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# Child Poverty in the Midst of Wealth

Innocenti Report Card 18

# Executive summary

In a time of general prosperity, more than 69 million children live in poverty in some of the world's richest countries.

Poverty is often defined by income. But for most children, poverty is about more than just money. It is about growing up in a home without enough heat or nutritious food. Poverty means no new clothes, no telephone and no money for a birthday celebration.

For the eighteenth edition of the Innocenti Report Card, UNICEF Innocenti examined child poverty in the high-income and upper middle-income countries in the European Union (EU) and the Organisation for Economic Co-operation and Development (OECD). This Report Card provides an assessment of the current state of child poverty and the progress – or lack of progress – that these countries made towards eliminating it.

## Key findings

The foundation of Report Card 18 is a ranking of countries based on their most recent rates of child income poverty and the proportional change in that rate over a seven-year period (2012–2014 and 2019–2021). It places:

- Slovenia, Poland and Latvia at the top of the ranking.
- The United Kingdom of Great Britain and Northern Ireland, Türkiye and Colombia are at the bottom of the ranking

Overall, the percentage of children who live in poverty in 40 countries of the EU and OECD, dropped by about 8 per cent during a period of about seven years – which translates to 6 million fewer children in poverty. However, the rates of child poverty vary. For example:

- In Denmark, Finland and Slovenia, about 1 in 10 children lives in poverty.
- In Bulgaria, Colombia, Italy, Mexico, Romania, Spain, Türkiye and the United States of America more than 1 in 4 children lives in poverty.

Some countries used period of general prosperity to address child poverty, while others let the opportunity pass. For example:

- Poland reduced child poverty by 38 per cent.
- Slovenia, Latvia and Lithuania reduced child poverty by more than 30 per cent.
- France, Iceland, Norway and Switzerland saw increases in child poverty of at least 10 per cent
- In the United Kingdom, child poverty increased by 20 per cent.

## Supporting children and families

Report Card 18 highlights the role of cash benefits, which are among the most effective ways to support children and families and alleviate child poverty. In 21 of the 39 countries with available data, low-income families received less support from cash benefits in 2022 than they did in 2012.

There was also progress. Slovenia and Poland, the top two countries in the UNICEF Innocenti ranking, made strides in reducing poverty. For Slovenia, the key to success was improving living standards by increasing the minimum wage. In Poland, the government's decision to increase cash benefits for families helped to reduce child poverty.

But much more is needed. In addition to providing adequate cash benefits for children and families, eliminating poverty requires governments to invest in multiple services that touch children's lives, including education, health and nutrition and to develop effective labour market policies.

In 2015, the world rallied around the Sustainable Development Goals, which featured an ambitious challenge: to eliminate extreme poverty and halve poverty in all its forms by 2030, everywhere. In the high-income and upper middle-income countries of the EU and OECD, some progress has been made. However, there is much more to do to end child poverty in the midst of wealth.

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# Introduction

“The persistence of child poverty in rich countries undermines both equality of opportunity and commonality of values. It therefore confronts the industrialized world with a test both of its ideals and of its capacity to resolve many of its most intractable social problems.”

These words began the first Innocenti Report Card, published in 2000. Sadly, they remain largely true today – 23 years and 17 Report Cards later. As this report will show, progress has been made. Poland, Slovenia, Latvia and Lithuania have achieved remarkable reductions in child poverty in recent years. Outside Europe, the Republic of Korea, Canada and Japan have made the most progress. This report discusses what can be learned from these successes. On the other hand, in many countries, child poverty rates are static. In others, such as the United Kingdom, Iceland, France, Switzerland and Norway, many more children lived in poor households in 2021 than a decade earlier at the end of the 2008–2010 recession.

Across 40 of the world’s richest countries,<sup>1</sup> over 69 million children are living in income poverty. Poverty is a blight on their childhoods, and the consequences of being poor last a lifetime. Children in poor households have much reduced chances of completing a good education.<sup>2</sup> In some countries, a person born in a deprived area is likely to live 8–9 years fewer than a person born in a wealthy area.<sup>3</sup>

Tackling child poverty is therefore a matter of basic rights and of justice. The goal of this report is not only to review the status of child poverty in countries that are members of the OECD and/or the EU and the progress made in tackling it over the past decade, but also to consider what more needs to be done in the future. Levels of child poverty depend greatly on the effectiveness of government actions. An important lesson from the 2008–2010 recession was that the right types of poverty reduction policies can shield children from the harmful effects of crises.<sup>4</sup>

The report picks up from the last Report Card to focus on child poverty, published in 2014, which analysed the impacts of that recession. It painted a contrasting picture. Some countries witnessed substantial reductions in child poverty between 2008 and 2012, while others saw substantial increases. Some countries – Greece, Ireland, Luxembourg and Spain – had lost 10 years or more of progress in reducing child poverty.

Much has happened since 2012. The years following the recession were a period of stable economic growth in the group of countries in this report. This was an opportunity to tackle child poverty which, as we will show, some countries took while others did not. Since 2020, the global outlook has become increasingly challenging and uncertain. A review of the status of child poverty in some of the world’s richest nations is therefore timely.

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This Report Card:

- Presents the most up-to-date comparable picture of child poverty in OECD/EU countries, including an analysis of trends over the last decade
- Analyses government income support policies provided to households with children and identifies promising examples that may help inform efforts to reduce child poverty

This report begins with a league table that ranks countries based on recent levels of child income poverty and progress in reducing it.

It makes use of the best available comparable data, based on six criteria – quality, relevance, coverage, recency, comparability and variability – established in previous Report Cards. **Box 1** provides a brief overview of child poverty measurement in general and of the different types of measures used in the report.

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## Box 1

### Measuring poverty

Approaches to measuring poverty can be divided into monetary and non-monetary, as reflected in the first two targets of Sustainable Development Goal (SDG) 1 – to eradicate extreme poverty (Target 1.1) and to halve poverty in all its dimensions (Target 1.2).

### Monetary poverty

The first SDG indicator relates to extreme monetary poverty (less than \$2.15 per person per day)<sup>5</sup>. This type of poverty is rare in wealthy countries. We use an alternative measure of relative income poverty, often used in these countries.

### Non-monetary poverty (material deprivation)

A second approach focuses on lack of access to items or services that are deemed necessary within a given context. This approach is often called ‘multidimensional’ poverty. People are defined as poor if they lack access to one or more of a list of items and services.

### Non-monetary poverty (subjective)

A third approach – becoming more common – is to seek people’s subjective experience of poverty. For example, people can be asked how they are managing financially – whether they are ‘managing well’, ‘just about coping’ or ‘struggling to make ends meet’.

The report presents evidence, in relation to children, using all three approaches, although data are most readily available for monetary poverty.

### Headline measure: Relative income poverty

Based on the best available data, the headline measure in this report is relative income poverty – that is, the proportion of people who fall below a threshold relative to the income of the average person in the population. In this case, the threshold used is an ‘equivalised’ income below 60 per cent of the median. Equivalised incomes take account of variations in household size, as there are savings from living in larger households. In this report, this measure is referred to as ‘child income poverty’ or simply as ‘child poverty’. Other organizations sometimes use different terms. For example, the EU refers to it as ‘at risk of poverty’.

Like all measures, relative income poverty has strengths and weaknesses. Because it refers to the income of the average person (the median income), it is closely related to income inequality in a country. And as the income of the person rises (or falls), the poverty threshold will change. It may therefore seem that it is impossible to reduce or eliminate relative income poverty. But this is not true. First, as we will show, countries with similar wealth have hugely different poverty rates based on this measure. Second, because it refers to a median – that is, the income of the middle person when everyone is ranked on their income – it is possible to eliminate relative income poverty. Ensuring that every person in the country had an income of at least 60 per cent of that of the median person would not directly change the median. While no country in this report achieves a relative child income poverty rate much lower than about 10 per cent, if one uses a threshold of 50 per cent of the median, some countries have, in the past, achieved rates below 3 per cent.<sup>6</sup>



## League Table.

### UNICEF Innocenti ranking of child poverty in OECD and EU countries

A league table created for Report Card 18 that ranks countries based on their most recent income poverty rate and their success in reducing child poverty in a period of prosperity. The overall rank is based on a statistical average of these two indicators.

UNICEF Innocenti Rank		Most recent rate of child poverty (Average 2019–2021)		Change in child poverty rate (2012–2014 to 2019–2021)	
		%	Rank	%	Rank
1	Slovenia	10.0	2	-31.4	2
2	Poland	14.1	8	-37.6	1
3	Latvia	16.3	16	-31.0	3
4	Republic of Korea	15.7	15	-29.0	5
5	Estonia	14.8	9	-23.4	6
6	Lithuania	18.3	22	-30.6	4
7	Czechia	11.6	4	-14.5	16
8	Japan	14.8	11	-18.7	11
9	Ireland	14.8	10	-18.5	12
10	Croatia	16.6	17	-21.8	10
11	Canada	17.2	19	-22.7	7
12	Belgium	14.9	12	-17.0	15
13	Portugal	19.3	25	-22.5	9
14	Finland	10.1	3	0	26
15	Denmark	9.9	1	+3.5	30
16	Malta	19.8	26	-18.2	13
17	Netherlands (Kingdom of the)	13.5	7	+0.7	27
18	Greece	22.3	31	-17.2	14
19	New Zealand	21.1	29	-11.7	17
20	Norway	12.0	5	+10.1	35
21	Slovakia	18.9	23	-4.9	21
22	Sweden	18.0	20	-2.4	23
23	Iceland	12.4	6	+11.0	38
24	Cyprus	15.6	14	+4.0	32
25	Germany	15.5	13	+5.0	33
26	Australia	17.1	18	+1.7	29
27	Chile	21.6	30	-7.7	19
28	Romania	29.0	37	-22.5	8
29	Austria	19.2	24	+5.3	34
30	Switzerland	18.0	21	+10.3	36
31	Bulgaria	26.1	34	-8.3	18
32	United States	26.2	35	-6.7	20
33	France	19.9	27	+10.4	37
34	Italy	25.5	33	-0.8	25
35	Luxembourg	24.5	32	+3.7	31
36	Spain	28.0	36	-4.0	22
37	United Kingdom	20.7	28	+19.6	39
38	Türkiye	33.8	38	+1.5	28
39	Colombia	35.8	39	-2.1	24

#### Sources:

See Technical Appendix for full details

#### Note:

UNICEF Innocenti rank is based on the average z-score for the indicators in columns 3 and 5. Due to lack of availability of data, it was not possible to include four countries in the league table – Costa Rica, Hungary, Israel and Mexico. These countries are included in other parts of the report where data are available.



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The above league table summarizes the current status of, and progress made in reducing, child income poverty in 39 countries in the OECD and EU.<sup>7</sup>

The table is based on two indicators:

1. The most recent available rates of child income poverty (2019–2021)
2. The proportional change in child income poverty over a seven-year period (2012–2014 and 2019–2021)

**Box 2** explains the reasons for the selection of these time periods.

The overall rank in the league table is based on a statistical average rank of these two indicators.<sup>8</sup> It therefore acknowledges both the most recent situation and progress in reducing child poverty.

- The three countries at the top of the rankings – Slovenia, Poland and Latvia – combine relatively low child poverty rates with strong records in reducing child poverty.
- All other countries in the top third of the league table rank high on one of the two dimensions and in the mid-range on the other.
- The middle of the table includes three countries – Greece, Malta and New Zealand – that have made recent progress in child poverty reduction, although they still have relatively high rates.
- In contrast, it also contains Denmark, Iceland, the Kingdom of the Netherlands and Norway, which still have relatively low child poverty rates but have increasing child poverty rates.
- In the bottom third of the table, France, Luxembourg, Türkiye and the United Kingdom have high rates of child poverty and are also ranked low in terms of child poverty trends. As will be seen later, France and the United Kingdom are among the countries where child income poverty rates have increased substantially in recent years.

The remainder of this report fills in the detail of this broad sketch, considering the reasons for these patterns and solutions that can be employed to tackle child poverty.

### Box 2

Due to recent fluctuations in rates, which may be due to difficulties in data collection during the COVID-19 pandemic and changes in survey administration, the average income poverty rate over three recent years (2019–2021) is used. Therefore, for comparability, the three-year period (2012–2014) is used as a base for calculating change. The change is calculated as a ratio to reflect the fact that, when the child poverty rate is already low, it may be more difficult to achieve large reductions. Thus, a reduction from 10 per cent to 9 per cent is treated as equal to a reduction from 20 per cent to 18 per cent. Using the percentage-point reduction would unjustly favour the latter over the former.



## Part 1

# The current picture

This part of the report presents the most up-to-date comparative statistics available on child poverty in OECD and EU countries. It begins with monetary poverty, based on relative household income and then expands its scope to consider various aspects of non-monetary poverty, including material deprivations and subjective poverty.

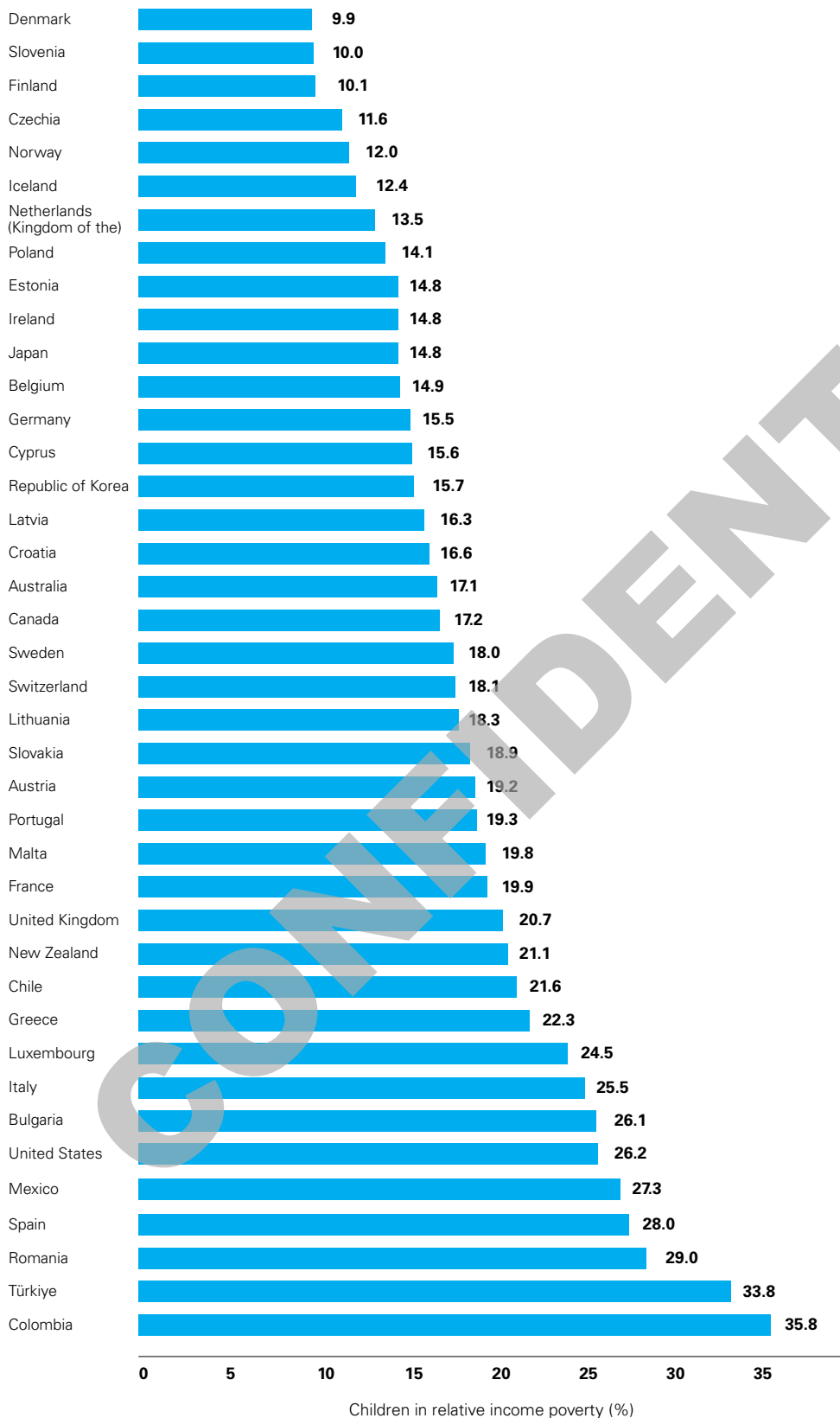
### Monetary poverty

**Figure 1** shows the first key indicator from the league table – the most recent available child income poverty rates. These range from around 1 in 10 children in Denmark, Finland and Slovenia to over 1 in 4 children in eight countries – Bulgaria, Colombia, Italy, Mexico, Romania, Spain, the United States of America and Türkiye.

Figure 1.

