

**TRENDS AND INDICATORS ON CHILD AND FAMILY  
WELL-BEING IN LATVIA**

**Country Paper**

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**The opinions expressed are those of the authors and do not necessarily reflect the policies or views of UNICEF.**

**Central Statistical Bureau Of Latvia**

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**TRENDS AND INDICATORS ON CHILD AND FAMILY WELL-  
BEING IN LATVIA**

Riga, Latvia  
2000

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# **CONTENT**

## *Preface*

Indicators for monitoring of child and family well-being.....	
<b>Memorandum items .....</b>	
Description of the demographic situation.....	
Family and its development.....	
State support to the family .....	
Economic resources of the family and poverty .....	
Education.....	
Health care.....	
Social deviance .....	
Children in institutions .....	
System of monitoring child well-being in Latvia .....	
<i>Main trends over the transition .....</i>	
Gross domestic product .....	
<i>Unemployment .....</i>	
<i>The demographic situation in Latvia.....</i>	
<i>Purchasing power of the population.....</i>	
Social protection of families with children.....	
<i>Child poverty .....</i>	
<i>Education.....</i>	
<i>Health care .....</i>	
Social deviance .....	
High risk children and public care.....	
<i>Appendices .....</i>	

## PREFACE

**The restoration of independence to Latvia in 1991 initiated the process of transition from the centrally planned economy to a market-oriented democratic and law-governed society. Latvia has passed through the most difficult stage of the transition process. This is the case when economic reforms begin to yield the first fruits but the living standard of the population is very low and the first signs of economic progress are insufficient to make a perceptible influence on the living conditions of the population.**

Some experts compare the consequences of economic recession with the Great Depression in the USA in the 1930s; these consequences are similar to the situation in the post-war Germany after the 2<sup>nd</sup> World War. Economic growth is hampered by the unfinished structural reforms, low investment level and export potential, low productivity, expensive credit resources, the disadvantageous taxation system and the lack of innovative policies. Compared with 1990, gross domestic product in 1999 decreased by 42%. Moreover, in the past 10 years the GDP level in Latvia hit the low only in 1995, later than in the other transition countries of Central Europe. The stratification of society into the amazingly rich and those who can hardly make both ends meet or are very poor continues.

Under the conditions of permanent poverty, value orientation of the low-income segment of society has undergone profound changes. The attitude of society to family has changed substantially and young people put off marrying and childbearing to later time. Depopulation in Latvia has been observed already since 1991. The birth rate is among the lowest in Central and Northern Europe.

In parallel with the changes in the political and economic situation, families with children find themselves in the most difficult situation as a result of which a large number of families are unable to provide appropriate upbringing, education and support to their children. Low incomes deprive the families of a possibility to perform successfully their functions creating, as a consequence, an unfavourable atmosphere in the family.

Poverty promotes the spread of antisocial behavioural such as crime, alcoholism, drug addiction, violence and prostitution. Alcoholism that frequently goes hand in hand with unemployment has often been the cause for family dissolution and neglected children. If parents give up taking care of their children, they seek support on the street. The number of children whose parents have been deprived of parental rights is increasing in Latvia.

In the second half of the 1990s, despite the slight positive changes in the overall economic development, the situation of the neediest segment of society is becoming even more complicated. Even until the second half of 2000, poverty in the country was not recognised as a serious national problem, which, if disregarded, leaves a substantial impact on the country's sustainable development.

### ***INDICATORS FOR MONITORING OF CHILD AND FAMILY WELL-BEING***

To choose the indicators for monitoring family and child well being is not an easy task. The process of transition creates a great variety of problems the more so if the process is prolonged and cannot be easily measured by a restricted range of indicators. Besides, each country has its own specifics, respectively, the degree of complexity of those problems that confront society during this process. The group of experts working on the preparation of the regional report chose the following important areas that would characterise the level of well-being of families and children in the country:

Memorandum items	Education
Description of the demographic situation	Health care
Family and its development	Social deviance
State support to the family	Children in institutions
Economic resources of the family. Poverty	

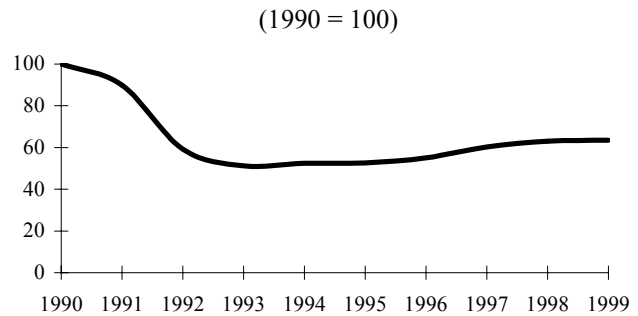
We are wholly aware that statistical information covering a sufficiently long period of time and necessary for analysing the situation may not be available for the description of all these areas. In some cases, indicators from various single surveys were chosen, as the information contained in these indicators is relevant for assessing the situation. In addition, there were a few other indicators, which are not currently compiled in the country, or, in other words, their importance on the national

level is still underestimated. At the same time we do not pretend that these indicators can provide a detailed description of the situation in respect of the well-being of families and children. We hope, however, that the regional report might serve as a ground for discussion to establish the range of such indicators in Latvia that could be used for observing the situation on the national level. The relevant indicators in each of the important areas are discussed below.

## Memorandum items

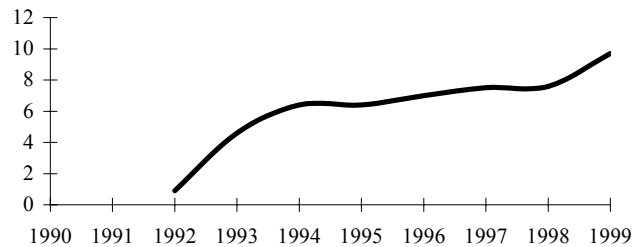
### ⇒ **Gross domestic product per capita and trend of gross domestic product**

As in other transition countries, all problems in Latvia are related to the structural changes in the national economy. During the process of transition, GDP decreased, financial resources of families diminished as did the possibilities of the government to render financial assistance to the country's population to compensate at least to some extent the economic consequences of the transition process. This is the key indicator for understanding the situation. In a country where the number of population is decreasing, GDP per capita may be of vital importance..



### ⇒ **Unemployment rate (officially registered)**

One of the indicators characterising the stability of a country is a maximum low unemployment rate. Unemployment in Latvia may be better termed as structural unemployment caused by the changes in the socio-economic system during restructuring of the national economy that resulted in the liquidation of a large number of enterprises, thus reducing the demand for labour force. In Latvia, the structural unemployment is of long-term nature, therefore its implications are destructive for the material well-being of the families.

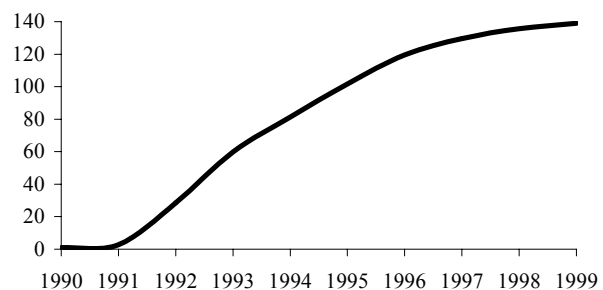


### ⇒ **Inflation**

Hyperinflation began in the early 1990s and most negatively affected the living conditions in the country. As a result, many people lost their savings and their income level decreased

### **Trends in consumer prices**

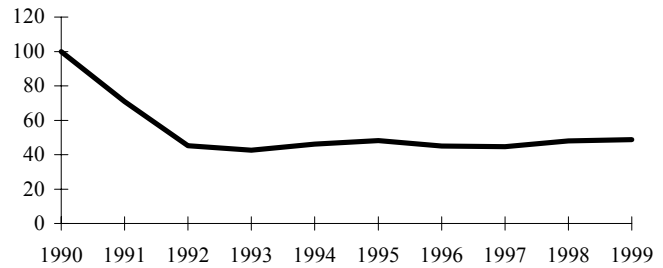
(1990 = 1)



### ⇒ Trend in the purchasing power of the population

This indicator sums up all the previous indicators. In Latvia, data on the dynamic of the population income are obtained from the household budget survey. Source of data "Household budget survey".

*Trend of real income of population  
(1990 =100)*



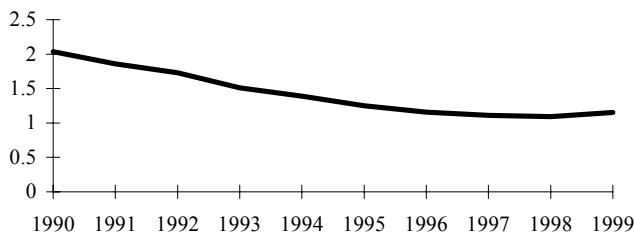
## Description of the demographic situation

### ⇒ Crude birth rate

⇒ Under the conditions of rapid economic change that is disadvantageous for family formation, the birth rate in Latvia has decreased leading as a result to depopulation. One of the coefficients describing changes in the demographic situation is the fertility rate that, although considered a rather unsophisticated indicator of demographic statistics, yet characterises sufficiently precisely and substantially trends in the birth rate. This indicator can also be applied to international comparisons since there is no problem of different calculation methodologies.

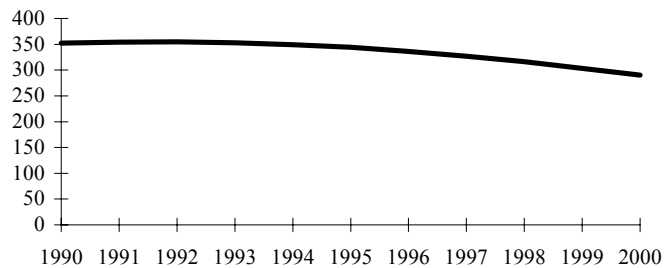
### - Total fertility rate

The total fertility rate is a very important indicator of demographic statistics since it demonstrates best how the replacement of generations takes place over a longer period of time. The coefficient below 2.1 –2.3 indicates that the replacement of generations is not ensured. As a consequence, the population of the country is decreasing and the age structure is becoming less favourable.



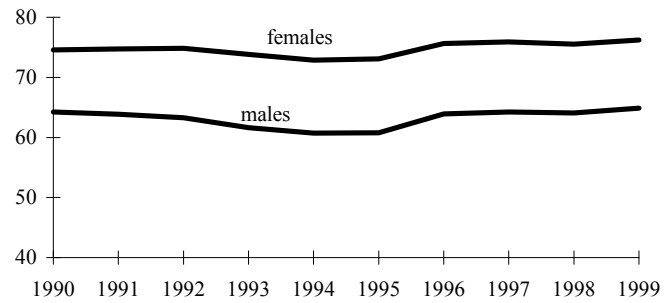
### ⇒ Child Dependency ratio

The dependency ratio as an indicator measuring the relation of the number of people under working age to the working-age population indicates if the proportion between these two main age groups is favourable or not. The situation in Latvia is markedly unfavourable as simultaneously with the decreasing children dependency ratio, the elderly dependency ratio is rising. This fact already now creates serious problems in the provision of social guarantees both to families with children and retirement-aged people. The seriousness of the problem may become more acute in the future.



⇒ **Life expectancy at birth**

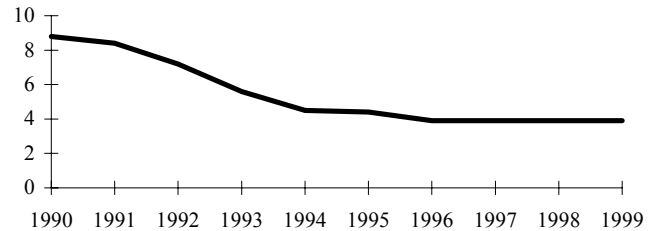
The average life expectancy at birth with breakdowns by gender, in its function of a theoretical calculation indicator, illustrates rather precisely the social situation in the country, the degree of economic development and the situation in the health care system and health services. Changes within this indicator are sufficiently closely correlated with the changes in the country's economic situation, improvement or deterioration in the sphere of social services.



**Family and evolution of the family**

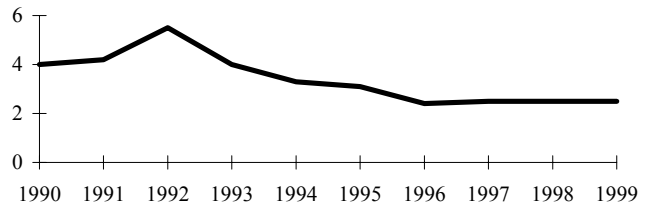
⇒ **Marriage rate**

The marriage rate is an important demographic indicator as it dynamically reflects a rather close correlation with the birth rate both today and also in the nearest future. The marriage is not only a legal act since to a great extent it confirms the intention to form a family and to raise children. This indicator also shows what conditions are established in the country for the creation and welfare of a family.



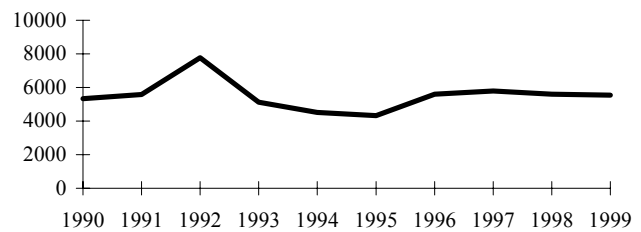
⇒ **Divorce rate**

The divorce rate reveals quite precisely the stability or instability of families that in its turn is an important factor regarding changes in the birth rate. The divorce is an indication of the instability of the family. It is the children who suffer most from the divorce.



