

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

**Country Paper**

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## „Analytical Report: Trends and Indicators on Child and Family Well-being in Slovakia,,

### 1. Indicators for Monitoring Child and Family Well-being Since 1989

Standard of living and well-being of families and children depend, *inter alia*, on level of living costs, i.e. costs on food, housing, education, health care, culture, leisure activities and others.

Costs on food and soft beverages in Slovakia are of a highest weight in households of employees and retired people (273.6 per mille) and in households of retired people (392.4 per mille).

In terms of consumption of particular type of food, significant growth of poultry meat consumption was recorded in 1989 to 1999. For instance, the consumption increased by 29.9% in 1999 compared to the year 1995; consumption of beef or veal decreased gradually. Another characteristics of that period of time was that the proportion of plant fat and oils consumption increased, while animal fat such as pork one and butter consumption decreased. Stagnation of development in milk and milk products consumption was another unfavourable tendency. It would be desirable to reduce consumption of pork meat and increase that of beef to restore nourishment habits in Slovakia.

Comparison in 1997 between the average meat consumption in the EU countries (92.3 kg) and Slovakia (66.1 kg) suggests that the latter was lower by 26.2 kg. The weakest part of nourishment could be seen in insufficient milk and milk products consumption. After drastic decrease of such consumption in the first half of 90-ies, the years 1995 to 1999 were characterised by persisting undesirable low consumption. The average consumption of the above time period was  $162 \pm 0.5$  kg which is 58 kg less compared to that food amount recommended.

Consumption of milk and milk products in Slovakia is far behind the EU countries. The EU countries are far ahead Slovakia in consumption of milk, cheese and curds in total. Consumption of milk in Slovakia was 75.8 kg (1997), and that of cheese and curds without cream cheeses was only 6.2 kg.

After a slight increase in 1997 and 1998 consumption of fishes and fish products has become stable at the value of 4.1 kg. Compared with the amount recommended Slovak consumption is behind by 1.9 kg.

Total consumption of fat and oils is maintained at the same level at large. Consumption of plant fat and oil in 1999 was 16.9 kg. The average fat consumption which is  $24 \pm 0.2$  kg in Slovakia is 2 kg higher compared with the amount recommended.

Traditionally, consumption of sugar and sugar products is at high level; average consumption which is  $33.1 \pm 2.1$  kg is higher by 2.2. kg compared to the amount recommended. However, the amount is approximately the same as in the EU countries.

Consumption of pulses was about  $2 \pm 0,1$  kg per person; that is lower by 0.6 kg compared to the amount recommended.

Consumption of vegetables and vegetable products increased slightly and accounted for 108.5 kg in 1999; slight decrease was recorded in consumption of fruit and fruit products which accounted for 61.3 kg in 1999. Recommended

amounts for vegetable and fruit consumption were 127.9 kg and 96.7 kg, respectively; thus the fruit consumption, particularly, was at a low level only.

With its fruit (61.3 kg) and vegetable (108.5 kg) consumption in 1999 Slovakia was ranked among countries with lower level of consumption.

In terms of nutritious values of food consumption our nourishment is characterised by slight energy surplus. Higher energy income was recorded in 1998: 1,339 KJ more compared to recommended nutritious values per citizen – day which could be reduced by reduction in pork meat consumption in favour of fat-free meat and reduction of sugar consumption.

## **1.1 Trends of Some Selected Indicators**

Family benefit concept has been changed in the course of development of social and political situation after 1989. To arrive to a more fair distribution of financial funds collected through a solidarity-based tax system, a flat delivery approach has been abandoned in favour of more targeted, and/or means tested approach. Social situation of potential beneficiaries has started to be investigated more profoundly and thus the output has been achieved that benefits were granted to entities where such intervention was actually required. For instance, family benefits were granted to 816,977 families in total in 1989; that number of families was reduced to 559,428, i.e. by 31.5% in 1999. On the other hand, total amount of benefits granted to families increased from Sk 18,085 mil (1989) to Sk 93,799 mil (1999), i.e. by 418.7%. Average benefit per one child in Slovakia accounted for Sk 338 (1989) and Sk 704 (1999), i.e. increase by 128.6%. Number of women – maternity beneficiaries reduced from 38 thousand in 1991 to 25 thousand in 1999, i.e. by 34.2% caused by gradual reduction of women's fertility. On the other hand, total costs on maternity benefits increased accounting for Sk 765 mil in 1989 and Sk 1,237 mil in 1999, i.e. increase by 61.7%. Number of children in public facilities decreased from 9,030 in 1989 to 7,205 in 1999, i.e. reduction by 20.2%. Number of children with mental or physical disabilities living in public facilities also was reduced from 4,166 (1989) to 3,501 (1999), i.e. by 16.0%. Such phenomenon has been caused mainly by increased pro-adoption approach and enhanced integration of children with disabilities with healthy ones and their higher return rate to their own, and/or replaced families. Number of children placed in replaced families increased from 2,348 (1989) to 2,581 (1999), i.e. by 9.9%.

Unfavourable trend in the life of society and therefor also children after 1989 has been recorded also in terms of total number of criminal offences increasing by 102.6%; and number of criminal offences where juvenile offenders were involved increased by 53.2%. Total number of criminal offences was more than doubled during the period monitored: 46,398 (in 1989) and 94,016 (in 1999). Total number of criminal offences where juvenile offenders were involved increased by more than half accounting for 4,103 criminal offences in 1989 and 6,286 criminal offences in 1999. Number of murders committed by juveniles increased from 6 to 7, i.e. by 16.7%. Number of juvenile offenders sentenced for criminal offences increased by 23.6%: 2,151 and 2,659 juveniles were sentenced in 1989 and in 1999, respectively.

Conditional sentences were used by courts more widely and therefor number of juvenile offenders imprisoned decreased by 62.9% during the period monitored: 310 of them were imprisoned in 1989 and 155 only in 1999. Number of children placed into correction facilities was reduced by 47.1%: from 51 in 1989 to 27 in 1999.

## 1.2. Overall View on Changes Taking Place During 1989 to 1999

Undoubtedly, trends in demography indicators also do play a crucial role in healthy life of children, their well-being or poverty.

