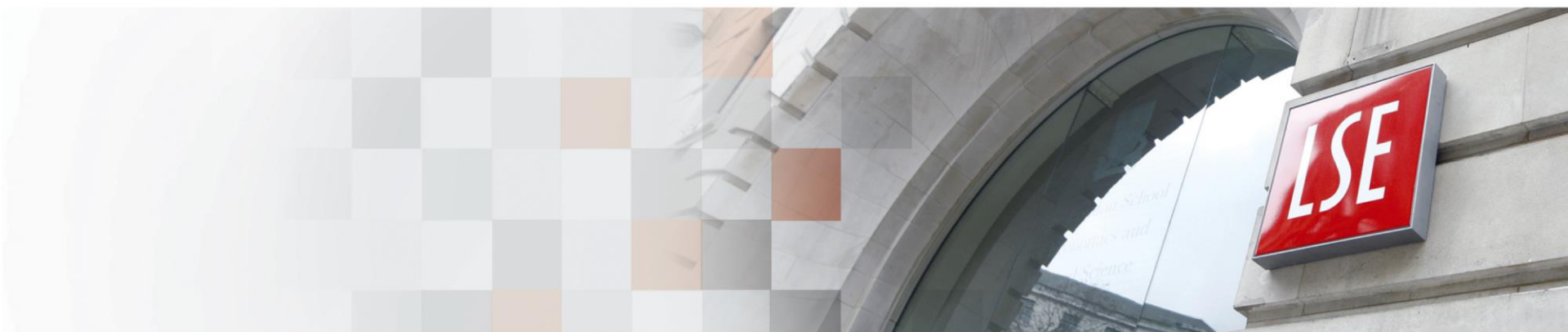


# Child Poverty Solutions for Finland

A review of international policies in selected countries

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# Project overview

**Child income poverty rates are low** by international standard

**BUT**

**elevated risks for certain groups remain** - for instance, children in lone-parent families, large families (3+ children) and children with migrant or ethnic minority background

In line with UNICEF definition of poverty as “*economic, social and emotional deprivation, leaving children unable to fulfil their rights, participate or achieve their full potential*” the review adopts a **multidimensional perspective**

Focus on policies **beyond social security**

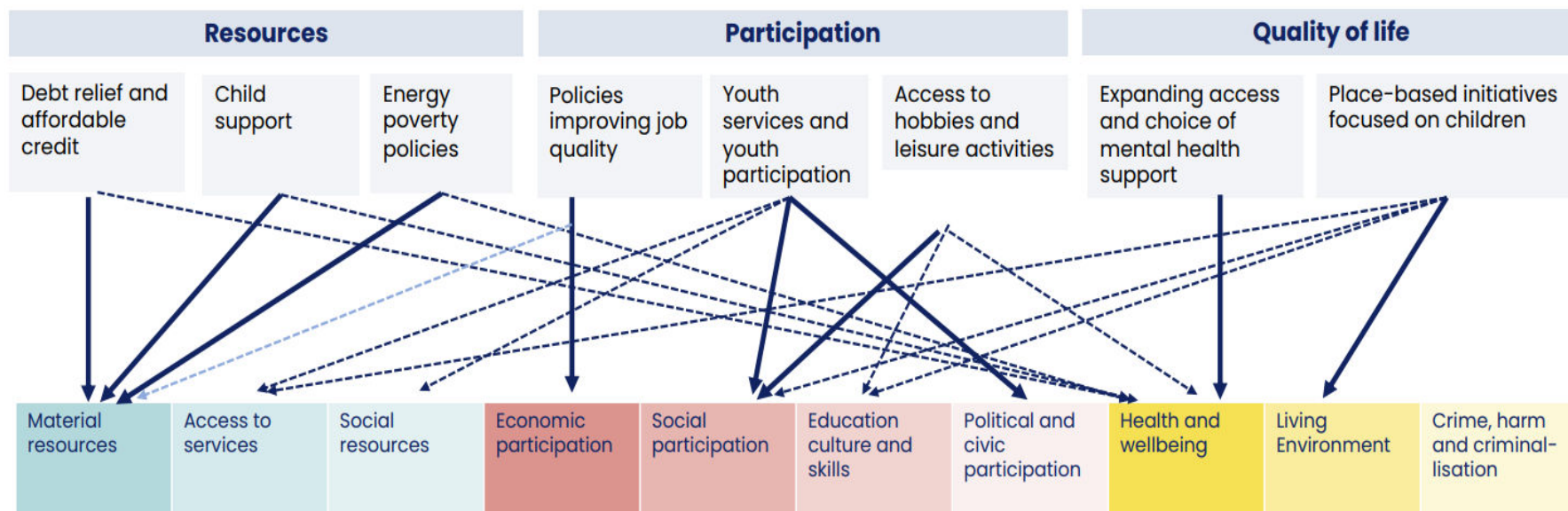
Focus on countries **other than Nordic countries** (NL, B, UK, AUS, NZ, CA)