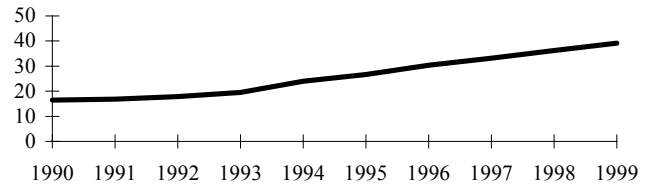
⇒ **Number of under-age children in divorced families**

The increase in the number of under age children in divorced families shows the prevalence of this negative phenomenon. The increase of this indicator as well as the increase of extramarital births point to the aggravation of the upbringing problem in families since single parent families, where the child lives together with only one of the parents, can only rarely provide an appropriate upbringing for children.



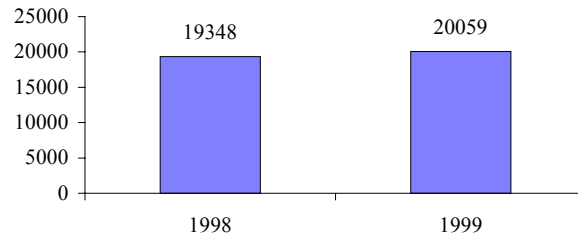
⇒ **Per cent of extra-marital births**

The percentage of children born out of wedlock characterises to a certain extent the percentage of those children who are first of all to be attributed to the low-income families in Latvia. Children born in single parent families are discriminated in respect of their material well-being, and they also lack the upbringing and care that can be provided only in a normal family. The increase in this percentage partly testifies to the aggravation of problems of upbringing children in a family.



⇒ **Number of children in socially vulnerable families**

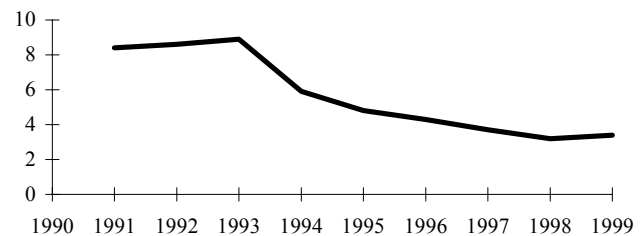
This indicator belongs to the category of subjective indicators. Quite frequently, this indicator is interpreted according to the opinion of local governments. Besides, the registration of this indicator is rather incomplete. Nevertheless, the indicator points to a potential contingent of children who are subject to a situation of social risk in the family. It is necessary to observe the dynamic of this indicator regularly.



**State support to family**

⇒ **Expenditure on childcare benefit and state family benefit, % of central government basic budget and expenditures from the state social security budget**

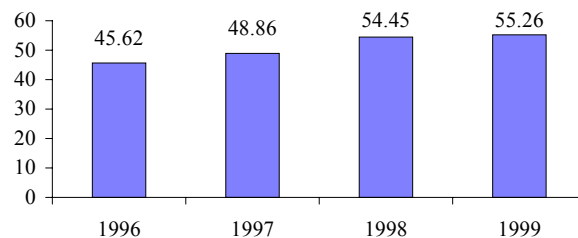
State support to family is needed actually from the moment of its establishment. But the necessity for it increases with the birth of a child. The practical support of the state to family is characterised by the resources earmarked directly for assistance to families with children. These indicators include the sum total of childcare benefits that is paid from the central government basic budget.



**Economic resources of families and poverty**

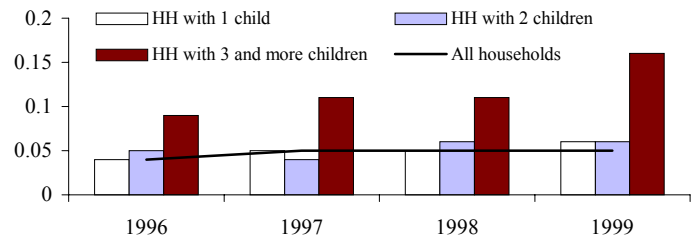
⇒ **Families with children: disposable income per person (lats)**

Income is the cornerstone of material well-being. This indicator characterises the economic resources of families and income trends. Due to a wide diversity of family forms (beginning from single parent families and ending with multi-generation households), this indicator describes best the level of economic resources of households and its dynamic. *Data source: Household budget survey..*



⇒ **Poverty head-count ratio in families with children, depending on the number of children**

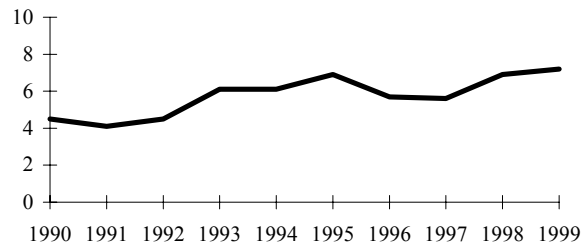
This is an indicator that characterises the prevalence of poverty in the country. Various equivalent income levels (scale 1; 07; 05) may be used for the calculation. In Latvia, 50, 60 and 70% of the average level of equivalent consumption expenditure in the country are actually used.



**Education**

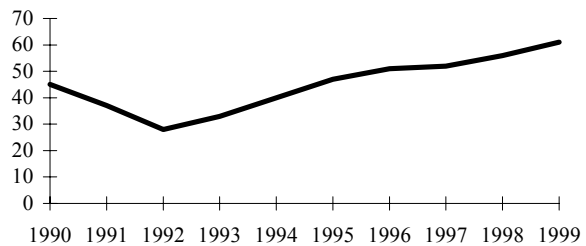
⇒ **Expenditure on education as per cent of the gross domestic product**

This indicator provides information on the scope of financing earmarked for education compared with the gross domestic product of the country. Analysing this indicator, it is possible to judge about the government priorities in the respective period of time.



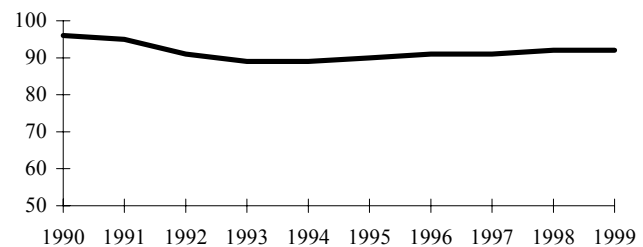
⇒ **Provision of children with pre-school establishments: enrolment in pre-school establishments as per cent of children aged 3-6 years**

This indicator provides information on the percentage of children aged 3 to 6 years who attend a pre-school establishment. Apart from this, the indicator contains information on the preparation of children for obtaining basic education.



⇒ **Number of pupils that are taught basic education programmes as per cent of the population aged 7-15 years. Gross enrolment rate**

This indicator provides information on the gross enrolment rate at the age of 7-15 years for the basic education programmes. The above indicator is important, as school attendance for this age group is compulsory, except the cases when attendance is not possible due to the state of health.



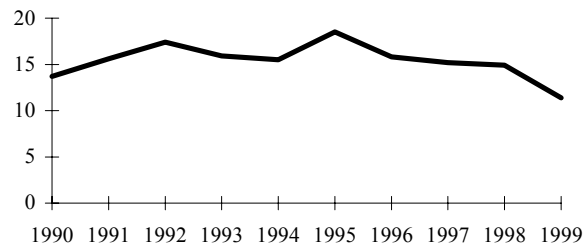
⇒ **Number of children (aged 6-14/7-15) who do not attend school**

Unofficial data indicate that there are school age children in Latvia who do not attend school. This is due both to economic reasons (no money to prepare the child for school) and social reasons (children from problem families). Regrettably, there is no official statistics on this indicator in Latvia. This indicator will be obtained for the first time at the end of 2000 when the register of schoolchildren will be established.

## Health care

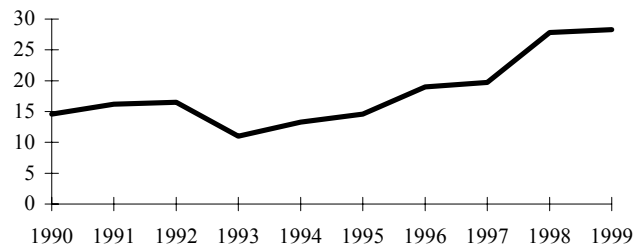
### ⇒ Infant mortality rate

The infant mortality rate is one of the most relevant social indicators. Its significance in the transition countries is even more important. It is possible to make substantiated conclusions about the level of health care provided to the new-born and also about the overall socio-economic situation in the country.



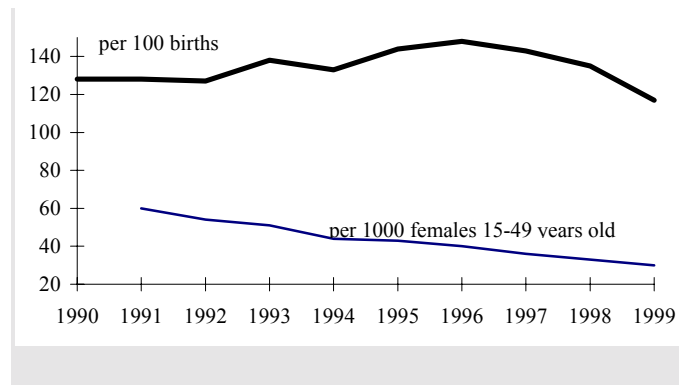
### ⇒ Number of patients registered with disease prevention and health institutions (per 100 000 children aged 0=17 years)

In respect of tuberculosis among children and adolescents, the epidemiological situation has been deteriorating over the past years. Although the total number of TB patients decreased in recent years, the morbidity rate in the country is still high.



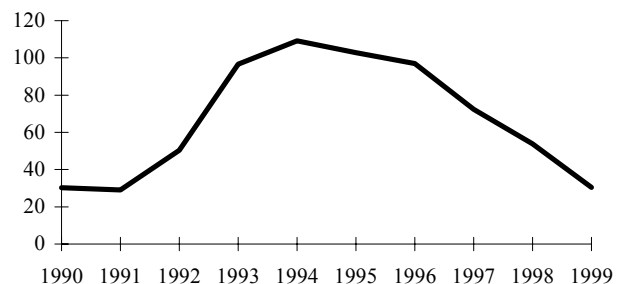
### ⇒ Abortions

In Latvia, the number of abortions in the 1990s exceeded the number of births. The abortions give evidence on the quality of birth control and regulation as well as on the possibility to increase the birth rate. Abortions are a threat to reproductive health. A more precise picture is provided by the relative indicators such as the number of abortions per 1000 women aged 15-49 years and the number of abortions per 1000 births.



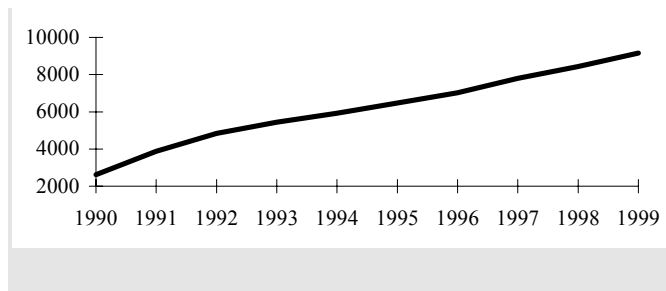
### ⇒ Reported cases of sexually transmitted diseases among children and adolescents (new cases)

The spread of sexually transmitted diseases testifies to unfavourable trends in public health. This group of diseases characterises the quality of life of the population and access to health services.



### Number of disabled children

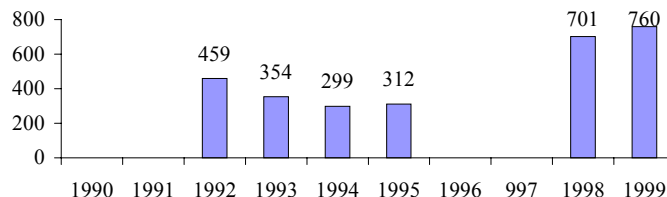
Child disablement is one of the health care indicators that binds together the health of mother and child and demonstrates the efficiency of the work of health care institutions in the country.



### Social deviance

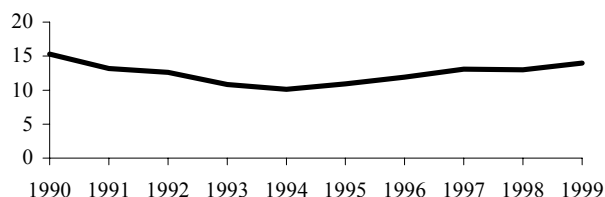
#### Violence against children

The risk to become a victim of violence has been increasing among children lately. Only in the last years the information on violence against child has been investigated, and it gives proof that the number of victimised children increases.



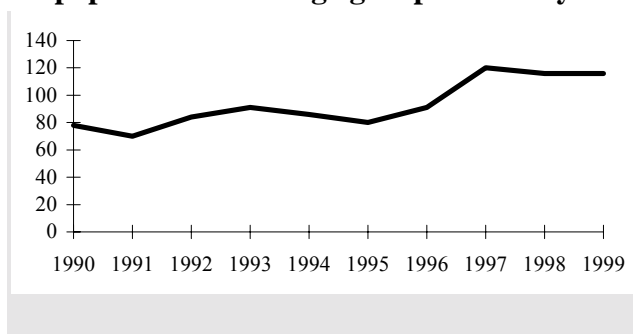
#### Share of under age convicted persons in the total number of convicted persons

At the beginning of the 1990s, criminality among underage persons declined but, beginning with the mid-1990s, it shows a tendency to grow. The increase in criminality may be associated with the increasing risk factors in the families (unemployment, poverty, divorce and alcoholism).