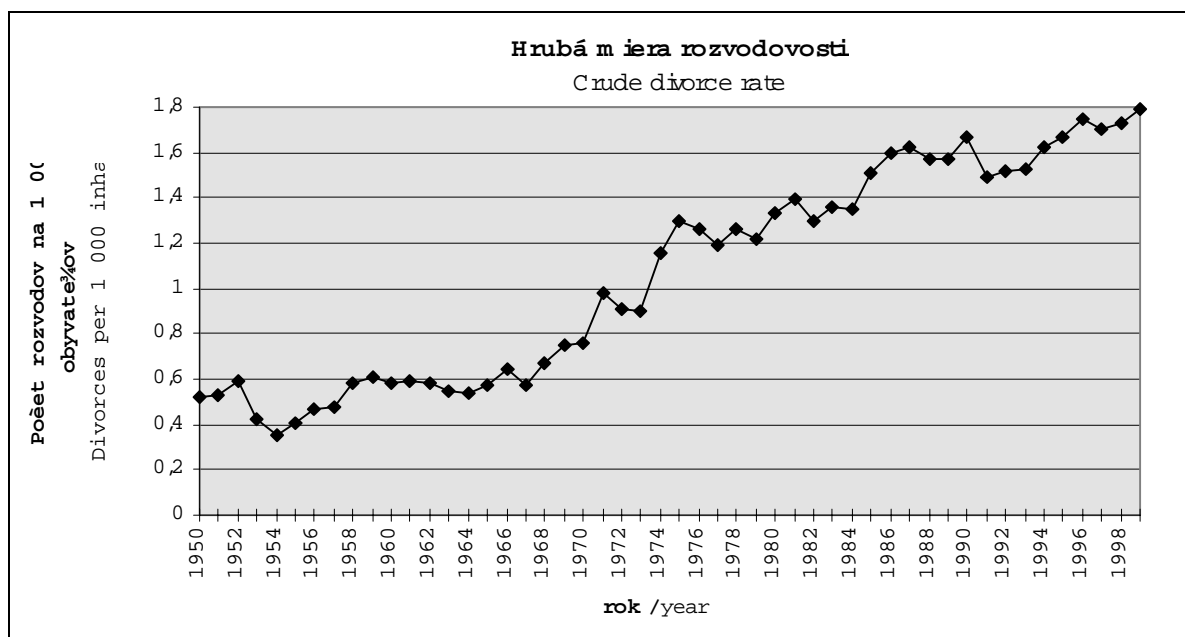
Gradual reduction of number of abortions and suckling-babies and new-born-babies mortality rates may be evaluated positively.

Number and proportion of children up to the age of 15 is decreasing gradually; and number and proportion of people of 60 years of age is increasing, though very slightly yet.

Population is getting old continuously; the evidence may be found in increased average age of both sexes and worsened ageing index.

Number of marriages and wedding rate decreased compared to those in 1989. Contrary to that, number of divorces and divorce rate increased.

Divorce rate was of an increasing tendency in Slovakia during the period monitored. The peak values of both, divorce and divorce rate in the after-World-War period were recorded in 1999. 9.7 thousand of marriages were divorced by court decisions that was 352 more than in 1998 and gross divorce rate increased to 1.79 per mille. 35.3 divorces were recorded to 100 marriages.



Divorce of a family with dependent child(ren) also is a social issue. Out of total number of divorces permitted in 1999 6.8 thousand (70.7%) were with dependent children: out of them 3.8 thousand with 1 dependent child, and 2.4 thousand with 2 dependent children, and 566 with 3+ dependent children. Average number of children in divorced families was 1.5. Number of families divorced without any children increased slightly compared with the year 1998 accounting for 29.3% (2,828 divorces).

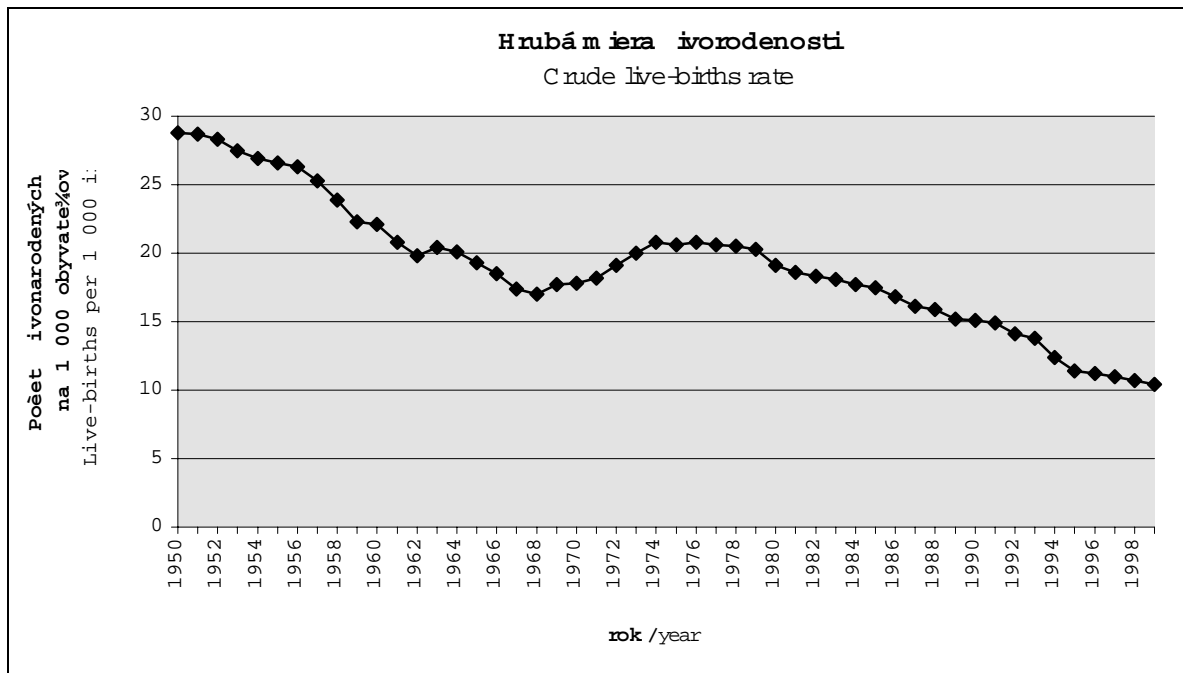
A trend of development of reproduction processes from previous period also was confirmed in 1999. That is reflected mainly by reduction of a birth rate and actual women's fertility. The decrease is not caused by mere demographic factor but also by overall economic situation.

In terms of a long-term birth-rate trend since 1918, its bottom point was achieved in

1999. 56.2 thousand alive children were born which is 1.4 thousand less than in 1998 and 5.2 less than in 1995. Birth rate of 10.4 per mille was lower by both, 0.3 point compared with the year 1998 and 1.0 point compared with the year 1995.

In terms of number and age of women, highly fertile age is between 20 to 29 years of age so the birth rate is much influenced by number of women in such age bracket. There were 434.4 thousand of women in the above age-bracket in 1999 which was 5.2 thousand more than in the year 1998 and 38.1 thousand more than in 1995. Number of women in the highest fertile age group of 20 to 24 years of age also increased, that is the age when a woman becomes mother of a first child most often.