Child poverty rates, 2019–2021

Sources:  
See Technical Appendix



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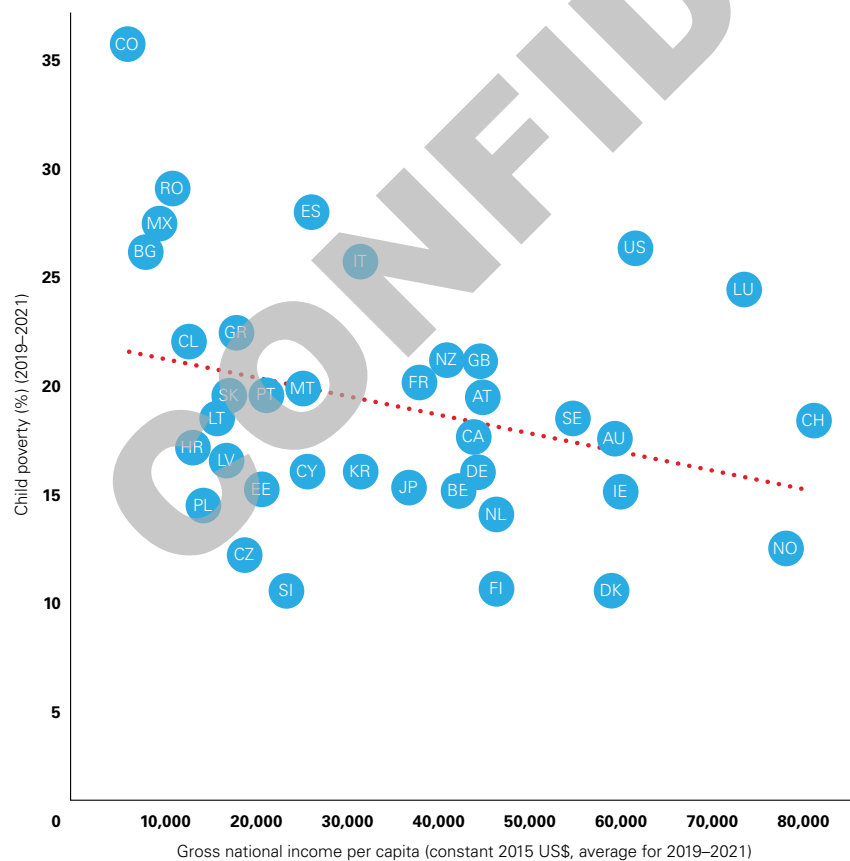
It might be thought that richer countries would be more successful in tackling child poverty. However, **Figure 2** shows that there is only a weak tendency for richer countries to have lower child poverty rates.<sup>9</sup> This can be seen by comparing pairs of countries, for example:

- Spain (ES) and Slovenia (SI) have similar levels of per capita national income – below the average among this group of countries – but Slovenia has a far lower child poverty rate (10 per cent) than Spain (28 per cent).
- Similarly, the United States (US) has a very similar national income per person to Denmark's (DK) but an average child poverty rate between 2019 and 2021 that is more than double that of Denmark's (although the United States did show some improvement in 2021).
- Switzerland (CH) has a national income per person four times that of Czechia (CZ) but a child poverty rate over 6 percentage points higher.

Thus high national income is no guarantee of success in tackling child poverty, and richer countries within the Report Card have much to learn from poorer ones.

**Figure 2.**

National income and child poverty, 2019–2021



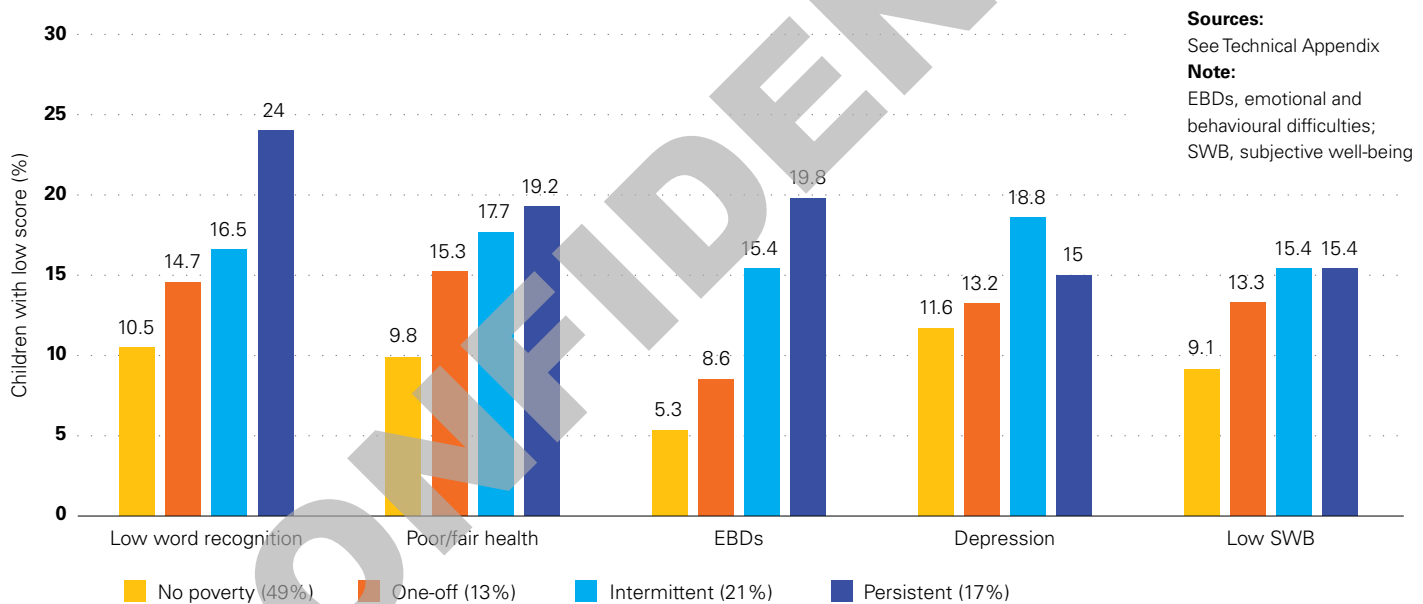
**Sources:**  
See Technical Appendix

## Persistent child poverty

Poverty at any time during childhood can be a damaging experience, but prolonged periods or repeated episodes of poverty can have an even greater corrosive effect. A study in the United Kingdom used data gathered at six points in children’s lives,<sup>10</sup> from 9 months to 14 years of age (from 2000 to 2014). It examined several indicators of well-being – word recognition (a test of cognitive ability), self-assessed health, emotional and behavioural difficulties (EBDs), depression, and subjective well-being. Children who had experienced persistent income poverty (five or six time points) fared much worse at 14 years old than children who had only experienced poverty once (Figure 3). Most strikingly, children who had experienced persistent poverty were more than twice as likely to have EBDs as children who had only experienced poverty at one time point. Children who had experienced intermittent poverty (two to four time points out of six) also did less well than children with little or no history of poverty.

**Figure 3.**

Histories of poverty and child well-being at 14 years old



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Statistics are available on persistent child income poverty for many European countries.

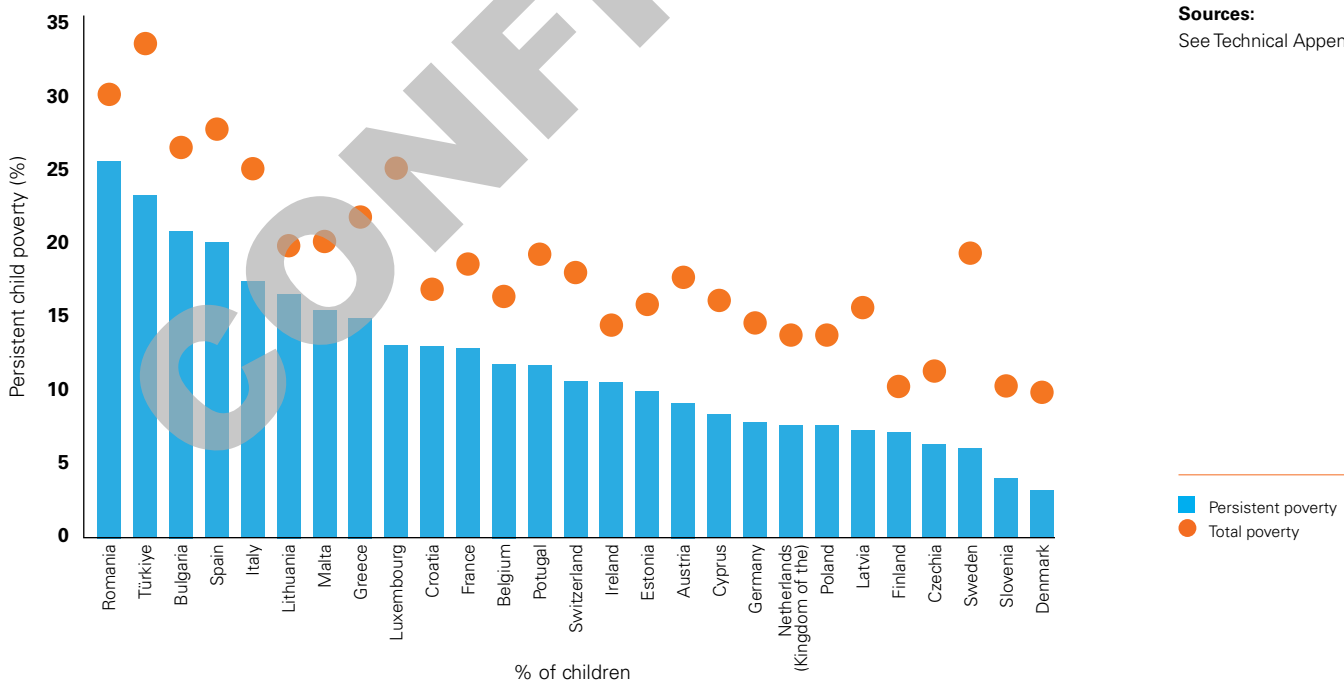
**Figure 4** shows average statistics for 2017-19 (to avoid data fluctuations during the COVID-19 pandemic) for 26 countries.<sup>11</sup> The bar shows the rate of persistent child poverty, and the orange dots show the overall child poverty rate in the same time period.

There is enormous variation here:

- In Slovenia and Denmark, less than 5 per cent of children experienced poverty over the long-term. In Romania, the prevalence of persistent poverty was 25 per cent – a five-fold difference.
- Sweden and Malta had similar overall child poverty rates (19.4 and 20.2 per cent), but persistent poverty in Malta was more than two and a half times more common than in Sweden.
- Latvia (15.7 per cent) had a higher overall child poverty rate than Ireland (14.5 per cent), but its rate of persistent poverty was approximately a third lower.

As seen from the United Kingdom example above, engrained experiences of poverty throughout childhood can be associated with particularly negative outcomes for children, exacerbating the disadvantages that poverty already creates. The degree of persistence of child poverty is therefore another important aspect to consider in evaluating a country's performance on child poverty.

**Figure 4.**  
Persistent child poverty in European countries



**Sources:**  
See Technical Appendix

## Non-monetary poverty (deprivations)

Another way of measuring child poverty is through identifying basic things that children lack (deprivations). For this report the intention was to follow a recent rights-based definition of material deprivation outlined by UNICEF.<sup>12</sup> This includes rights to:

1. Nutrition
2. Water
3. Sanitation
4. Clothing
5. Housing
6. Education
7. Health
8. Information
9. Play

Unfortunately, it was not possible to find satisfactory indicators to adopt this approach. This highlights a very substantial gap in international comparative data which hampers shared learning across countries.

A more limited source of data on material deprivation is gathered within the EU, consisting of: (1) measures of material deprivation within households, where it is also possible to identify numbers of children affected; and (2) a child-specific material deprivation measure. Some key statistics from these indicators are shown in Table 1.

The household 'severe material and social deprivation' measure consists of 13 items (e.g., the ability to keep one's home adequately warm, having an internet connection or being able to replace worn-out clothes with new ones).<sup>13</sup> Households are defined as in 'severe' material deprivation if they cannot afford at least 7 of these 13 items.

- Column 2 shows the rate of severe material and social deprivation for children in 2022, which ranges from less than 2 per cent in Finland to over 30 per cent in Romania and affects 1 in 12 children (8.4 per cent) – 6.6 million – across the EU as a whole.
- Column 3 shows, within this overall picture, the proportion of children living in poor-quality housing.<sup>14</sup>

The child-specific measure (for children under 16 years of age) consists of a list of 17 items – 12 child-specific (e.g., fresh fruit and vegetables daily) and 5 household-specific (e.g., the ability to pay bills and avoid arrears).<sup>15</sup> If any child in the household lacks an item, then all children in that household are categorized as deprived for that item.

- Column 4 shows the proportion of children who are deprived on 3 or more of the 17 items. The range is from under 3 per cent in Slovenia to over 42 per cent in Romania. Across the EU as a whole, around one in seven children are deprived on three or more items.
- Column 5 shows the mean number of items (out of 17) lacked. This is above three items in all countries and as high as eight items in some. On average, across the EU, children under 16 years lack almost 5.9 out of 17 items.



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While these statistics do not cover all Report Card countries, they illustrate that many children, even in these relatively wealthy countries, live in situations in which their basic needs are not being fully met.

**Table 1.**

Selected indicators of material deprivation for children in the EU, 2020–2022

	Severe material and social deprivation	Housing problems	Child material deprivation	Child material deprivation
	%	%	%	mean
Year	2022	2020	2021	2021
Austria	2.2	10.4	7.5	4.5
Belgium	7.7	18.3	12.8	5.5
Bulgaria	19.2	12.9	36.5	8.4
Croatia	3.5	8.1	5.8	5.7
Cyprus	4.4	36.7	23.4	4.8
Czechia	3.2	7.8	6.9	5.4
Denmark	2.8	20.4	4.8	5.7
Estonia	2.6	8.2	3.8	4.3
Finland	1.7	5.9	3.7	3.7
France	10.3	21.3	12.7	4.6
Germany	8.4	15.3	6.0	4.3
Greece	15.5	12.4	33.9	5.2
Hungary	12.0	24.9	24.7	7.4
Ireland	7.4	18.0	12.7	5.2
Italy	4.7	18.1	13.5	5.9
Latvia	5.9	18.3	9.4	5.5
Lithuania	5.2	9.8	9.6	5.4
Luxembourg	3.1	19.7	8.1	5.2
Malta	6.5	4.7	10.1	5.8
Netherlands (Kingdom of the)	2.4	16.4	5.4	4.9
Poland	2.3	6.1	4.8	5.2
Portugal	4.9	25.5	14.0	4.4
Romania	30.8	12.6	42.5	8.7
Slovakia	10.8	4.4	13.1	7.6
Slovenia	1.8	19.2	2.9	4.7
Spain	10.3	21.3	19.7	5.5
Sweden	3.0	8.9	3.5	4.7
<b>EU 27</b>	<b>8.4</b>	<b>16.2</b>	<b>13.0</b>	<b>5.9</b>

**Sources:**  
See Technical Appendix for full details

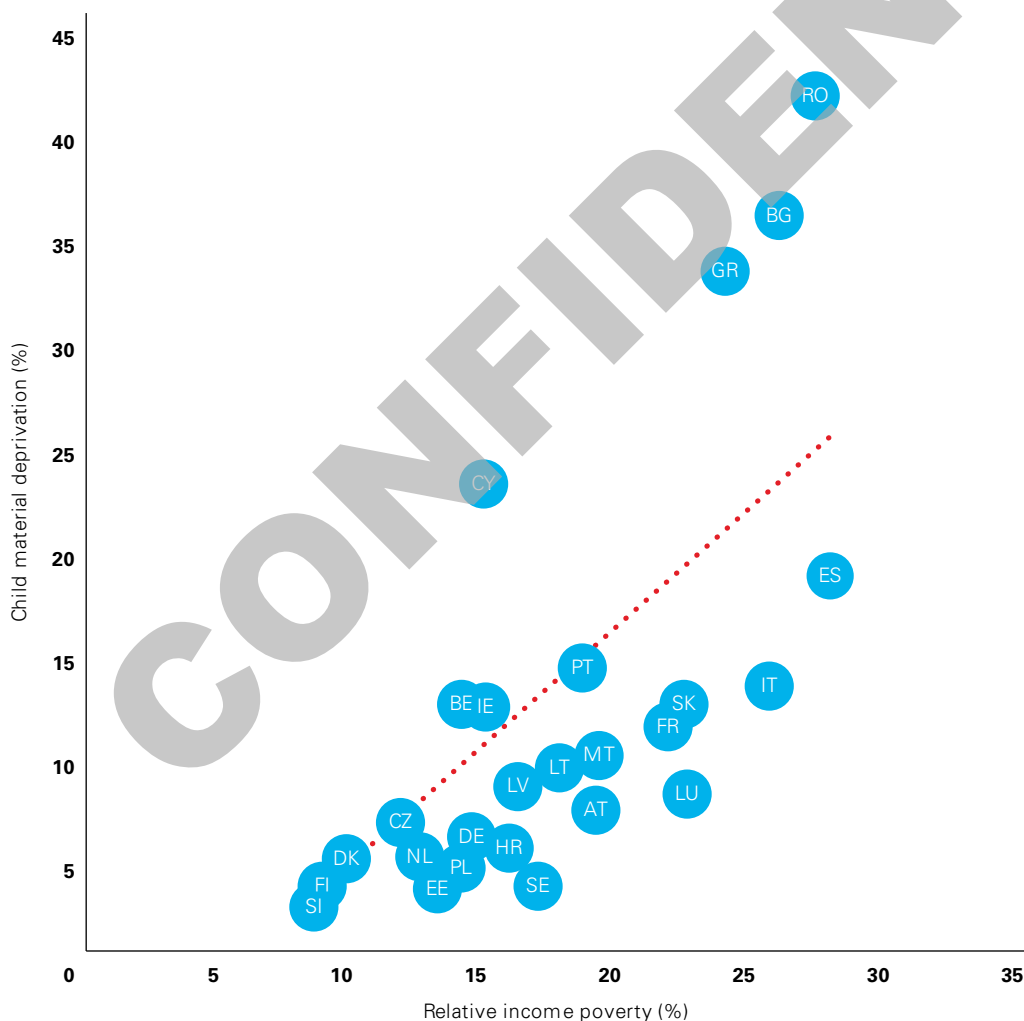
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The EU data also enable a comparison of estimates based on monetary and non-monetary poverty. **Figure 5** charts relative income poverty and child-specific material deprivation in 2021.<sup>16</sup> There is a moderate-to-strong association,<sup>17</sup> but:

- Bulgaria (BG), Cyprus (CY), Greece (GR) and Romania (RO) have much higher levels of deprivation than might be expected from their rates of income poverty.
- On the other hand, rates of deprivation in Italy (IT) and Luxembourg (LU) are closer to the EU average than would be expected from their income poverty rates.

This comparison shows that measuring income and non-monetary poverty can lead to different conclusions.