#### Number of convicted under age persons per 10 000 population in the age group of 14-17 years

The indicator describes crime intensity in the respective age group. In recent years crime intensity in the group of under age population shows a growing trend.

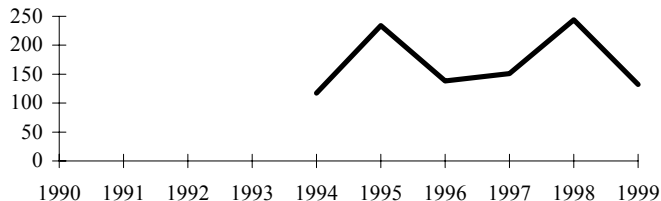


#### Number of wandering and homeless children

We have no statistical data at our disposal on wandering and homeless children. This phenomenon characterises the socio-economic situation many families with children find themselves in and where the child is the main victim. A special survey is needed to obtain this kind of information.

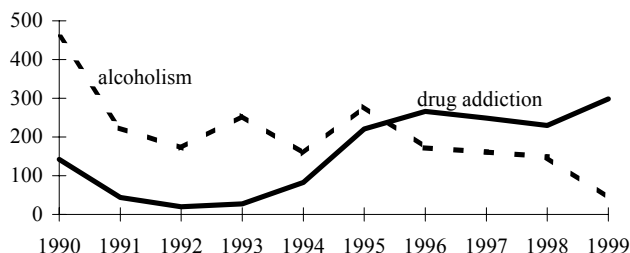
**Number of parents who are deprived of parental rights**

The deprivation of parental rights is an extraordinary act whereby the child suffers most. If the number of such children is rather high or is increasing, this means a signal for alarm about the unfavourable processes in the families.



**Number of children and adolescents registered with health institutions with a diagnose drug addiction and alcoholism**

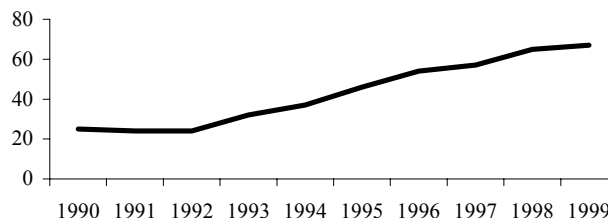
Drug addiction and alcoholism among children and adolescents point to the spread of this deviance in society. Besides, this is a risk factor both for the state of health and for deviant behaviour.



**Children in institutions**

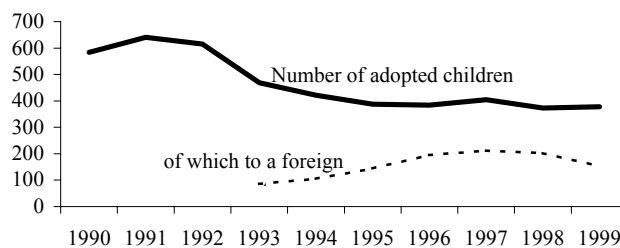
⇒ **Number of children in social care institutions per 10 000 population in the age group of 0-17 years.**

Over the period 1990-1999, the number of children in social care institutions per 10 000-population aged 0-17 years has increased by more than 2.6 times. This negative trend reflects a situation where the child has been left without parental care and lives away from his family in a social care institution for children



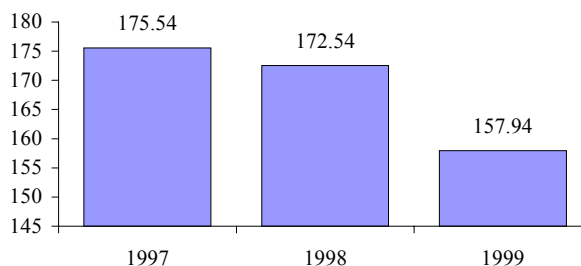
⇒ **Number of adopted children.**

The number of adopted children is an indicator showing the possibility of a child, that has been left without parental care, to live and develop in a family. Child adoption is a positive alternative to the social child care institutions that since 1991 displays a decreasing trend except for 1997, when an increase in the number of adopted children was observed. Adoption to a foreign country is a rather new phenomenon and until 1998 it displayed a growing trend.



⇒ **Expenditure per child in social child care institutions (orphanages, children’s homes/ shelters, specialised social care centres for children), in LVL**

Expenditure per child is an indicator reflecting the expenditure of central and local governments for the maintenance of one child in a social child care institution. This indicator also indirectly reflects the socio-economic situation in the country. The expenditure per child in the period from 1997 to 1999 decreased by 10%.



## **System of monitoring child well-being in Latvia**

Upon joining the UN Convention on Children's Rights on 4 September 1991 the Republic of Latvia assumed obligations and declared its readiness to observe children's rights and interests. Article 44 of the Convention obligates each member country to submit a report to the UN Committee of Children's Rights about the measures implemented by the given country for the consolidation of the rights laid down by the Convention and about the progress achieved in the implementation of these rights.

The supervisory system in Latvia is in the stage of formation. Regrettably, due to the lack of financial resources, a number of conditions that would substantially improve the work in the area of children's rights protection are not currently implemented. Thus, for example, there are no regional (urban) state inspectors of children's rights protection the responsibility of whom would be to supervise the execution of the law and the observance of children's rights in the respective administrative territory.

A major shortcoming is the ignorance of society and the lack of knowledge about the rights and responsibilities of an individual. The public officers are also not always called to account for violating children's rights. Although the responsibility areas of the institutions are defined, there is no mutual collaboration in seeking ways how to solve a problem. There are not a sufficient number of surveys about the problems, which cannot be investigated by statistical means (for example, street children, child prostitution, etc.).

Until now, data on the violation of children's rights were compiled on the initiative of various institutions; these data were not systemised since there were no systems and criteria how to collect and compile such information. However, the situation in the country has changed and the amendments to the Law on the Protection of Children's Rights were adopted establishing a unified procedure for information collection. Article 67 "Informative and statistical surveys on the situation in children's rights" of the Law on the Protection of Children's Rights lays down that the Ministry of Interior Affairs, the Ministry of Education and Science, the Ministry of Welfare, the Ministry of Justice, the minister of special assignments on public reforms as well as local governments provide statistical observation of the protection of children's rights in the country; these institutions also observe the families where parental rights have been either withdrawn or deprived, families evicted together with children, adoption, placing of children outside the family care, calling of children to criminal liability, children who have become victims of violence as well as submit an aggregated report to the Central Statistical Bureau. Once a year the Central Statistical Bureau compiles the above mentioned information and submits it to the National Children's Rights Protection Centre.

According to item 4, part I, article 65 of the Law on the Protection of Children's Rights and Regulation No.73 of the Cabinet of Ministers dated 0.2.03. "Regulation of the National Children's Rights Protection Centre", the National Children's Rights Protection Centre prepares and submits a report to the Saeima (Parliament) and the Cabinet of Ministers on the activities of the centre and the situation of children in the country. According to resolution No.54/93 "Special Session of the General Assembly for Follow-up to the World Summit for Children in 2001", the secretary-general's report provides information on all spheres associated with children's rights: assessment of general progress, including the experience obtained, the analysis and factors promoting or deferring progress in the solution of children's problems and specific recommendations for future activities. The National Children's Rights Protection Centre in co-operation with competent authorities prepares the National Report that covers the above mentioned issues in the area of children's rights implementation.

## MAIN TRENDS OVER THE TRANSITION

Changes in the socio-economic and political factors in the 1990s brought about substantial alterations in the criteria of human values and views that directly affect the attitude to family and the role and significance of family in the life of society and the individual. It is with some delay that the problems of state support to families began to be discussed on the government level. As a result of all this, during the transition process families with children found them in a most difficult situation. The positive changes in recent years in the macroeconomic situation contributed little to the improvement of life of families with children.

### Gross domestic product

A number of activities were implemented in recent years to improve the macroeconomic indicators as a result of which the grounds for market economy have become stronger. Latvia is one of those countries where the problems of the transition process manifested themselves in a most dramatic way. Moreover, in many respects the social shock in Latvia was more traumatic than in many other countries.

Following the reestablishment of independence, many branches of the Latvian industry lost the sources of raw materials and trade outlets in soviet markets; these industries were also unable to purchase raw materials at world prices and compete with western products. Simultaneously with the economic transformations many large enterprises were either closed down or broke apart thus huge masses of labour force were made redundant. In agriculture, restitution of land to the former owners disintegrated the co-operative and state farms and as a result many rural inhabitants lost the employment basis. Agricultural production with its low productivity is in depression. The liberalisation of trade and prices worsened the situation of the small farmers, as imported and subsidised food products are cheaper than those produced in Latvia.

Economic growth is also hampered by the inability of the government to ensure honest competition and combat contraband. Dishonest competition places the law-observing enterprises in a disadvantageous situation and does not provide a possibility to create new jobs or rise the wages of their employees. With the decrease in the official economy, an increase in the hidden economy became apparent. The share of the hidden economy in the country's economy constitutes 16% of the gross domestic product.

At the same time, under the conditions of independence, the young state had to work hard and invest heavily in the building of new structures such as border guard, the customs service, the diplomatic corps and armed forces. All this reduced the resources that could be directed **toward improving the** material welfare of the population.

Compared with 1990, gross domestic product per capita in 1999 has dropped by 36,5%. A macroeconomic stabilisation has been achieved over the last four years but GDP has increased only by 21%. This is, however, not sufficient to enable the country to overcome the economic consequences of the transition process. As a result of the above mentioned, no great changes have occurred in the living standard of the population.

The structure of the gross domestic product has also changed. The share of mining and quarrying, manufacturing and energy generation decreased from 31.7% in 1990 to 15.0% in 1999. The share of agriculture, hunting and forestry fell from 21.1% to 3.9%. Over the same period the share of the services sector rose from 24% to 50%. Thus to a great extent the favourable geographical position of Latvia is exploited for rendering transit and financial intermediation services resulting in the growing economic dependence of Latvia on those countries that use Latvia for the transit of their goods and financial intermediation purposes. An impressive example of this is the financial crisis in Russia in the second half of 1998 that made a great impact on the economy of Latvia and its financial sector and caused a rapid rise in unemployment.

### Unemployment

The breakdown of the centralised planned economy introduced relevant changes in the labour market. As a consequence of the structural changes in the economy, employment went down because part of the enterprises were liquidated causing job reduction and a falling demand for labour force and, as a consequence of this, part of the population had to seek jobs. In Latvia the quality of employment is low, characterised by a

large percentage of low-paid jobs and unstable and irregular work. The hidden economy also promotes low-productive employment and this is disadvantageous to the economy as a whole.

One of the main ways of how to seek a job is to officially register with the State Employment Board.

### Number of registered unemployed, at end of the year

	1992 <sup>1</sup>	1993*	1994	1995	1996	1997	1998	1999
Number of registered unemployed, thsd	31284	76744	83946	83231	90819	84934	111383	109497
% of economically active population	2.3	5.8	6.5	6.6	7.2	7.0	9.2	9.1
Number of registered unemployed at the age of 15-19 years	579	1451	6311	6914	6954	3625	4043	3034
of which:								
males			3170	3062	3065	1479	1707	1353
females			3141	3852	3889	2146	2336	1681
Rate of registered unemployed at the age of 15-19 years to the total number of unemployed	1.9	1.9	7.5	8.3	7.7	4.3	3.6	2.8

<sup>1</sup>juveniles under 18 years

Registration data show that more women than men at the age of 15-19 years apply to the State Employment Board. It should be noted, however, that a great impact on the registered unemployment is made by the alterations in the unemployment-related legislation. Thus, the decrease of almost two times in the number of young people registered with the SEB at the end of 1997 in comparison with the situation a year ago was caused by the prohibition in legislation to grant the unemployment benefit to those graduates of education institutions for whom the social tax was not paid during the period of study.

The situation is better characterised by the data obtained by means of the labour force survey, which covers all job seekers including those who try to find jobs without official registration at the SEB – they follow job ads regularly, question their relatives and friends and apply directly to the employers, etc.

According to the findings of the above mentioned survey, the highest rate of non-working job seekers to the economically active population in the corresponding age (ILO concept) is actually in the age group 15-19 years. It is worth mentioning that since 1995, when the said survey of labour market was launched, the rate of job seekers in the mentioned age group was 43.2%; this rate has decreased gradually and in November 1999 it was 36.6%. For women of the corresponding age group this indicator is considerably higher (49.7% in 1995 and 44.0% in 1999 of all the economically active women of this age).

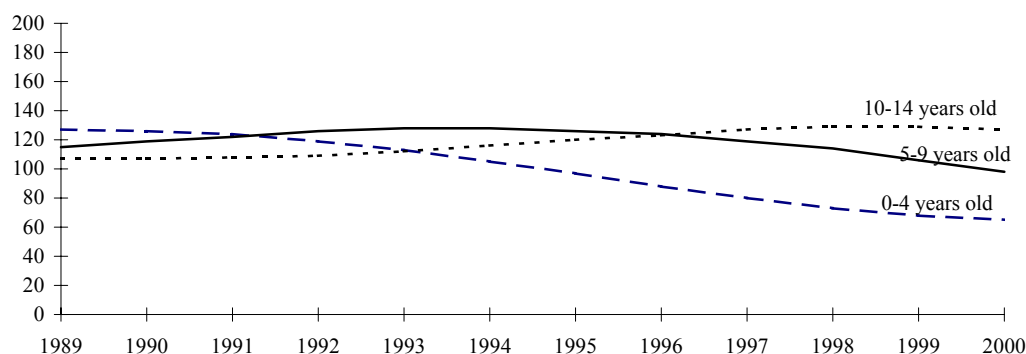
Over the last 3 years the number of employed young people has gradually decreased as well as their share in the total number of the employed whereas the number of persons who attended higher education institutions has increased. This process was promoted by the increasing demand on the labour market for qualitative labour force therefore young people after obtaining secondary education and facing a problem of job search prefer studies at a higher education institution that in the future can provide better employment opportunities.