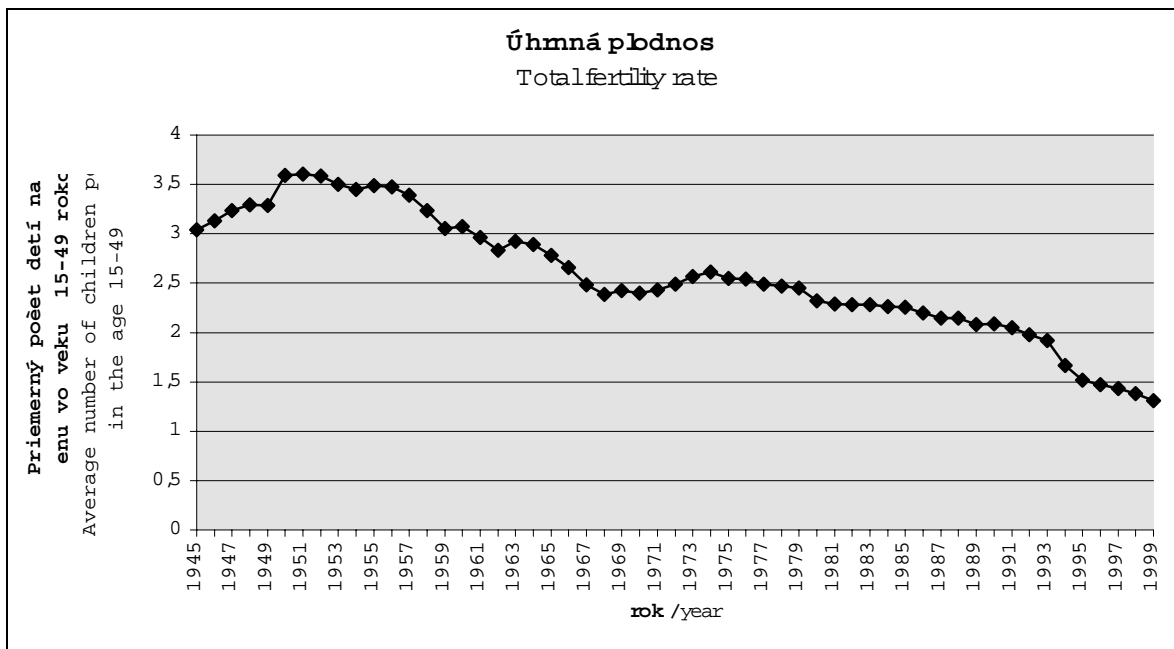
The average age of mother when giving birth of any child was 26 years; 23.6 years when giving birth to a first child in 1999.



Trend of a number of dead-born babies and related death-birth rate are the negative characteristics of natality. Such indicator has a favourable trend in Slovakia. 259 babies in Slovakia were born dead in 1999 which was 22 babies less compared to the year 1998 and 18 babies less compared to the year 1995. Compared to 1,000 babies born, 4.6 babies (1999), 4.9 babies (1998) and only 3.9 babies (1995) were born dead.

Number and proportion of children born alive out of marriage increased. There were 12.6% (i.e. 7.7 thousand in 1995), 15.3% (1998) and 17% (1999) of babies born alive out of marriage out of total number of alive babies born; 17% in 1999 represented 9.5 thousand of babies.

In terms of a breakdown of children born alive, number of them being born as the first child in a family increased to 42.8% (increase by 0.7 point compared to the year 1998 and by 1.2 point compared to 1995). After the previous growth, number of children born in a family as a second child decreased by 0.3 point and the same trend (i.e. a decrease) was recorded for babies born as third ones in families. Proportion of first and second babies represent almost 77% out of total number of children born in marriages.



Total fertility of mothers has decreased gradually since 1989; and genuine increment of population will not be secured by mothers' fertility after 2001.

### 1.3 Unemployment

Increase of unemployment has gone hand in hand with economic transition in Slovakia since 1990 having unfavourable impact on living standard of children. While no unemployment was reported in 1989, 333.3 thousand of people were registered with labour offices as unemployed and the unemployment rate achieved 13.1% as of the end of 1995. The absolute number of unemployed people accounted for 535.2 thousand as of the end of the year 1999 and the unemployment rate of unemployed people being at immediate disposal for work achieved 19.2%. Unemployment trend in Slovakia was influenced by a disintegration of Eastern markets, over employment of some industries, one-side target destinations, insufficient links between the schools system and labour market, poor labour force mobility, inappropriate proportion between social benefits and earnings in work, poor creation of job opportunities and unclear ownership rights mainly in bankruptcy-filing businesses and enterprises.

Regional differences in unemployment became deepened gradually hand in hand with increasing unemployment. As of the end of the year 1999 the highest unemployment rate was in the following districts: Rimavská Sobota (37.4 %), Trebišov (33.8 %), Veľký Krtíš (33.7 %), Revúca (33.6 %), Rožňava (33.1 %) and Sobrance (32.9 %). The difference between districts with highest and lowest unemployment rate was 33.2 percentage points in 1999.

Young people without any work, women caring about children, people with poor qualifications and disabled people are the risky groups at labour market. Such groups are pushed out of labour market and have become long-term unemployed after some time. According to labour force sample surveys carried out in Slovakia since 1993, proportion of long-term unemployed people (over one year without work) was 46.9% out of total 416.8 thousand of Slovak unemployed people in 1999. More men (51.5%) than women (48.5%) suffered from long term unemployment.

The main issue touching the Slovak labour market can be seen in young people unemployment. Young people at the 15 to 24 year age bracket accounted for 34.4% of total number of unemployed people in 1999; in terms of sexes, more young men (35.7%) than young women (32.9%) were unemployed out of total number of unemployed men and women, respectively. Compared to the year 1995 proportion of young unemployed people to overall unemployment increased by 2.7 percentage points in 1999 (while that figure decreased by 0.3 point in case of men; and increased by 6.1 point in case of women). Unemployment rate was represented by 16.2% based on labour force sample survey carried out in Slovakia in 1999; however such indicator was much higher for the 15 to 24 years of age bracket achieving 32.1% (same for men and women). All of the reasons above lead to a conclusion that young people, who are not sufficiently backed financially postpone their establishment of a family to a later time.

According to a level of education achieved out of total unemployment 59.3% was due to unemployed people with elementary education, no education or apprentices without GCE. The largest number of unemployed people who lost their last jobs had been employed in industrial production, trade, construction and agriculture; proportion of unemployed being previously employed in such industries made up for 46% out of total unemployment. Reasons for becoming unemployed, as reported by people who have ever worked, were mass redundancy (23.9%) and cease of existence of an employer concerned (18.2%).

#### **1.4 Net In-money Expenses of Households**

To draw a picture on children's situation it is necessary to have a look to net in-money expenses of households in Slovakia. Net in-money expenses in 1999 were Sk 62,707 per 1 household member (average exchange rate in 1999 was 1 USD = Sk 41.417 Sk) increasing thus by 53.6% compared to a year 1995; however a real reduction by 15.9% was recorded. Average net yearly expenses per 1 household member were Sk 62,575 in households of employees; Sk 55,061 in peasant households, and Sk 62,545 in households of retired persons. Such expenses accounted for Sk 73,014 in households of independently gainful people.