**Figure 5.**  
Relative income poverty and child-specific material deprivation, EU, 2021



**Sources:**

See Technical Appendix

**Note:**

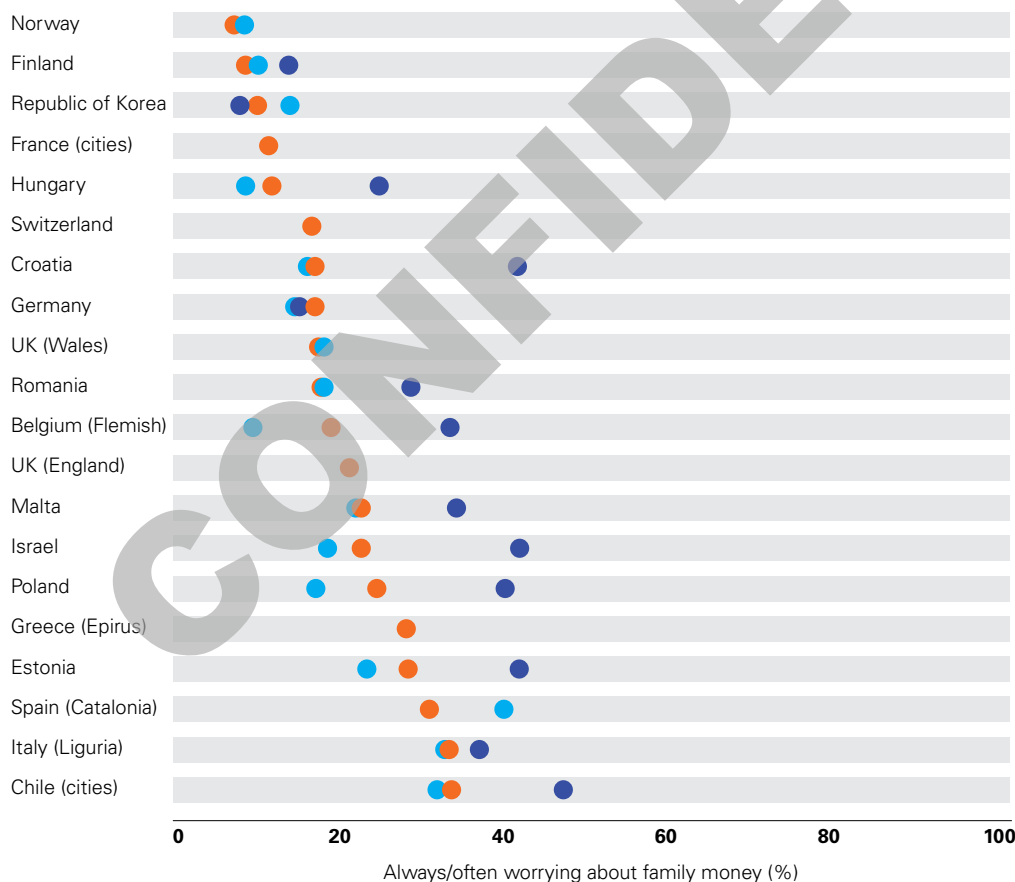
The data in this figure relate to children under 16 years old.

## Children’s subjective experiences of poverty

In recent years, surveys of adults about poverty have started to ask about subjective perceptions of poverty, such as how well they feel they are coping financially or whether they would define themselves as poor. In comparison, there are very few international comparative studies on children’s subjective experiences of poverty. This is part of a much broader tendency not to engage children or enable them to contribute their views to debates on poverty. We return to this issue in the concluding section of the report.

One key exception is the Children’s Worlds study (2016–2019),<sup>18</sup> which included a question about whether children worried about how much money their family had. The proportion of children frequently worrying about family money (Figure 6) ranged from around 8 per cent in Norway to 38 per cent in Chile. A notable feature of this chart is that, in many countries, children around the age of 8 years were substantially more worried than children around the ages of 10 and 12 years.

**Figure 6.** Proportion of children often/always worrying about family money, by age group



Sources:  
See Technical Appendix

Age group  
 ● 12 years old  
 ● 10 years old  
 ● 8 years old

## Inequalities in child poverty

While child poverty is both a product and a manifestation of deep-seated economic inequalities within societies, it is also well established that children from certain groups and living in certain contexts are much more likely to experience poverty than others. Such variations in child poverty risks within countries are invisible in cross-national comparisons of averages.

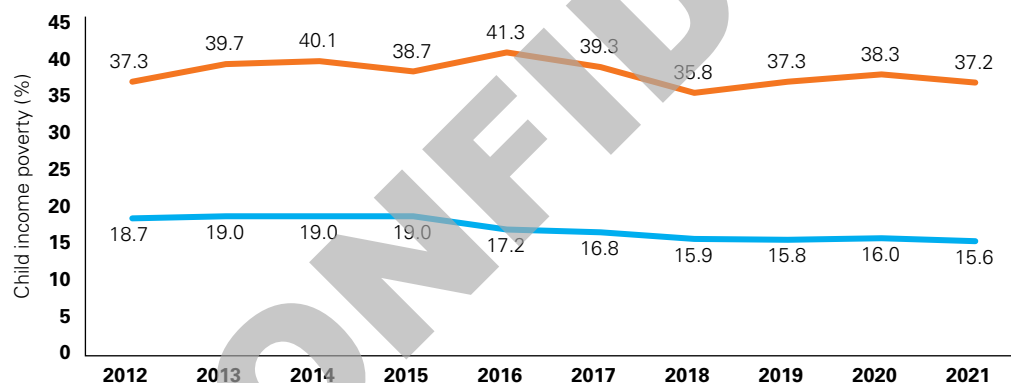
Within Report Card countries there is ample evidence of the high levels of poverty experienced by children in specific minority groups, including children affected by migration, children with disabilities and children who come from racial or ethnic minorities.

### Households with a migration background

Within the EU there are large and persistent differences in child income poverty rates for children with parents having citizenship within and outside the country where they live (Figure 7). A child with a parent with citizenship outside the country was 2.4 times as likely to be living in relative income poverty as a child with parent(s) who are citizens of the country. The gap between poverty in the two groups has increased from around 19 percentage points in 2012 to around 22 percentage points in 2021.

Figure 7.

Child poverty rates by citizenship of parent(s), EU



Sources:  
See Technical Appendix

Citizenship of parent(s)  
● Reporting countries  
● Other countries

### Roma children

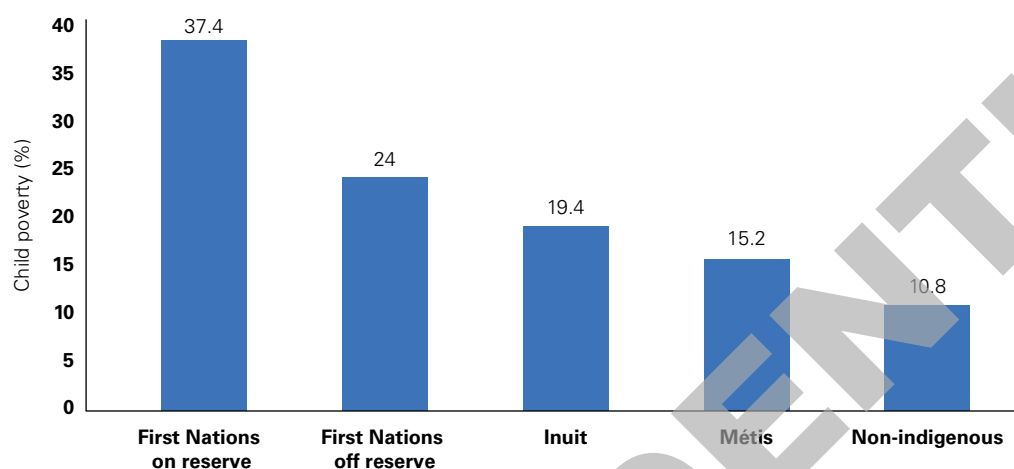
A review of living conditions of Roma children in Europe highlighted two recent studies that demonstrate the high risk of child poverty among this group.<sup>19</sup> The second European Union Minorities and Discrimination Survey (MIDIS II) found that 80 per cent of Roma children in eight European countries were living below the income poverty threshold in 2016. More recently, the European Agency for Fundamental Rights reported that more than one in two (54 per cent) of Roma and Traveller children surveyed in 2021 lived in severe material deprivation, compared with the EU average of around 7 per cent in 2020.

## Indigenous children

Statistics Canada, Canada's national statistics agency, provides a breakdown of child poverty for children in First Nations, Inuit and Métis communities compared with poverty for non-indigenous children (Figure 8).

### Figure 8.

Child poverty in First Nations, Inuit and Métis communities and among non-indigenous children, Canada, 2020



Sources:  
See Technical Appendix

Similarly, an annual government monitor on child poverty in New Zealand highlights the material hardship of Māori and Pacific children (around 20 and 24 per cent, respectively) compared with children of European descent (around 8 per cent).<sup>20</sup>

## Race and ethnicity<sup>21</sup>

Where data exist, there are also marked differences in child poverty rates according to race and ethnicity. For example:

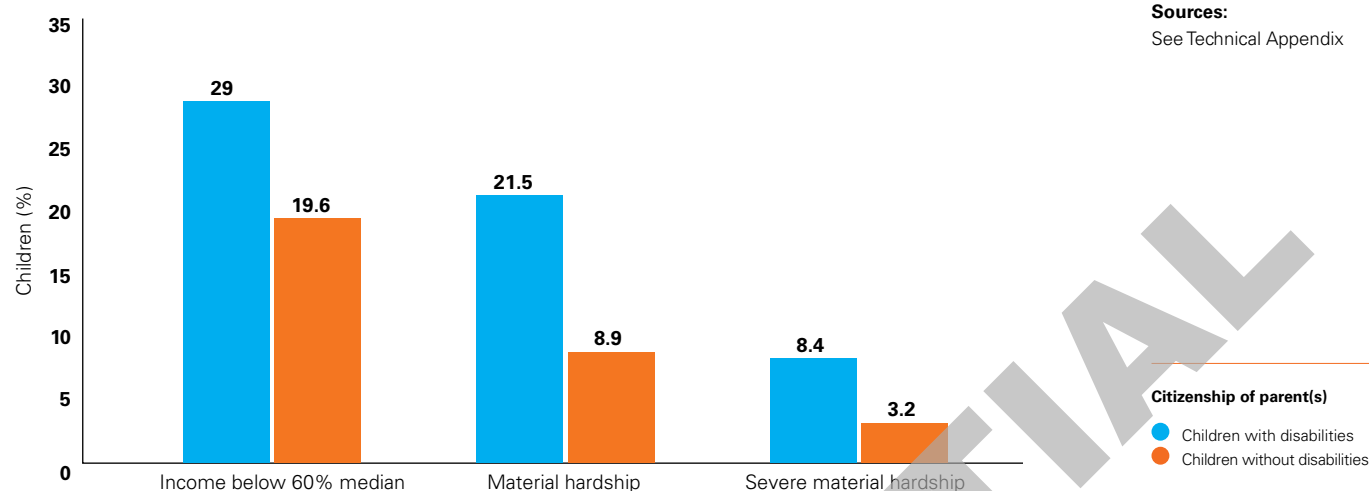
- In the United States, child poverty rates (based on a national threshold) in 2022 for different groups were as follows: Black or African American (30 per cent), American Indian (29 per cent), Hispanic or Latino (22 per cent), two or more races (18 per cent), Asian and Pacific Islander (11 per cent) and Non-Hispanic White (10 per cent).<sup>22</sup>
- In the United Kingdom, child income poverty rates among many minority ethnic groups (Bangladeshi, Black, Chinese, Mixed, Pakistani and other) are more than twice as high as for children defined as White British.<sup>23</sup>

## Children with disabilities

A report by the New Zealand government highlights the high poverty risks for children with disabilities, who had more than double the likelihood of living in material hardship as children without disabilities (Figure 9).

Figure 9.

Child poverty by disability status, New Zealand, 2022



### Geographical inequalities

Inequalities between types of geographical areas also persist. For example, despite progress in some countries, there are still substantially higher rates of poverty in rural than in urban areas in many European countries.<sup>24</sup> The nature of rural–urban differences varies across countries according to geographical and social context. For example, in the United States, children in non-metropolitan areas are 1.3 times more likely to be living in poverty than children in metropolitan areas.<sup>25</sup> On the other hand, there can also be strong concentrations of child poverty in urban areas. For example, in the United Kingdom, the four local areas with the highest child poverty rates (after taking account of variations in housing costs) are in all in urban areas.<sup>26</sup>

Apart from differences between areas based on population density, many countries are characterized by marked regional differences in poverty and child poverty rates, meaning that where a child is born makes a huge difference to their risk of growing up in a poor household. For example, in Italy, there are long-standing disparities in wealth between the north, the centre and the south. This means that, in 2021, the highest regional child poverty rate in Campania in the south (39 per cent) was four times as high as the lowest rate in Trentino-Alto Adige in the north (9 per cent).<sup>27</sup>

### Household type

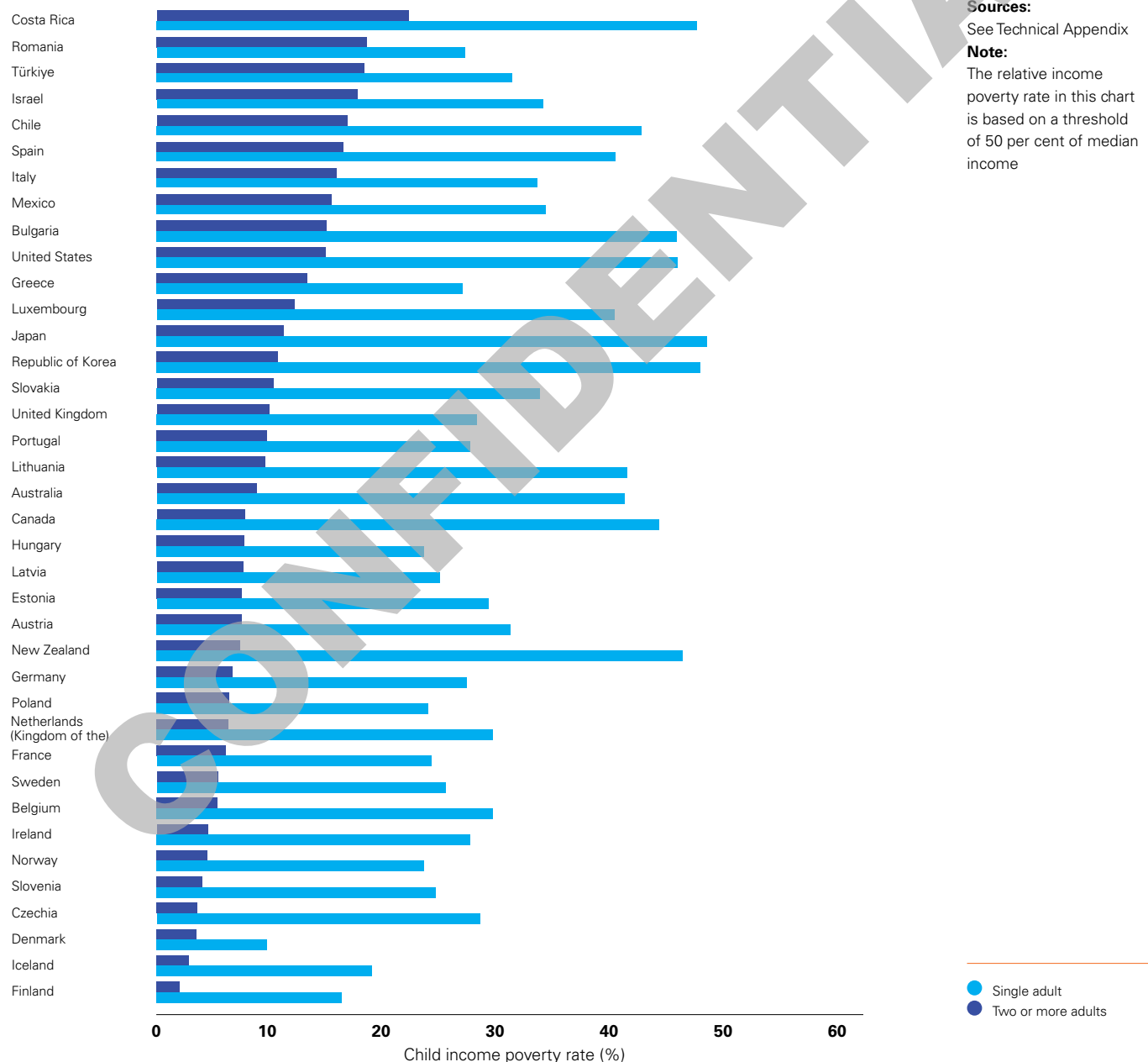
There are also variations in poverty rates among different household types. **Figure 10** shows rates of income poverty for children living in households with one and more than one adult in OECD countries in 2018 or (the most recent year for which data are available). On average, across these countries, a child living in a one-adult household is more than three times as likely to live in poverty as a child living with two or more adults. In nine countries – Belgium, Canada, Czechia, Finland, Iceland, Ireland, New Zealand, Norway and Slovenia – children living in a one-adult household were more than five times as likely to be living in poverty as other children. Six of those nine countries are in the top third of our

league table, demonstrating that relatively good average performance on child poverty may hide stark differences within countries.

These types of disparities represent a challenge to policymakers in all countries. Even in the countries at the top of this report’s league table, there are many children who, by accident of birth or circumstances, find themselves at much higher than average risk of poverty.

**Figure 10.**

Relative income poverty for children living in households with one or two parents, OECD countries, 2018 or most recent data







## Part 2

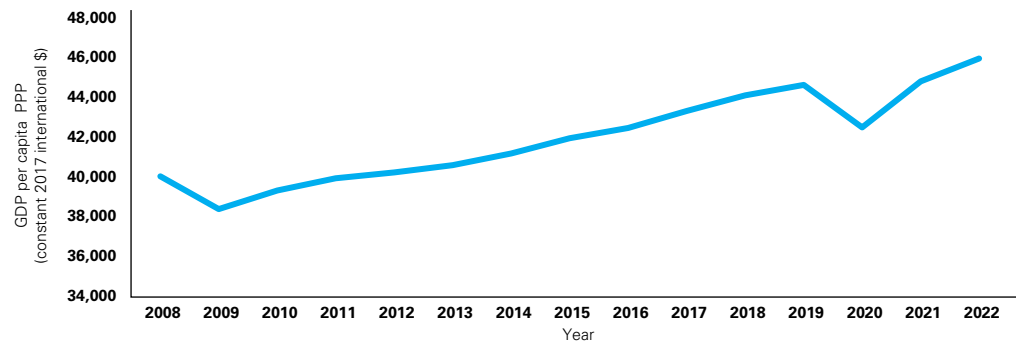
# Trends in child poverty

In 2014, Innocenti Report Card 12 presented an analysis of the effect of the 2008–2010 global recession on child poverty up until 2012. In many countries, the negative impact was substantial. In this section we pick up where that report finished and look at trends in child poverty from 2012 onwards.

