men in the same position and more precarious and lower paid jobs among women and lone mothers in particular. The average gender pay gap was 22 % in 2013 and it reached a peak at the age group 35-44. In this fact an influence of motherhood as well as consequences for lone mothers are apparent. Women's share in part-time employment reaches 70 % and is three times more often involuntary than among men, women's share in temporary employment was 53 % (figures for 2014; OECD Employment Outlook 2015).

#### Focusing on lone parents

Lone parents are not a specific target group in most of the social policy documents and the implemented measures for improvement of family life. Both the state and the parents mostly prefer short-time measures. Some measures aiming at support of families with children are less advantageous for low income families, which includes obviously also one-parent families: e.g. concept of parental allowance with flexible lump sums allows to collect the highest monthly amounts only for parents with earnings above the stated limit; the present proposal of differentiating pension insurance premium according to the number of raised children (introduction of lower premiums for parents with two or more children) may cause in effect a discrimination against lone parents as they have usually less children and lower chance to meet the stated conditions for entitlement.(70 % of lone mothers have one child).

## 4. Important role of NGOs – examples of good practices

Aperio - Healthy Parenting Association is a non-governmental, non-profit organisation focused on the position and needs of parents in the society. Examples of projects during the last 5 years:

- Mothers Alone (2009-2010): education/training of lone mothers, individual plans for their return to employment.
- Lone parent and work (2010): in the framework of the European year of fight against poverty and social exclusion (EY 2010) a project was carried out to support sole parents with dependent children when entering or returning to the job market. They were provided with information, knowledge and competencies through the seminars and online webinars, tailored specifically to the needs of this group, and in the form of individual and group consultations.

<sup>&</sup>lt;sup>4</sup> If a woman decides to enter the labour market after parental leave, she may encounter a situation when the net financial effect of her return to work may be negligible or negative. This situation is influenced by a combination of increase in taxes, decrease in social benefits and growing costs necessary for the provision of child care. It concerns rather people with low work-related income, e.g. also lone mothers.

- Lone Parents and the Job Market (2012-2014): Project (supported by ESF) with international participation aimed at strengthening the position of lone parents on the job market. It concentrated on the key actors working with lone parents: institutions, employers, NGOs, policy makers, local governments. It also included activities leading to the successful transfer of international know-how and adapting it to the needs of the Czech Republic.
- New chances for lone parents in Prague (2015): project aimed at the improvement of career chances for lone parents of children under 15 in Prague through educational courses and consultancy.

### 5. Transferability of the good practices

There is a discrepancy between policy makers' awareness of lone parents' living conditions and a lack of targeted practical policies in the Czech Republic. The present situation, which is less favourable to lone parents compared with the past, is a result of changes e.g. in public finances (abolition of longer paid maternity leave for lone mothers), housing policy (transfer of competences to local authorities which often played down the social aspects in housing control), pre-school education (in enrolment practices consideration of child's family background was reduced). The role of the non-profit sector grew in this field markedly. The basic guidance the Czech Republic should gain from the seminar is how to single out special measures addressing the lone parents' needs that should be met through particular state public policies and through local and regional policies.

The Czech Republic could learn from good practices of other countries in several basic ways:

- Within the system of income support: how to include special or adapted measures aimed at supporting lone parents and their families into the existing system of financial benefits. However, the French system is rather complicated, while in the last 20 years the Czech system had been made as simple and universal as possible, although recently a reverse trend occurred.
- Within active employment policies: how the vulnerable social groups on the labour market should be defined more narrowly (e.g. as lone-parents themselves instead of as parents of children up to a stated age) and addressed with appropriate measures in a way it is done both in France and Germany.
- Within the work-family balance: how to create a functioning institutional infrastructure for people living in different family situations with a focus on (among others) lone parents as it is done in Germany.

However, the Czech approach is characterised by a limited special focus on lone parents, the preference for more universal measures should be confronted and pros and cons evaluated.

Besides, what has not been developed in the Czech Republic on a sufficient and satisfying level is the role and tasks of local or regional authorities in the support for lone parents. This is another aspect for learning from the good practices.

### 6. Recommendations and conclusions

#### What should be done at national level:

Conditions for accessible and decent employment, namely legal framework for flexible forms of work.

Involvement of various actors is inevitable – government (amendments of Labour Code, active employment policy), employers (considering family obligations of lone parents), local authorities (e.g. support for small businesses, local transport).

The principal problems in employing (lone) mothers of young children exist due to the absence of:

- the supply of affordable, locally available childcare services, especially for children up to the age of three;
- the support and motivation of employers permitting their female employees to adapt working hours or to improve their skills through training;
- the introduction of modern forms of organising work, e.g. working from home, flexible working time, part-time jobs, etc.;
- the support for parents' return to employment after parental leave.

## Addressing real problems of lone parents based on the knowledge of their core causes and stressing prevention measures.

Cooperation of policy-makers with research organisations (evidence-based policy) and NGOs (mediation of lone parents' experience), local authorities (direct contacts with parents) that should be supported financially and methodically when providing their local family policy.

Improvement of cooperation of various subjects, that support lone parents in their particular needs or from different positions based on their competences, e.g. local authorities, NGOs, employers.

Coordination of different branches of public policies (social, family, employment etc.) is very much needed, too.

#### What should be done at European level:

Make maximum use of ESF operational programmes, particular themes within defined priorities that would contribute to reconciling work and family according to special needs of parents with different family background and obligations.

Individual projects' themes within the operational programmes should include support for employment and developing individual qualification and competences (accessible life-long education) of parents caring of young children. Interest in a support of employment chances of lone parents should be explicitly formulated and definition of target groups could include lone parents.

Bring relevant recommendations of EU up to date as far as family policy topics are concerned taking into account the specific lone parents' needs.

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