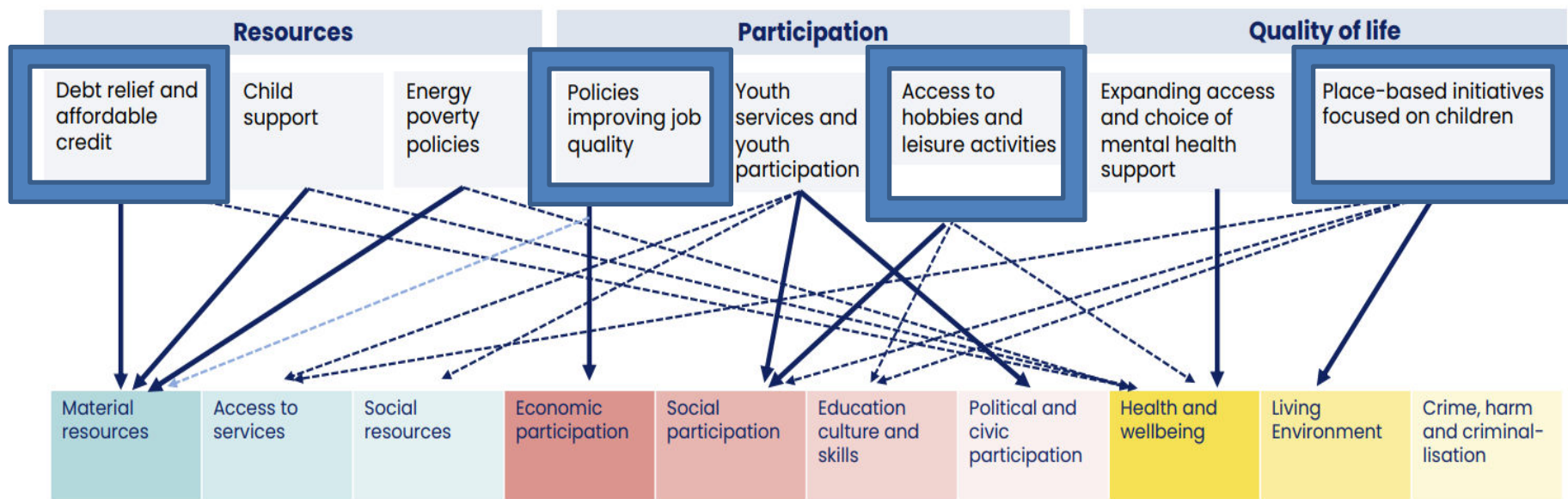
# Bristol Social Exclusion Matrix

<b>Resources</b>	<b>Participation</b>	<b>Quality of life</b>
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Material resources	Access to services	Social resources	Economic participation	Social participation	Education culture and skills	Political and civic participation	Health and wellbeing	Living Environment	Crime, harm and criminalisation
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# Improving access to hobbies and leisure activities

**Poverty shapes disparities in access to leisure activities and hobbies,** reduces options and increases the risk of marginalisation.