## The demographic situation in Latvia

The demographic situation in Latvia may still be assessed as unfavourable. Since 1991 the natural increase of population has been negative showing an excess of deaths over births. This trend continued during the subsequent years with the lowest negative natural increase in 1994 when deaths outnumbered births by 17.5 thousand. In 1999, the number of deaths exceeded that of births by 13.4 thousand. Low fertility, rising mortality and negative net migration affect the population age structure in Latvia. The proportion of children and adolescents (0-14 years) to the total number of population went down from 22.8% at the beginning of 1990 to 17.8% at the beginning of 2000. Since 1996 the number of population aged 60 and over exceeds that of children and adolescents (0-14 years).

The demographic burden decreases mainly due to the decline in the number of people of younger generation whereas the impact of elderly population that are over working age did not change. This is illustrated by the following figures. At the beginning of 1991 the demographic burden per every 1000 working-age inhabitants was 780 persons whereas at the beginning of 2000 it was 685, down by 12.2%. These changes are due to the decrease of population aged 0-14 per 1000 population of working age from 406 to 300, or by 26.1%.

### Child dependency ratio



In 1999 19.4 thsd children were born in Latvia, 22.7 thousand or 2.2 times less than in 1987, the peak year in the whole post-war period. In 1999, the birth rate in the country increased by 6.7% in comparison with 1998. The analysis of the dynamic of birth rates in the period from 1990 to 1998 reveals a continuing decline but in 1999 this trend changed and the fertility rate went up. The fertility rates in the next table confirm this trend.

### Fertility rates, 1990-1999

Year	The number of live birth per 1000 women aged 15-49 years	Total fertility rate	Mean age of mother
1990	58.52	2.035	25,4
1991	53.92	1.859	25,3
1992	49.97	1.728	25,2
1993	43.16	1.508	25,1
1994	39.57	1.389	25,5
1995	35.44	1.252	25,5
1996	32.53	1.158	25,7
1997	31.02	1.110	26,1
1998	30.36	1.093	26,3
1999	31.99	1.154	26,4

One of the reasons affecting the fertility rate is the declining number of females in the fertile age (15-49 years), especially in the age group 20-29, which has the highest fertility rates. From the beginning of 1990 till the beginning of 2000 (10 years) the number of females in the age group 20-29 decreased by 25.9 thousand and the percentage of this age group in the total number of females in the fertile age fell from 29.3% to 27.2%.

Induced abortions have a considerable influence on the birth rate. In 1999, 18031 abortions were performed which is 30 abortions per 1000 women at the fertile age (38837 and 60 in 1991, respectively). There were 93

abortions per 100 live births. Over the period of past nine months the number of induced abortions fell by 54% but the number of induced abortions per 1000 births only by 17%.

Birth rates for unmarried women are still rising. In the last year there were 39.1% extramarital births on average in the country. By comparison, the respective indicator in 1999 was 16.9%.

Infant mortality decreased by 23% in 1999 (2% in 1998). In recent years the proportion of infant deaths against live births was 1.4%-1.9% but in 1999 this indicator was 1.1%. The table below shows the relative and absolute indicators of infant mortality in Latvia since 1990.

### Infant mortality in Latvia, 1986-1999

Year	Total number of infant deaths	Of which		Per 1000 live births		
		Males	Females	Total	Of which	
					Males	Females
1990	521	308	213	13.7	15.9	11.5
1991	545	319	226	15.6	17.8	13.2
1992	557	317	240	17.4	19.3	15.4
1993	434	245	189	15.9	17.6	14.1
1994	381	205	176	15.5	16.5	14.9
1995	407	234	173	18.5	20.6	16.3
1996	315	168	147	15.8	16.1	15.3
1997	289	159	130	15.2	16.2	14.2
1998	276	162	114	14.9	17.1	12.7
1999	219	104	115	11.4	10.5	12.3

The analysis of recent years shows that perinatal death rates are decreasing. The decrease in the total perinatal death rate is due to the decrease in the number of deaths at the age of 0-6 days and late foetal deaths, with the relative indicators remaining stable.

Certain conditions originating in the perinatal period take the first place among the causes of death (approximately half of the deceased infants) followed by congenital diseases. Mortality due to infectious and parasitic diseases decreased in recent years. In recent years substantial changes occurred in the family formation and marriage dissolution. The absolute and relative indicators of contracted marriages have fallen. In 1999, 9399 marriages were registered in Latvia, 14.2 thsd less than in 1990. Approximately 60% of the marriages were celebrated at the age of 20-29 years. With the marrying intensity going down, the average age upon entering a marriage is rising. The total marriage rate (the number of marriages per 1000 inhabitants) decreased from 8.8 marriages in 1990 to 3.9 in 1999, which is nearly 2.3 times. The marriage rate which shows the average number of contracted marriages in the respective generation during its lifetime has decreased from about 1 to 0.5. Currently about half of the population of the respective generation enter a registered marriage.

The divorce indicators in Latvia are among the highest in Europe. The divorce intensity has, however, decreased over the past years. Both the absolute and relative indicators have decreased. Nevertheless, with the low intensity of marrying taken into account, the rate of divorces still exceeds 60% compared with the number of registered marriages. In 1999, 6010 marriages were dissolved in Latvia. The divorce rate per 1000 population was 2.5 in comparison with 4.0 in 1990. Of all the dissolved marriages, 67% were families with underage children. The following table shows the number of underage children in these families.

## Divorces by number of common under-age children, 1990-1999

Year	Number of divorces	Of which with common under-age children		Number of children in divorced families	Average number of children per family
		Total	Per cent to total number of divorces		
1990	10783	6669	62	9556	1.4
1991	11070	6924	63	9958	1.4
1992	14553	9418	65	13677	1.5
1993	10278	6426	63	9237	1.4
1994	8416	5592	66	8077	1.4
1995	7821	5289	68	7653	1.4
1996	6051	3981	66	5599	1.4
1997	6103	4112	67	5784	1.4
1998	6211	4046	65	5600	1.4
1999	6010	4034	67	5537	1.4

Until the compilation of the 2000 Population Census data, there is no precise information on the number of one-parent families. The data of the Living Conditions Survey, which was conducted in October 1999, throws some light on the problem. According to this survey, one-parent families represented 7.1% of the total number of households in the country. The majority of them had only one child but one-parent families with 2 and more children constituted 2.2% of all households.

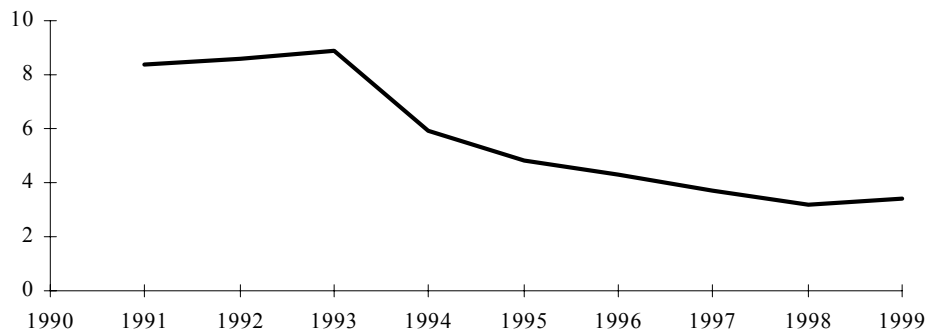
### *Purchasing power of the population*

Similarly as in other transition countries, economic reforms in Latvia started with the liberalisation of prices. In a brief period of time the increase in consumer prices mounted up to the level of hyperinflation. It should be admitted that already in the beginning of 1997 inflation was curbed to the level of one digit and for the last years it has been low reaching only 2.4% in 1999.

During the period of transformation people lost their savings and their income level declined. Compared with 1990, the real income of the population in 1999 has more than halved. Since 1996 when the purchasing power of the population hit the low, it has increased over the last 3 years by nearly 4 percentage points. In other words, economic growth in recent years did not contribute much to the improvement of the living conditions of the population. For the majority of population the income level is low. The stratification of society deepens and it is split into a small number of strikingly rich and those who can hardly make both ends meet or are very poor. The gap between the city and the countryside, the capital, the region around it and the rest of Latvia has widened.

Despite the worsening of the demographic situation, the size of the government's direct and regular assistance to families with children is not increasing but has even decreased. The diagram below demonstrates how the share of direct and regular benefits (state family and childcare benefit) paid to families with children has changed in the state budget.

### **Share of the state family and childcare benefit in the state budget expenditures (in percent)**



This shows that the gravity of the problem and its consequences in the future (the demographic burden with ensuing problems of social guaranties to people in their old age) is not properly estimated.

The state family benefit and the childcare benefit in the family budget constitute 2.4% of the family disposal income on average in the country. For a married couple with one child aged less than 16 years it reaches 5.4% but in one-parent families it reaches the maximum - 6.4%. On the one hand, the low size of the childcare and state family benefits does not promote a rise in the birth rate but on the other hand, in the situation of unemployment the insufficient size of these benefits creates serious problems for the budgets of families with children. Under such conditions a large number of families with children have arrived at the risk zone.

A large part of families are not able to fulfil their functions, as they have no possibilities to satisfy their needs. The needs of the families interact continuously. If any of the needs is not satisfied, it has a negative impact on the satisfaction of other needs and the possibility to successfully fulfil the family functions is diminished.

The consumption expenditure of households is deformed. Expenditures for food and maintenance of the flat prevail in the budget. Not much money is spent on education, especially in families with 3 and more children.

### Consumption expenditure of households depending on the number of children in family in 1999

*(in percent)*

	All households	with 1 child	Of which: with 2 children	with 3 and more children
Consumption expenditure	100	100	100	100
Food, beverages and tobacco	41.5	38.6	40.5	46.9
Clothing and footwear	6.7	8.3	8.3	7.6
Housing, water, electricity, gas and other fuels	17.7	17.0	15.0	12.1
Furnishings, household equipment and routine maintenance of the house	5.0	5.7	5.7	6.6
Health	3.8	2.6	2.8	2.3
Transport	7.6	7.8	7.7	7.3
Communication	4.3	4.7	4.0	3.0
Leisure, entertainment and culture	5.7	6.7	7.2	5.8
Education	1.0	1.6	1.8	1.0
Hotels, cafes, restaurants	2.3	2.0	2.5	3.4
Miscellaneous goods and services	4.4	5.0	4.6	3.9

**One-parent families with usually only** one breadwinner are in a difficult situation. Latvian legislation does not provide for any assistance to these families. According to the data of the Living Conditions Survey (September 1999), 28% of the one-parent families in Latvia could not afford meat, poultry meat or a fish at least 3 times a week (in 20% of cases on average in all households) and in 27% of cases inability to pay for the children's education (11%).

Families with children were brought into focus of the close attention of the Latvian society and government institutions only after publishing the first data of the household budget survey (1997), which proved that the wellbeing of families with children was lower than that of the households within another risk group, for example, pensioners' households.

### Social protection of families with children

In Latvia, to stabilise the income of families in the period of upbringing the children, the following kinds of social assistance are provided to families with children:

- ⇒ maternity benefit is a social insurance benefit that is assigned to the mother for 112 calendar days and is paid for the whole maternity leave;
- ⇒ child birth grant is a single state social benefit that is assigned to one of the parents on the occasion of the birth of a child;

- ⇒ child care benefit is a regularly payable state social benefit that is assigned to the person who takes care of the child until the child is three years old, if the person does not receive the maternity benefit under the state social security system and is not employed or is employed part-time;
- ⇒ state family benefit is a regularly payable state social benefit that is assigned to the person who brings up a child under the age of 15 years or older than 15 years, if the child attends a general school and is not married, but not longer than until the age of 20 years;
- ⇒ additional payment to the family state benefit for a disabled child is assigned to the person who brings up a disabled child under the age of 16 years;
- ⇒ state social security benefit is a regularly payable state social benefit that is also assigned to the under age person who has lost one or both parents and is not married, if the person does not receive an appropriate benefit from the social insurance system;
- ⇒ sickness benefit is a social insurance benefit that is also assigned to the socially insured person who takes care of a sick child under the age of 14 years;
- ⇒ unemployment benefit is also assigned to the person who brings up a child up to the age of 21 months as well as to the person who takes care of a disabled child under the age of 16 years;
- ⇒ state social insurance contributions (in case of unemployment and for state pensions) from the state central budget are made for the person who brings up a child up to the age of 18 months;
- ⇒ benefit to the guardian for the maintenance of a child is assigned to the person who, in the procedure established by the law, is appointed as a guardian. This benefit is granted for each child who lives in the guardian's family. The benefit to the guardian, who is next of kin to the child, his/ her brother or sister, is paid of an increased amount, according to the procedure laid down by the Cabinet of Ministers;
- ⇒ compensation to the guardian for the execution of guardian's duties is assigned to the person who, in the procedure established by the law, is appointed as a guardian of the child and who is not his/ her next of kin, if the ward lives in the family of the guardian;
- ⇒ compensation for the execution of foster family's duties is assigned to the family or person who, in the procedure established by the Cabinet of Ministers, has procured the status of a foster family and to the care of which, according to the decision of the custody court and the contract concluded between the local government and the foster family, the child has been committed for a period longer than one month;
- ⇒ local governments' social assistance benefits (for example, lunch free of charge or of reduced charge for school-children from needy families, housing benefit, etc.).