The countries covered in this report generally experienced a period of stable economic growth in the years following the recession. The wealth of OECD nations was substantially higher by 2019 than before the global recession (**Figure 11**) and this was reflected in higher household incomes and improved living standards.<sup>28</sup>

Figure 11.

Mean GDP per capita in OECD countries, 2008–2021



Sources:

See Technical Appendix

Note:

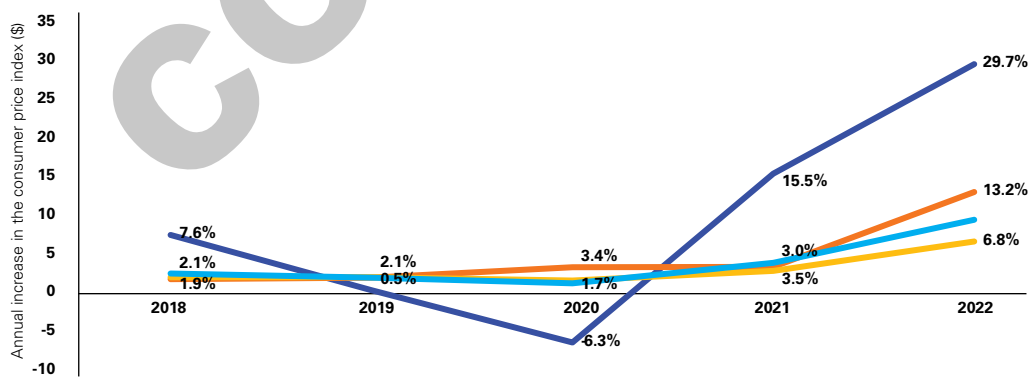
PPP, purchasing power parity

These favourable economic conditions ended in 2020. A chain of events (including the COVID-19 pandemic, disruptions in global supply chains and the war in Ukraine) sent shock waves around the world. The COVID-19 pandemic had many negative consequences for children. While they faced lower direct health risks than older age groups, the actions that governments took to slow the spread of the virus affected their access to vital services. For example, for the first time in almost 20 years, measles vaccination rates globally decreased in 2020 due to reduced access to health care.<sup>29</sup> Hundreds of millions of children were affected by school closures, resulting in substantial learning losses.<sup>30</sup>

As pandemic-related global restrictions were eased, suppliers were unable to meet the increase in consumer demand, and prices began to rise. This trend continued throughout 2022 and into 2023, with soaring energy and food prices in OECD countries (Figure 12). In one year, the cost of food and energy grew by 13 and 30 per cent, respectively. The cost-of-living crisis has been particularly devastating for low-income households because they spend a large share of their incomes on these staples.

Figure 12.

Annual increase in consumer prices by category, OECD average, 2018–2022



Sources:

See Technical Appendix

- Energy
- Food
- Total minus food and energy
- Total

A key theme of this report is the extent to which countries took the opportunities available during the period of stable economic growth from 2012 to 2019 to tackle child poverty before the more unstable current period, which began in 2020 and continues.

### The period from 2012 to 2018

So, how did the countries mentioned in the Report Card fare during this period of stable growth? It is important to note that including data from 2019 posed challenges due to the unprecedented impact of the COVID-19 pandemic, with data on household income for that year being collected in 2020 when the pandemic was at its height. This led to difficulties in data collection and the reliability of results. To maintain accuracy, we discuss the pattern between 2012 and 2018. We were able to analyse data for 32 of the 43 countries across these years.

- Of the 32 countries, 18 reduced their child income poverty rates in this six-year period, the range of reduction was 1 per cent in Czechia to over 30 per cent in Latvia and Poland.
- In two countries – Spain and Türkiye – the rate was the same in 2012 and 2018.
- In 12 countries, child income poverty increased, ranging from 3 per cent in France to more than 20 per cent in Norway (which subsequently reduced its rate) and the United Kingdom.
- On average across these 32 countries, the child poverty rate fell modestly from 20.1 per cent to 18.5 per cent in six years.

Given the positive economic picture in many of these countries during this period, there is a sense of a lost opportunity to better support children and to regain ground lost during the 2008–2010 recession.

### The period from 2019 to 2021

Assessing the impact of the COVID-19 pandemic and subsequent events is more difficult. In preparing this report, it was anticipated that a key theme would be the impact of the COVID-19 pandemic on child poverty. However, the data do not provide a clear picture. As noted above, there were problems with data collection during this period, which make statistics less reliable than usual. In addition, a complete picture for all countries is not yet available.

Complete data for each year from 2018 to 2021 have been gathered for 30 Report Card countries, mostly European. The average child poverty rate across these 30 countries in 2018 was 18.2 per cent. The average rates for the subsequent years were 18.1 per cent (2019), 18.1 per cent (2020) and 17.6 per cent (2021).

This lack of evidence of substantial changes in relative income poverty during the last few years should not be taken as an indication that children's lives have not been affected by recent crises. The limited effect of the pandemic on household income poverty is likely to have been due to the strong measures taken by governments to support businesses and households. Children were, however, affected in many other ways by the pandemic – for

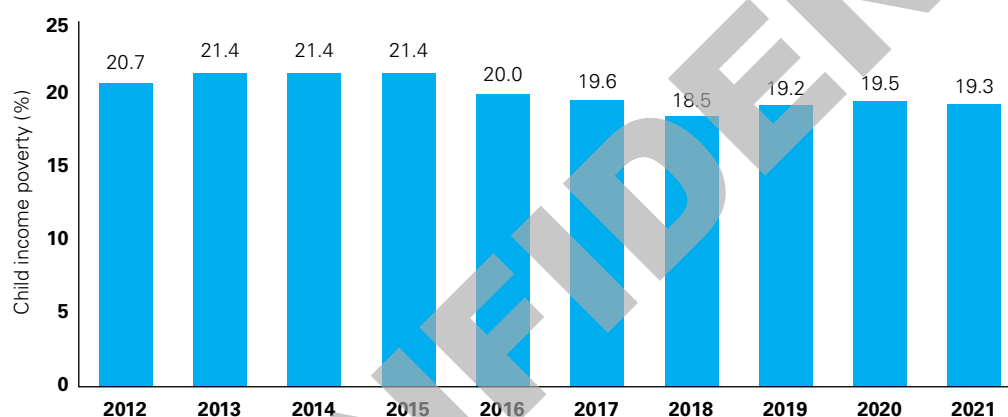
example, missing out on key development milestones, schooling and essential health care – and these deprivations were experienced in hugely unequal ways, potentially exacerbating existing inequalities.

### The overall trend from 2012 to 2021 in the EU

It has been possible to obtain a complete time series from 2012 to 2021 for the EU27 (Figure 13). For the income year of 2015 (data gathered in 2016) the average rate of child poverty in the EU was 21.4 per cent. There was then a promising drop to 18.5 per cent in 2018, but this was followed by a rebound to 19.2 per cent in 2019, prior to the pandemic. The rate then remained broadly stable at 19.5 and 19.3 per cent in 2020 and 2021, respectively. For individual countries, the rates appear to have fluctuated more substantially. This may be due to a combination of shorter-term impacts of the pandemic and/or ongoing challenges in data collection during this period. This overall picture suggests a stagnation in efforts to reduce child income poverty in the EU.

Figure 13.

Child relative income poverty rates in the EU, 2012–2021



**Sources:**

See Technical Appendix

**Note:**

As discussed earlier, the EU refers to this indicator as the 'at risk of poverty' rate. Also note that the years in the chart refer to the year to which the income relates, not the year of data collection.

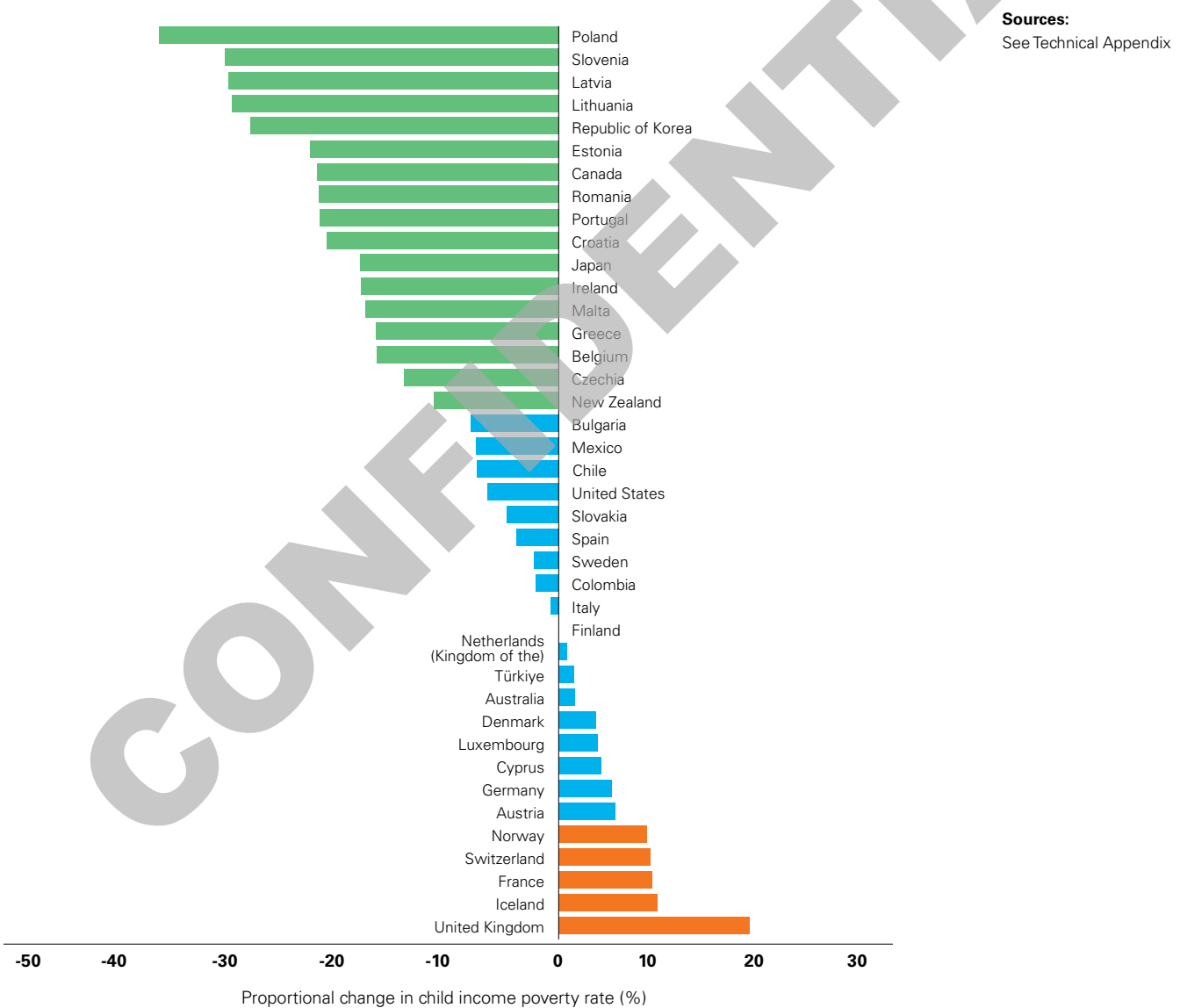
### A summary of overall progress from 2012 to 2021

Figure 14 shows the second key indicator from the league table – the change in average child income poverty rates between 2012–2014 and 2019–2021.

- Bars in green represent proportional reductions in child poverty rates of more than 10 per cent. Seventeen countries surpassed this threshold.
- Among them, the four countries at the top of the chart – Poland, Slovenia, Latvia and Lithuania – achieved reductions of more than 30 per cent.
- Six other countries were able to reduce child poverty by more than 20 per cent.
- Eighteen countries, with blue bars, had relatively stable child poverty rates between plus or minus 10 per cent.

- At the bottom of the chart, the five countries with orange bars saw increases in poverty of more than 10 per cent, of which the highest rise was in the United Kingdom (20 per cent).
- On average, 8 per cent fewer children were in poverty in 2019–2021 than in 2012–2014 across these 40 countries. This is equivalent to around 6 million children out of a total child population of 291 million. There were still over 69 million children in poverty at the end of this period.

**Figure 14.**  
Change in child income poverty rates,  
2012–2014 to 2019–2021



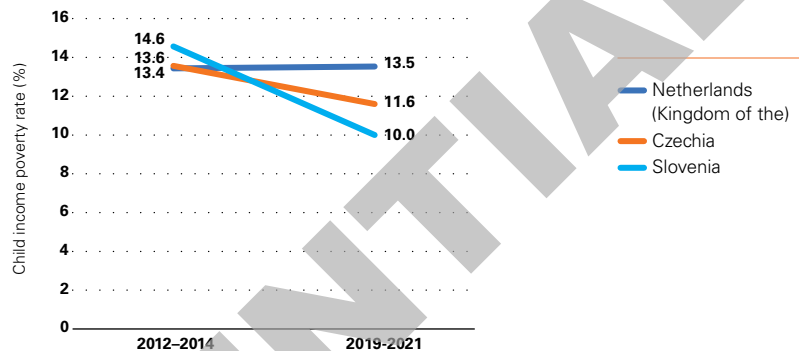
A way of visualizing the diverse trends in child poverty over the past decade as a whole is to look at countries with similar starting points but different trajectories. Three examples are provided in **Figure 15**. In each case, countries that started off in much the same position diverged strongly:

**Figure 15.**

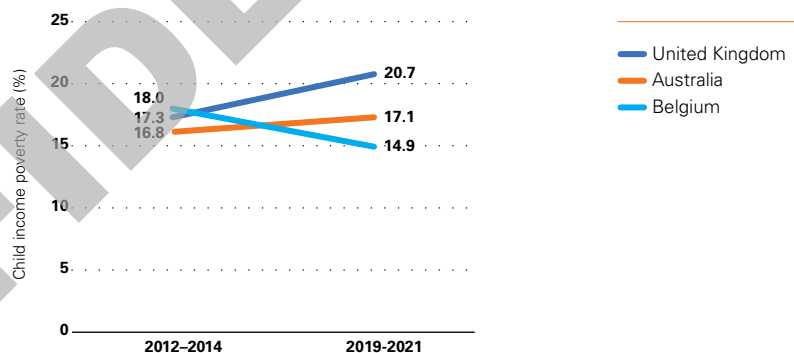
Selected comparisons of trends in child income poverty rates

Sources:  
See Technical Appendix

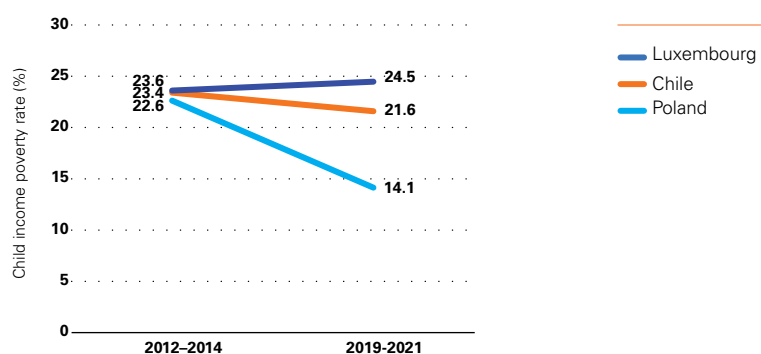
→ Slovenia had a slightly higher child poverty rate than the Kingdom of the Netherlands in 2012–2014, but by 2019–2021 Slovenia’s child poverty rate was around 4 percentage points lower than that of the Kingdom of the Netherlands. Czechia also made good progress from a similar starting point.



→ The United Kingdom had a slightly lower child poverty rate than Australia and Belgium in 2012–2014 but had a rate 3 and 6 percentage points higher, respectively, in 2019–2021. The increase in the United Kingdom means that around half a million more children were in poverty in 2019–2021 than seven years earlier.



→ In 2012–2014, Poland had a child poverty rate only slightly lower than Chile and Luxembourg, but by 2019–2021 the difference was 7 and 10 percentage points, respectively. Over 600,000 fewer children were in poverty in Poland by the end of this period compared to the start.



## Strictly embargoed until 6th December 2023

Given this mixed picture of moving forwards and sliding backwards, a key question is whether this is due to variable economic conditions across countries. This is explored by the statistics presented in **Figure 16**.

Generally, there appears to be some relationship between starting points and child poverty reduction. Many of the countries that achieved the largest drops in child poverty were among the countries with lower gross national income (GNI) per person in 2012–2014. As with other patterns in this report, there is nevertheless variation in this picture:

- Poland (PL) had roughly the same GNI per capita in 2012–2014 as Chile (CL), but by 2019–2021 had achieved a poverty reduction more than three times that achieved by Chile.
- Canada (CA) and the United Kingdom (GB) had almost identical GNI per capita in 2012–2014 but moved in opposite directions. In fact, in 2012–2014, the United Kingdom had a lower average child poverty rate (17.3 per cent) than Canada (22.2 per cent). By 2019–2021 the situation had reversed: Canada's rate was 17.2 per cent, while that of the United Kingdom was 20.8 per cent.