Proportion of expenses on consumption reduced slightly at large considering all types of households (by 0.8 point). The most significant reduction was recorded in case of expenses on clothes and shoes (by 2.5 points) and on food and soft beverages (by 2.4 points). Proportions of expenses spent on recreation and culture; alcoholic beverages and tobacco, furniture and apartment equipment; and education also were reduced by 0.8; 0.3; 0.2 points respectively. However, during that period of time proportion of expenses on various goods and services (mainly on personal care); housing, water, energy; hotels and public catering services increased by 1.6; 1.2 and 1.1 points respectively.

In terms of social brackets, the most rapid increase of development of net in-money revenues and expenses was recorded in households of independently gainful people (increments exceeding 60%); the lowest one was recorded in households of manually working people in agriculture (peasants – their incomes increased by 42.4% and expenses increased by 46.2%). Incomes increased by 51.4% and expenses by 54.4% in households of non-working retired people. The least increase was recorded in households of peasants (incomes by 7.7% and expenses by 10.6%); the greatest growth of real value was in households of independently gainful people (incomes by 22.7% and expenses by 26%). Incomes increased actually by

11.1% and expenses by 16.2% in households of employees; the same indicators for non-working retired people were 12.8% and 15.8%, respectively.

Expenses on clothes, leisure and services are envisaged to increase mainly in lower decile groups in the next coming time period.

## **2. Poverty and Relative Income Inequalities**

More and more public awareness of poverty has been achieved in Slovakia during the most recent days.

No „poverty“ could be found in any official dictionary in the socialist Czechoslovak Republic. At the first glance, therefore, democracy may seem to be accompanied by poverty. However, reality is different and more clarification is needed. Though the poverty could not be demonstrated in the socialist regime that absence did not mean that no poor people existed during such regime. Socialist ideal of equality was implemented in a very peculiar way – some people were equal, some other were more equal and others who were not equal were surveyed though under the coded name as “groups with limited possibility to consume“ (Hiršl, 1992).

In the framework of social security system social benefits were provided to the poor as the solution during the socialist regime. Such social brackets also were segregated by being placed into special facilities: for disabled, immovable, lonely, elderly, etc., people. Romany groups also were considered to be poor (Hiršl, 1992).

Though shyly, yet poverty has started to merge into general public awareness in Slovakia after the year 1989. Though the term „poverty“ was not defined in the Slovak legislation, neither was reported in the official statistics; it has become a subject for research of the Research Institute of the Ministry of Labour, Social Affairs and Family of the Slovak Republic and the Statistical Office of the Slovak Republic.

Poverty is a matter of definition and measurements. Poverty limits are defined by any country through its style, prosperity and, eventually, financial opportunities.

Official poverty limit in Slovakia has been set by a subsistence minimum. Even in the socialist Czechoslovakia, a subsistence minimum for non-working pensioners was calculated at the end of 60ies. Research of the „brackets with limited opportunity to consume“ launched since the year 1970 has identified the subsistence minimum in a normative way where a minimised consumer basket of goods and services calculated according to the current prices has been used as a starting point (Hiršl, 1992). Using a relative method such subsistence minimum set normatively represented 56% of an average income which was a limit line for poverty; while the limit for penury was represented by 42% of an average income. Two levels: subsistence and social ones, were identified in such research.

As resulted from the name itself, the subsistence minimum represents a minimal costs on basic needs for a person to exist. That includes meals, necessary clothing and a shelter (roof over head) (Hiršl, 1992). Subsistence minimum does not exceed a social minimum and represents a border line for absolute poverty or a penury. Social minimum represents a social minimum level of a living standard; needs for living are guaranteed to be met at least at a socially acceptable level and with minimal costs under the conditions obvious in society concerned at the achieved level of economic and social development (Hiršl, 1992).

In the Article 30 of the Constitutional Act No.23/1991 Coll. introducing the UN Charter and Universal Declaration of Human Rights the right of an individual to be assisted in the extend necessary to guarantee basic living conditions in case of a

substantive need is stipulated (Dlouhý, 1997). Such right is guaranteed by the Slovak Constitution after splitting of the country.

Pursuant to fundamental human rights and liberties included in the Article 39, Para 2 of the Slovak Constitution any individual in substantive need is guaranteed a right to be delivered such type of assistance or aid which is necessary to ensure his/her basic living conditions.

In the most recent Slovak Subsistence Minimum Act becoming effective since July 1, 1998 a co-responsibility of an individual for his/her unfavourable situation was highlighted. Subsistence minimum as a socially acknowledged minimal level of income for a natural person has been identified in the Act; substantive need is below such amount. Subsistence minimum defined as a substantive need of an individual means a summary of goods and services necessary for a one-family-budget household of a certain size and composition to meet its basic living conditions considered to be inevitable to become included into ordinary life, though at a modest level, in a given period of time. The monthly amounts for subsistence minimum are as follows: Sk 3,230 for the 1<sup>st</sup> adult natural person; Sk 2,260 for the 2<sup>nd</sup> adult natural person; Sk 1,460 for a dependent child. Pursuant to the Act No. 195/1998 Coll. on Social Assistance under the later regulations any individual in substantive need is granted an assistance to meet basic living conditions. Pursuant to the Article 48 a social assistance benefit may be granted to such person due to one of the following type of reason for a substantive need:

- ✓ Any individual in a substantive need due to his/her subjective reasons is granted a social assistance benefit in such amount to complement his/her income in a calendar year up to the amount of 50% of a subsistence minimum;
- ✓ Any individual in a substantive need due to objective reasons and not having any income from dependent activity is granted a social assistance benefit in such amount to complement his/her income in a calendar year up to the amount of a subsistence minimum;
- ✓ Any individual in a substantive need due to objective reasons and having some income from any dependent activity is granted a social assistance benefit in such amount to complement his/her income in a calendar year up to the amount of 120% of a subsistence minimum.

The effort to provide a new view on the poverty issues was offered by a sample survey in households under the „Social Situation in Households“ („SSH“) headline carried out by the Slovak Statistical Office in 1995 in line with the „Poverty Project“ undertaken in a co-operation with the INSEE (National Institute for Statistics and Economic Studies in France) experts under the PHARE programme. This was the most representative poverty survey in Slovakia so far.

The outcomes were processed for 8,676 households who had filled in the questionnaire entirely or partly. 28,411 people in total lived in the households mentioned above.

The survey purpose was to identify living conditions of Slovak households at the beginning of the transition period to the market economy. In addition to describing objective situation in households (income, employment, demography, comfort and equipment/furniture of apartment) another relevant subjective part was introduced for households: a room was provided to let them express their feelings regarding the current situation and development.

The survey was designed in such a way to make a data analysis to be carried out in the view not only of monetary poverty but also the one of living conditions and subjective opinion on poverty.

### **Three Types of Poverty**

Three basic angles for poverty parameters were considered: poverty indicators in terms of living conditions; subjective poverty indicators; and monetary poverty indicators.

### **Poverty in Terms of Living Conditions**

So-called dependent variables / indicators were selected based on the analysis of household responses in the questionnaire.