In the period of 1991 to 1999, the expenditure on social insurance and state social assistance benefits to families with children, however irregularly, has increased (see *Appendix*). The analysis of the expenditure over such long time series is burdened by the lack of data on some kinds of benefits for some of the years, especially for the period until 1996. Although total expenditure on benefits to families with children in absolute figures has increased in this period, its share in the gross domestic product has gradually decreased, fluctuating at the level of 1.2-1.4% in the period from 1996 to 1999.

The analysis of the trend in the number of child birth and child care benefits shows that, in the period from 1992 to 1998, it has been incessantly decreasing (see *Appendix*). Only in 1999, compared with the previous year, a slight increase was observed, that can be explained by a slight increase in the birth rate in the respective period. The number of social benefits to disabled children under the age of 16 years (since 1996, additional payments to the family state benefit for a disabled child) experienced a growing trend in the period of 1991 to 1999, reaching 8.4 thsd by the end of 1999. It is an evidence of the fact that children's state of health is worsening year by year. The share of disabled children in the total number of children aged less than 16 years has been incessantly increasing in the period of 1990 to 1999, reaching 1.6% by the end of 1999 .

## Disabled children in Latvia, at the end of year

Year	Number of disabled children <sup>1</sup>	Number of children under the age of 16 years	Share of disabled children in the number of children under the age of 16 years, %
1990	2612	608906	0.4
1991	3874	608622	0.6
1992	4847	604985	0.8
1993	5445	587727	0.9
1994	5923	571940	1.0
1995	6467	557853	1.2
1996	7028	543194	1.3
1997	7342	509219	1.4
1998	7835	490413	1.6
1999	8378	470638	1.8

<sup>1</sup> Registered with the State Social Insurance Agency.

The amount of child care benefit has been stable for 5 years (from 1993 till 1<sup>st</sup> July 1998) (see *Appendix*), regardless of a rather considerable increase in consumer prices within this period (1.9 times in 1997, compared with 1993). It is worth mentioning that the child care benefit for children aged 1.5 to 3 years has still remained at the same level as it was established in 1993.

The family state benefit was also not changed for a long period (from 1993 till 1<sup>st</sup> August 1996). Beginning with 1<sup>st</sup> August 1996, the amount of the above benefit depends on the order of the child's birth in the family. The amount of the benefit for one child currently is 4.25 lats per month. If there are more than one child in the family, the benefit for the second child is 1.2 times higher than for the first child, the benefit for the third child is 1.6 times higher than for the first child but the benefit for the fourth and next children is 1.8 times higher than for the first child, as from 1<sup>st</sup> July 1998. As the majority of children for whom the family state benefit is granted are the first children in the family (53% of children in 1997, 51% in 1998 and 57% in 1999, respectively), the average size of the benefit, in 1997, compared with the previous year, decreased and remained low also for the following 2 years. Although the differentiation in the amount of family state benefit is targeted toward the formation of large families, the generally low size of the benefit does not further an increase in the birth rate and the improvement of the demographic situation in the country.

Apart from the state social assistance benefits, there are also local government social assistance benefits. However, the allocation of these benefits largely depends on the disposable financial resources of each individual local government. Therefore, the requests of families for benefits are not always satisfied.

According to the information compiled by the Social Assistance Fund, the number of children in socially vulnerable families (single-parent families and families with many children), registered with the local government social assistance services, has been rather invariable, without any definite trend, over the period from 1996 to 1999 (Table 2). A more pronounced increase in the number of children in single-parent families was observed in 1998, in comparison with 1997, when their number reached 91.5 thsd. Since the beginning of 1998, the number of children in families with many children has been continuously decreasing, that can be explained by the decrease in the number of large families in the country.

### Number of children in socially vulnerable families<sup>1</sup>, at the beginning of year

	1996	1997	1998	1999	2000
<b>In single-parent families</b>	<b>87768</b>	<b>75776</b>	<b>71738</b>	<b>91533</b>	<b>72829</b>
<b>Of which: in single-parent families with many children</b>	<b>22042</b>	<b>19403</b>	<b>19335</b>	<b>25044</b>	<b>21342</b>
<b>In families with many children<sup>2</sup></b>	<b>145962</b>	<b>108573</b>	<b>121117</b>	<b>112192</b>	<b>106064</b>

<sup>1</sup> Registered with local government social assistance services.

<sup>2</sup> Family with many children: family with three and more children.

It should be noted, however, that the information provided by local government social assistance services on the categories of socially vulnerable population is not always reliable and should be used with caution when making general conclusions about the number of socially vulnerable families and individuals in the country. Although the data on benefits requested by and granted to socially vulnerable families with children shows that, in the majority of cases, the number of families that have received the benefits exceeds that of claimants, it may be misleading in respect of the real situation in the field of social assistance provided by local governments. This is because the number of benefits received also includes single benefits of low value, presents for Christmas and other festivities, whereas requests for more substantial benefits (such as cash benefits for needy families, housing benefits, etc.) may not be granted quite frequently due to the lack of material resources in local governments and due to the discrepancy of the claimant to the established criteria for granting the given benefit.

### *Child poverty*

In Latvia, up to now, poverty is not recognised at the national level as a serious problem and the ignorance of this fact may affect the long-term development of the country. Only in August 2000, the government revised the concept of the preclusion of poverty.

In Latvia, the study of poverty became a major concern only during the last 3 years, when, based on the data of the Household Budget Survey, some calculations of selected poverty indicators were performed. In 1998, the Ministry of Welfare, in co-operation with the UNDP, World Bank, ILO, the University of Maastricht, Latvian Institute of Philosophy and Sociology and the Central Statistical Bureau of Latvia, conducted several investigations on poverty. Based on the findings of these researches, a strategy for the preclusion of poverty in Latvia was worked out.

A more detailed study of poverty concerning families with children has not been carried out in Latvia due to the lack of comparable data over a longer period of time. Moreover, the fact that there is no official or recommendable poverty line in Latvia, makes the situation more complicated. For fixation of the amount of social assistance, local governments often use different poverty lines, mostly depending on their financial feasibility.

According to the Household Budget Survey data, households with children under the age of 17 years constituted 22.6% of the total number of households in 1999, but children under the age of 17 years represented 21.3% of all household members. One third (31.8%) of 10% of the poorest households (those within the 1<sup>st</sup> decile) were households with 2 and more children. 39.0% of the households with three and more children belonged to the 1<sup>st</sup> decile (the poorest) households.

One of the main indicators characterising the well-being of the population is the disposable income of households. During the last 4 years, household disposable income per household member has increased but this increase was not homogeneous and income have been rising mainly in the cities and towns, thus increasing the differentiation between the urban and rural population (Table 1). Moreover, the average household disposable income of the households of the 1<sup>st</sup> decile, comprising 24.7% of the total number of children aged less than 15 years in 1999, was only 18.40 LVL per household member monthly, i.e. 3.5 times less than on average in all households.

### **Disposable income of households**

	<i>(per household member per month, lats)</i>			
	1996	1997	1998	1999
<b><i>Households, total</i></b>	51.50	55.45	62.33	64.73
Urban households	53.11	57.80	67.26	70.93
Rural households	47.71	49.86	51.40	50.93

Income per one household member tends to decrease if the number of children under the age of 17 years increases in the family. For example, the average household disposable income per household member in families with 3 children under the age of 17 years was 1.6 times lower than the average income in all households, in families with 4 children it was 1.9 times lower but in families with 5 and more children – 2.6 times (in 1998: 1.4, 2.0 and 2.3 times, respectively).

## Disposable income of households depending on the number of children

*(per household member monthly, in lats)*

	1996 (per capita)	1997 (per capita)	1998 (per capita)	1999	
				Per capita	Per equivalent consumer
<b>All households</b>	<b>51.52</b>	<b>55.43</b>	<b>62.33</b>	<b>64.73</b>	<b>81.67</b>
<b>Households with children under 17 years</b>					
<b>with one child</b>	<b>50.80</b>	<b>56.16</b>	<b>62.57</b>	<b>61.31</b>	<b>81.56</b>
<b>with 2 children</b>	<b>44.07</b>	<b>46.69</b>	<b>48.77</b>	<b>54.69</b>	<b>78.29</b>
<b>with 3 children</b>	<b>35.92</b>	<b>34.67</b>	<b>45.68</b>	<b>39.72</b>	<b>59.52</b>
<b>with 4 children</b>	<b>30.11</b>	<b>32.81</b>	<b>31.24</b>	<b>33.62</b>	<b>51.92</b>
<b>with 5 and more children</b>	<b>21.98</b>	<b>25.53</b>	<b>26.71</b>	<b>24.53</b>	<b>39.04</b>
<b>without children</b>	<b>51.52</b>	<b>55.43</b>	<b>71.81</b>	<b>75.83</b>	<b>86.89</b>

The analysis of household disposable income depending on the number of children in the family over a period of 4 years shows that the difference between the average income of all households and that of households with 3 and more children varies between 1.5 to 1.7 times in the period between 1996-1998 but in 1999 increased 1.8 times. Even calculating the indicator on equivalent consumer<sup>1</sup>, the difference remains. The material well-being of the household significantly deteriorates with every next child in the family.

In 1999, only 3.5% of the total amount of disposable income were at the disposal of 10% of the poorest households (1<sup>st</sup> decile) whereas 10% of the wealthiest households (those within the 10<sup>th</sup> decile) had one-fifth (21.1%) of the total disposable income.

In 1999, the main source of income for the households within the 1<sup>st</sup> decile was social transfers constituting 48.1% of the total household income. It means that the material welfare of these households largely depends on social security benefits including benefits to families with children.

Due to the lack of strictly worked out and confirmed by the government criteria of poverty, that could be applied to the calculations of the respective poverty indicators, the Central Statistical Bureau (CSB) follows the methods suggested by Eurostat. By recalculating the data to the equivalent consumer, the CSB applies the OECD equivalence scale. For the analysis of poverty, the CSB has chosen the following 3 conventional, and widely used in statistical practice thresholds of minimum consumption:

- ⇒ 50% of consumption expenditure per equivalent consumer as the lowest threshold of minimum consumption;
- ⇒ 60% of consumption expenditure per equivalent consumer as the next threshold of minimum consumption;
- ⇒ 70% of consumption expenditure per equivalent consumer as the highest threshold of minimum consumption.

The value of the above mentioned thresholds varies every year depending on the changes in the average income and consumption level.

The calculations based on the data of HBS show an increasing trend over the last 4 years in the share of poor (below 50% of the equivalent expenditure) equivalent consumers, reaching as much as 18.6% of the total number of equivalent consumers in 1999 (see *Appendix*). The risk to become poor is much greater for the families with 3 and more children. In 1999, below the level of 50% of the equivalent expenditure, there were 21% of equivalent consumers in families with one child, 19% - in families with two children and 45% - in families with three children (see the *Appendix*). The data of HBS show structural changes in the composition of the poor people resulting in a decrease of the number of the equivalent consumers whose consumption resources are higher than the lowest poverty line, and in an increase in the number of those equivalent consumers whose consumption resources are lower than the lowest poverty line. In order to see the problem in details, the following three groups were created:

- ⇒ the first group (below 50% of the equivalent expenditure) - the poor;
- ⇒ the second group (between 50 and 60%) – low-income group;
- ⇒ the third group (between 60 and 70%) – those facing the risk to join the low-income group.

<sup>1</sup> The unmodified scale of OECD (1, 0.7, 0.5) has been used.

**Number of poor equivalent consumers, low-income equivalent consumers and those equivalent consumers who face the risk to get in the low-income group**

*(in per cent of total number of equivalent consumers)*

	1996	1997	1998	1999
<b>All households</b>				
<b>The poor</b>	15.1	16.4	18.2	18.6
<b>Low-income group</b>	7.9	8.4	9.2	9.6
<b>Those facing the risk to get in the low-income group</b>	9.9	10.5	10.1	9.1
<b>Households with one child</b>				
<b>The poor</b>	16.6	17.8	18.3	19.9
<b>Low-income group</b>	7.5	8.5	8.6	9.4
<b>Those facing the risk to get in the low-income group</b>	8.8	10.1	10.1	8.3
<b>Households with two children</b>				
<b>The poor</b>	17.5	18.2	21.4	19.1
<b>Low-income group</b>	8.3	9.7	0.5	9.8
<b>Those facing the risk to get in the low-income group</b>	10.2	11.6	...	9.5
<b>Households with three and more children</b>				
<b>The poor</b>	28.1	33.0	34.3	44.7
<b>Low-income group</b>	12.2	7.9	15.6	13.7
<b>Those facing the risk to get in the low-income group</b>	11.7	12.9	11.7	9.9

By using this grouping for the analysis, it becomes evident that, in 1999, compared with 1998, the share of the poor equivalent consumers in households with 2 children has decreased but the share of low-income equivalent consumers in these households has increased. The situation in households with 3 and more children in 1999, compared with 1998, was even worse: although the share of low-income equivalent consumers and that of the equivalent consumers facing the risk to join the low-income group have slightly decreased, the share of poor consumers has significantly increased. It proves that central and local governments have not taken measures in the field of social protection of large families, or the measures undertaken had not been sufficiently efficient to prevent the spread of poverty in these families.