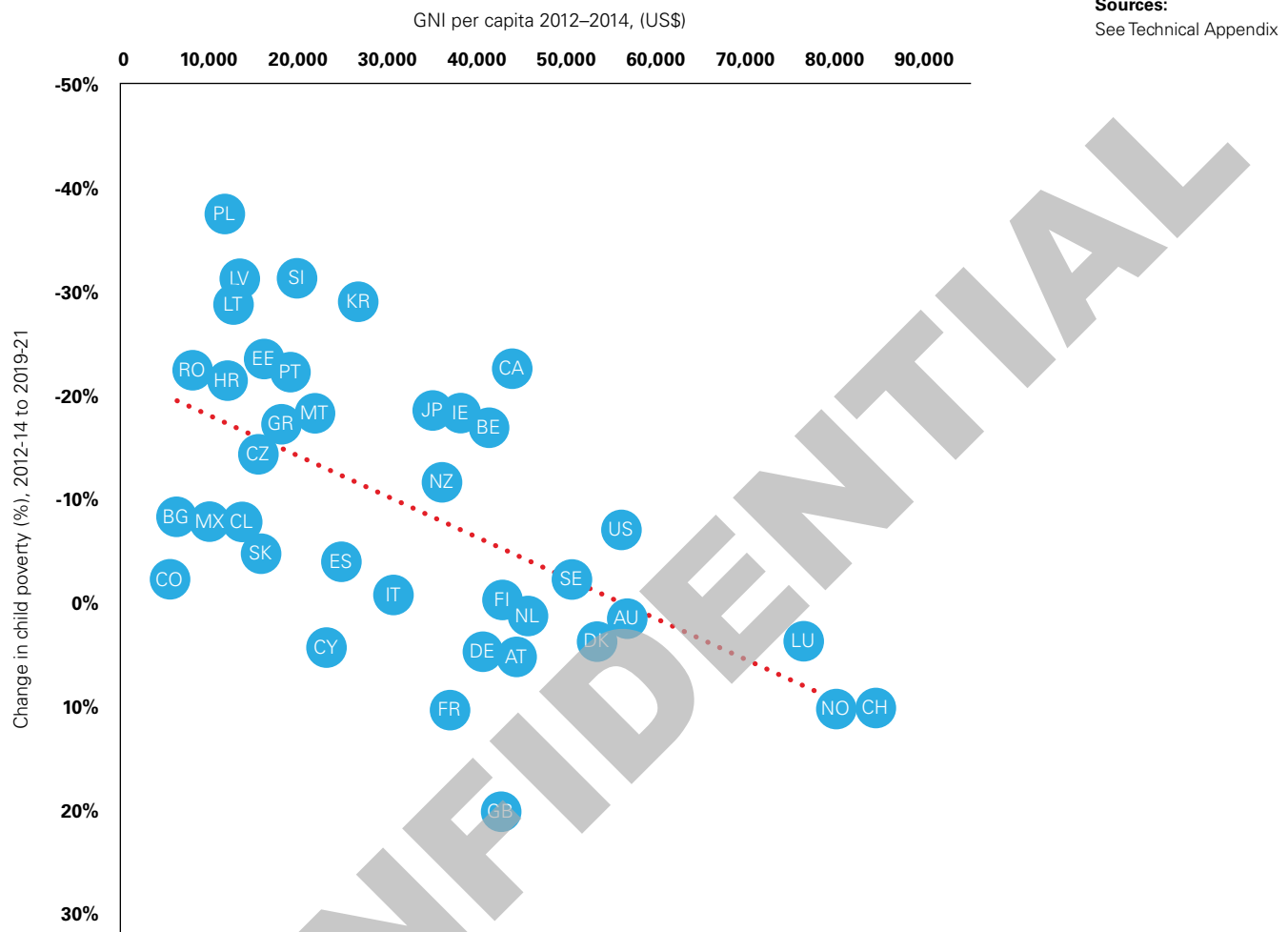
Thus, national income is only part of the picture that explains failure and success in tackling child poverty.

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Figure 16.

National income starting points and child poverty trends, 2012–2014 to 2019–2021



### Trends in non-monetary poverty

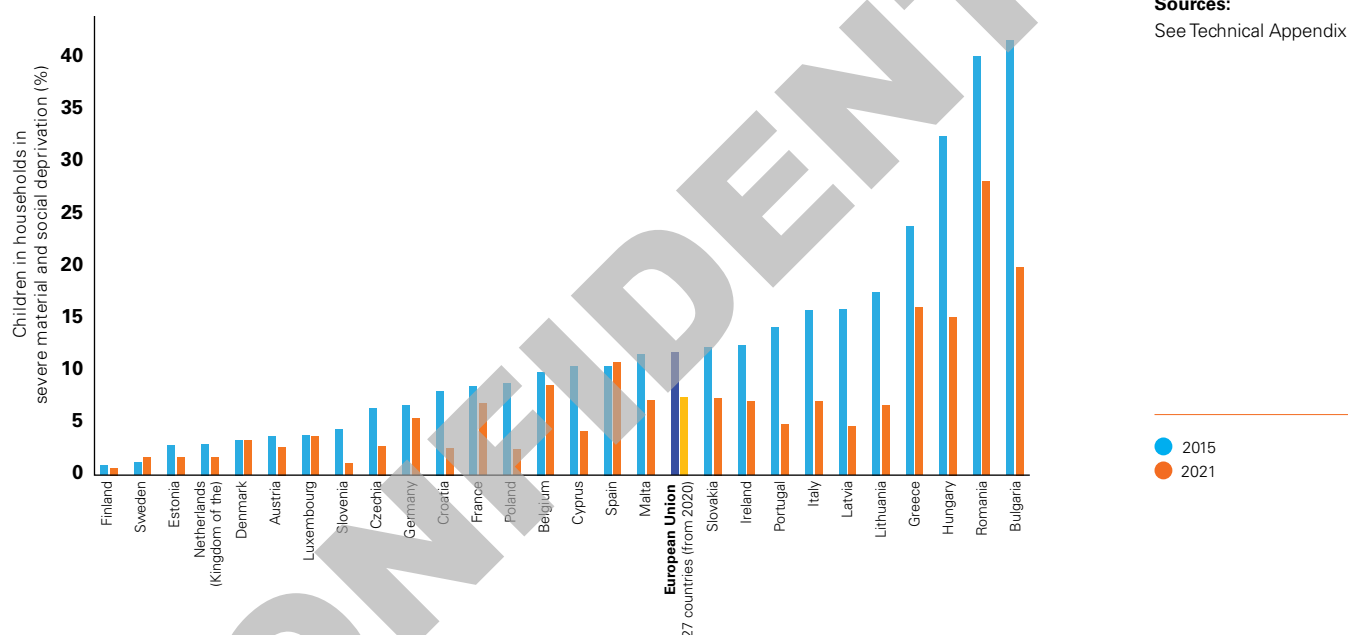
The material deprivation measures collected by the EU and discussed in Part 1 also provide a means of tracking deprivation over time. **Figure 17** shows the rates of children living in households in severe material deprivation in 2015 (the first year for which the current indicator is available) and 2021.

- The average rate across the EU fell substantially, from 11.8 per cent in 2015 to 7.5 per cent in 2021.
- This pattern was also reflected in every country except Sweden, which had a very low starting rate of 1.2 per cent that increased to 1.7 per cent by 2021; and Spain, where there was a slight increase from 10.5 per cent to 10.8 per cent.

- The largest decreases were mostly in countries that had the highest levels of deprivation in 2015. The rate of deprivation in Bulgaria fell by 22 percentage points, from 42 per cent in 2015 to 20 per cent; while the rate in Hungary fell by 18 percentage points.
- Nevertheless, there were also substantial proportional decreases in several countries that already had rates of deprivation below the EU average in 2015 – Croatia, Cyprus, Czechia, Malta, Poland and Slovenia.
- Six countries – Ireland, Italy, Latvia, Lithuania, Slovakia and Portugal – reduced their deprivation rates from above the EU average in 2015 to below it in 2021.

Figure 17.

Children living in severe material and social deprivation, EU, 2015 and 2021



Thus while there has been slow progress in reducing relative income poverty across the EU as a whole, there are positive signs that children’s household living conditions are improving substantially. It should be noted, however, that these gains were primarily made between 2015 and 2019, when the EU average fell from 11.8 per cent to 7.5 per cent. Since that year, deprivation rates have fluctuated and progress has stalled.<sup>31</sup>

This concludes our analysis of trends in monetary and non-monetary child poverty in OECD and EU countries in recent years. The picture is mixed, with evidence of substantial reductions in some countries and for some indicators, alongside missed opportunities in others. The full implications of the current series of crises for child poverty are, as yet, unclear, and the picture will only materialize in years to come. Some indications can be gained from predictive analysis, and an example of that approach is illustrated in **Box 3**, which assess the likely impact of the ongoing cost-of-living crisis on child poverty ‘in real terms’ in EU countries.

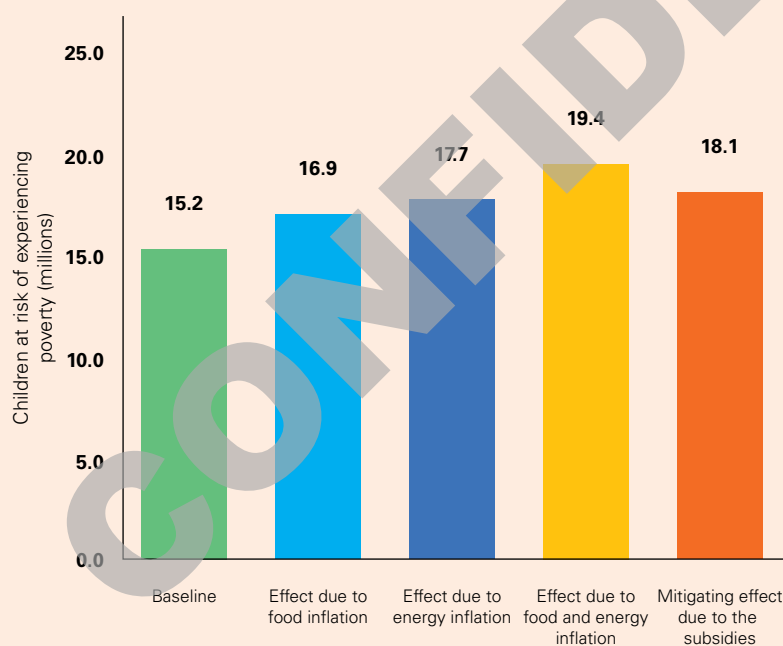
### Box 3: The erosion of living standards for households with children in the EU due to the cost-of-living crisis

An analysis conducted by UNICEF Innocenti sought to understand how the cost-of-living crisis in the EU in late 2022 might have affected the real economic experiences of households with children. It used existing data to project how households' standard of living might be reduced by rapidly increasing food and energy prices without increases in income. This situation meant that many additional households with children could fall below the effective poverty threshold in real terms, based on their spending power.

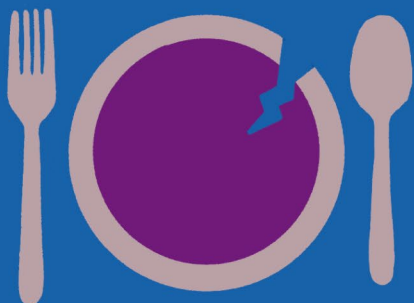
- The analysis estimated that over 4 million additional children were at risk of experiencing poverty in real terms due to the cost-of-living crisis (Figure 18).
- The analysis also modelled the effect of government actions to reduce the burden on households through lump sum payments. It also estimated that these actions may have effectively removed the poverty risk for 1.3 million children in the EU.

**Figure 18.**

The potential impact of the cost-of-living crisis in the EU up to December 2022



**Sources:**  
See Technical Appendix



## Part 3

# Social protection for children

Over a decade and a half ago, the global recession of 2008–2010 showed how devastating the impact of global shocks can be for children. In the years of stability that followed, and as the previous section highlighted, many Report Card countries missed the opportunity to reduce child poverty. This is both a moral concern and a threat to the well-being of societies.<sup>32</sup> Some countries nevertheless managed to contain or even decrease the level of poverty, including in the difficult years since the outbreak of the COVID-19 pandemic.

For meaningful and lasting improvements in children's rights and well-being, governments must invest and change policies across different sectors (for example, education, health and labour markets). 'Social protection' (see **Box 4** for definition) is a unique tool in governments' toolkits because it allows for the direct alleviation of poverty by supplementing household incomes. Not only does this have an immediate impact on households' ability to meet their needs, this type of policy can also have long-term positive impacts of social protection for children's health, nutrition and development.

Both the global recession in 2008–2010 and the COVID-19 pandemic have demonstrated the critical role of social protection systems in safeguarding children’s well-being during times of crises. A key lesson learned was that countries can cushion themselves against future economic shocks if they invest in comprehensive social protection systems.<sup>33</sup> For example, in countries with higher pre-crisis social protection spending, children were less likely to fall into poverty during the global recession.<sup>34</sup> In many European nations, permanent social protection mechanisms kicked in to offset some of the increases in child poverty associated with the financial crisis.<sup>35</sup>

The importance of social protection is not limited to times of crisis. Social protection is particularly important for children because they are more vulnerable to poverty and its consequences than adults. The levels of poverty in a country, be it during times of stability or crisis, are highly dependent on the effectiveness of the social protection system. This section will demonstrate that developments in child poverty up to and during the recent crises did not merely depend on countries’ financial resources, but also on the ways they invested in social protection systems for children. When discussing the efforts countries make to directly alleviate children’s income poverty, cash benefits deserve particular attention due to their immediate effect on household resources – which will therefore be the focus of this section. Nevertheless, in-kind social transfers (for example, school meals) and social services remain essential safeguards to children’s well-being and are integral parts of Report Card countries’ social protection systems.

All 43 Report Card countries have systems that include regular income transfers for households with children in the form of cash benefits. Moreover, they all have a form of child or family benefit anchored in national legislation.<sup>36</sup> There is, however, large variation in how eligibility for these programmes is determined.

First, it is important to distinguish between contributory and non-contributory programmes.

- Eligibility for contributory programmes is earned by paying social security contributions over a required amount of time. Contributory programmes are most commonly financed through national systems of social security, but there are countries where benefits are administered and paid by employers.
- Non-contributory programmes, on the other hand, provide social transfers that are generally financed from the government budget and do not require a history of employment or social security contributions. Child or family benefits are a form of such non-contributory, periodic cash benefits.

### Box 4

#### What is social protection?

Different organizations have different definitions of social protection. UNICEF defines social protection as the set of public and private policies and programmes aimed at preventing, reducing and eliminating economic and social vulnerabilities to poverty and deprivation. The countries included in the Report Card represent a variety of traditions and trajectories when it comes to social protection. Overall, however, they share a toolkit from which their systems are assembled. Broadly speaking, this toolkit includes cash benefits transferring income to households (contributory, e.g., parental leave, and non-contributory, e.g., child benefits), labour market policies and social services. The analysis presented in this report focuses on cash benefits due to their immediate impact on income poverty.

Second, programmes differ in how they are targeted. As summarized in [Table 2](#) below, 27 out of the 43 countries provide universal or quasi-universal child benefits. Universal child benefits cover all children regardless of age or household income.<sup>37</sup> Quasi-universal child benefits take a similar approach but with some restrictions, such as setting a lower age limit (for example, the child allowance is provided until the child is 8 years old in the Republic of Korea). Affluence-tested programmes are a form of quasi-universal benefits that exclude children in the highest-earning households or taper off with rising income (such as child benefits in Slovenia). Means-tested programmes, on the other hand, are more selective and limit benefits to households without sufficient income to meet their basic needs. In 16 countries, only means-tested programmes target children or their households. There are, however, 17 Report Card countries that provide both a universal (or quasi-universal) benefit that covers all households with children and a means-tested component to supplement the incomes of those in need.

**Table 2.**  
Overview of child and family benefits in Report Card countries

Programme type	Countries	Number of countries
<b>Universal, quasi-universal, or affluence-tested child/family benefits (only)</b>	Austria, Switzerland, Germany, Denmark, Ireland, Italy, Luxembourg, Latvia, Norway, Slovakia	10
<b>Means-tested child/family benefits (only)</b>	Australia, Bulgaria, Canada, Chile, Colombia, Costa Rica, Cyprus, Czechia, Spain, France, Greece, Croatia, Mexico, Portugal, Slovenia, Türkiye, United States	17
<b>Both universal and means-tested</b>	Belgium, Estonia, Finland, Hungary, Iceland, Israel, Japan, Republic of Korea, Lithuania, Malta, the Kingdom of the Netherlands, New Zealand, Poland, Romania, Sweden, United Kingdom	16
<b>At least one non-contributory child benefit</b>	<b>All</b>	<b>43</b>

**Source:**

See Technical Appendix

**Note:**

In a number of Report Card countries, there are 'generic' social assistance programmes or minimum income guarantees that provide protection for families with children.

Comparing and contrasting the ways in which different countries utilize social protection is complex. In the remainder of this section we compare countries on three different aspects:

1. Their levels of expenditure (per capita) on social protection for children
2. The adequacy of the benefits paid to households with children
3. The effectiveness of these systems in terms of reducing poverty

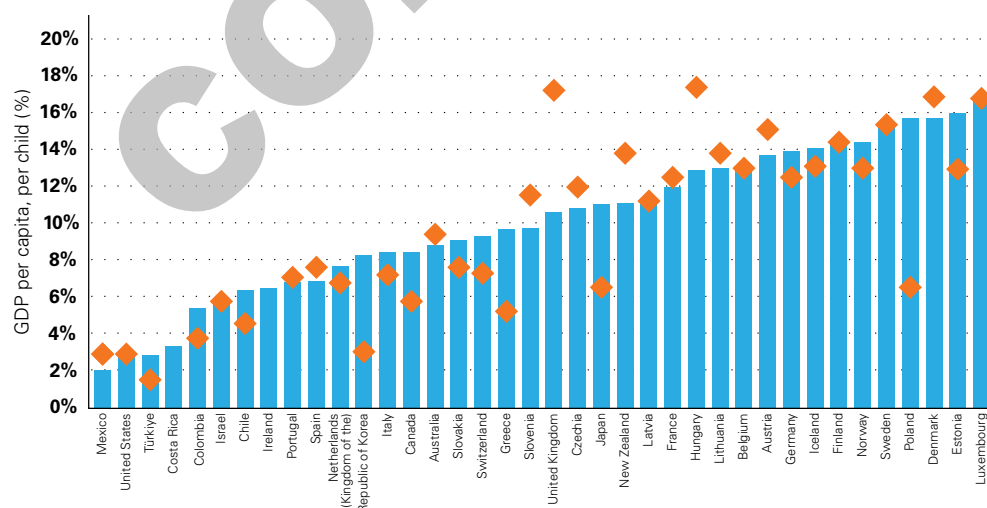
## Expenditure on social protection

Measuring expenditure on child and family benefits as the percentage of gross domestic product (GDP) per capita spent on each child allows for a fair comparison among countries with different sized economies and child populations. **Figure 19** presents this information for 33 OECD and EU countries with available data, comparing average expenditure per child in 2010 and 2019. More than half of the countries with available data dedicated more of their resources to children in 2019 than they did in 2010, albeit most of them only made small strides. Particularly remarkable efforts were made in the Republic of Korea, Poland, Türkiye, Greece and Japan. Per-child spending on family benefits grew by almost 170 per cent of GDP per capita in the Republic of Korea and 150 per cent in Poland – two countries where child poverty also decreased drastically. While Türkiye nearly doubled its expenditure, it was still among the three lowest spending countries in 2019, with only 2.9 per cent of GDP per capita allocated for each child.