Things used as the equipment of households and owned by more than 50% of households (so-called objective standard in Townsend understanding) and phenomena having negative impact on quality of housing, and/or living standard were identified in the definition of poverty in terms of living conditions. The fact that they are considered to be an unfavourable phenomenon if missing by most of population was the second criterion for selecting the indicators.

The poverty score in terms of living conditions was got by weighted sum of selected indicators:

$SPLC = \text{sum} (0, \text{nespor}, \text{nechlad}, \text{neprac}, \text{netv}, \text{mbyt}, \text{vlhbyt}, \text{tmavbyt}, \text{hlsused}, \text{zltec}, \text{znec}, \text{vand}, \text{mzel}, \text{pizb}, \text{obsat}, \text{neplat}, \text{potr}, \text{vzdeti}, \text{auto}, \text{telef}),$

where

*a household did not possess*

nespor = a kitchen stove;

nechlad = a refrigerator;

neprac = an ordinary, neither automated washing machine;

netv = a colour TV;

auto = a car;

etc.

*the following was provided with large financial problems or not provided at all:*

obsat = purchase of shoes or clothing;

neplat = settlement of current payments related to housing (electricity, gas, water, rent);

potr = purchase of basic food (catering);

vzdeti = to support financially education of child(ren).

The more negative indicators selected occur in a household, the higher the poverty risk in terms of living conditions was.

After the data analysis poverty in terms of living conditions was defined as existing if a living conditions poverty score > 7, i.e.

$$PLC = (SPLC > 7).$$

According to the living conditions poverty definition above, **13.4% of households** in Slovakia were found suffering from the poverty.

In terms of housing, basic comfort was found to be provided in the Slovak households. All households possessed basic equipment; however the age of it might be of a concern as most of them were older than 5 years. Luxury of a household was demonstrated by possessing e.g. high-fidelity equipment; colour TV (not possessed by 33% of households); car (not possessed by 63.9% of households) or even a telephone (not possessed by 58.8% of households).

One of indicators of comfort in housing is the average room occupancy rate. Such rate was fairly high in Slovakia; for instance there are more than 2 persons per one room in 5% of Slovak households (while, for instance, the ratio is almost zero [0.3%] in France).

Financial situation of households in Slovakia caused problems, and/or prevented them from settling:

	<i>% of households</i>
purchase of basic food (catering)	14.8
current payments related to housing	15.2
purchase of clothing or shoes	44.5
services (dry-cleaning, washing, painting, ...)	53.6
refurbishment of house, apartment, renewal of equipment	72.8
meeting interests like culture or hobbies	57.2
inland holiday	78.5
holiday abroad	20.2
education for child(ren) (schools)	

*Source: SO SR, Social Situation of Households (1995)*

Way of life of Slovak households was somehow specific compared to other European countries; such specifics had an impact on both, data surveyed and living standard of households. Gardens and vineyards also were widely exploited (41% of households) and, to a large extent, had an impact on how holidays were used; many households used their holiday for a work on their piece of land). Considerable domestic production (not considered in the survey) also was a way of increasing a living standard.

Education is one of the important phenomena in bringing up children. In spite of the fact, that standard education is, in practice, free-of-charge in Slovakia, nursing and clothing provided for children, and/or rents paid in the place of study until becoming an University graduate could not be neglected by parents. Such money was raised at the expense of other activities (hobbies, holiday, refurbishment of house/apartment).

Social isolation is one of the signs of poverty. However, that was not true in all cases in Slovakia. Though falling into poverty social contacts of many households were not broken.

An intensive inter-generation help and support also did and still does exist in Slovakia. Parents take care about their children until they are adults and even after that time, in many cases. Unless achieving some living standard children were supported by their parents both, financially and in kind; that was also true *vice versa*: elderly people often move to the homes of their children so that children may take care about their parents.

Upon **econometric analyses** carried out the following **determinants of poverty in terms of living conditions were identified**: low position in social hierarchy (mainly having occupation of non-qualified manual worker); bad relationships between family if members; bad relationships with others, in less extend; in case of older households the risk of poverty in terms of living conditions was considerably lower compared to younger households (up to 29 years of age). Another factors contributing to higher risk of poverty in terms of living conditions were: any handicap of head of a household, and/or low education (not completing elementary education) of parents of head of a household.

### Subjective Poverty

Compared to previous poverty similar approach was chosen to detect subjective poverty as well. Two types of information were considered in defining the subjective poverty score:

<b>Information on financial situation</b>	<b>% of positive responses</b>
Situation has been worsened in the last 2 years considerably	21
Budget allows for hard or very hard living only	25
Current situation: household must be in debts	8
Income is the same or lower than a minimal amount needed to survive	71
<b>Delayed Payments</b>	
Rent, services related to housing	11
Electricity, gas, water	9

Source: Statistical Office SR, *Social situation of households(1995)*

The subjective poverty score was defined:

SPSU = sum (0, situr, nespr, prezit, finsitr, pbbyt, pbele)

With

situr = living standard of household has been worsened slightly, considerably;

nespr = monthly income allows to live fairly tough, tough, very tough live;

prezit = family income is lower than the amount considered by family to be minimal for surviving;

etc.

Subjective poverty was considered to exist if the subjective poverty score > 3, i.e.

PSU = (SPSU > 3).

Using the above subjective poverty definition **7.7%** of households in Slovakia **were found poor**.

Pessimistic prospect was a prevailing opinion about future; 79% of households had a fear about possibility of becoming poor in the future. Lower-income households, incomplete families or families with 3+ children were threatened more. In terms of brackets the highest percentage of those who felt fear due to a possibility to become poor was found among unemployed (57.6%) and retired (38.9%) people.

The fact that subjective poverty was more likely to occur in the low-income, incomplete or 3+-children families has been revealed through the **econometric analyses** as a follow-up result. Significant role in such type of poverty was assigned to relationships between household members and other relatives; relationships inside the households and their overall isolation. Good healthy condition also was a good prerequisite of subjective anti-poverty. No impact on subjective poverty was demonstrated by a type of municipality in which household was located.

### **Monetary Poverty**

Income calculated per so-called consumption unit defined as  $osprij = rprij / \sqrt{a}$ , where

$osprij$  = income calculated for consumption unit;

$rprij$  = household income;

$a$  = number of household members

was used to define monetary poverty.

Poverty threshold was defined as 60% of median of income distribution. The reason was that there was a high concentration of household incomes around the median point.

Monetary poverty definition:

$$PMO = osprij < 2\,495 \text{ Sk (60\% of median).}$$

Based on the above definition **12.1% of households** in Slovakia were found poor in 1995.

Based on **econometric analyses** it was shown that type of family had the most significant impact on likelihood of occurrence of monetary poverty. The highest likelihood to become monetary poor was in one-member households and incomplete families with 1+ children.

In terms of age of household head households where the head of family was less than 30 (and/or 30 to 39) years old were the most risky ones. Bad relationships among household members and other relatives and isolation of household were some of the factors contributing to the monetary poverty risk.