In order to describe to what extent the consumption of the poor population falls below the chosen poverty line, the poverty gap index is used. By applying 50% of the equivalent expenditure as the poverty line, the poverty gap index (calculated per equivalent consumer) on average in all households was rather stable over the period 1996-1999.

The poverty gap index

*(calculated per equivalent consumer)*

	1996	1997	1998	1999
<b>All households</b>	0.04	0.05	0.05	0.05
Households with 1 child	0.04	0.05	0.05	0.06
Households with 2 children	0.05	0.04	0.06	0.06
Households with 3 and more children	0.09	0.11	0.11	0.16

The situation in families with 3 and more children is much more serious: the poverty gap index went up in the period 1996-1999, reaching as much as 0.16 in 1999.

The needy families are forced to use food of low value, they often can not afford to pay for health care and treatment. Children in these families often face the lack of means to attend school, and they are not provided with the circumstances necessary for their normal development. These families are also exposed to a higher social risk, that can be related to health, psychological and alcoholism problems.

*Data source: Household budget survey*

## Education

The role of education has become increasingly important in Latvia. The Law on Education (1991) was one of the first laws adopted after the restoration of independence. It introduced a number of substantial changes and oriented education in Latvia in the direction many educational systems are currently developing in Europe and beyond. At the same time a trend of commercialisation of education can be observed, which as a consequence makes access to education for children from poor families increasingly difficult.

Funding is one of the cornerstones of qualitative education. Although the government has defined education as one of the priority areas, its financing is scanty. The sources of financing for the education institutions of Latvia are the central government budget, the local government budget and the resources of natural and legal persons as well as foreign aid in the implementation of selected projects in education. Since a comparatively small number of children attend private education institutions, the main source of financing education is the central government budget.

### Financing of education from the central government budget

	Expenditure for education (thsd., LVL)	Per cent of central government budget	As per cent of gross domestic product
1990	2806	12.8	4.5
1991	5852	16.9	4.1
1992	45701	22.2	4.5
1993	89145	16.9	6.1
1994	125138	16.1	6.1
1995	161783	17.0	6.9
1996	162586	14.6	5.7
1997	184916	14.6	5.6
1998	246526	15.7	6.9
1999	262716	15.1	7.2

Although in the last ten years the financing of education is growing year by year, it still is not sufficient to ensure that teachers' salaries would be at least on the level of the average wage of the employed in the country.

### Average wage and salary

	<i>(lats per month)</i>							
	1992	1993	1994	1995	1996	1997	1998	1999
Total	21.50	47.23	71.87	89,50	98,73	120,03	133.30	140.99
of which:								
education	19.99	39.35	54.34	71,58	78,20	93,07	108.11	119.90

A new procedure for the compensation of pedagogical staff has been worked out in the country for the period up to 2003, the implementation of which depends on the economic progress in the given period.

In Latvia, as in other countries, the first contact of children with the education system occurs at the pre-school establishments they attend before they start going to school.

## Indicators of pre-school establishments

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Number of pre-school establishments	1124	1123	1014	750	647	608	608	611	598	586	573
Enrolment, thsds	138.6	111.5	87.8	65.4	60.5	68.5	72.8	72.3	68.4	66.1	65.1
Pre-school enrolment of children aged 3-6 years as per cent of the total number of children of this age group	53	45	37	28	33	40	47	51	52	56	61

Beginning in 1989, the following changes have taken place in pre-school education:

- ⇒ With birth rates going down, both the number of children and pre-school establishments have decreased. This process is particularly rapid in rural areas;
- ⇒ The fee for attending a pre-school establishment has increased markedly. In 1990 this payment was on average 4% of the average wage of the employed but in 1999 it was 10%.
- ⇒ Comparatively more attention is paid to the preparation of five-year and six-year old children for obtaining basic education. The new Law on Education of the Republic of Latvia (1998) includes a section, which says that the preparation of all five- and six-year old children for school is compulsory. Unfortunately this norm was deleted from the law in 1999, as the necessary financing for its materialisation was not found. The restitution of this norm in the law is the main priority for the nearest future in the field of education in Latvia.

According to the Law on Education of the Republic of Latvia, basic education or the continuation of basic education until reaching 18 years of age is compulsory.

## Indicators of general schools of all types

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Number of general schools of all types	933	962	990	1029	1048	1076	1094	1112	1110	1111	1095
Enrolment, thsds	351.9	352.5	348.7	336.9	335.9	339.7	347.5	354.5	360.0	361.7	361.4
Pedagogical staff, thsds	31.2	32.1	32.4	33.4	33.4	33.3	34.7	35.9	36.2	34.9	34.8

Over the last ten years the performance of general schools has undergone changes. The Law on General Education, which came into force on 1 September 1999, introduced an important new principle in the general upper secondary education. The program principle was introduced replacing the previous system where students were allowed to freely choose seven out of at least twelve subjects at the upper secondary school. Currently the students are allowed to choose between several upper secondary education programs offered by the schools laying emphasis on different groups of subjects.

The computerisation of schools within the framework of the Public Investment Program was started in 1997. In 2000, there are computer classes in all secondary schools and gradual connecting of the computers to the Internet network is under way.

According to the data of the Living Conditions Survey (October 1999), 98.9% of the school age (7-16 years) children attended school at the time of the survey. It was observed that the level of school attendance was higher (99.2%) in the youngest school-age group (7-11 years). 61% of the population aged 17-21 years attended school whereas the figure for the age group 22-26 years was only 20%.

A new negative trend could be observed in Latvia already at the beginning of the 1990s - a very rapid rise in the number of children that did not attend school. Unfortunately, the absence of a reliable and co-ordinated register of school age children is the main reason why we lack information about the number of these children and the cause for non-attendance. The building of the above register was commenced only in 1999 and

information about individual children and the reasons for non-attendance will be available only in the second half of 2000.

### Health care

Due to physical and intellectual immaturity, children as opposed to grown-up people need special health care. With regard to health care, the 1990s were characterised by new relations in the area of health care and financing and by structural changes in health resources. Health services for a fee were gradually introduced at the end of the 1990s but at the beginning of 2000 such health services as dental (free of charge for children) and gynaecological services are actually available only for a fee and this means that the population must allocate larger amounts of money to health care. Sickness insurance institutions and family doctors (family physicians) have resumed their activities. Since 1997, primary health care has been proclaimed the priority of public health care. Compared with the beginning of the 1990s, the number of family doctors has gone up markedly.

The current situation is to a certain degree paradoxical – the quality of private health care is much better than previously but the possibilities to receive even the state provided health services are much slimmer. The results of the 1999 Living Conditions Survey reveal that due to a lack of money or the health insurance policy the population was forced to refrain from the necessary healthcare services such as tooth repair or a visit to a very good doctor. With regard to households with 2 and more children, this means every second and every third household, respectively.

Describing the state of health of children and adolescents it should be mentioned that 56% of the children and 58% of the adolescents are absolutely healthy (group 1). Although this indicator characterises slight changes in the state of health of children and adolescents, in comparison with the early 1990s, the ratio of children within the 1<sup>st</sup> group, especially among teenagers, has decreased. No stable improvement can be seen in the health of the newly born and the year-old children. Only 45% of the newly born and 49% of the year-old children are included in the 1<sup>st</sup> health group.

### Children's (0-14) state of health

Breakdown by health groups	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
<i>Children 0-14 years old</i>										
I group	60.4	58.2	58.4	57.4	56.2	57.2	57.2	55.0	55.3	56.0
II group	33.8	34.6	35.2	36.2	38.2	37.9	38.1	40.2	40.1	39.7
III group	5.8	7.2	6.4	6.4	5.6	4.9	4.7	4.8	4.6	4.3
<i>Teenagers 15 - 17 years old</i>										
I group	67.4	63.2	63.5	58.3	55.1	58.8	59.4	55.6	54.6	57.6
II group	25.7	28.3	28.2	34.6	38.5	35.2	35.2	38.8	39.6	37.1
III group	6.9	8.5	8.3	7.1	6.4	6.0	5.4	5.6	5.8	5.3
<b>One year old children</b>										
I group	58.3	51.1	51.3	49.9	49.7	49.0	46.6	46.3	47.1	48.8
II group	38.8	42.0	44.0	44.8	45.8	46.9	49.4	49.2	49.0	47.4
III group	2.9	6.9	4.7	5.3	4.5	4.1	4.0	4.5	3.9	3.8

#### Health groups of children:

- 1<sup>st</sup> group - actually healthy children, rarely fall ill, the progress of an illness is without complications;  
 2<sup>nd</sup> group - actually healthy children though susceptible to diseases (the risk group). Fall ill frequently, the illness is lengthy, with a marked post-disease period characterised by fatigue or irritability, sleep disturbances, loss of appetite, etc.  
 3<sup>rd</sup> group - children with congenital defects and chronic pathologies.

Although the state guarantees a certain minimum of health services to the population, the allocated resources are not sufficient.

### Share of the budget spent on health care

	In percent of general government budget	In percent of gross domestic product	Expenditures on health care from general government budget per capita, LVL
1993	11.3	4.1	23.1
1994	10.3	3.9	31.5
1995	9.7	3.9	36.8
1996	9.9	3.9	44.3
1997	9.9	3.8	50.9
1998	9.4	4.1	60.6
1999	9.1	4.4	65.6

The ever rising spread of infectious diseases is an evidence of unfavourable trends in public health. These disease groups characterise the quality of life of the population and the access to healthcare.

The bad socio-economic conditions and negligent attitude of the population to own health are the main reasons for the spread of tuberculosis. Other factors include delayed visits to the doctor, avoidance of prophylactic tests and the fact that in every day life children live together with sick parents or other relatives thus incurring a risk to contract the disease.

### Reported cases of active tuberculosis among underage

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Number of new cases, total	51	49	50	50	63	74	101	112	153	154
Per 100,000 underage	7.5	7.2	8.7	7.7	10.0	12.0	16.8	19.1	26.9	27.9

Despite of a slight decrease over the past years in the number of new cases of sexually transmitted diseases, the incidence rate among the children and adolescents remains high. Some specialists believe that the data do not fully reflect the situation, as it is quite possible that many patients do not visit a doctor or undergo treatment unofficially.

New cases of sexually transmitted diseases are typical to the age group of 15-40 years. Over the last three years there has not been relevant changes in the age of the syphilis and gonorrhoea patients. The ratio of children and adolescents are on average 4-7% of the total number of patients. It should be noted, however, that in recent years the number of children who have contracted sexually transmitted diseases has decreased from 632 cases in 1995 to 168 in 1999

In terms of absolute figures, starting in 1995, the number of induced abortions in Latvia is decreasing but the indicators are nevertheless high. In 1999, on average 30 induced abortions were made per 1000 woman at the age of 15-49 years. The ratio of the number of births to that of induced abortions can be characterised by a slight rise until in 1999 the ratio for the first time was higher than one.

### Ratio of births to the induced abortions

1991	1992	1993	1994	1995	1996	1997	1998	1999
0.89	0.92	0.86	0.91	0.83	0.81	0.86	0.92	1.07

Abortions negatively affect the demographic situation and promote chronic diseases of the reproductive organs as a result of which the number of interrupted pregnancies goes up.

The summary indicator characterising the demographic situation and health of the population is the average life expectancy at birth. During the 1990s this indicator changed from 64 years for men and 75 years for women in 1990 to 61 years for men and 73 years for women in the mid-1990s. In recent years the life expectancy is rising again. In 1999, it was 64.9 years for men and 76.2 years for women. In 1999 it was 64.9 years for males and 76.2 years for females.

## Social deviance

Social deviance prevention and eradication (violence, alcoholism, drug addiction, prostitution and criminality, especially among underage persons) is becoming a task of increasing importance. The reasons behind these problems must be sought in the social, economic and psychological conditions within the surrounding environment. An unfavourable atmosphere in the family is considered to be one of the main risk factors at the bottom of these problems. Poverty is likewise one of the risk factors. Poverty stimulates the spread of antisocial behaviour such as crime, alcoholism and violence.

At the beginning of the 1990s an escalation of crime could be observed in the country. Crime stabilised in the middle of the 1990s with 40 thsd registered crimes on average per year. Similar trends can also be observed in juvenile delinquency. The dynamic of juvenile delinquency is shown in the table below.

### Dynamic of juvenile delinquency

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Number of offences committed by teenagers	2410	2340	3300	2542	2171	2591	3025	3634	4023	3757
Ratio to the total number of offences	6.9	5.6	5.3	4.8	5.3	6.7	7.9	9.9	11.0	8.5

It is the older offenders who often entangle children in criminal activities. In such cases it is difficult to assess whether the child is a criminal or a victim of crime.

Underage offenders usually commit property crimes and approximately 80% of these offenders are convicted of property crimes. The ratio of violent crimes to the total number of crimes is high. The analysis of a 10-year period shows that underage persons commit 11 homicides on average per year. That is why a considerable number of underage persons are sentenced to deprivation of liberty.