Expenditure patterns in many countries, however, showed a disinvestment in family benefits in the years prior to the pandemic. The United Kingdom and Hungary both reduced their expenditure on child and family benefits relative to the size of their economies and child populations. Social protection spending per child also decreased in Mexico, where levels were already among the lowest in 2010.

**Figure 19.**

Expenditure on family cash benefits per child as a percentage of GDP per capita (2010 and 2019)



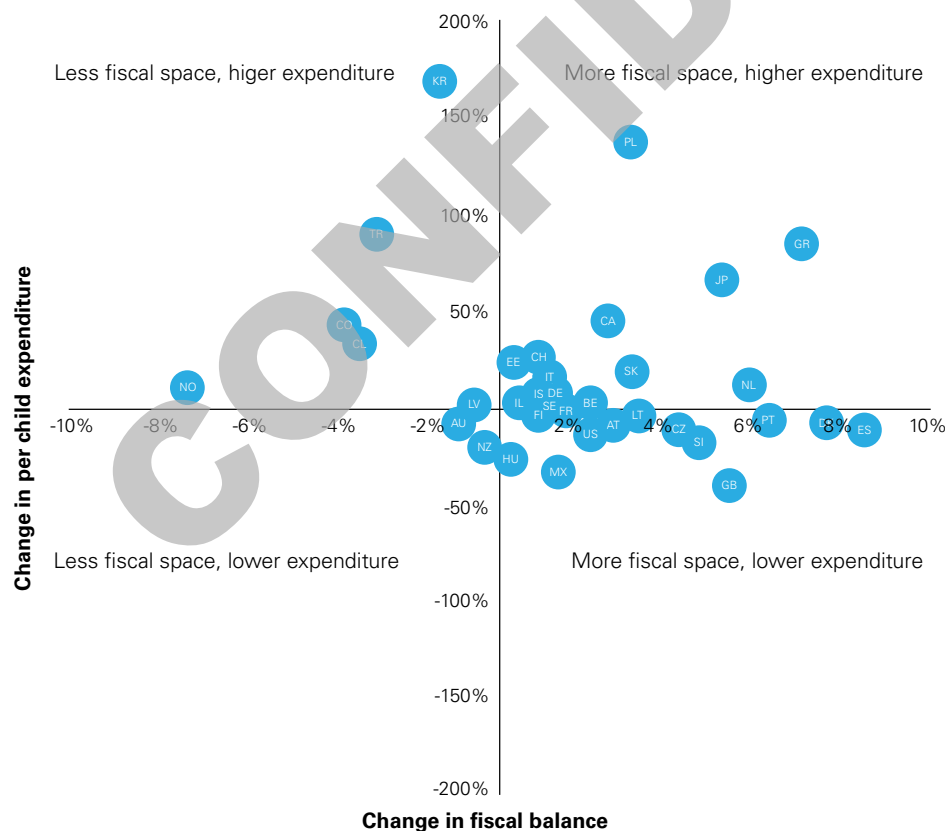
**Source:**  
see Technical Appendix.

**Note:**  
For country codes used on the y axis, see Technical Appendix.

In the decade since Report Card 12, several countries have introduced significant reforms to their child and family benefits. Some of these changes explain the drastic shifts in expenditure. The increase in spending on child benefits in Poland can be explained by a major expansion of social protection for children (discussed in more detail in the concluding section). In the Republic of Korea, an initially targeted Child Allowance was introduced in 2018 and expanded to cover all children under the age of 6 years in 2019, and to children under the age of 8 years in 2022.<sup>38</sup>

Although the budget available for social protection is to a great extent a matter of political will, it is useful to assess governments' expenditure patterns while considering their budgetary circumstances. **Figure 20** plots the changes in per-child family benefit expenditure against changes in governments' fiscal balance.<sup>39</sup> There is no relationship between the two variables, which implies that countries did not tend to adjust their investments in social protection up or down based on how much money they had available. Several countries that had more room for spending have also increased the amount of money they spend on child and family benefits (top right quadrant). However, many countries did not seize the opportunity for further investments presented by increasing wealth (bottom right quadrant).

**Figure 20.**  
Changes in fiscal balance and social protection expenditure per child, 2012–2013 to 2018–2019



**Source:**  
see Technical Appendix.  
**Note:**  
For country codes see  
Technical Appendix.



## The adequacy of transfers

The adequacy of the level of benefits is a key determinant of the extent to which they can tackle poverty. Past research has examined the significance of transfer 'size', centring predominantly around policies targeting households with children. For instance, several studies<sup>40</sup> conducted in Europe indicate that while universal programmes outperform means-tested designs in reducing poverty, transfer adequacy is of equal or greater importance.

The level of transfers provided in Report Card countries tends to differ depending on household composition and economic circumstances. The following figures therefore use two hypothetical 'model families' as illustrative case studies of benefit levels:<sup>41</sup> an out-of-work couple with two children and a couple with average earnings raising two children. The two household permutations allow for the analysis of how social protection systems support those with different resources and at different levels of economic vulnerability.

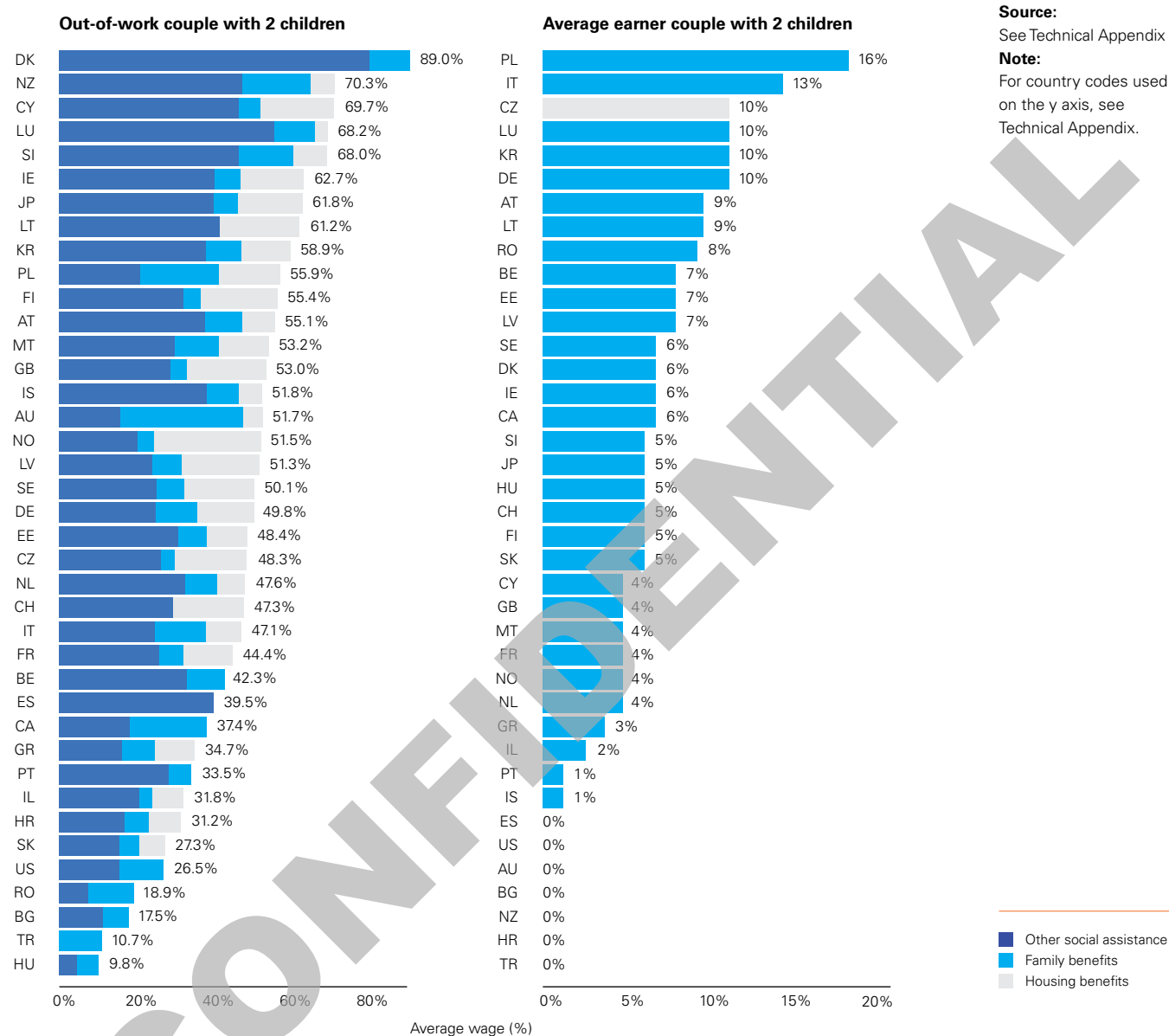
Using our two model families, **Figure 21** shows transfer adequacy in 2022. It depicts benefits specifically aimed at households with children and income support programmes available to the general population (including social assistance and housing benefits).<sup>42</sup> Countries in the OECD and EU subscribe to different models of providing for households with children: Some rely more heavily on child-specific transfers (e.g., Australia and Ireland), while others prioritize social assistance programmes available to all without adequate income (e.g., Spain). Housing benefits are marginal or not available for a low-income family such as the one modelled here in some countries (e.g., Denmark) but are very prominent in others (e.g., Norway).

Expressing the generosity of transfers as a percentage of the national average wage allows a meaningful comparison across countries. Transfers for a family with no labour market earnings are highest in Denmark, where they account for 89 per cent of the average wage. New Zealand and Cyprus provide transfers equivalent to approximately 70 per cent of the average wage. There are 19 countries where cash benefits complement household income by more than 50 per cent of the national average wage. However, the level of transfers to such vulnerable families is often too low to make a meaningful difference. In 19 countries, the combination of general (not child-specific) means-tested programmes and family benefits provided is equivalent to less than a half of a worker's average earnings. It is lowest in Hungary (9.8 per cent), Türkiye (10.7 per cent), and Bulgaria (17.5 per cent).

The right side of **Figure 21** depicts transfer adequacy for an average earning couple with two children. These households typically do not qualify for means-tested forms of support and are only covered by universal, quasi-universal or affluence-tested family benefits (with the exception of Czechia, where an average earning couple receives housing cash benefits). Comparing the left and right sides of the figure, it can be concluded that the more vulnerable of our model families would receive a higher level of support in all countries for which we have data.

Figure 21.

Adequacy of social transfers in OECD/EU countries for two family types

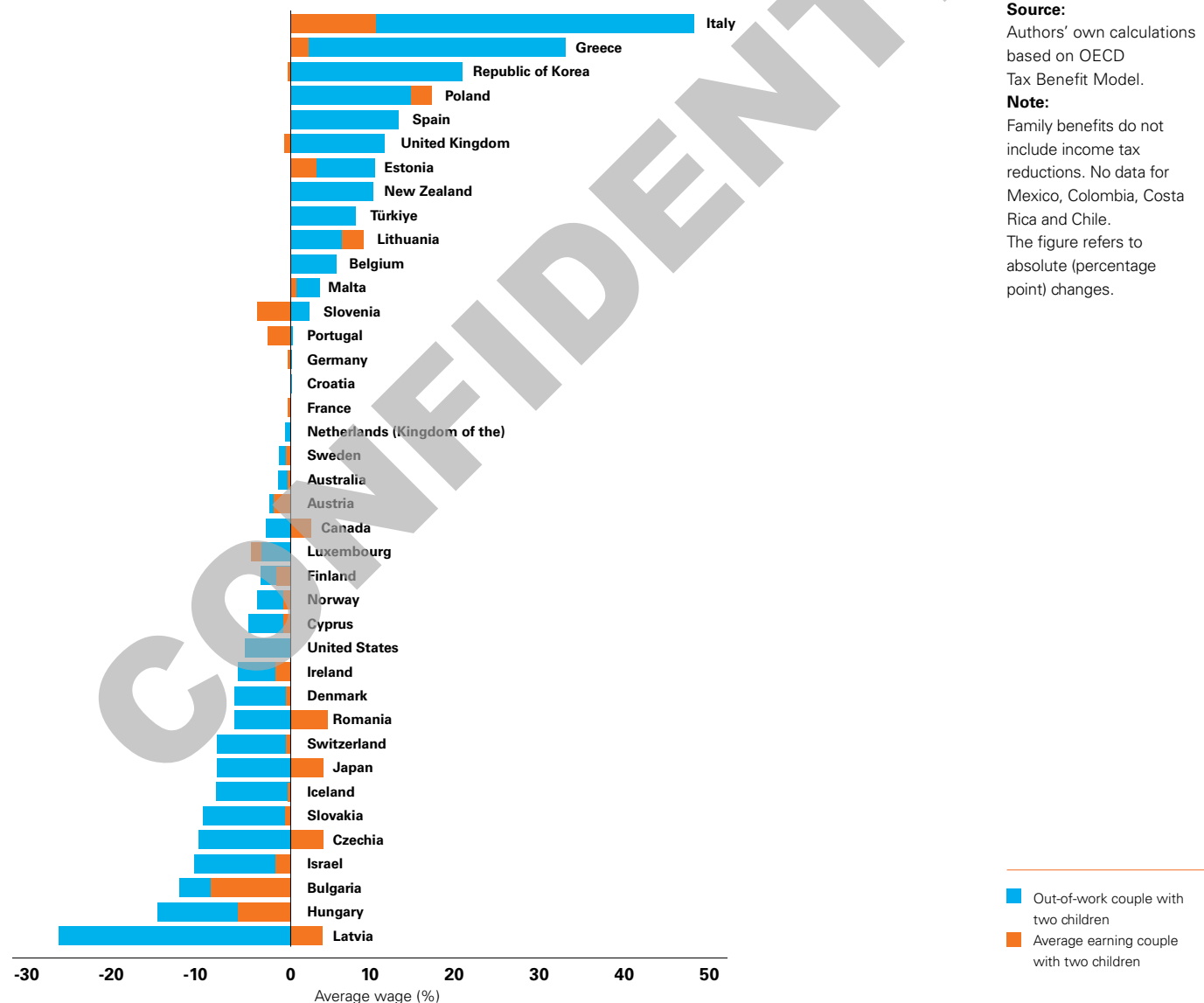


Not only overall expenditure, but also the adequacy of transfers has changed throughout the past decade in Report Card countries. The absolute change (as a percentage of the national average wage) in the total adequacy of non-contributory social protection is shown in Figure 22, with blue bars depicting adequacy for the out-of-work model family and orange bars showing the average earner couple with children. The generosity of social transfers for a poor household has improved in 13, stagnated in 5 and worsened in 21 out of 39 countries with available data. This suggests that most Report Card countries have reduced their efforts to support households with children that are among the most economically vulnerable. In Latvia, the adequacy of social protection decreased by 27 percentage points of

the average wage, the starkest reduction, followed by Hungary (minus 16 percentage points) and Bulgaria (minus 13 percentage points).<sup>43</sup> These reductions have often been the result of the failure to adjust benefit levels to socioeconomic standards, resulting in the gradual loss of their value over time (Box 5). Other countries made remarkable efforts. The most positive change was seen in Italy: The out-of-work model family would not have qualified for support in 2012, but it would have received both social assistance and family benefits equal to almost half of the national average wage in 2022. Changes to policies and contexts have also affected the adequacy of social transfers for middle-class, two-parent households – but on average, this effect was smaller.

**Figure 22.**

Absolute change in the adequacy of social transfers (family benefits and social assistance) for two ‘model families’, 2012–2022

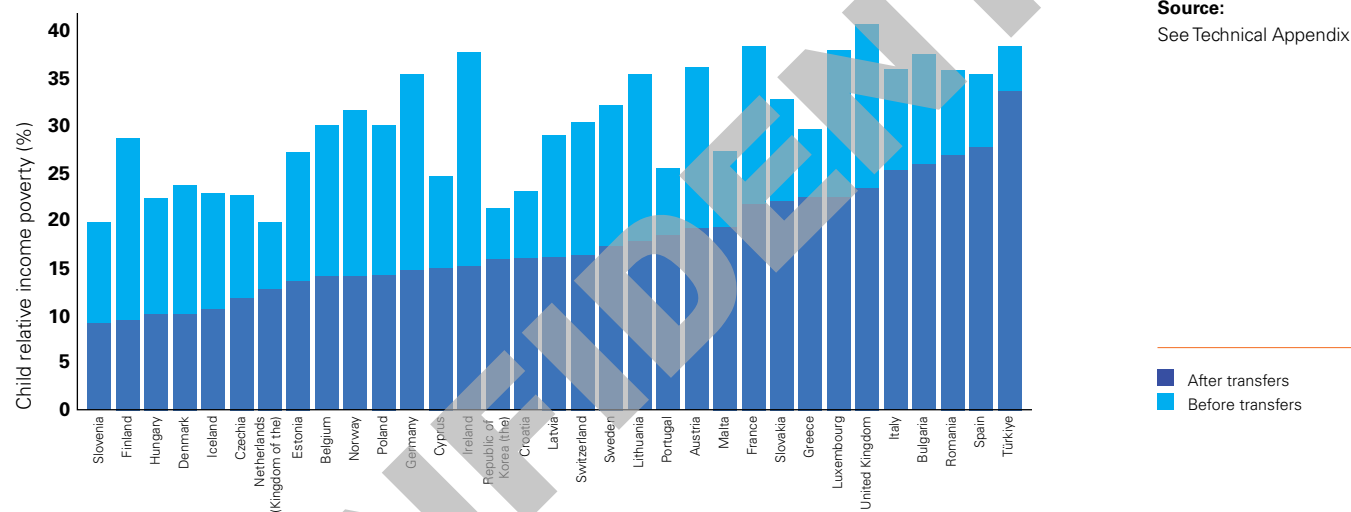


## The effectiveness of social protection benefits in reducing child poverty

The primary objective of social protection for children is to shield them from the immediate and long-term effects of income poverty. Whether programmes and systems can achieve these goals depends on a combination of factors: the amount of money countries spend on them, the way resources are distributed, the extent to which resources reach children, and the pre-transfer patterns of poverty and inequality. The performance of social protection across different countries can be assessed by comparing poverty after cash benefits to a hypothetical scenario without them. This information is available only for members of the EU’s Eurostat data infrastructure and is presented in **Figure 23**.