In addition to the survey quoted above the outcomes of Microcensus 97, a sample survey on household incomes, were used to complete the picture on poverty in Slovakia. That is how the overview on trend of the monetary poverty was investigated between the two surveys.

### **Comparison of Household Incomes in SSH 95 and Microcensus 97**

Some changes were detected by comparing the level of household incomes through SSH (incomes in 1994) and Microcensus („MC“) 1997 (incomes in 1996). During the period of two years absolute increase of household incomes was recorded.

*Household incomes by income brackets (in %)*

<b>Income Bracket (in Sk)</b>	<b>MC 97´ (%)</b>	<b>SSD 95´ (%)</b>
up to 2000	1,8	1,9
2001 - 5000	19,0	30,8
5001 - 7000	12,5	24,4
7001 - 10000	21,9	22,9
10001 - 12000	12,1	9,0
12001 - 16000	17,5	6,9
Over 16000	15,1	3,5
non responded	0,1	0,6
<b>Total</b>	<b>100,0</b>	<b>100,0</b>

Dispersion of income distribution is much lower in Slovakia compared with, for instance, France. According to the Gini coefficient which is 0.33 in France and 0.25 in Slovakia the latter appears to be the country with lower social differences.

Such phenomenon is related to the heritage of egalitarian tendency adopted during the socialist regime; minimal criteria for existence / survival were guaranteed by the socialist State and incomes in money were poorly differentiated, and no income as a result of capital acquisition did exist. Number of private entrepreneurs (privatisation), university graduated cadres and freelance people (general practitioners, advocates, etc.) with higher incomes has increased since launching transition to the market economy, therefor the pattern of Slovak general society has become re-layered in terms of their incomes.

Some changes in dispersion of income distribution also have been visible also during the two years between the SSH 95 and MC 97 surveys.

While 80% of households had the income up to Sk 10,000 in SSH 95, the same proportion was only 55.2% in MC 97. 12.1% of households were in the income bracket of Sk 10,001 to 12,000 in MC 97 (compared to 9.0% in SSH 95); 17.5% of households had the income ranging from Sk 12,001 to 16,000 according to MC 97 (compared with 6.9% in SSH 95); and 15.1% of households were included in the interval of Sk 16,000+ (compared with 3.5% in SSH 95).

The median of income distribution in 1996, according to Microcensus, increased to Sk 5,337 compared to Sk 4,158 (according to SSH 95). **11.1%** of households were found monetary poor in 1996 in Slovakia (compared to 12.1% in SSH 95).

<b>3 Types of Poverty</b>	<b>% of households</b>
Poverty in terms of living conditions	13,4
Subjective poverty	7,7
Monetary poverty	12,1 (11,1 - MC´97)

### **Poverty By Type of Family**

*Structure of households in Slovakia (in %)*

<b>Type of Household</b>	<b>SSH 95 (%)</b>
Others	10,1
Complete family without any child(ren)	15,4
Complete family with 1 child	13,4
Complete family with 2 children	22,7

Complete family with 3 children	12,0
Incomplete family with 1+ child(ren)	7,4
Single man	5,3
Single woman	13,7
Total	100,0

Source: SO SR, Social Situation of Households (1995) („SSH 95“)

*Households suffering from particular type of poverty depending on type of family (in %)*

Type of poverty	1 member: man	1 member: woman	Couple without any child	Couple plus 1 child	Couple plus 2 children	Couple plus 3 children	Couple plus 3+ children	Other types	Total
PMO	11,8	35,6	10,5	8,5	10,8	8,1	11,5	3,2	100
PLC	10,6	17,6	10,0	9,1	14,2	15,8	11,8	10,9	100
PSU	9,5	7,8	6,9	10,3	15,9	20,0	19,1	10,5	100

Source: SO SR, Social Situation of Households(1995) („SSH 95“)

If so-called „other types“ of households where children also may be brought up, are not considered, 38.9% of households with children were monetary poor; 50.9% of households with children were poor in terms of their living conditions and 65.3% of households with children were poor subjectively, out of total number of poor households by the type of poverty. Children's poverty was visible a little only as it was presented in statistics within the households mainly.

### **Combination of Poverty Types**

Different pictures of poverty are provided by the three definitions above. In the next stage of analysis an attempt was made to link them, and/or to define combinations of so-called basic poverty types (monetary, living conditions and subjective ones).

#### **1. Total Poverty (PTOT)**

Total poverty is present if a household suffers from all three poverty types, i.e. monetary poverty, poverty in terms of living conditions and subjective poverty are all present. By calculating frequencies an outcome was achieved that **1.9%** of households in Slovakia suffered from the total poverty.

#### **2. Subjective and Monetary Poverty; Absence of Poverty of Living Conditions (PMOSUNLC)**

Household suffers from the two types of poverty: monetary and subjective. **1.5%** of households were found suffering from the combination of subjective and monetary poverty with the absence of poverty of living conditions.

#### **3. Subjective Poverty and Poverty in Terms of Living Conditions; Absence of Monetary Poverty (PNMOSULC)**

Any household falling in this category suffers from subjective poverty and poverty in terms of living conditions at the same time. **2.9%** of households were found suffering from such type of poverty in Slovakia.

**4. Monetary Poverty and Poverty in Terms of Living Conditions; Absence of Subjective Poverty (PNSUMOLC)**

Any household affected with such combination suffers from monetary poverty and poverty in terms of living conditions at the same time. **1.8%** of households were found suffering from the combination of monetary poverty and poverty of living conditions with subjective poverty not existing.

**5. Subjective Poverty; Absence of Monetary Poverty and Poverty in Terms of Living Conditions (PNMOSUNLC)**

Any household feeling subjectively poor, though not being monetary poor neither in terms of equipment of household, falls within this category. **5.5%** of Slovak households suffered from such type of poverty.

**6. Monetary Poverty; Absence of Poverty in Terms of Living Conditions and Subjective Poverty (PNSUMONLC)**

Any household being monetary poor, though not feeling poverty and also equipped above the poverty level falls within that category. **6.9%** of Slovak households were found poor in terms of monetary poverty exclusively.

**7. Poverty in Terms of Living Conditions; Absence of Subjective and Monetary Poverty (PNSUNMOLC)**

In spite of the fact that no household falling within this category feels any subjective poverty, neither its poverty is indicated by the income considered; yet selected living conditions correspond to equipment of poor family. If proportions of poor households within each category are to be compared, the highest proportion of poor households (**7%**) refers to the poverty in terms of living conditions with monetary and subjective poverty not existing.

**8. Zero Poverty (PO)**

Any household falling within this category does not suffer from any of the basic types of poverty, and therefore also no combination was reported. According to such definition of zero poverty, **72.7%** of Slovak households were intact; that means that no type of poverty (subjective, monetary or poverty in terms of living conditions) was relevant to them.