In the period between 1990 to 1999 the rate of underage persons to the total number of convicted persons ranged from 11 to 15 per cent. The number of convicted underage persons has increased in recent years. The dynamic and ratio of convicted persons to the total number of convicted underage persons can be seen in the table below:

### Number of convicted underage persons

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Number of convicted underage persons	1098	975	1149	1221	1143	1063	1238	1676	1678	1795
Number of convicted underage persons per 10000 population, 14-17 years old	78	70	84	91	86	80	91	120	116	116
Number of convicted underage persons sentenced to deprivation of liberty	311	268	391	341	288	245	210	390	275	366
In percent of total number of convicted underage persons	28.3	27.5	34.0	27.9	25.2	23.0	17.0	23.3	16.4	20.4

In 1991 and 1992 the reformatory educational establishments for underage persons (special schools) were closed down rashly without a good reason and the number of inspectors of the minors' affairs were considerably reduced in the institutions of interior affairs. Underage boys who are sentenced to liberty deprivation serve their time in the Cēsis reformatory institution for underage boys but girls are placed in the women's prison of Ilūguciems. The information at the disposal of the Central Statistical Bureau concerning convicted underage persons is only for a few previous years; this information does not show separately the number of underage offenders (14-17 years) but covers the number of convicts aged 14 to 21 years.

## Number of incarcerated underage convicts

	1996	1997	1998	1999
Number of incarcerated convicted underage persons (14-21 years old)	801	818	849	770
of which female	15	16	20	20

According to the court verdict, part of the underage offenders are placed in reformatory educational establishments. There are five such establishments in Latvia with a total of 272 boys and 14 girls in the school year 1999/2000.

The factors stimulating delinquent behaviour are that many young people neither work nor study and that quite often children are not brought up in the family. More than half of the underage convicts (58.9% in 1996, 53.9% in 1997, 55.7% in 1998 and 49.2% in 1999) do not work and neither do they study, 4-7% are brought up outside the family. According to the data of sociological polls, the factors of criminality must be sought first of all in the family.

## Reasons behind underage and juvenile delinquency

Unemployment, low income of the family	82.0
Irresponsibility of parents	44.4
Violation of children's rights, i.e., non-prevention of violence against them	43.5
Insufficient state assistance to low-income families	40.3
Insufficient work of the children's rights and delinquency prevention institutions	36.8
Passiveness of local governments in the implementation of social and judicial programs in the area of underage and juvenile crime prevention	17.3
Insufficient role of the school in the upbringing of children and young people	13.2

Source: Juvenile delinquency, prostitution, drug addiction and other antisocial phenomena: the real situation and decisive factors// Criminological Research Centre, 1995.

The number of children whose parents are deprived of parental rights is increasing every year and this negatively affects the children. The parents of these children are predominantly alcoholics, drug addicts and persons with antisocial behaviour. Their children are subjected to suffering and humiliation: they are starved, involved in begging, thefts and other offences, they are to earn money by prostitution. In 1999 there were 2872 children whose parents were deprived of parental rights.

The relations in the family have worsened. Sociological polls show that due to unemployment husbands have started to abuse alcohol and this in some cases leads to battering of the wife and children. As a result, children's risk to become victims of violence, even in their own family, increases. Due to a lack of regular information, it is difficult to reflect this problem precisely enough. The number of children, who have been exposed to violence, is given in table.

## Number of children who have been exposed to violence

1992	1993	1994	1995	1996	1997	1998	1999
459	354	299	312	...	...	701	760

Until the middle of the 1990s, information about children who have been exposed to violence was not compiled regularly but only upon the request of data users. Beginning in 1998, this information is compiled regularly. The considerable disparity in the number of victims of violence between the middle and the end of the 1990s could not be attributed only to the rising violence but in our opinion, also to better accounting. The main kinds how children have suffered are crimes related to misappropriation of property (33% of cases), hooliganism (13%) and enforced sexual relations (12%).

Only lately a possibility has been created for the children who have been victims of violence to undergo psychological rehabilitation. There are 4 institutions operating in Latvia that are engaged in the psychological rehabilitation of children. According to data at the disposal of the CSB, there are in total 300 places for children who have been exposed to violence.

Drug addiction is a comparatively new and extremely quickly progressing phenomenon that at the end of the 1990s started to assume a terrifying dimension in the country.

### **Number of underage persons registered with health institutions**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Number of underage addicts, total	142	44	20	27	83	221	266	249	230	298
of which:										
0-14 years old								132	116	89
15-17 years old								117	114	209
Number of underage alcoholics, total	457	223	171	255	157	279	172	161	149	41
of which:										
0-14 years old								39	45	89
15-17 years old								122	104	152

According to the data of the Center of Drug abuse prevention and treatment the number of registered underage addicts tends to go up. To better investigate the causes and spread of alcoholism and drug addiction in the country, information is collected both from the administrative data sources and through various sample surveys (The European school project on alcohol and other drugs, Latvia-ESPAD'99). The fact that ever-younger children start to use drugs is a cause for alarm. The youngest user of drugs recorded with the Center of Drug abuse prevention and treatment is 11 years old but the youngest user who has developed dependency is 12 years old.

### **HIGH RISK CHILDREN AND PUBLIC CARE**

The legislation of the Republic of Latvia establishes the guarantees to receive a social care in institutions or care, that is alternative to the institutional forms, to the children left without parental care, orphans and children who need special care due to the sickness. Children in the social care institutions are provided with the necessary living conditions, social and health care, rehabilitation and education. In Latvia, social care of children is provided in the following institutions: social care centres for orphans, children's homes and specialised social care centres for children.

Forms of care alternative to the institutional one were relatively recently introduced in Latvia. Forms of the alternative social care for children are the day centres for disabled children, home care for children with physical or mental disorders, guardianship, foster families and adoption. The forms of alternative care allow providing an upbringing of children in a family, that considerably facilitates and improves the process of their socialisation. The introduction of alternative forms of care is within the competence of local governments. Although the law establishes participation of the government in the organisation of separate forms of the alternative care, their development in Latvia is rather slow. It can be explained both by the lack of experience in the implementation of alternative care forms and by the peculiarities of their financing. The government with its budgetary resources participates only in the financing of selected forms of care, for example, day care centres for persons with mental disorders, guardianship and foster families.

### **INSTITUTIONAL CARE**

Institutional care of children left without parental care and children with specific needs is the best known and currently the most widespread form of social care that has long-standing traditions in Latvia. It hinders to a certain extent the development of alternative forms of care. At the same time, an institutional care is the most expensive kind of social care for children. Despite of that, the number of social care institutions for children and their inmates continues to grow. The number of social care institutions for children increased from 40 institutions in 1995 to 57 in 1999. There was a particular increase in the number of children's homes: since

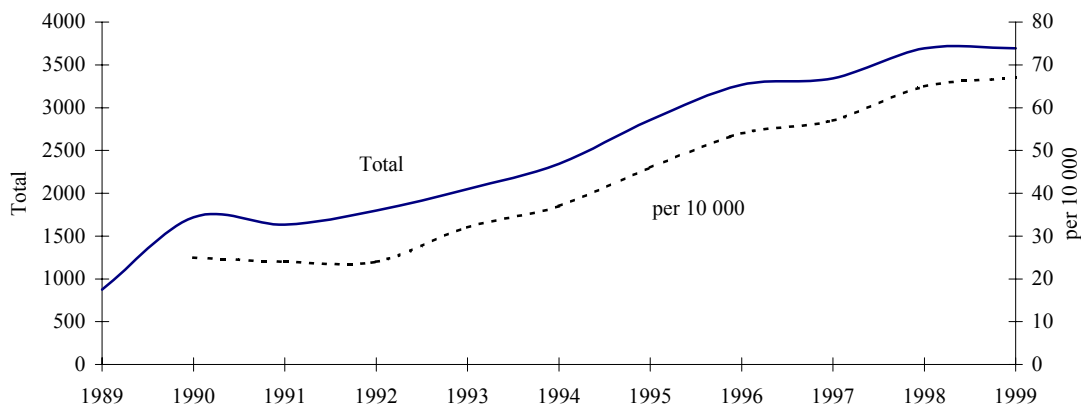
1990, the number of these institutions has increased 6 times. This can be explained by the tendency, established already in the soviet times, to consider placing a child into an institution as the simplest way of solving the problem. The consequences resulting from such a form of care (the child gets estranged from the family and has not a base for successful socialisation) are not yet comprehended on the level of local governments. One can mention as positive the fact that the number of social care centres for orphans and specialised social care centres for children has not increased since 1995. The number of children in these institutions has decreased by 4% in 1999, compared with 1995.

Number of institutions of social care for children

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
<b>Children's homes</b>	8	10	14	21	27	31	43	43	49	48
<b>Social care centres for orphans</b>	7	6	6	6	6	6	6	6	6	6
<b>Specialised social care centres for children</b>	-	-	-	-	-	3	3	3	3	3

The number of children in social care institutions for children has been continuously growing since 1989. In 1999, it exceeded the level of 1989 more than fourfold.

Total number of children in public institutional care



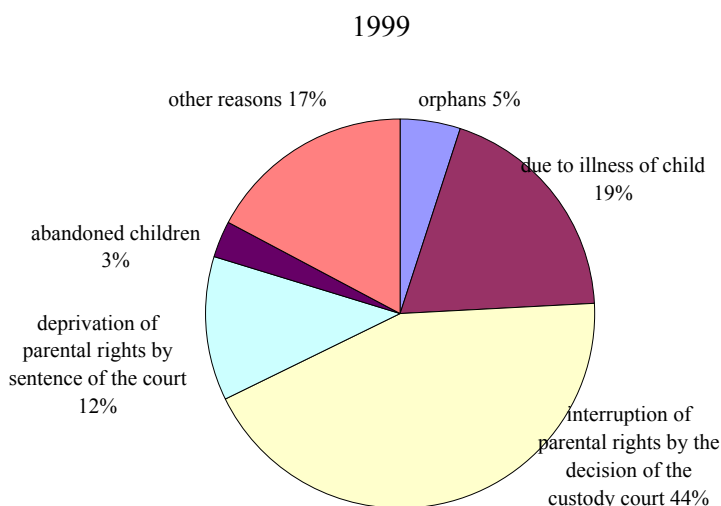
The number of children in the social care institutions per 10 000 population at the age of 0-17 years increased 2.6 times in the period from 1990 to 1999, regardless of the fact that the number of population of the respective age group has been decreasing since 1989. This negative trend can be explained by the situation when the economic reforms of the transition period overtake the progress in social reforms.

Orphans are not the main contingent in the social care institutions for children in Latvia: the share of orphans among the inmates of the institutions for children was only 5% in 1999. Although, in terms of absolute figures, the number of orphans has increased nearly 1.7 times in the period from 1995 to 1999. In 1999, the main reason of being placed in institutions for children was the interruption or deprivation of parental rights (for nearly 56% of the children), but 3% of the children were abandoned. These facts show that the family ties undergo a serious crisis.

In terms of absolute figures, the number of disabled children, as well as that of children suffering from tuberculosis and sexually transmitted diseases is increasing in childcare institutions. However, as a positive fact, one can mention the decrease in the number of abandoned children by 45% during the last three years.

Reasons for placing children in social care institutions, at end of year

	1997	1998	1999
<b>Number of children in social care centres for orphans, children's homes and specialised social care centres for children</b>	3289	3639	3637
<b>of which:</b>			
orphans	127	117	177
due to illness of the child	699	722	704
withdrawal of parental rights by the decision of the custody court	1249	1569	1582
deprivation of parental rights by the sentence of the court	416	419	437
abandoned children	198	126	109
other reasons	600	686	628



Due to the increasing number of children in childcare institutions, the expenditure for these institutions is also rising year by year: in 1999, compared with 1997, the expenditure increased by 46%. Despite of this, the financial resources spent per one child decreased by 10% in 1999, in comparison with 1997. This fact characterises the disproportion between the increase of the number of institutionalised children and that of the financing assigned by the central and local government. However, the amount of the financial resources spent for such vitally relevant needs as food and medicaments per one child is not reduced.

Financial resources spent per one child, lats

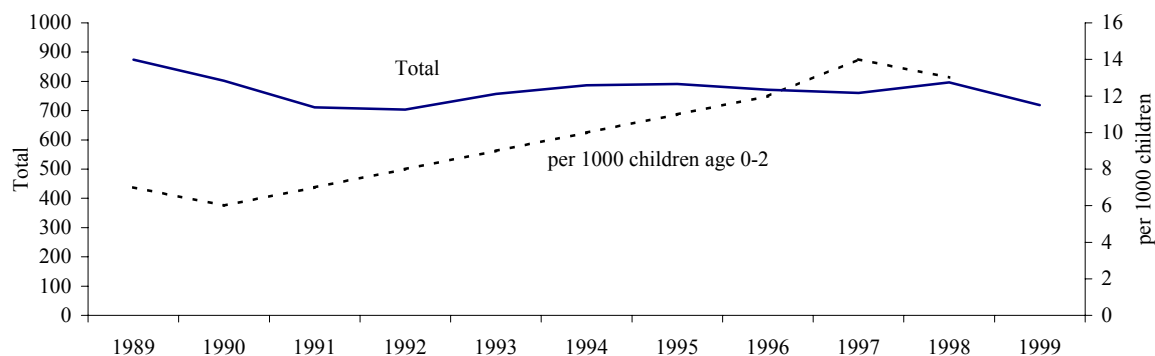
	(Ls)		
	1997	1998	1999
<b>Financial resources monthly spent per one child - Total</b>	175.54	172.54	157.94
<b>Financial resources spent for: feeding, per day</b>	0.97	0.97	0.97
<b>Purchase of medicaments, per day</b>	0.06	0.09	0.06
<b>Purchase of clothes, bedclothes and toys</b>	24.64	15.53	29.81

In 1998, minimum requirements to the providers of social services were worked out. The introduction of these requirements allowed starting the elaboration of a common concept about the content of the services to be provided and the approximation of the level of these services in social care institutions, located in different districts of the country.