**Figure 23.**

The child poverty reduction effect of cash benefits in European countries (2021)



Social protection has had remarkable effects on child poverty rates in countries with comparable data, showcasing the importance of such programmes and policies in protecting children’s rights and well-being. In 2021, the average income transfer system reduced child poverty by 42.4 per cent.<sup>44</sup> **Figure 23** shows Report Card countries in order of the level of child poverty. The difference between poverty with (dark blue bars) and a hypothetical scenario without cash benefits (light blue bars) is the reduction in child poverty achieved by transfers.

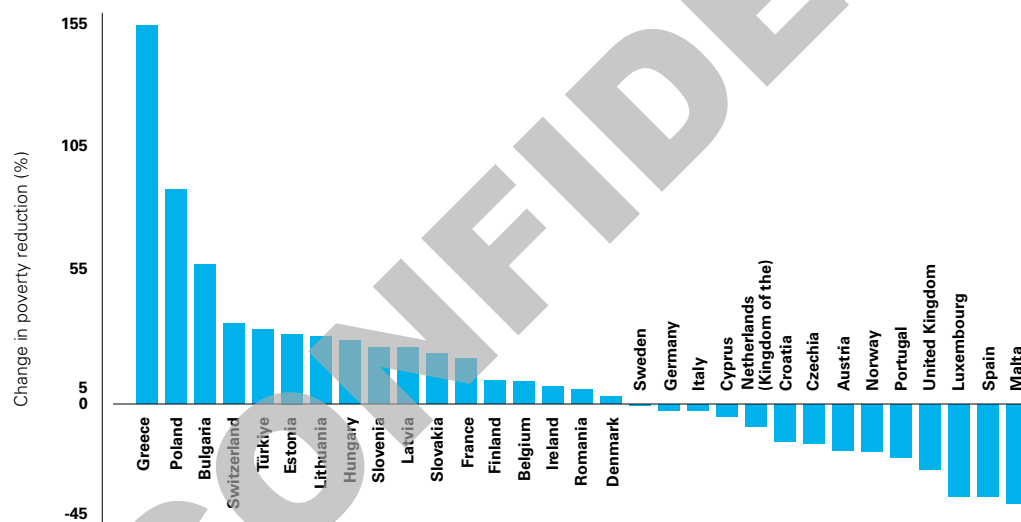
In the absence of transfers, the United Kingdom would have the highest prevalence of child poverty (40 per cent), followed by Türkiye (38.6 per cent) and France (38.2 per cent). In both the United Kingdom and France, transfers achieve a nearly 17 percentage point reduction in the income poverty rate of children. Transfers have the sharpest effect in Finland, where child poverty would be three times as high in the absence of transfers (28.6 per cent rather than 9.5 per cent). Cash benefits at least halved the proportion of poor children in 10 out of the 33

countries with available data. In four countries (Türkiye, Spain, Romania and Greece), social protection remains marginal and reduces child poverty by less than a quarter.<sup>45</sup>

The effort (or lack thereof) that countries have made since the 2008-10 global recession to strengthen their social protection systems is also reflected in the change of poverty reduction effectiveness. In **Figure 24**, countries are ranked by the change in the poverty reduction effectiveness of benefits between 2012 and 2021 (or the latest year with available data).<sup>46</sup> Echoing the patterns seen in previous indicators (i.e., changes in expenditure and adequacy), transfers' estimated effect on child poverty has improved in approximately half of the countries and decreased in others. The effect of benefits has increased by more than 10 per cent in 12 European countries and decreased by over 10 per cent in 9. The expansion of social protection in Greece and Poland is reflected in stark increases (155 per cent and 88 per cent, respectively) in its effect on children's income poverty. The largest drops in child poverty reduction occurred in Malta (40.9 per cent), Spain (37.9 per cent) and Luxembourg (37.8 per cent).<sup>47</sup>

**Figure 24.**

Changes over time (2012–2021 or the latest available data) in the child poverty reduction effect of social transfers in Europe



Source:  
See Technical Appendix

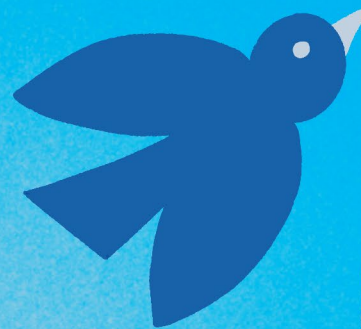
## Box 5

### Why does the adequacy of transfers decline over time?

Over time, increasing overall living standards and inflation erode the level of protection that a given amount of cash benefit can provide. As the cost of goods and services increases, the value of social protection transfers decreases, resulting in a reduction in their purchasing power. This can lead to a decline in the standard of living of beneficiaries and potentially undermine the effectiveness of social protection programmes in reducing poverty and inequality. There are many examples of the deterioration of transfer values in the absence of adjustment mechanisms.

Therefore, it is important for policymakers to take inflation into account when designing social protection programmes and when determining annual budgets to ensure their effectiveness and sustainability over time. The mechanism of adjusting transfer values with the goal of protecting its purchasing power against rising prices is known as indexation.

Several countries index their child benefits from time to time. However, the regular and automatic adjustment of transfer levels remains rare. A best practice example of regular indexation is Belgium, a country that has historically been proactive in ensuring that its citizens receive social protection benefits in tune with the changing costs of living. To safeguard the purchasing power of benefits, the Belgian government adjusts the level of transfers (as well as public sector wages) based on the so-called 'health index', which is derived from the consumer price index. As soon as the smoothed health index reaches a value specified by law, benefits and wages are automatically adjusted to reflect the increase.<sup>48</sup>



## Lessons learned and recommendations

### Review of key points

Progress towards eradicating child poverty in some of the world's richest nations has been uneven since the global recession in 2008-10. Some nations have made remarkable strides, while the situation of children in others has considerably worsened. **Table 3** summarizes the progress made since 2012–2014 based on starting points and trends.

Notably, the countries that managed to reduce child poverty are neither the wealthiest nor the countries that experienced the strongest economic growth in the last decade. Conversely, the greatest leaps backwards occurred in some of the richest members of the OECD and the EU. It appears, therefore, that the fight against child poverty need not depend on external circumstances or the growth of the economy. If sufficient political will is present, governments have a variety of policy tools to protect and promote the well-being of children.



**Table 3.**

Starting points and progress in tackling child poverty

**Source:**  
See Technical Appendix

**Status in tackling child poverty (2012–2014 to 2019–2021)**

<b>Starting point (2012–2014)</b>	<b>Increasing</b> (by more than 10 per cent)	<b>Stable</b> (less than 10 per cent change)	<b>Decreasing</b> (by more than 10 per cent)
<b>High</b> (above 25 per cent)		Bulgaria, Colombia, Italy, Mexico, Spain, Türkiye, United States	Greece, Lithuania, Romania
<b>Medium</b> (15 to 25 per cent)	France, Switzerland, United Kingdom	Australia, Austria, Chile, Cyprus, Luxembourg, Sweden, Slovakia	Belgium, Canada, Croatia, Estonia, Ireland, Japan, Latvia, Malta, New Zealand, Poland, Portugal, Republic of Korea
<b>Low</b> (below 15 per cent)	Iceland, Norway	Denmark, Finland, Germany, the Kingdom of the Netherlands	Czechia, Slovenia

Part 3 of this report described one of those policy tools with great potential to prevent or remedy child poverty: child and family benefits. All countries included in the Report Card series have some form of income support in place specifically targeting families with children, but the comprehensiveness and the level of protection provided by their policies vary greatly. There was also variation in the efforts countries made to strengthen their social protection systems since the 2008–10 global recession. Trends in social protection investments have been reflected in the extent of child poverty reduction achieved by countries.

While trends in the income poverty of children depend on a variety of factors and cannot always be explained by shifts in social protection policy, there are a number of cases where the link is clear. Slovenia and Poland, which occupy the top two positions in the league table, have achieved remarkable improvements since Report Card 12 took stock of child poverty.

The key to **Slovenia's** success has been in improving living standards, in part promoted by labour market policies. In the decade since the financial crisis of 2008, the Government of Slovenia has implemented a series of policies to tackle in-work poverty and promote decent work. These included the 2015 amendment of the Minimum Wage Act,<sup>49</sup> which stipulates the annual adjustment of the minimum wage determined by the price of a basket of goods required for a decent minimum living standard. By 2018, Slovenia's minimum wage became the third highest in comparison to the country's median wage, only surpassed by France and Portugal.<sup>50</sup> Between 2013 and 2021, in-work poverty dropped from 7.1 per cent to 4.8 per cent,<sup>51</sup> accompanied by a 31 per cent decrease in child poverty.



**Poland's** social protection reforms have played an important part in the country's progress. In 2007, Poland had one of the highest child poverty rates in the EU (followed only by Bulgaria, Spain, Italy and Romania), which the country managed to contain and even slightly reduce during the global recession of 2008-10.<sup>52</sup> More substantial improvements were recorded from 2016 onwards, following the Government's decision to increase expenditure on cash benefits for households with children. A new quasi-universal child benefit called Family 500 Plus was rolled out in 2016, which, by the end of 2017, covered almost 4 million children (58 per cent of all children in Poland).<sup>53</sup> In 2019, the programme was turned into a fully universal benefit covering all 7 million Polish children aged 0–17. In March 2022, the programme was extended to the 700,000 Ukrainian refugees hosted in Poland.

The Government of **Canada** has also undertaken ambitious reform of its social protection policies for children, by introducing the Canada Child Benefit in 2016. This scheme replaced a complicated system of income tax credits and provided generous monthly transfers to low- and moderate-income households, covering an estimated 3.7 million households in 2018.<sup>54</sup> Transfer levels are highest for the lowest earning households and are sensitive to the number of children and special needs (e.g., disabilities). Recent years have seen a surge of empirical evidence on the positive impacts of the Canada Child Benefit: It has lifted approximately 250,000 children out of poverty and increased household expenditure on childcare, school supplies, shelter, food and clothing.<sup>55</sup> The Canada Child Benefit has also reduced food insecurity in households with young children.<sup>56</sup>

As shown in Part 3 of this report, the effectiveness of the social protection system of **Greece** has nearly tripled since 2012. Despite worsening overall living conditions, evidenced by a sharp drop in average wages, the country managed to reduce the share of children living in poverty by 17 per cent.<sup>57</sup> At the beginning of the past decade, Greece was one of the few European countries without a social protection programme guaranteeing a minimum living standard to households with low or no income. In 2014, the Government started the gradual roll-out of the Guaranteed Minimum Income programme, which reached nationwide implementation by 2020. Although this means-tested programme does not specifically target households with children, a recent UNICEF analysis has found that it reached nearly 160,000 children in 2021.<sup>58</sup>

A lesson on the power of social protection during crises emerges from the **United States**, where the largest income support programme for households with children is a tax credit scheme called the Child Tax Credit (CTC). The CTC is an important source of support but has historically suffered from shortcomings: Due to its design, children in households with no or low earnings may be excluded from the programme or not qualify for the full benefit. The United States Government decided to shield households with children from income losses triggered by the COVID-19 pandemic by temporarily adapting the design of the CTC. Between June and December 2021, the CTC transformed into a monthly flat-rate payment of US\$3,000 or US\$3,600 (depending on age) for each child. The transfer was made 'refundable' – in practice, this meant a more equitable and effective distribution of transfers because households with low or no earnings could benefit from the full amount. The expansion of the CTC had an impressive, albeit temporary, effect on child poverty. In 2021, the monthly payments cut child poverty by 46 per cent and lifted 3.7 million children out of poverty.<sup>59</sup> During the extended CTC period, child poverty in the United States was at

a record low.<sup>60</sup> These effects, however, ceased as soon as the temporary expansion of the CTC was discontinued. In January 2022, the drop in child poverty was reversed – in fact, the share of children in poverty reached its highest level since 2020.<sup>61</sup> Hence, much of the progress on child poverty recorded in the United States was due to temporary measures. A key lesson is that permanent and comprehensive social protection is necessary to protect children during and after crises.

### What can countries do to eradicate child poverty?

In 2015, the United Nations stated that “eradicating poverty in all its forms and dimensions. is the greatest global challenge and an indispensable requirement for sustainable development”.<sup>62</sup> It set ambitious targets under the Agenda for Sustainable Development, one of which was to halve poverty, including child poverty, by 2030, to which all governments, including those covered in this Report Card, have committed.

Within this context, the analysis in this report suggests that some progress has been made in countries that are members of the OECD and/or the EU. There were over 6 million fewer children in relative income poverty in this group of countries in 2019–2021 than in 2012–2014. On the other hand, there were still around 69 million children in poverty in 2019–2021, so reducing child poverty remains a huge challenge. In response to this challenge, there is now ample evidence of effective strategies that governments can adopt. The following are four areas for action.<sup>63</sup>

#### 1. Expanding child-sensitive social protection

Social protection is essential for eradicating poverty – both in its monetary and non-monetary forms. Through redistributing incomes, it is also a key element of reducing inequality. The countries included in this Report Card have made commitments, for example by ratifying the Convention on the Rights of the Child, to ensuring that all children can benefit from social protection. The cases of several countries discussed above provide practical examples of the power of a comprehensive social protection system to contribute to the goal of eradicating child poverty and to protect children during periods of shocks and crises.

For child benefits to make a real difference, they should provide adequate sums. It is also vital that the level of benefits is adjusted over time, through regular adjustments that reflect changes in the cost of living. This is of particular importance to low-income households, who spend a large proportion of their income on basic needs and are therefore vulnerable to price increases, as illustrated in **Box 3**.

#### 2. Improving and ensuring access to essential services

Alongside financial support to households with children, the multidimensional nature of child poverty requires a second strand of policy to ensure that all children have access to basic services, beyond the household, that are essential for their well-being and development.

As an example, the New Zealand Government has introduced a well-being budget, of which a central component is to tackle child poverty. As part of this initiative, the Government monitors nine key indicators; some are income poverty measures, while others measure housing, nutrition, education and health outcomes linked to child poverty. Priorities in the 2023 budget in response to the rising cost of living are to extend childcare services, remove payments for medical prescriptions, provide free public transport for children under 13 years of age, and provide support to households (e.g., insulation) to lower energy bills.<sup>64</sup>

Another example of how this approach can be put into practice is the EU Child Guarantee, which aims to ensure that all children 'in need' have access to: free early childhood education and care, free education (including school-based activities and at least one healthy meal each school day), free health care, healthy nutrition and adequate housing.<sup>65</sup> This programme also highlights specific groups who may be particularly at risk and therefore also aims to tackle many of the inequalities in poverty risks highlighted earlier in this report.

### 3. Ensuring decent work and family-friendly policies

Decent work with adequate pay and conditions offers a vital and dependable source of income for households with children. The success of Slovenia, which tops the league table, in reducing child poverty has been in part based on effective labour market policies. As well as boosting opportunities for such employment, policymakers should consider a comprehensive set of family-friendly policies that support parents and other caregivers in managing the balance between paid employment and caring responsibilities. Such policies should include adequate parental leave for all parents and caregivers (paid maternity, paternity and parental leave, and leave to care for sick young children) before and after the birth of a child; access to good-quality, affordable childcare; support for breastfeeding; and a range of flexible working options.<sup>66</sup> Opportunities for parents wishing to enter or re-enter the labour market to gain access to quality vocational training and further and higher education are also important supports.

### 4. Acting to reduce the inequalities in poverty risks

Cutting across the above three areas, the evidence presented in Part 1 of this report on the persistence of inequalities in poverty risks for children in many minority groups requires ongoing attention and effective action. Over and above universal provisions, additional tailored measures need to be taken to ensure that all children, and their households, have access to social protection, key services and decent work. Key to making action possible is adequate disaggregated data on the poverty risks for different groups and learning from the evidence on policies and approaches that are most effective in reducing inequalities.

Underlying these actions, three important underlying principles that can form the foundation for efforts to tackle child poverty are:

### **Building support for child poverty reduction**

As a recent report by the End Child Poverty Global Coalition notes, effective child poverty reduction policies require governments to place child poverty reduction at the heart of their priorities.<sup>67</sup> Governments also have a critical leading role to play in building broad support for child poverty reduction through the engagement of other actors, including civil society, community leaders, employers, trade unions and non-governmental organizations, as well as of children and adults living in poverty. As that report points out, building this level of support may also require challenging myths about the causes of poverty.

### **Generating better data**

The ability to learn from other countries, through comparative international analysis, rests on the availability of high-quality, comparable data. As highlighted in this report, there are still many gaps in such data. While it has been possible for this report to accumulate comparable, aggregate data on income poverty rates from most of the 43 countries covered, disaggregated information on poverty is limited. Moreover, data about the depth of child poverty – the poverty gap – are scarce. These shortcomings hamper the meaningful monitoring of children's income poverty.

There is even less information to work from in terms of non-monetary poverty. The current potential to analyse deprivations across countries is therefore limited. Also striking is the almost complete lack of data gathered directly from children about their experiences of poverty. Children from at least as young as 8 years old can reliably report on their access or lack of access to key items and experiences that constitute multidimensional child poverty.<sup>68</sup> Gathering data from this age group is therefore a matter of choice. National statistics offices and other key organizations gathering data should ensure that more priority is given to including children in their ongoing plans for data-gathering.