*Combination of different types of poverty and their representation in Slovak population*

<b>3 types</b>	<b>%</b>	<b>2 types</b>	<b>%</b>	<b>1 type</b>	<b>%</b>	<b>no poverty</b>	<b>%</b>
PTOT	1,9	PMOSUNLC	1,5	PNMOSUNLC	5,5	P0	72,7
		PNMOSULC	2,9	PNSUMONLC	6,9		
		PNSUMOLC	1,8	PNSUNMOLC	7,0		

In terms of links made between the three types of poverty only few households were found poor according to all the three criteria (1.9%). 9.9% of households suffered from two types of poverty at the same time; 19.4% of households suffer from one type only and 72.7% of Slovak households did not suffer from any type of poverty.

It is fairly risky to consider any household suffering from one type of poverty only to be poor. It will be more appropriate in the future to focus on households where at least two types of poverty are cumulated.

In addition to its specific nature, as the survey was carried out in domestic environment, another benefit of the SSH 95 has been its compilation to offer outputs comparable with the European panel.

Based on information above it is obvious that the term „poverty“ has to be used very prudentially and criteria used in calculating the indicators have to be defined precisely.

Incomplete sample of population is a great issue in surveying poverty not only in Slovakia as the people without permanent address – like homeless people, jail-birds, drug-addicted people, people staying in dormitories, hospitals, houses for retired people - are missing in the samples in generally.

Romany (gipsies) groups also can not be by-passed as they are considered to be poor at large. Though not recorded officially, for instance as social assistance beneficiaries, Romany groups are long-term unemployed to a large extend, hand in hand with low qualifications considerably reducing their chances to be employable. Massive children's poverty also is worth mentioning as more-than-one-child families are typical for such population groups.

## **Strategies to Combat Poverty in Slovakia**

1. Significant role in combating poverty in Slovakia will be undertaken evidently by the State who, through its social policy, should prevent citizens, families or different social brackets to fall down into the poverty level. The main role is assigned to a social insurance and social assistance schemes for the poor (Tomeš, 1996). Subjective opinion of those who are under the threat of their living standard to be lowered should be reflected in the State approach.
2. Increasingly, important role in combating the poverty is taken by dozens of non-governmental organisations delivering various forms of assistance to socially weak people, incomplete families, unemployed and homeless people. Substantive assistance, including financial support or support in food, also is delivered. Summer camps or support in food are arranged for children socially dependent. Church charities offering assistance traditionally to the people in need (Church was meeting the role of the State in the past – welfare state) and having a considerable mission within the non-governmental organisations focusing on socially weak people support the socially poor; run the children's charity houses; deliver catering services for homeless people; or help pregnant women without any shelter (Šimúnková, 1999).
3. In addition to the above transparent approaches to the issues of poverty significant role has to be assigned to family transfers. Both, prevention and overcoming the impacts of poverty are concentrated to families.

4. While combating poverty an important role is assigned to increasing the educational level of population (crucial prerequisite for becoming successful at labour market as well as for higher income at work).

### **3. Education**

Enrolment index to pre-school facilities in Slovakia reduced from 92.3% in 1989 to 87.1% in 1999. Contrary to that, enrolment index to elementary schools increased from 97.0% in 1989 to 107.5% in 1999 because that was the time when more children were born („babies boom“) who were to start their compulsory education.

Number of pre-school facilities decreased during 1989 to 1995 and became stable, more or less in 1995 to 1999. Number of classes increased by 376. Number of children enrolled, for instance, in 1997 increased by 5.8 thousand compared to the year 1995; such indicator, however decreased during the last two years and only 161.8 thousand of children were enrolled in 1999 (decrease by 4.4%). Number of teachers increased in the period monitored by 874. Average number of pupils per 1 teacher decreased from 10.8 in 1995 to 10.2 in 1999. 20.7 pupils were registered with one class which means a decrease by one pupil since the beginning of the period monitored.

Considering overall financial constraints of education system qualitative changes and changes in overall structure of educational process have taken place. Increasingly more stress is attached to language study as well as on enhancing modern literacy in using PC and stationary technologies of pupils and juveniles in schools. Under the State aid and assistance of several international organisations computers are provided to all levels of schools with the purpose to link them all to the Internet network not later than by the end of 2002.

Enrolment to pre-school facilities is supported, partly, by the State, municipalities and some, mainly large, employers.

Catering and accommodation services are delivered to pupils and students at any level of educational process; such services are contributed to by the State. In spite of the fact that the prices for such services increased recently interest in being delivered them is still high. There were 4,588 school canteens in Slovakia delivering catering services to 518.8 thousand of pupils and students which means an increase by 5.8% compared to 1995 but a decrease by 5.5% compared to 1997.

Teachers in State schools are civil servants and their wages are fully granted from the State budget. Through a subsidy system there are State contributions also provided to wages of teachers and tools necessary for teaching process to private schools. Pupils in the first four grades are entitled to be provided textbooks free-of-charge. Other teaching aids are provided partly by schools but more and more of them are procured by parents of the pupils / students.

Some grey economy surveys have shown recently that in addition to legal payments within a school system there is a practice of requiring illegal payments to support positive outcome of school examinations, etc. So far no detail outcome of such survey in Slovakia has become available to us.

### **4. Health**

Children's care starts in pre-natal time: future mothers are registered, trained and examined in the nearest health care facility. Health condition of both, mother and foetus in mother are monitored and examined.

According to the situation in nourishment of children the assumption is that less than 2% of children up to 5 years of age could suffer from under-nourishment. However, no reliable data are available in Slovakia as such phenomenon occurred in the country only on a sporadic basis.

The overall tendency of mortality rate of children due to various diseases reduced, and maintained slightly higher in less adaptive population groups who partly undervalue overall hygienic habits.

Due to a disproportion deepening between resources and needs in the field of health insurance, more and more payments for small health care actions (mainly dentists) and medical drugs are transferred to general public. Principal systematic changes in funding health care system will have to be adopted in close future to stop its indebtedness. Race, sex, ethnic group or place of permanent address have no impact on the amounts of payments granted for health care actions.

## 5. High Risk Children and Public Care

Substantive need is defined by the Social Assistance Act; the definition is that a substantive need is if a person can not secure his/her basic living conditions by himself/herself or with a support of his/her family; service or a social assistance benefit is granted in such situation.

Out of 296,604 social assistance beneficiaries in December 1999, 202 805 individuals and families without any child and 93,799 families with dependent children were granted such benefit. Out of them: 31,483 were in substantive need due to their subjective reasons; 47,210 were in substantive need due to objective reasons, and 15,106 families with dependent children were in substantive need due to objective reasons though having an income from dependent activity. Based on data on social assistance beneficiaries a conclusion may be drawn that 16.7% of total number of families with dependent children were in substantive need at the end of the year 1999.