Not being able to participate in activities with their peers

- Can leave children feeling left behind and contribute to social withdrawal
- Peer-rejection, linked to difficulties at school, increased risks of truancy, dropout and disciplinary problems.
- Can negatively affect family relations

**Free access to leisure facilities can increase participation but there are other barriers:**

- negative attitudes (e.g. related to experiences of stigma, discrimination, bullying)
- lack of equipment
- lack of availability of programmes or facilities in the local area and lack of physical accessibility (e.g. related to transport or non-accessible buildings),
- lack of information and awareness

## What are the characteristics of effective programmes?

- **Parental involvement, engagement with community stakeholders and availability of community programmes** all facilitate access to leisure activities
- It is important to understand children's and families' preferences to create inclusive programmes (e.g. appealing for children from different minority groups)
- **School-based activities** allow for easier access for disadvantaged children – tackling bullying, teacher training and promotion of a safer school climate contribute to removing barriers to access
- **Young carers** are an especially vulnerable group
  - lack of awareness and visibility of this group undermines action to provide adequate support
  - interventions to improve access to leisure activities should be part of a broader policy approach to support this group.

## **Netherlands** *Youth Sports Fund and Neighbourhood Sport Coaches*

- The *Youth Sports Fund* covers the costs of sport participation and equipment for people from low income households.
  - Even at a time of cuts to municipalities, YPF provided a safety net to guarantee access for less advantaged children to participate in sport
- *Neighbourhood Sport Coaches* initiate sport activities in deprived neighbourhoods.
  - There is evidence that they boosted engagement by building trusted relationship within local communities. They contributed to improving collaboration across sectors (e.g. health).

## **Canada** *Recreation Opportunities for Children*

- Community-based programme focused on engaging low-income households in leisure activities “as a family”
  - Family events, sharing of leisure education resources, boosting awareness of available services
- Positive effects on participating lone mothers – such as improved social connections, reduced negative attitudes (shame, stress, guilt)



## Improving access and choice of mental health support

- Evidence point to the effectiveness of **school-based interventions and integrated services** in primary care settings
- It is essential to promote access by addressing **stigma, mental health literacy and attitudes** towards mental health services. Family-focused services can improve prevention and children's outcomes
- **Engagement of some groups is difficult:** e.g children experiencing school exclusion; ethnic minority families (higher levels of stigma, lower levels of trust, discrimination, cultural insensitivity).

### **New Zealand** *'Access and Choice Programme'*

- Participatory approaches involving Māori communities to determine, design, develop and deliver primary mental health services -
- Investment in Māori and Pacific workforce development
- Challenges with sustained funding, need for new procurement processes more suitable for small providers

# Rehabilitation of over-indebted households

- Coping with debts can force households to **cut expenditure and face trade-offs** with other aspects of everyday life
- There is strong evidence that debt has **adverse impacts on mental and physical well-being**, on **social relations** with extended family and within the household, **employment prospects** and **children's educational outcomes**
- Policies to tackle over-indebtedness can be:
  - **preventative** - improve financial capability and literacy, or the capacity to save and accumulate financial asset ; improving access to affordable credit to prevent use of expensive, high-interest credit providers
  - **protective** – welfare state function to smoothen income over financial shocks
  - **alleviating and rehabilitating** – debt advice and debt relief

Across countries, most common debts among low-income households are related to essential living expenses rather than consumer debt - arrears on housing, local taxes and utility bills.

**Normal debt settlements procedures often do not provide a fresh start for these households:** e.g. because of exclusion of debts to public authorities (e.g. tax arrears, fines, overpayments of benefits, healthcare costs) or debts resulting from informal borrowing.