### **Involving children in the poverty debate**

Building on the previous point, this report concludes with a call for a more child-centred approach to poverty measurement and to poverty reduction efforts. We still know surprisingly little about children's own ideas of what poverty is. When children have been asked, their views and ideas have often differed from those of adults. The opportunity for children to become involved in policy areas affecting their lives is supported by Article 12 of the United Nations Convention on the Rights of the Child. Their potential to do so, and to be competent political actors, has started to be recognized in environmental debates.<sup>69</sup> The time is overdue for them also to have the opportunity to be more actively engaged in debates about child poverty. Children's views and ideas should play a central role in tackling this pervasive and persistent social problem.

# Technical Appendix

Sources for the data in the figures and tables in the report are as follows:

## League Table

The sources below were used. Data used for calculations include all of the following unless otherwise stated: 2012, 2013, 2014, 2019, 2020, 2021.

The data for this table were obtained from the following sources:

- ▶ Countries in EU27: From the Eurostat database at [https://ec.europa.eu/eurostat/databrowser/view/ILC\\_LI02/default/table?lang=en&category=livcon.ilc.ilc\\_ip.ilc\\_li](https://ec.europa.eu/eurostat/databrowser/view/ILC_LI02/default/table?lang=en&category=livcon.ilc.ilc_ip.ilc_li). In the database the year is referred to as the year of data collection, but this relates to income from the previous year. In the charts in this report the year referred to is the year when the income was received. Data for 2012, 2013, 2014, 2019, 2020, 2021.
- ▶ Australia: Household Income and Labour Dynamics of Australia - General Release 21. Data for 2012, 2013, 2014, 2019, 2020, 2021.
- ▶ Canada: Provided by Stat Canada. Data for 2013, 2019, 2020 and 2021.
- ▶ Chile: Obtained with support from UNICEF Chile. Data for 2013 and 2021.
- ▶ Colombia: Luxembourg Income Study database at <https://dart.lisdatacenter.org/dart>. Data not yet available for 2021.
- ▶ Iceland: Statistics Iceland at [https://px.hagstofa.is/pxen/pxweb/en/Samfelag/Samfelag\\_lifskjor\\_3\\_fjarhagsstada\\_lagtekjuhlutfall/LIF01130.px/](https://px.hagstofa.is/pxen/pxweb/en/Samfelag/Samfelag_lifskjor_3_fjarhagsstada_lagtekjuhlutfall/LIF01130.px/). Data not yet available for 2021.
- ▶ Japan: Provided by Professor Aya Abe using data provided by the Ministry of Health, Labor and Welfare, Japan. Data for 2013 and 2020.
- ▶ New Zealand: <https://www.stats.govt.nz/information-releases/child-poverty-statistics-year-ended-june-2022/>.
- ▶ Norway: Statistics Norway at <https://www.ssb.no/en/statbank/table/08764/>.
- ▶ Republic of Korea: Statistics provide by Statistics Korea.
- ▶ Switzerland: As for EU27 above. Data not yet available for 2021.
- ▶ Türkiye: As for EU27 above. Data not yet available for 2021.
- ▶ United Kingdom: Office for National Statistics at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1144409/hbai-summary-results.ods](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1144409/hbai-summary-results.ods).
- ▶ United States: Luxembourg Income Study database at <https://dart.lisdatacenter.org/dart>.

## Figure 1. Child poverty rates, 2019–2021

- ▶ Sources are as described for the league table above. Mexico is also included in this chart, although data was not available in time to include in the main league table. The source is Luxembourg Income Study database.

## Figure 2. National income and child poverty, 2019–2021

- ▶ GNI per capita was obtained from the World Bank database: <https://data.worldbank.org/indicator/NY.GNPPCAPKD>, and the average was taken for the 2019–2021 period.
- ▶ Income poverty sources are as in the league table.

### Figure 3. Histories of poverty and child well-being at 14 years old

- ▶ The figure is based on one presented in Rees, Gwyther, 'Poverty and Children's Wellbeing at 14 Years Old', *Poverty*, vol. 162, 1 February 2019, <<https://cpag.org.uk/welfare-rights/resources/article/poverty-and-children%E2%80%99s-wellbeing-14-years-old>>. Data come from the UK Millennium Cohort Study.

### Figure 4. Persistent child poverty in European countries

Persistent poverty:

- ▶ Eurostat: Data browser, 'Persistent at-risk-of-poverty rate by sex and age - EU-SILC and ECHP surveys', <[https://ec.europa.eu/eurostat/databrowser/view/ILC\\_LI21\\_custom\\_7279195/](https://ec.europa.eu/eurostat/databrowser/view/ILC_LI21_custom_7279195/)>.

Overall poverty:

- ▶ Eurostat: Data browser, 'At-risk-of-poverty rate by poverty threshold, age and sex - EU-SILC and ECHP surveys', <[https://ec.europa.eu/eurostat/databrowser/view/ILC\\_LI02\\_custom\\_7279193/](https://ec.europa.eu/eurostat/databrowser/view/ILC_LI02_custom_7279193/)>.

### Figure 5. Relative income poverty and child-specific material deprivation, EU, 2021

Relative income poverty:

- ▶ Eurostat: Data browser, 'At-risk-of-poverty rate by poverty threshold, age and sex - EU-SILC and ECHP surveys', <[https://ec.europa.eu/eurostat/databrowser/view/ILC\\_LI02\\_custom\\_7279193/](https://ec.europa.eu/eurostat/databrowser/view/ILC_LI02_custom_7279193/)>.

Child-specific material deprivation:

- ▶ Eurostat: Data browser, 'Child specific material deprivation rate by age (children aged less than 16 years)', <[https://ec.europa.eu/eurostat/databrowser/view/ILC\\_CHMD01/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ILC_CHMD01/default/table?lang=en)>.

### Figure 6. Proportion of children often/always worrying about family money, by age group

- ▶ Authors' analysis of Children's Worlds 2016–2019 data set.

### Figure 7. Child poverty rates by citizenship of parent(s), EU27

- ▶ Eurostat: Data browser, 'At-risk-of poverty rate for children by citizenship of their parents (population aged 0 to 17 years)', <[https://ec.europa.eu/eurostat/databrowser/view/ILC\\_LI33/default/table](https://ec.europa.eu/eurostat/databrowser/view/ILC_LI33/default/table)>.

### Figure 8. Child poverty in First Nations, Inuit and Métis communities and among non-indigenous children, Canada, 2020

- ▶ Statistics Canada Table 98-10-0283-01, Individual low-income status by Indigenous identity and residence by Indigenous geography, Census 2021. Cited in: Campaign 2000, *Report Card on Family and Child Poverty in Canada*, 2022.

### Figure 9. Child poverty by disability status, New Zealand, 2022

- ▶ Stats NZ, 'Child poverty statistics: Year ended June 2022', 23 March 2023, <[www.stats.govt.nz/information-releases/child-poverty-statistics-year-ended-june-2022/](http://www.stats.govt.nz/information-releases/child-poverty-statistics-year-ended-june-2022/)>.

## Figure 10. Relative income poverty for children living in households with one or two parents, OECD countries, 2018 or most recent

- ▶ Organisation for Economic Co-operation and Development, 'OECD Family Database: CO2:2: Child poverty', <[www.oecd.org/els/CO\\_2\\_2\\_Child\\_Poverty.pdf](http://www.oecd.org/els/CO_2_2_Child_Poverty.pdf)>.
- ▶ The relative income poverty rate in this chart is based on a threshold of below 50 per cent of equivalised median household income. Data are from 2018 or most recent year.

## Figure 11. Mean GDP per capita in OECD countries, 2008–2021

- ▶ World Bank, 'GDP per capita, PPP (constant 2017 international \$) – OECD members', <<https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.KD?end=2022&locations=OE&start=2008>>.

## Figure 12. Annual increase in consumer prices by category, OECD average, 2018–2022

- ▶ Authors' own calculations based on Organisation for Economic Co-operation and Development, 'Inflation (CPI) Indicator', 2023, doi: 10.1787/eee82e6e-en.

## Figure 13. Child relative income poverty rates in the EU, 2012–2021

- ▶ Eurostat: Data browser, 'At-risk-of-poverty rate by poverty threshold, age and sex - EU-SILC and ECHP surveys', <[https://ec.europa.eu/eurostat/databrowser/view/ILC\\_LI02\\_custom\\_7279193/](https://ec.europa.eu/eurostat/databrowser/view/ILC_LI02_custom_7279193/)>.

## Figure 14. Change in child income poverty rates, 2012–2014 to 2019–2021

- ▶ Sources are as for the league table. Mexico is also included in this chart, although data was not available in time to include in the main league table. The source is Luxembourg Income Study database.

## Figure 15. Selected comparisons of trends in child income poverty rates

- ▶ Sources are as for the league table.

## Figure 16. National income starting points and child poverty trends, 2012–2014 to 2019–2021

- ▶ GNI per capita was obtained from the World Bank database: World Bank, 'GNI per capita, (constant 2015 US\$)', <<https://data.worldbank.org/indicator/NY.GNP.PCAP.KD>>.

## Figure 17. Children living in severe material and social deprivation, EU, 2015 and 2021

- ▶ Eurostat: Data browser, 'Severe material and social deprivation rate by age and sex', <[https://ec.europa.eu/eurostat/databrowser/view/ILC\\_MDSD11\\_custom\\_7360300/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ILC_MDSD11_custom_7360300/default/table?lang=en)>.

## Figure 18. The potential impact of the cost-of-living crisis in the EU up to December 2022

- ▶ Chart reproduced from: Richardson, Dominic, et al., 'Children and the Cost-of-living Crisis: How food and energy inflation has increased poverty in households with children in the European Union', UNICEF Innocenti – Global Office of Research and Foresight, <[www.unicef-irc.org/publications/1787](http://www.unicef-irc.org/publications/1787)>.



**Figure 19. Expenditure on family cash benefits per child as a percentage of GDP per capita, 2010 and 2019**

- ▶ Authors' own calculations based on constant GDP data from the World Bank World Development Indicators, social expenditure data from the OECD SOCX Database, and data on population by age from the OECD Data Warehouse.
- ▶ Data only available for 2019 for Costa Rica and Czechia. No data for Bulgaria, Croatia, Cyprus, Malta, the Republic of Korea, Romania, Slovakia, Switzerland and Türkiye due to missing information on social expenditure for families. Data for Ireland for 2021 not shown due to the potential overestimation of per capita GDP (Central Bank of Ireland, 2021).

**Figure 20. Changes in fiscal balance and social protection expenditure per child, 2012/13 to 2018/19**

- ▶ Expenditure: Authors' own calculations based on constant GDP data from the World Bank World Development Indicators, social expenditure data from the OECD SOCX Database, and data on population by age from the OECD Data Warehouse. Fiscal balance: Kose et al. (2022).

**Figure 21. Adequacy of social transfers in OECD/EU countries for two family types**

- ▶ Own calculations based on OECD Tax Benefit Model. Data for Türkiye are supplemented by information from the Ministry of Family and Social Services and the National Committee of Türkiye due to a new cash benefit started mid-2022 and thus not captured in the OECD Tax Benefit Model. Data for CA and IL refer to 2021. No data for MX, CO, CR and CL.

**Figure 22. Absolute change in the adequacy of social transfers (family benefits and social assistance) for two 'model families', 2012–2022**

- ▶ Own calculations based on OECD Tax Benefit Model. Note: Family benefits do not include income tax reductions. No data for MX, CO, CR and CL. The figure refers to absolute (percentage point) changes.

**Figure 23. The child poverty reduction effect of cash benefits in European countries (2021)**

- ▶ Own calculations based on EU-SILC. Data for GB refer to 2017, data for Czechia, Luxembourg, Norway, Slovakia and Türkiye refer to 2020. Hungary excluded due to data concerns. 'Social transfers' include all forms of public cash transfers except for old-age and survivor's pensions. Reduction refers to the relative (percentage) reduction in the poverty rate.

**Figure 24. Changes over time (2012–2021) in the child poverty reduction effect of social transfers in Europe**

- ▶ As for Figure 23.



**Table 1. Selected indicators of material deprivation for children in the EU, 2020–2022**

Severe material and social deprivation:

- ▶ Eurostat: Data browser, ‘Severe material and social deprivation rate by age and sex’, [https://ec.europa.eu/eurostat/databrowser/view/ILC\\_MDSD11/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ILC_MDSD11/default/table?lang=en).

Housing problems:

- ▶ Eurostat: Data browser, ‘Children (aged 0 to 17) living in a dwelling with a leaking roof, damp walls, floors or foundation, or rot in window frames or floor - EU-SILC survey’, [https://ec.europa.eu/eurostat/databrowser/view/ILC\\_MDHO01C\\_custom\\_1764017/](https://ec.europa.eu/eurostat/databrowser/view/ILC_MDHO01C_custom_1764017/).

Child-specific material deprivation:

- ▶ The rate is obtained from Eurostat: Data browser, ‘Child specific material deprivation rate by age (children aged less than 16 years)’, [https://ec.europa.eu/eurostat/databrowser/view/ILC\\_CHMD01/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ILC_CHMD01/default/table?lang=en).
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**Table 2. Overview of child and family benefits in Report Card countries**

- ▶ Authors’ own compilation based on ILO (2022) and a survey distributed to UNICEF National Committees and Country Offices.

**Table 3. Starting points and progress in tackling child poverty**

- ▶ Sources as for League Table.

**Table A1. Model family parameters used for calculations in the OECD Tax-Benefit Model**

#### Model Family A

Family type	<b>Couple</b>
Age of adults	<b>40</b>
Number of children	<b>2</b>
Age of children	<b>4 and 6</b>
Economic activity status (first adult)	<b>Unemployed</b>
Wage rate (first adult, % of the average wage)	<b>N/A</b>
Hours of work per week (first adult, % of full-time work)	<b>N/A</b>
Economic activity status (partner)	<b>Unemployed</b>
Wage rate (partner, % of the average wage)	<b>N/A</b>
Hours of work per week (partner, % of full-time work)	<b>N/A</b>

#### Model Family B

Family type	<b>Couple</b>
Age of adults	<b>40</b>
Number of children	<b>2</b>
Age of children	<b>4 and 6</b>
Economic activity status (first adult)	<b>Employed</b>
Wage rate (first adult, % of the average wage)	<b>100%</b>

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Hours of work per week (first adult, % of full-time work)	<b>100%</b>
Economic activity status (partner)	<b>Employed</b>
Wage rate (partner, % of the average wage)	<b>100%</b>
Hours of work per week (partner, % of full-time work)	<b>50%</b>

**Table A2. Relative income poverty for children (less than 18 years old) before and after transfers, 2012 and 2021**

	2012		2021 or latest		Latest year
	Before transfers (%)	After transfers (%)	Before transfers (%)	After transfers (%)	
Belgium	32.2	17.2	30.0	14.1	2021
Bulgaria	38.1	28.4	37.4	25.9	2021
Czechia	22.4	11.3	22.7	11.8	2021
Denmark	25.3	9.1	23.6	10.1	2021
Germany	30.4	14.7	35.3	14.8	2021
Estonia	27.5	18.1	27.1	13.6	2021
Ireland	44.9	18.2	37.7	15.1	2021
Greece	35.2	28.8	29.8	22.4	2021
Spain	38.0	27.5	35.4	27.8	2021
France	33.9	17.6	38.2	21.7	2021
Croatia	34.7	21.8	23.1	16.0	2021
Italy	33.8	25.2	35.9	25.4	2021
Cyprus	27.5	15.5	24.8	14.9	2021
Latvia	32.6	23.4	29.0	16.2	2021
Lithuania	40.7	26.9	35.2	17.8	2021
Luxembourg	44.5	23.9	37.7	22.5	2021
Hungary	43.8	23.8	22.3	10.1	2021
Malta	34.3	24.5	27.1	19.3	2021
Netherlands (Kingdom of the)	23.9	12.6	19.8	12.7	2021
Austria	39.5	18.6	36.0	19.2	2021
Poland	29.9	23.2	29.9	14.3	2021
Portugal	31.7	24.4	25.4	18.5	2021
Romania	42.3	34.7	35.9	27.0	2021
Slovenia	26.8	14.7	19.9	9.3	2021
Slovakia	30.6	20.3	32.9	22.1	2021
Finland	29.2	9.3	28.6	9.5	2021
Sweden	33.8	19.0	32.1	17.2	2021
Iceland	30.0	12.2	23	10.7	2017
Norway	29.0	10.5	32	14	2019
Switzerland	27.7	15.9	30.3	16	2020
United Kingdom	44.2	18.9	40	24	2017
Türkiye	35.5	33.7	38.6	34	2020

**Source:**

EU-SILC - At-risk-of-poverty rate before social transfers (pensions excluded from social transfers) by poverty threshold, age and sex - EU-SILC and ECHP surveys. <[https://ec.europa.eu/eurostat/databrowser/product/view/ILC\\_LI10](https://ec.europa.eu/eurostat/databrowser/product/view/ILC_LI10)>.

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Code	Country name
AU	Australia
AT	Austria
BE	Belgium
BG	Bulgaria
CA	Canada
CL	Chile
CO	Colombia
CR	Costa Rica
HR	Croatia
CY	Cyprus
CZ	Czechia
DK	Denmark
EE	Estonia
FI	Finland
FR	France
DE	Germany
GR	Greece
HU	Hungary
IS	Iceland
IE	Ireland
IL	Israel
IT	Italy
JP	Japan
LV	Latvia
LT	Lithuania
LU	Luxembourg
MT	Malta
MX	Mexico
NL	Kingdom of the Netherlands
NZ	New Zealand
NO	Norway
PL	Poland
KR	Republic of Korea (the)
RO	Romania
SK	Slovakia
SI	Slovenia
ES	Spain
SE	Sweden
CH	Switzerland
TR	Turkiye
GB	United Kingdom
US	United States

## Endnotes

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- 7 It was not possible to include four countries in this league table – Costa Rica, Hungary, Israel and Mexico – due to limitations in availability of data.
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- 44 Average not weighted by population.  
Among countries that participate in Eurostat.  
Authors' calculations based on EU (Statistics and Living Income Conditions EU-SILC).
- 45 It should be noted that Türkiye adopted a new child benefit in mid-2022, the effects of which are not yet captured in the most recent EU-SILC survey.
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