More difficult economic situation also was reflected in a quality of running families. Violence in families increased, mainly in combination with alcoholism of a family member or in combination with a break-up of family. Conditions for arrangements after divorce are complicated and hard to be implemented; it is often hard to arrange separate accommodation or apartment if one (sometimes both) of partners is unemployed – the problem may be even more serious. Divorce is not a solution, partners have to live in one household and conflicts become deepened; upbringing of children becomes of a problem. Mental health of all family members is under the threat.

Social consultancy services delivered through a network of **Centres of Consultancy and Psychological Services („CCPS“)** assist in sorting out such serious family situations. Such services are delivered for individuals, couples or families. Centres deal with people who are in social rescue network helping replacing abandoned children in new families, help young people in finding their orientation in life and occupation through many „edge“ occurring situations up to their psychical problems. A whole range of social training focusing on becoming more employable are organised by the Centres for young school-leavers. The assistance of such Centres is very often searched for by people down psychically, without any shelter, having no job or money, often without family as they had departed.

Juvenile clients at the age of 15 to 18 years turning to CCPS as the only place where some care and psychological assistance are delivered are specially risky;

though no further care can be provided to them in terms of sorting out their social situation or placing them into care-providing facilities if drug addicted. Specific approach in terms of sorting out their social situation as well as in medical care provided are needed to such risky group and therefore treatment fails in most cases. Legal protection of an individual who is delivered social service as well as to those upon whom such individual is dependent is laid down in social assistance legislation. Legal protection in this sense means that persons above are protected against any payment which would be inappropriate to their income or property.

Types of out-patient social services delivered in field or through facilities are laid down in the Act:

- ♣ care service;
- ♣ arrangement of common catering service;
- ♣ transport service;
- ♣ care delivered in social service facilities;
- ♣ social loans.

**Care service** may be delivered to any child 2+ years old until completing compulsory school education if his parents or a person who has taken such child to his/her care replacing thus a care of parents upon decision of a relevant authority can not provide him personal, whole-day and appropriate care due to severe reasons. Care service may also be delivered to a mother who has given birth to three or more children at once or if twins were born repeatedly within a period of two years.

Care service also is delivered to households (living in apartments) in care-service houses – special-targeted houses established by municipalities. Number of care-service houses as well as number of apartments in them are decreasing. While there were 64 care-service houses with 3,178 apartments in 1998; only 53 such houses with 2,743 apartments were left in 1999.

Institutions spread mostly to replace children under various threats their family environment are **Children's Houses**. Such children may be delivered care in a Children House since being born until becoming adult officially and then until becoming independent, however not longer than until 25 years of age. Children in Children's House are delivered care replacing natural family environment; pursuant to the Social Assistance Act „to become independent“ means to ensure housing. Care delivered includes catering, housing, maintenance, education and medical – upbringing treatment care. It is a special activity targeted on smoothing any disorder resulting from psychological, personal or social development.

In addition, a care including consultancy, hobbies, cultural or recreational activities is delivered. If a child is delivered a whole-year care without any personal belongings, those also may be secured.

81 Children's Houses with total capacity of 3,921 children existed in Slovakia in 1999. Out of them: 75 were State Houses with the capacity of 3,757 children and 6 belonged to churches with the capacity of 164 children; 3,589 children were placed in total, out of them 3,443 in the State and 146 in church Children's Houses.

Out of total number of children placed 569 were children with disabilities and 173 children were older than 18 years; there were 1,640 girls and 14 mothers below the age of 18 (minor); there were 56 orphans and 458 semi-orphans (having one parent); there were 636 children younger than 3 years. 929 children were placed to the Children's Houses during the year 1999; of them: 424 girls and 101 children with disabilities.

1,086 children finished their stay in the Children's Houses: 202 children have grown adult and 288 children have been returned to their original families. 75 children were entrusted to a foster care, out of them 42 below three years old. 181 children were entrusted to a pre-adoption care, 164 of them were babies below three years old. 22 children were entrusted for upbringing to a person other than a parent. Children's-House care was completed due to other reasons in case of 318 children.

1,583 children attending compulsory school education were in Children's Houses as of December 31, 1999, out of them: 1,295 were pupils of elementary schools, 235 attended special schools, 20 children attended special schools with dormitories, 5 children attended special-aid schools and 28 children attended other types of school.

After completion of delivery of Children's-House care and becoming adult a lump-sum contribution in money is granted to a child for his/her outfit at the amount of 5-times subsistence minimum for any child without means. Such amount accounted for Sk 7,300 pursuant to legislation in 1999.

3,501 children were placed in the **Social-Care Houses** in 1999. Such children are under the threat in most cases due to their handicap, i.e. physical or mental disabilities.

**Foster care** is another type of an upbringing replacing genuine family environment. Foster care is a legal relationship coming into existence upon legal decision of a court and ceases to exist on the date when a child becomes of age. Only a married couple may become fosters pursuant to a legislation valid in Slovakia. New piece of legislation has come into force since January 1, 1999 regulating criteria for foster care delivery including benefits granted. Foster care may be delivered in special facilities upon written contract of a foster concerned with relevant authority who is a founder of such facility, and/or with municipality or NGO entity. Any foster is granted a reward / reimbursement at the amount of 0.44 times amount laid down for the purpose of calculating State social benefit for one natural person which is Sk 1,320 per month for any child regardless the age.

Contrary to other replacing forms of family upbringing, legal relationships to an original family do not cease to exist in case of foster care.

2,581 children were in foster care in 1999. Compared to 2,348 children in such care in 1989 the indicator is higher by 233 children (9.9%) in 1999.

Deciding to adopt a child potential future parents are assisted by the CCPS psychologist. The first step is to submit an application for adoption to a Social Affairs Department at a district office at the place of permanent address. Information on any form of replaced family care and administrative procedure for each of them is shared by the Department staff.

Following has to be attached to the application for replaced care: extract from the criminal records; characteristics by employer and confirmation on wage / salary / earnings; characteristics from the place of permanent address (by district office) and practitioner's report on overall health conditions of future adopters. In addition to the application, they have to pass a psychological examination in the CCPS and several meetings with psychologist. Recommendation to file or not to file future adopters into the waiting list of applicants for replaced family care presented to the district office is the conclusion of the meetings above. As the Social Affairs Departments at district offices are overloaded, primarily with paying out benefits civil associations started to be established assisting in the process of placing children into replaced family care.

Submission of a proposal to launch proceedings leading to a replaced family care to a court is the last step if a child to be adopted has been chosen already by future adopters.

Resources used to provide basic services to risky groups of children are inspected by State authorities and self-government institutions. They also oversee any after-school activity of children and whether they are or are not misused or neglected. If any regulation or law is breached, proposal to adopt corrective measures to stop that situation shall be adopted.

Contributions of the State used in prevailing part to run the facilities caring about risky groups of children. Are to cover, mainly, wages and salaries of staff, food, heating system and supportive activities, teaching aids, costs on repairs and maintenance. Due to poor condition of some of the facilities more resources would be desirable to be spent on the items above; however there is a lack of money due to very severe economic situation. Amounts of the costs mentioned correspond to economic possibilities of the State.

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