### **New Zealand - ‘No Asset Procedure’**

- Means- and asset-tested, only for debts between EUR 600 – 30,000 (on average around EUR 12,000)
- Much lower fees compared to bankruptcy
- Cover debts to public bodies, aside from those accrued fraudulently
- There is evidence of positive impact on participants’ financial distress, standard of living and overall health and well-being, with moderate positive effects on social relations
- Gains may be short-term (design matters – coupling with financial literacy programmes)
- Access linked to debt advice services

## Improving access to affordable credit for low-income households

- There is great variation across countries in the extent to which mainstream financial institutions provide sufficient access to affordable credit for low-income households
- Government schemes providing **emergency low- or interest-free loans** to disadvantaged households boost financial inclusion and access to credit (depending on the design and interaction with social security)
- **Credit Unions** can be effective but often only reach a marginal portion of the population and their members-oriented mission may clash with inclusion of disadvantaged households

# UK – *Fair Finance*

- Community Development Financial Institution based in London
- It collaborates with private, public and third-sector partners to help bank unbanked individuals; give loans to small businesses and individuals and offer debt and financial capability advice
- Predominantly serves people living in deprived areas, with poor credit scores, born abroad or with an ethnic minority background
- Invested in digital technology, but maintained a local presence, hiring people from the local area

# Improving quality of part-time work

As with other measures improving job quality, these may not reduce poverty if workers benefitting from them are not in poor households

- High prevalence of part-time work among lone parents and households with greater caring responsibilities

## Package of policies:

- Labour protection laws to facilitate flexible working arrangements
  - Minimum wage floors
  - Social protection eligibility and entitlement conditions cover part-time workers
  - Incentives to employers to develop part-time career ladders (including in the public sector)
  - Engage with social partners to support good quality part-time
- Improvements should be spread across sectors and industries as well as across occupations (including management)

## **Netherlands** – *normalization of part-time work*

Part-time jobs are better quality, poverty risks are not significantly different between part-time and full-time workers, low involuntary part-time rates

Remarkable penetration of part-time work into higher occupational levels and across occupations (not just low-pay, low-status jobs)

Spread across the population – 25% of highly educated workers and nearly 30% of men work part-time

Result of a long history:

- Since the 1970s governments focused on 'decent work' concerned with dualization of the labour market and marginalisation of female labour
- Governments introduced legal protections but also took a leading role in creating part-time jobs
- High degree of collaboration with unions and employers across occupations
- Recent focus on short part-time work

# Place-based initiatives improving children's outcomes

Children's life chances are shaped by where they live and grow up and poverty tends to be **geographically concentrated**

Place-based strategies attempt to enhance the quality of life in a given community and develop **local solutions responsive to specific local needs and priorities.**



Developed in many countries (US, Australia, UK)

- **Often offer a pipeline of support** for children and their families at different ages and different points of entry:
  - early childhood programmes and parenting support; ‘whole-community’ approach to coordinate services for young (0-5) children and their families
  - setting up of schools and after school programmes,
  - training and employment services for youth;
  - family health, fitness and nutrition programmes;
  - housing initiatives
  - Community services

Evaluations find **generally positive outcomes** across several dimensions (e.g. health, parenting practices, educational outcomes, positive qualitative evidence on community development and social value)

BUT

Often weak evaluation designs / no focus on child poverty / short time frames / focus on outputs

## **UK** - *Children's Neighbourhood Scotland*

Programme using participatory methods to shape the program's local priorities; and improving service integration and connection across activities.

It produced:

- recommendations to improve service collaboration across third sector and public sector.
- youth-led wellbeing frameworks and action plans shared to influence school, third sector and local authority projects and inform local policy at city-level
- Evidence used at national level to assess the impact of school closure during the Covid-19 pandemic and the Scottish Government's equity audit

## Concluding thoughts

- In many areas, Finland is doing well by international standards but a greater focus on some especially vulnerable groups is needed
- In some areas, the review identifies clear policy gaps and opportunities for improvement
- Some effective solutions require long-term, society-wide change
- The evidence base is not always rich in some policy areas, but the need to develop solutions specific to the Finnish context is pressing