## SOCIAL CARE CENTRES OF ORPHANS

Children who are left without parental care and children under the age of 2 years with health problems are placed in social care centres for children. These institutions are financed from the state budget. The dynamic of the number of children in these institutions shows variable trends in the transition period: in the beginning of the 1990s, a decreasing trend in the number of children was observed that was replaced by an increasing one in the period of 1993-1995. Since 1996, the decrease in the number of children started again, with the exception of 1998 when the number of children in this kind of care institutions increased by 5%.

Number of children in social care institutions for orphans



Although the birth rate has dramatically decreased in the country, the number of children in social care centres for orphans per 1000 children aged 0-2 years is continuously increasing year by year. In 1999, for 37% of the inmates of social care centres for orphans, the reason being placed in these institutions was interruption or deprivation of parental rights but nearly 10% of the children were abandoned. 116 children of the 463 placed in the care centres for orphans in 1999 were abandoned ones. This fact points to the growing irresponsibility of parents concerning their children. The state is forced to undertake the care of these children, moreover, to increase the financing per child each year. In 1999, compared to 1997, the amount of financial resources spent per child in social care centres for orphans has increased by 46.9%. The increase in the amount of financial resources monthly spent per one child indicates an improvement of childcare quality. The expenditure per one child in the childcare institutions of this type is the highest, because their inmates need special food, hygienic articles and medicaments. Statistics show that the state of health of the children placed in these institutions becomes worse year by year. Although the number of disabled children placed in social care centres for orphans, in terms of absolute figures, has decreased during the last year, their share in the total number of the inmates of the institutions has increased by 1.3% in 1999, compared to the previous year.

The number of disabled children in social care centres for orphans

	1997	1998	1999
<b>Number of children – Total</b>	760	797	719
<b>Of which:</b>			
<b>Disabled children</b>	296	307	286

## CHILDREN'S HOMES

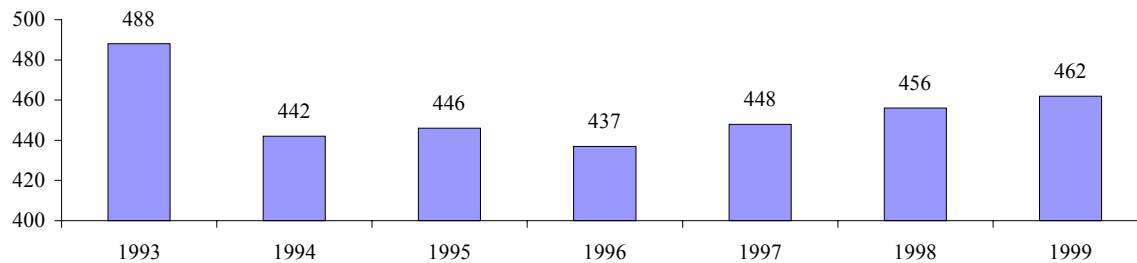
The inmates of children's homes are children aged 3–18 years that are left without parental care. Of all the institutions of childcare, the number of children in social care institutions of this type is growing most rapidly: it increased by 52% in the period 1995-1999. More than half (57.8%) of the children placed in these institutions in 1999 were at the age of 8-15 years, and for nearly half of them (49.7%), the reason of being institutionalised was the interruption of parental rights.

Children's homes are financed from the local government budget. The rapid increase in the number of inmates of these institutions and the limited resources at the disposal of local governments do not allow to

increase the amount of financing per one child, that can cause problems in providing qualitative care. That should not be admissible, since the number of disabled children and those suffering from tuberculosis increases in children's homes. In 1999, as much as 11% of the inmates were tubercular patients.

## SPECIALISED SOCIAL CARE CENTRES FOR CHILDREN

Specialised social care centres for children are financed by the central government, and the inmates of these institutions are children with mental and physical disorders aged 3 to 18 years. In 1999, the number of children in the specialised care centres was by 5.4% lower than in 1993, although an increase in the number of the inmates was observed in the past three years.

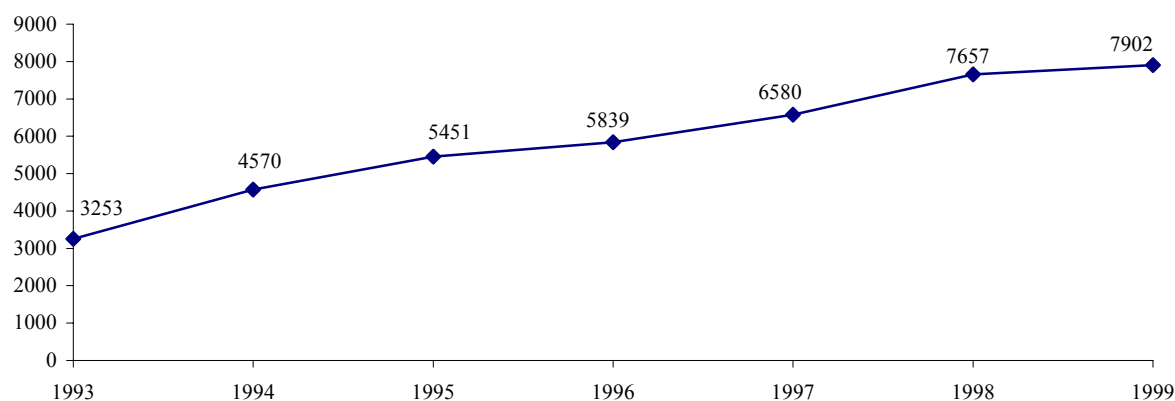


All children living in social care centres for children are with insanity derangement. The reason for placing a child in a care institution of this type is the state of health of the child. In 1998, the number of children with insanity derangement of a serious and deep degree was 55.7% of all the children within the institutions of this type. In 1999, the number of such children decreased and represented 49.1%. The number of children with insanity derangement of a light and average degree increased by 6.6% in 1999, compared with 1998, reaching 50.9% of the number of all inmates in these institutions. It is possible that this positive development was promoted by the increase of the financial resources assigned for the purchase of medicaments: by 87.6% or 1.9 times in the period from 1997 to 1999.

As a transition form between the institutional care and alternative care, one can mention children's homes of family type, where children, left without parental care, are provided with a possibility to live in an environment that is closer to the model of the biological family than the large care institutions. In 1996, there were 9 children's homes of family type, with 69 children. During the following years, due to the deteriorating living standard, there was observed a decrease in the number of children's homes of family type and, correspondingly, in the number of children living in these children's homes: in 1999, 55 children lived in 7 children's homes of family type. Nevertheless, the increase in the number of the inmates (by 2 children) living in these homes gives a hope that this type of care will continue to develop in Latvia.

## ALTERNATIVE FORMS OF CARE

Regardless of the government's social policy to support the development of the alternative care forms organising and financing the alternative care for almost all groups of population is a responsibility of local governments. Rather frequently, this is the reason why local governments are not interested to develop alternative care forms, but further the use of institutional care, that is financed from the state central budget (social care centres for orphans and specialised social care centres for children), instead. Thus, the development of alternative care to the children with mental disorders and to those with specific needs as well as placing children under the care of foster families is delayed. As an exception, one can mention committing orphans and children that are left without parental care, to the guardianship, because this group of population receives special benefits from the state. In 1999, the trend observed in previous years continued: the number of children committed to the guardianship increased by 3.2%, compared with 1998.



In 1999, the number of children committed to the guardianship exceeded the corresponding indicator in 1998 by 10.6%. This positive trend was fixed by the amendments in the legislation made in 1998, that broadened the range of persons eligible to receive the compensation for carrying out the guardian's duties. The size of the compensation (38 lats per month) has been stable for several years and, in 1999, it represented 36.9% of the average net wage of the employed in the economy. Unfortunately, the amount of the benefit is not indexed, that is, it does not increase depending on the increase in prices. As an alternative to institutional care, providing the child with a guardian is in the interests both of the child and the state. The maintenance of a child in social care institutions is more expensive for the state and local governments: in 1999, the expenditure per one child per month in a childcare institution exceeded the amount of the guardian's compensation 4.2 times.

Committing orphans and children that are left without parental care, to upbringing in foster families does not proceed as successfully as the solution of issues concerning guardianship. There were only 2 foster families in 1998 and 3 in 1999 in Latvia. Although the government is interested to further the process, the complicated mechanism of financing the activities of foster families as well as the necessity to engage a social worker for the work with the biological family of the child, in order he/she would be able to return in it, do not further a broad interest of local governments to use this form of care. As from 1<sup>st</sup> January 1998, the government has fixed the amount of the compensation to foster families at 38 lats per month payable from the state budget, while local governments have to provide material assistance to these families from their budgets.

One of the alternative care forms for children with mental disorders or special needs is a day care centre for disabled children. The centres are entirely financed from the budget of local governments. This kind of social care provides disabled children with rehabilitation services, education, entertainment and integration in the society, at the same time, not losing ties with the biological family. Unfortunately, the process of formation and use of the day centres is rather slow. In 1998, there was only one centre for disabled children in Latvia, and only 12 children have been cared for in it. There is no precise statistical information available on this kind of social care either.

## ADOPTION

The law "On the Protection of Children's Rights", passed in 1998, supports the adoption of orphans, so that children who are left without parental care would be provided with a possibility to grow up in a family. The adoption of children is a positive alternative to the social care institutions. Though, since 1991, a falling trend in the number of adopted children can be observed with the exception of 1997 when there was an increase in their number. The share of the international adoptions in the total number of adoptions is growing year by year: 18.3% in 1993, 52.5% in 1997, and 40.2% in 1999).

### Number of adopted children

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Number of adopted children	589	584	641	615	469	422	387	384	404	373	378
Of which number of children adopted to foreign countries	-	-	-	-	86	105	144	195	212	202	152

The above mentioned “Law on the Protection of Children’s Rights” establishes that adoption to a foreign country is allowed only in case if Latvia has concluded a bilateral agreement with the given country on guaranteeing children’s rights.

Adoption to a foreign country is rather a new phenomenon in Latvia that showed a growing trend until 1997. In the period between 1993 and 1999, 1096 children were adopted to foreign countries. Both in the adoption as a whole and in the adoption to foreign countries, the majority of children were adopted from the social care centres for orphans. This shows that the adopters are mainly interested in children under the age of 2 years.

### Number of children adopted from social care institutions

	Children’s homes			Social care centres for orphans			Specialised social care centres for children		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
Number of adapted children	26	39	32	220	217	169	-	1	-
<b>Of which:</b>									
in Latvia	1	3	5	33	52	44	-	-	-
to foreign countries	25	36	27	187	165	125	-	1	-

More than half of the children are adopted from the child care institutions (60.1% in 1997, 69.2% in 1998 and 53.2% in 1999), less - from families.

## APPENDIX

### Social characteristic of patients with syphilis and gonorrhoea

	1996	1997	1998	1999
<i>Patients with syphilis</i>				
Employed	23	25	24	24
Non-working	67	66	66	65
Disorganised children	1	1	1	1
Pupils of education institutions	4	4	4	4
Incarcerated persons	5	4	5	6
<i>Patients with gonorrhoea</i>				
Employed	33	32	34	33
Non-working	53	54	54	56
Disorganised children	1	1	0	0
Pupils of education institutions	12	12	10	10
Incarcerated persons	1	1	2	1

### A few indicators of reproductive health

	Total	First pregnancy interrupted				
		Of which:				
		up to 14 years	15-17	18-19	20-34	35+
1993	2961	18	592	...	...	29
1994	2744	23	...	...	1297	53
1995	2868	20	536	877	1405	30
1996	2466	21	525	703	1194	23
1997	2629	24	599	779	1180	47
1998	2305	20	475	631	1136	43
1999	2389	19	417	696	1213	44

### Financial resources spent per one child in social care institutions for children

	Children's homes			Social care centres for orphans			Specialised social care centres for children		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
<b>Financial resources monthly spent per one child – Total, LVL</b>	182.18	140.53	142.74	172.74	193.18	253.79	149.42	183.91	209.42
<b>Financial resources spent for feeding per one child per day, LVL</b>	0.98	0.99	0.96	0.96	0.91	0.98	0.96	1.01	1.04
<b>Financial resources spent for purchase of medicaments per one child per day, LVL</b>	0.05	0.05	0.05	0.10	0.11	0.11	0.06	0.11	0.13
<b>Financial resources spent for purchase of clothes, bedclothes and toys per one child per year, LVL</b>	25.96	34.07	31.13	20.00	5.35	21.96	26.40	7.17	24.41

Number of children in social care institutions by type of somatic disorders or illness

	Children's homes		Social care centres for orphans		Specialised social care centres for children	
	1998	1999	1998	1999	1998	1999
<b>Number of children in the institutions – Total</b>	2386	2456	797	719	456	462
<b>of which:</b>						
children with physical retard	307	242	344	304	305	296
children impaired eyesight	451	496	184	209	78	155
children with dull hearing	61	61	24	21	26	25
children with speech defects	439	415	420	438	366	411
children who are recorded as TB patients	258	273	21	19	4	5
children with other types of somatic disorders	260	390	107	153	114	86
children who are infected with sexually transmitted diseases	1	6	20	30	-	-
of which:						
syphilis	1	3	20	30	-	-
other STS	-	3	-	-	-	-
children who are infected with AIDS	-	-	1	1	-	-